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Application Proof of

Tianjin Chenxing Technology Co., Ltd.
天津辰星技術股份有限公司

(the "**Company**")

(A joint stock company incorporated in the People's Republic of China with limited liability)

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Tianjin Chenxing Technology Co., Ltd.
天津辰星技術股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

[REDACTED]

Number of [REDACTED] under the [REDACTED]	**:**	**[REDACTED] H Shares (subject to the [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED] and the [REDACTED])**
Maximum [REDACTED]	**:**	**HK$[REDACTED] per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	**:**	**RMB0.10 per H Share**
[REDACTED]	**:**	**[REDACTED]**

Sole Sponsor, [REDACTED], [REDACTED], [REDACTED] and [REDACTED]

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The [REDACTED], for itself and on behalf of the [REDACTED], may, with the consent of our Company, reduce the indicative [REDACTED] below that stated in this document (being HK$[REDACTED] per [REDACTED] to HK$[REDACTED] per [REDACTED]) at any time on or prior to the morning of the last date for lodging applications under the [REDACTED]. In such a case, notices of the reduction in the number of [REDACTED] and/or the indicative [REDACTED] will be published on the websites of the Stock Exchange at www.hkexnews.hk and our Company at www.atomrobot.com as soon as practicable but in any event not later than the morning of the day which is the last day for lodging applications under the [REDACTED]. For further information, see the sections headed "Structure and Conditions of the [REDACTED]" and "How to Apply for [REDACTED]" in this document.

Pursuant to the termination provisions contained in the [REDACTED] in respect of the [REDACTED], the [REDACTED], for itself and on behalf of the [REDACTED], has the right in certain circumstances, in their absolute discretion, to terminate the obligation of the [REDACTED] pursuant to the [REDACTED] at any time prior to 8:00 a.m. on the [REDACTED]. Further details of the terms of the termination provisions are set out in the section headed "[REDACTED] — [REDACTED] Arrangements and Expenses — [REDACTED] — Grounds for Termination". It is important that you refer to that section for further details.

The [REDACTED] have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be [REDACTED], sold, pledged or transferred, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. The [REDACTED] are being [REDACTED] and sold only outside of the United States in offshore transactions in reliance on Regulation S.

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IMPORTANT

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CONTENTS

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SUMMARY

This summary aims to give you an overview of the information contained in this document. As it is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to [**REDACTED**] *in the* [**REDACTED**]. *In particular, we are a specialist technology company seeking to* [**REDACTED**] *on the Main Board of the Hong Kong Stock Exchange under Chapter 18C of the Listing Rules because we are unable to meet the requirements under Rule 8.05(1), (2) or (3) of the Listing Rules. There are unique challenges, risks and uncertainties associated with* [**REDACTED**] *in companies such as ours. In addition, we have incurred net losses in 2023 and 2024, and we may incur net losses in the foreseeable future. We had net cash used in operating activities during the Track Record Period. We did not declare or pay any dividends during the Track Record Period and may not pay any dividends in the foreseeable future. Your* [**REDACTED**] *decision should be made in light of these considerations.*

There are risks associated with any [**REDACTED**]. *Some of the particular risks in* [**REDACTED**] *in the* [**REDACTED**] *are set out in the section headed "Risk Factors" in this document. You should read that section carefully in full before you decide to* [**REDACTED**] *in the* [**REDACTED**].

OVERVIEW

Who We Are

We are a high-speed industrial robotics enterprise dedicated to the research and development ("R&D"), production, sales and service of high-speed and highly reliable robots. Our product portfolio consists of parallel robots, high-speed selective compliance assembly robot arm ("SCARA") robots, high-payload collaborative robots ("cobots") as well as embodied intelligent robots. During the Track Record Period, our revenue from the sales of robotics steadily increased from RMB65.0 million in 2023 to RMB89.4 million in 2024, then to RMB163.3 million in 2025, and from RMB65.5 million in the six months ended June 30, 2025 to RMB86.9 million in the six months ended June 30, 2026. In 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, 64.2%, 52.7%, 49.5%, 56.8% and 44.5% of our revenue came from sales of high-speed industrial robots, including parallel robots and high-speed SCARA 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.

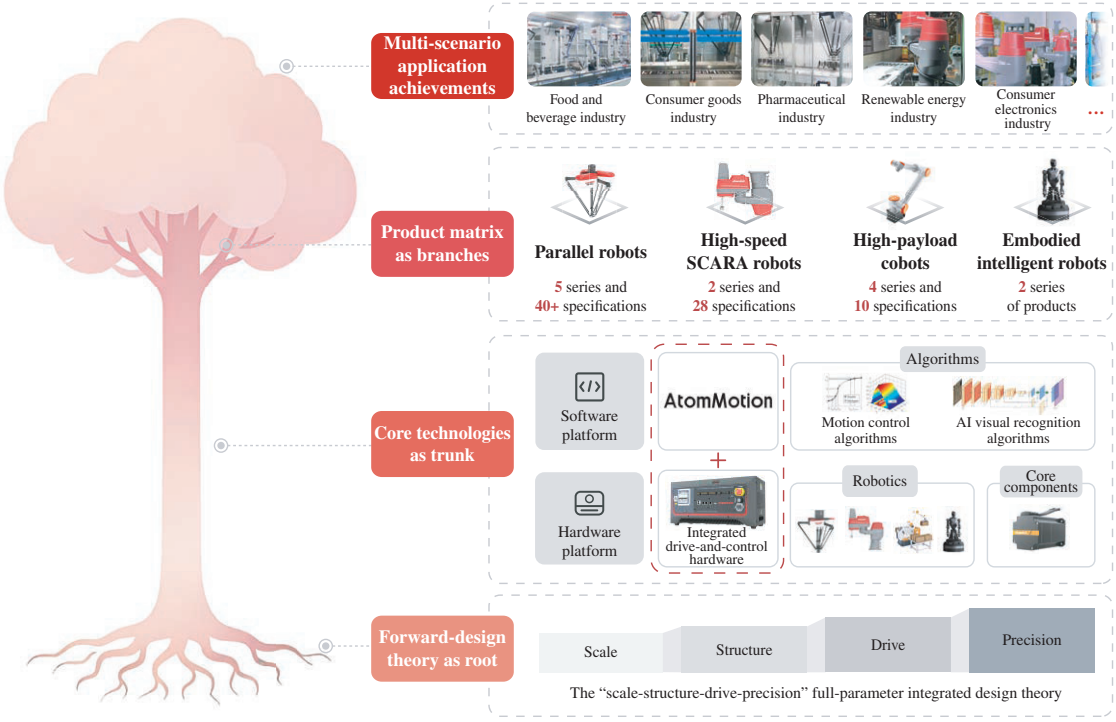
We are a key participant in the high-speed industrial robot industry and have established a leading position in the parallel robot market. The markets for high-speed industrial robots and parallel robots represent specialized segments of the industrial robotics sector. Their shares of the global industrial robot market in 2025 were approximately 7% and 5%, respectively. 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%. During the Track Record Period, we derived a majority of our revenue from China.

Our high-speed industrial robots have been deployed across multiple industries and our parallel robots have secured a leading position in the domestic food and beverage, consumer goods and pharmaceutical industries. Our efforts to expand into new industries have also yielded significant results. We are now the largest supplier of parallel robots to the renewable energy industry in China and continue to expand our footprint in areas such as consumer electronics and automotive, further broadening our market coverage.

Our Growth Underpinned by Theoretical Foundation, Key Technologies, Product Portfolio and Application Scenarios

Supported by our theoretical foundation and deep technological repository, we have evolved into one of the high-speed industrial robot enterprises with the richest product portfolio and the most diverse application scenarios globally, where our core products feature micron-level precision and millisecond-level cycle times. We developed a forward-design methodology, covering foundational theory, underlying algorithms, core components and complete robotics systems. We

also ensure that all key technologies remain proprietary. We have launched five series of parallel robots with over 40 configurations, two series of high-speed SCARA robots with 28 configurations, four series of high-payload cobots with ten configurations and two series of embodied intelligent robots. This product portfolio effectively meets the needs of diverse customers and has been successfully deployed in over 1,000 use cases across industries, such as food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive.



Our Theoretical Foundation Rooted in Our Forward-design Methodology

We developed a forward-design methodology for high-speed industrial robots, spanning customer requirements and product design. Utilizing our dynamic scaling method, we translate customer requirements, such as speed, precision, payload and cycle time, into underlying physical constraints, such as servo motor inertia and rated power, which allows us to systematically derive the optimal structural dimensions, drive system configuration and control strategy for each model of robot. By adopting this forward-design methodology that covers requirement definition to technical implementation, we ensure that our products are tailored to our customers' unique application scenarios from the very beginning rather than being mere replications of existing solutions.

Building on our forward-design methodology, we have established a wide spectrum of parallel robots, covering two to six degrees of freedom. Our portfolio of parallel robots allows us to precisely meet the customized automation and smart production needs of various industries, including food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive. Furthermore, we have successfully extended our design philosophy to our high-speed SCARA robot, high-payload cobot and embodied intelligent robot product lines, achieving a scalable layout for our product portfolio, providing automated, smart products and solutions for a wide range of application scenarios.

Our Key Technologies in Software and Hardware Serve as the Foundational Trunk

We have developed our robotics design and manufacturing technology in-house, integrated drive-and-control hardware-software technology, high-speed, high-precision motion control algorithms, full-stack artificial intelligence ("AI") visual recognition algorithms and proprietary high-power-density motors, which provide robust support for our diversified product portfolio and meet the application requirements of our customers across various downstream sectors.

- *Robotics Design and Manufacturing Technology.* Integrating our forward-design methodology with advanced production processes, we conduct collaborative R&D for lightweight and stiff robots, achieving high repeat positioning accuracy and realizing the organic unification of lightweight design, high speed, high stiffness and high precision.

- *Integrated Drive-and-control Hardware-software Technology*. Our proprietary *AtomMotion* real-time control platform and high-power controllers create a system that integrates algorithm and hardware, reducing hardware volume by 80% and power consumption by 20% compared to our traditional solutions.

- *High-speed, High-precision Motion Control Algorithms.* We developed an adaptive vibration suppression algorithm and a data-driven iterative tuning method, along with techniques like high-order trajectory planning, to enhance our robots' stability and accuracy in high-speed motion under complex operating conditions.

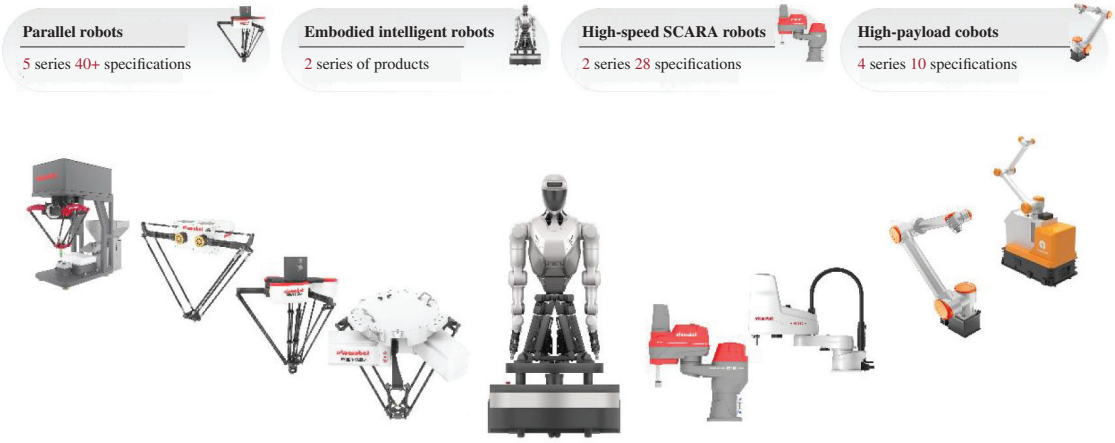
- *Full-stack AI Visual Recognition Algorithms.* We integrate 2D/3D perception and deep learning technologies to facilitate our robots' visual recognition, positioning, guidance and inspection, achieving a picking success rate of over 99.9%.

- *Proprietary High-power-density Motors.* By combining electromagnetic and thermal management design, we substantially improve our motors' power density within limited volume, providing robust and reliable core power support for the high-speed, precise motion of our robots.

As of June 30, 2026, our R&D team consisted of 99 engineers, and under their collective efforts, we had been granted 171 patents in China, including 51 invention patents, and four overseas patents. We had also received over 50 honors and certifications, solidifying our position as an expert in high-speed industrial robots and an explorer in smart manufacturing.

Our Product Portfolio That Branched Out from Our Key Technologies

We have established a core strategic focus on high-speed industrial robots. Leveraging parallel robots as our core products, the shared underlying technologies and synergistic product development, we have built a comprehensive product portfolio that meets the demands of diverse application scenarios. The main branch of our product portfolio is our market-validated parallel robots. Building upon the key technologies that underpin our parallel robots, we have also developed our high-speed SCARA robots and high-payload cobots. In 2025, we further added embodied intelligent robots to our product portfolio.



- *Parallel Robots.* Our parallel robots are our core products and the primary driver behind our revenue growth during the Track Record Period. We designed our parallel robot product matrix based on our forward-design methodology with our proprietary technologies. We have built a wide spectrum of parallel robots with two to six degrees of freedom, featuring a maximum payload of 50kg and a maximum workspace diameter of 2,800 mm. In the production process, the operation cycle rate and repeat positioning accuracy of the key models of our parallel robots reached 80 to 130 picks per minute ("PPM") and ±0.05mm, respectively, which, according to Frost & Sullivan, significantly surpassed the industry average range.

- *High-speed SCARA Robots.* Leveraging the dynamic scaling method applied in our parallel robots, our integrated drive and control and visual recognition technologies as well as expertise in designing a spectrum of products, we developed two series of high-speed SCARA robots with payloads ranging from 4kg to 20kg and arm reaches

spanning 410mm to 1,000mm. Our high-speed SCARA robots have become a main driver behind our business scaling across industries, helping us break into high-growth emerging industries such as consumer electronics and renewable energy.

- *High-payload Cobots.* As complementary products addressing the last mile problem of production line automation, our high-payload cobots utilize key technologies of, and exhibit high synergy with, our parallel robots, contributing to the enhancement of customer loyalty. We developed all our high-payload cobots in-house. Our high-payload cobots come in ten configurations with payloads ranging from 20kg to 40kg, and are suitable for the food and beverage as well as pharmaceutical industries. The mobile version of our high-payload cobots incorporates simultaneous localization and mapping ("SLAM") navigation for cross-line scheduling, enabling a single unit to dynamically serve multiple production lines, which significantly improves our customers' equipment costs and saves factory floor space.

- *Embodied Intelligent Robots.* Building upon our technological repository in parallel robots and in-house R&D capabilities, we developed and launched embodied intelligent robots with a Stewart mechanism that combines high payload capacity with high dexterity in 2025. Their biomimetic dual arms can adapt to application scenarios ranging from high-payload handling to precision assembly, and their multi-sensor system ensures safe human-robot collaboration. In 2026, we further expanded and diversified our embodied intelligent robot product lines. Based on our *AtomMotion* and *AtomVision* platforms, we systematically optimized and upgraded our embodied intelligent robots. Their open architecture also allows for the expansion of intelligent functions like AI decision-making, marking our progression from a specialist of industrial robots to a specialist of embodied intelligent robots.

Based on our comprehensive product portfolio as well as supporting components, such as our modular input units, output units, vision units and end-effectors, we are capable of rapid solution deployment, flexible layout, swift optimization and continuous iteration, meeting our customers' needs for automation and smart solutions across multiple industries and effectively assisting them in improving production quality and efficiency as well as supporting their transformation.

Application Scenarios That Widely Deploy Our Products and Solutions

Our parallel robots have been deployed in industries such as food and beverage, consumer goods and pharmaceutical, developing specialized robotics solutions for high-speed sorting, boxing and handling of light, small, scattered and irregular items. Through our forward-design methodology and comprehensive product portfolio, we address our customers' pain points, advancing the adoption of robots and robotics solutions in new application scenarios and setting industry trends. We have provided our robots and robotics solutions to over 1,000 enterprises, accumulated over 1,000 use cases and expanded our business to more than 30 countries and regions, including East Asia, Southeast Asia, the Middle East, Europe and North America.

OUR COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and differentiated us from our competitors: (i) a leader in the high-speed industrial robot industry and the parallel robot market in China; (ii) comprehensive technology ecosystem and proprietary key technologies; (iii) growth foundation strengthened by our diversified customer base and competitive barriers reinforced by our full lifecycle services and high repurchase rates; (iv) building a second growth curve by targeting high-growth sectors and expanding overseas; (v) efficient supply chain and flexible production system; and (vi) solid foundation for growth laid by our core team and long-term development driven by our culture and talent mechanism.

OUR STRATEGIES

We intend to continue to grow our business through the following key strategies: (i) consolidate our market leadership as the premier brand in parallel robots and increase the penetration of our robots in downstream applications; (ii) enrich our product portfolio, expand our production capacity and strengthen our control over our supply chain; (iii) expand overseas markets and cultivate new areas for business growth; (iv) strengthen our growth momentum by focusing on the R&D of our core technologies and targeting high-value application scenarios; and (v) continue to attract, cultivate and incentivize talent for our R&D and management teams.

KEY SPECIALIST TECHNOLOGY PRODUCTS

All of our robots and robotics solutions were designated Specialist Technology Products as defined under Chapter 18C of the Listing Rules. As advised by Frost & Sullivan, our Directors are of the view that our robots and robotics solutions fall within an acceptable sector of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules on the following basis: (i) our robots are programmable products designed for diverse application scenarios across multiple industries, placing them squarely within the definition of robot technology; and (ii) our robotics solutions involve the application and integration of our industrial robots, control systems and vision systems to enhance task performance and automate processes for our customers. See "Business — Our Products and Solutions — Commercialization."

RESEARCH AND DEVELOPMENT

We have built a multidisciplinary R&D engine that synthesizes expertise across a diverse range of fields, including robot control system, vision system, cloud network and servo system development. As of June 30, 2026, our R&D team consisted of 99 engineers with an average of five years of experience in industrial robotics, mechanical engineering, electrical engineering, automation and computer science. Our R&D team possesses distinct technological expertise, including the development of robot control systems, vision recognition systems, cloud network, servo control algorithms and embedded systems, the design of hardware circuitry and printed circuit board ("PCB"), system integration and verification as well as production process control and optimization, spanning underlying hardware and robotics intelligence. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our R&D expenses amounted to RMB19.4 million, RMB29.8 million, RMB21.4 million, RMB9.7 million and RMB24.0 million, respectively.

INTELLECTUAL PROPERTY

Our intellectual property is fundamental to our continued success and competitive advantage. As of June 30, 2026, we had 175 granted patents globally, including (i) 51 invention patents, 97 utility model patents and 23 appearance design patents in China, and (ii) 4 patents overseas, and we had filed 29 patent applications globally. In addition, we had 27 trademarks and 31 software copyrights globally. Our ability to commercially thrive depends on securing and maintaining robust patents and other intellectual property protections for our key technologies and know-how. Equally critical is our commitment to vigorously defending our intellectual property rights, safeguarding our trade secrets and diligently ensuring we do not infringe upon the intellectual property rights of others.

Our Directors confirm that we had not been involved in any material disputes or other material legal proceedings relating to intellectual property rights with third parties during the Track Record Period and up to the Latest Practicable Date. However, there are risks if we fail to protect our intellectual property rights in the future. For details, see "Risk Factors — Risks Relating to the Research and Development and Intellectual Property Rights in our Products and Solutions."

SALES

We serve a broad and geographically diverse customer base spanning more than 30 countries and regions. During the Track Record Period, we primarily derived our revenue from China with a growing global presence. Our robots and robotics solutions are sold through both direct sales and distributorship, depending on the type of product and region: (i) our parallel robots are sold through direct sales in China and through both direct sales and our distributors in overseas markets; and (ii) our high-speed SCARA robots and high-payload cobots are sold through both direct sales and our distributors in China and overseas markets. See "Business — Sales."

OUR CUSTOMERS

We have a broad and growing global customer base, which covered over 30 countries and regions overseas as of the Latest Practicable Date. Our customers primarily include food and beverage companies, pharmaceutical companies, automotive component manufacturers as well as system integrators in the food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive industries. During the Track Record Period, we derived a majority of our revenue from China.

Our revenue from the five largest customers in each period during the Track Record Period was RMB19.1 million, RMB29.6 million, RMB36.5 million and RMB34.4 million, respectively, accounting for 20.5%, 21.9%, 14.4% and 25.5% of our total revenue, respectively. Our revenue from the largest customer in each period during the Track Record Period was RMB5.5 million, RMB8.2 million, RMB10.1 million and RMB13.4 million, respectively, accounting for 5.8%, 6.1%, 4.0% and 9.9% of our total revenue, respectively.

OUR SUPPLIERS

Our suppliers primarily consist of vendors of (i) components, such as reducers, motors, carbon fiber tubes and aluminum shafts; and (ii) equipment, such as computer numerical control machine tools, sheet metal cutting equipment and bending machines.

Our purchases from our five largest suppliers in each period during the Track Record Period were RMB23.6 million, RMB30.1 million, RMB28.5 million and RMB29.2 million, respectively, representing 24.4%, 22.0%, 23.3% and 28.2% of our total purchases, respectively. The purchases from our largest supplier in each period during the Track Record Period were RMB6.5 million, RMB8.1 million, RMB6.6 million and RMB12.1 million, respectively, representing 6.7%, 5.9%, 5.4% and 11.6% of our total purchases, respectively.

COMPETITION

We operate in the global industrial robot market and primarily compete with a number of domestic and international industrial robot manufacturers. The market in which we operate is highly competitive and characterized by high entry barriers in technical expertise, industry know-how, manufacturing capacity, brand recognition and regulatory compliance. Driven by factors such as supportive national policies, labor shortages, increasing demand for responsive and efficient production lines as well as technological advancements in AI, both the market size and penetration rate of industrial robots are expected to grow rapidly. According to Frost & Sullivan, (i) the size of the global parallel robot market is projected to reach RMB9.7 billion by 2030, representing a CAGR of 11.4% between 2025 and 2030; (ii) the size of the global SCARA robot market is projected to reach RMB25.1 billion by 2030, representing a CAGR of 12.0% between 2025 and 2030; (iii) the size of the global cobot market is projected to reach RMB32.3 billion by 2030, representing a CAGR of 28.6% between 2025 and 2030; and (iv) the size of the global high-speed industrial robot market is projected to reach RMB14.7 billion by 2030, representing a CAGR of 12.2% between 2025 and 2030. See "Industry Overview."

According to Frost & Sullivan, in 2025 we ranked second among global parallel robot manufacturers in terms of global shipment volume with a market share of 7.7%, and first among parallel robot manufacturers in China in terms of shipment volume in China with a market share of 20.4%. In addition, we ranked first among high-speed industrial robot manufacturers in China in terms of shipment volume in China with a market share of 13.4%. We believe that we are well prepared to excel in industry competition. However, we operate in a highly competitive industry. Failure to compete effectively could adversely affect our market share, growth and profitability. See "Risk Factors — Risks Relating to Our General Operations and Industry — Our business, results of operations and financial condition could be adversely affected if we fail to compete with our competitors in the highly competitive robotics industry."

RISKS AND CHALLENGES

Our business and the [**REDACTED**] involve certain risks, which are set out in the section headed "Risk Factors". Some of the major risk factors that we face include: (i) our business, results of operations and financial condition could be adversely affected if the potential size of our target markets and the demand for our robots and robotics solutions do not grow as quickly as we expect due to various factors; (ii) our business, results of operations and financial condition could be adversely affected if we fail to compete with our competitors in the highly competitive robotics industry; (iii) we had incurred net losses and recorded operating cash outflows during the Track Record Period, and may not be able to subsequently maintain profitability in the near future; (iv) the demand for our robots and robotics solutions may decrease due to the long lifecycle of certain products and ongoing technological advancements; and (v) our business, results of operations and financial condition could be adversely affected if we fail to recruit, retain and incentivize key management and technical personnel, as our business depends on this ability. As different [**REDACTED**] may have different interpretations and criteria when determining the significance of a risk, you should carefully read the "Risk Factors" section in its entirety before you decide to [**REDACTED**] in our H Shares.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following is a summary of our historical financial information as of and for the year ended December 31, 2023, 2024 and 2025 and for the six months ended June 30, 2026, extracted from the Accountants' Report set out in Appendix I to this document. The summary below should be read in conjunction with the consolidated financial information in Appendix I, including the accompanying notes and the information set forth in the section headed "Financial Information" in this document. Our consolidated financial information was prepared in accordance with the IFRSs.

Summary of Consolidated Statements of Profit or Loss

	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)**

We recorded loss for the year of RMB39.3 million in 2023 and RMB47.1 million in 2024, primarily due to the increases in (i) selling and marketing expenses, mainly as a result of share-based payment expenses recognized in the fourth quarter of 2024, higher employee compensation in line with sales growth, and increased travel, advertising and promotion expenses arising from expanded sales and marketing activities; and (ii) research and development expenses, primarily due to the increase in material costs and share-based payment expenses, with material costs rising as R&D for high-speed SCARA robots and high-payload cobots entered the hardware testing and refinement stage in 2024, requiring higher component volumes. We recorded a

turnaround in 2025, with profit for the year of RMB0.7 million, mainly driven by our business expansion and increased sales of our robots and robotics solutions. We recorded loss for the period of RMB4.8 million in the six months ended June 30, 2025 and RMB28.8 million in the six months ended June 30, 2026. Such increase was primarily attributable to (i) the increased [**REDACTED**] 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 arms. See "Financial Information — Period to Period Comparison of Results of Operations."

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 year to year 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 a 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**] 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.

Revenue

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

Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of our gross profit and gross profit margin 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*
Subtotal	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	**15,879**	**17.0**	**30,861**	**22.8**	**76,933**	**30.5**	**23,553**	**24.9**	**36,656**	**27.1**

Summary of Consolidated Statements of Financial Position

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Total current assets	229,011	272,350	358,976	341,475
Total non-current assets	26,870	47,850	45,616	44,343
Total assets	**255,881**	**320,200**	**404,592**	**385,818**
Total current liabilities	119,417	160,678	142,880	149,481
Total non-current liabilities	8,440	7,944	4,177	4,731
Total liabilities	**127,857**	**168,622**	**147,057**	**154,212**
Net current assets	**109,594**	**111,672**	**216,096**	**191,994**
Net assets	**128,024**	**151,578**	**257,535**	**231,606**

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 driven by a decrease in wealth management products we held; and (ii) a decrease in cash and cash equivalents of RMB14.3 million driven by 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 robotics and robotic 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. 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.

Our net assets decreased by 10.1% from RMB257.5 million as of December 31, 2025 to RMB231.6 million as of June 30, 2026, primarily due to our decreased cash and cash equivalents of RMB14.3 million due to the [**REDACTED**]. Our net assets increased by 69.9% from RMB151.6 million as of December 31, 2024 to RMB257.5 million as of December 31, 2025, primarily due to an increase in capital reserve of approximately RMB99.2 million, mainly attributable to the capital injection as the settlement of subscription consideration by TEDA Haihe IM Fund in October 2025. Our net assets increased by 18.4% from RMB128.0 million as of December 31, 2023 to RMB151.6 million as of December 31, 2024, primarily due to an increase in capital reserve of RMB59.1 million attributable to the capital injection from Wuxi Huicui in August 2024, partially offset by an increase in accumulated losses of RMB47.1 million attributable to the total comprehensive loss for the year.

Summary of Consolidated Statements of Cash Flows

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(unaudited)	
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	56,633	27,468	17,443	17,443	114,200
Cash and cash equivalents at end of the year	**27,468**	**17,443**	**114,200**	**17,522**	**99,944**

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 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 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.

Working Capital Sufficiency

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 [**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 RMB3.6 million 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 RMB3.1 million per month in 2024 and RMB3.2 million 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 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**], if we take into account [**REDACTED**]% of the estimated [**REDACTED**] from the [**REDACTED**] allocated for our working capital and other general corporate purposes; or (iii) approximately [**REDACTED**] months until [**REDACTED**], if we also take into account the estimated [**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. See "Financial Information — Working Capital Sufficiency."

KEY FINANCIAL RATIOS

	As of/For the year ended December 31,			As of/For the six months ended June 30,
	2023	2024	2025	2026
Gross profit margin (%)[(1)]	17.0	22.8	30.5	27.1
Current ratio[(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 year.

OUR SINGLE LARGEST SHAREHOLDERS

As of the Latest Practicable Date, Mr. Liu, Mr. Song, Ms. Yang Junwen, Chenxing Friends, Chenxing Brothers and Chenxing Partners held approximately 11.11%, 9.20%, 3.94%, 3.82%, 3.25% and 2.66% of the issued share capital of our Company, respectively.

Pursuant to the Concert Party Agreement, Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen agreed to, among others, act in concert with Mr. Liu and follow his decisions in exercising their vote at the shareholders' meeting of our Company. The Concert Party Agreement will remain effective after the proposed [**REDACTED**].

Accordingly, as of the Latest Practicable Date and under the Concert Party Agreement, Mr. Liu is entitled to exercise approximately 33.99% voting rights of our Company. Immediately following the completion of the [**REDACTED**], in light of the Concert Party Agreement, Mr. Liu will be entitled to exercise [**REDACTED**]% of the voting rights of our Company, comprising: (i) [**REDACTED**]% of our voting rights through Shares directly held by him, (ii) [**REDACTED**]% of our voting rights through Shares directly held by Mr. Song, (iii) [**REDACTED**]% of our voting rights through Shares held by Chenxing Partners, Chenxing Friends and Chenxing Brothers, and (iv) [**REDACTED**]% of our voting rights through Shares held by Ms. Yang Junwen. Therefore, Mr. Liu, Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen will constitute a group of Single Largest Shareholders of our Company upon completion of the [**REDACTED**]. For further detail, see "Relationship with Our Single Largest Shareholders."

PRE-[REDACTED] INVESTMENTS

From June 2015 to October 2025, we have completed several rounds of Pre-[**REDACTED**] Investments. For further details of the identity and background of the Pre-[**REDACTED**] Investors and the principal terms of the Pre-[**REDACTED**] Investments, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments" in this document.

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.

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 June 30,
	2023	2024	2025	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:

	For the 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

For the details of the redemption rights, see "Financial Information" and note 31 and note 36(d) to the Accountants' Report in Appendix I to this document.

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the [**REDACTED**] for the granting of the [**REDACTED**] of, and permission to [**REDACTED**], the Shares in issue and to be issued pursuant to (1) the [**REDACTED**], (2) the exercise of the [**REDACTED**] and (3) the Conversion of Unlisted Shares into H Shares on the basis that, among other things, we satisfy the requirement under Rule 18C.03 of the Listing Rules as a Commercial Company (as defined in the Listing Rules) with reference to our expected [**REDACTED**] at the time of [**REDACTED**], which, based on the [**REDACTED**], exceeds HK$[**REDACTED**].

[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$[**REDACTED**]; and (ii) non-[**REDACTED**] related expenses of approximately HK$[**REDACTED**], which consist of (a) fees and expenses of legal advisors and accountants 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.

[REDACTED] STATISTICS

All statistics in the following table are based on the assumptions that (i) the [**REDACTED**] has been completed and [**REDACTED**] H Shares are issued pursuant to the [**REDACTED**], (ii) the [**REDACTED**] is not exercised, and (iii) [**REDACTED**] Shares are issued and outstanding following the completion of the [**REDACTED**]:

	Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]	**Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]**	**Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]**
[**REDACTED**](1)	HK$[REDACTED]	HK$[REDACTED]	HK$[REDACTED]
Unaudited [**REDACTED**] adjusted net tangible assets per Share(2)	HK$[REDACTED]	HK$[REDACTED]	HK$[REDACTED]

(1) The calculation of [**REDACTED**] is based on [**REDACTED**] Shares expected to be in issue immediately upon completion of the Conversion and the [**REDACTED**].

(2) The unaudited [**REDACTED**] adjusted consolidated net tangible assets value per Share is calculated after the adjustment referred to "Unaudited [**REDACTED**] Financial Information" in Appendix II to this document and on the basis of [**REDACTED**] Shares in issue immediately following the completion of the [**REDACTED**], assuming that the [**REDACTED**] is not exercised. See "Appendix II — Unaudited [**REDACTED**] Financial Information" for more information.

FUTURE PLANS AND [REDACTED]

We estimate that the net [**REDACTED**] of the [**REDACTED**], after deducting the estimated [**REDACTED**] commissions and other fees and expenses paid and payable by us in connection with the [**REDACTED**], will be approximately HK$[**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the indicative range of the [**REDACTED**] of HK$[**REDACTED**] to HK$[**REDACTED**] per [**REDACTED**]), and that the [**REDACTED**] is not exercised. We intend to use the net [**REDACTED**] of the [**REDACTED**] for the following purposes: (i) approximately [**REDACTED**]%, or HK$[**REDACTED**], for continuous R&D to solidify and further advance our leading positions in robotics technologies; (ii) approximately [**REDACTED**]%, or HK$[**REDACTED**], for the construction of a multifunctional headquarters and the enhancement of our production capacity; (iii) approximately [**REDACTED**]%, or HK$[**REDACTED**], for overseas business expansion and brand development to advance our global footprint; and (iv) approximately [**REDACTED**]%, or HK$[**REDACTED**], for working capital and other general corporate purposes. See "Future Plans and [**REDACTED**]" for further information relating to our future plans and [**REDACTED**] from the [**REDACTED**], including the adjustment on the allocation of the [**REDACTED**] in the event that the [**REDACTED**] is fixed at a higher or lower level compared to the midpoint of the estimated [**REDACTED**].

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.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Building on our robotics technologies, we further expanded our embodied intelligent robot product line to cover a broader range of application scenarios and operating environments. The expanded product line now comprises two series of embodied intelligent robots, each tailored to distinct operational requirements, reflecting our strategic positioning centered on product diversification and scenario-driven development. With a continued focus on independent and controllable technologies, as of the Latest Practicable Date, we had completed prototype development of our proprietary joint modules, marking an important milestone in our strategy to build comprehensive in-house R&D capabilities across the entire robotics industry chain. These advancements demonstrate our commitment to continuous innovation and our ability to rapidly iterate and expand our product portfolio in response to evolving market demand.

We expect to remain loss-making in 2026, primarily due to our early stage of commercialization and the [**REDACTED**]. We plan to further increase our R&D investments while also scaling up our operations to meet growing market demand and achieve economies of scale, all of which will continue to weigh on our profitability.

Our Directors have confirmed that there has been no material adverse change in our financial or trading position or prospects since June 30, 2026, being the end date of our latest consolidated financial statements as set out in the Accountants' Report in Appendix I to this document, and up to the date of this document.

PATH TO PROFITABILITY

We operate in a rapidly growing robot industry and have demonstrated a clear path towards sustainable profitability as a commercially established company. During the Track Record Period, we achieved significant financial improvement. We recorded net losses of RMB39.3 million and RMB47.1 million, respectively, in 2023 and 2024, but in 2025, we turned the tide and recorded a net profit of RMB0.7 million, maintaining a strong growth momentum, which marked a milestone on our path to sustainable profitability. We recorded net loss of RMB28.8 million in the six months ended June 30, 2026, primarily attributable to our [**REDACTED**] and increased R&D expenses. Our [**REDACTED**] are one-off expenditures and do not impact our underlying profitability. In addition, we stepped up our R&D expenses primarily to capture market demand and growth opportunities presented by emerging products, such as embodied intelligent robots and space robotic arms. In light of the foregoing, our Directors are of the view that the short-term net loss will not alter our profitability or underlying earnings capacity.

We believe that our path to sustainable profitability is clearly defined and will be continuously driven by (i) the rapid growth of our revenue; (ii) our ongoing cost optimization; and (iii) our continuous improvements in operational efficiency. See "Business—Path to Profitability."

In this document, unless the context otherwise requires, the following terms and expressions have the meanings set forth below.

"affiliate(s)"	any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Articles of Association" or "Articles"	the articles of association of our Company, as amended, which shall become effective on the [**REDACTED**], a summary of which is set out in Appendix IV to this document
"associate"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Beijing Xiaohe"	Beijing Xiaohe Robot Technology Co., Ltd. (北京小合機器人科技有限公司), a limited liability company established under the laws of the PRC on January 25, 2024 and a wholly-owned subsidiary of our Company
"Beijing Yarui"	Beijing Yarui Angel Investment Partnership (Limited Partnership) (北京雅瑞天使投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on September 18, 2015
"Board" or "Board of Directors"	the Board of Directors of our Company
"Business Day" or "business day"	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for normal banking business to the public

[**REDACTED**]

"Chenxing Brothers"	Tianjin Chenxing Brothers Partnership (Limited Partnership) (天津辰星兄弟合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on May 8, 2021 and one of our ESOP Platforms controlled by Mr. Song
"Chenxing Friends"	Tianjin Chenxing Friends Enterprise Management Partnership (Limited Partnership) (天津辰星好友企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on August 29, 2022 and one of our ESOP Platforms controlled by Mr. Song

"Chenxing (Nanjing)"	Chenxing (Nanjing) Automation Equipment Co., Ltd. (辰星(南京)自動化設備有限公司), a limited liability company established under the laws of the PRC on October 13, 2021 and a wholly-owned subsidiary of our Company
"Chenxing Partners"	Tianjin Chenxing Partners Partnership (Limited Partnership) (天津辰星夥伴合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on January 17, 2019 and controlled by Mr. Liu
"Chenxing (Suzhou)"	Chenxing (Suzhou) Automation Equipment Co., Ltd. (辰星(蘇州)自動化設備有限公司), a limited liability company established under the laws of the PRC on November 29, 2019 and a wholly-owned subsidiary of our Company
"China" or "PRC"	the People's Republic of China, excluding, for the purpose of this document, Hong Kong, Macau Special Administrative Region and Taiwan region of the People's Republic of China
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company" or "our Company"	Tianjin Chenxing Technology Co., Ltd. (天津辰星技術股份有限公司) (formerly known as Chenxing (Tianjin) Automation Equipment Company Limited (辰星(天津)自動化設備有限公司) and Tianjin Atomrobot Co., Ltd. (天津阿童木機器人股份有限公司)), incorporated under the PRC laws on January 28, 2013 as a limited liability company and converted into a joint stock company under the PRC laws on September 30, 2025
"Company Law" or "PRC Company Law"	the Company Law of the People's Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"Conversion of Unlisted Shares into H Shares"	the conversion of [197,990,430] Unlisted Shares into H Shares on a one-for-one basis upon the completion of the [**REDACTED**]. Such conversion of Unlisted Shares into H Shares had been approved by the CSRC on [●] and an application for H Shares to be [**REDACTED**] on the Stock Exchange has been made to the [**REDACTED**]
"core connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"CSDC"	the China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)

"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"ESOP Platforms"	Chenxing Friends and Chenxing Brothers
	[**REDACTED**]
"Extreme Conditions"	extreme conditions caused by a super typhoon or other natural disaster of a substantial scale seriously affects the working public's ability to resume work or brings safety concern as announced by the government of Hong Kong
	[**REDACTED**]
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent industry consultant commissioned by us to prepare the Frost & Sullivan Report
"Frost & Sullivan Report"	an independent market research report prepared by Frost & Sullivan
	[**REDACTED**]
"Group," "our Group," "we" or "us"	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
"Guide" or "Guide for New Listing Applicants"	Guide for New Listing Applicants issued by the Stock Exchange in December 2023, as amended, supplemented or otherwise modified from time to time
"Guozhong Private Equity"	Guozhong Private Equity Investment Fund (Xi'an) Partnership (Limited Partnership) (國中私募股權投資基金(西安)合夥企業(有限合夥)), formerly known as China SME Development Fund (Xi'an) Guozhong Partnership (Limited Partnership) (中小企業發展基金(西安)國中合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on May 14, 2021
"H Share(s)"	overseas-[**REDACTED**] foreign shares in the share capital of our Company with nominal value of RMB0.10 each, which are to be [**REDACTED**] and [**REDACTED**] in HK dollars and are to be [**REDACTED**] on the Stock Exchange
	[**REDACTED**]

"HK$," "HKD" or "HK dollars"	Hong Kong dollars, the lawful currency of Hong Kong

[**REDACTED**]

"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC

[**REDACTED**]

[**REDACTED**]

"Hongtu Chuangke"	Shenzhen Hongtu Chuangke Venture Capital Partnership (Limited Partnership) (深圳市紅土創客創業投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on May 26, 2016
"IFRSs"	International Financial Reporting Standards, amendments, and interpretations, as issued from time to time by the International Accounting Standard Board
"independent third party(ies)" or "Independent Third Party(ies)"	person(s) or company(ies), who/which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is/are not connected person(s) of our Company within the meaning ascribed thereto under the Listing Rules

[**REDACTED**]

"Jiangsu Xiaoye"	Jiangsu Xiaoye Intelligent Equipment Co., Ltd. (江蘇小野智能裝備有限公司), a limited liability company established under the laws of the PRC on November 19, 2019 and a wholly-owned subsidiary of our Company

[**REDACTED**]

"Latest Practicable Date"	August 10, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication
"Lenovo Fund"	Lenovo SME Development Venture Capital Fund (Tianjin) Partnership (Limited Partnership) (聯想中小企業發展創業投資基金(天津)合夥企業(有限合夥)), formerly known as China SME Development Fund Lenovo (Tianjin) Partnership (Limited Partnership) (中小企業發展基金聯想(天津)合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on December 7, 2021
	[**REDACTED**]
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Mr. Liu"	Mr. Liu Songtao (劉松濤), our chairman of the Board, executive Director, chief technology officer and our Single Largest Shareholder
"Mr. Song"	Mr. Song Tao (宋濤), our executive Director, general manager and our Single Largest Shareholder
"Ningbo Haida"	Ningbo Haida Ruiying Venture Capital Partnership (Limited Partnership) (寧波海達睿盈創業投資合夥企業(有限合夥)), formerly known as Ningbo Haida Ruiying Equity Investment Partnership (Limited Partnership) (寧波海達睿盈股權投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on January 8, 2016
"Ningbo Yarui"	Ningbo Meishan Bonded Port Area Yarui Yueshi Investment Partnership (Limited Partnership) (寧波梅山保税港區雅瑞悦世投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on June 29, 2017
"Nomination Committee"	the nomination committee of our Board
	[**REDACTED**]

[**REDACTED**]

"Pathfinder SII(s)"	has the meaning ascribed to it in Chapter 2.5 of the Guide
"PRC Legal Advisors"	DeHeng Law Offices, being the legal advisor of our Company as to the PRC laws
"Pre-[**REDACTED**] Investor(s)"	the investor(s) from whom our Company obtained several rounds of investments, details of which are set out in the section headed "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments" in this document

[**REDACTED**]

"Qingdao Haichuang"	Qingdao Haichuang Zhilian Industrial Internet Industry Investment Fund Partnership (Limited Partnership) (青島海創智鏈工業互聯網產業投資基金合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on July 16, 2021
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration Committee"	the remuneration committee of our Board
"Reporting Accountants"	Ernst & Young
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Saitian Industrial Development"	Wuxi Saitian Industrial Development Venture Capital Partnership (Limited Partnership) (無錫賽天產發創業投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on October 22, 2021

"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary shares in the capital of our Company with a nominal value of RMB0.10 each, comprising Unlisted Shares and H Shares
"Share Subdivision"	the subdivision of the Shares by our Company where each of our Share with a nominal value of RMB1.00 will be subdivided into ten Shares with a nominal value of RMB0.10 each, which will become effective immediately prior to the [**REDACTED**]
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen Capital"	Shenzhen Capital Group Co., Ltd. (深圳市創新投資集團有限公司), a limited liability company established under the laws of the PRC on August 25, 1999
"Shenzhen Xiaobai"	Shenzhen Xiaobai Automation Technology Co., Ltd. (深圳小百自動化科技有限公司), a limited liability company established under the laws of the PRC on June 3, 2021 and a wholly-owned subsidiary of our Company
"Siasun Investment"	Siasun Robot Investment Co., Ltd. (新松機器人投資有限公司), a limited liability company established under the laws of the PRC on April 17, 2014
"Single Largest Shareholder(s)"	for the purpose of this document, our Single Largest Shareholders refer to Mr. Liu, Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen. For details, see section headed "Relationship with Our Single Largest Shareholders"
"Sole Sponsor"	the sole sponsor as named in "Directors and Parties Involved in the [**REDACTED**]"
"Sophisticated Independent Investor(s)"	has the meaning ascribed thereto under the Listing Rules
	[**REDACTED**]
"Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules

"Takeovers Code"	the Code on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time
"TEDA Haihe IM Fund"	Tianjin TEDA Haihe Intelligent Manufacturing Industry Development Fund Partnership (Limited Partnership) (天津泰達海河智能製造產業發展基金合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on April 22, 2020
"TEDA Venture Capital"	Tianjin TEDA Technology Venture Capital Group Co., Ltd. (天津泰達科技創業投資集團股份有限公司), formerly known as Tianjin TEDA Technology Investment Group Co., Ltd. (天津泰達科技投資集團股份有限公司) and Tianjin TEDA Technology Investment Co., Ltd. (天津泰達科技投資股份有限公司), a joint stock company established under the laws of the PRC with limited liability on October 13, 2000
"Track Record Period"	the three years ended December 31, 2025 and the six months ended June 30, 2026

[**REDACTED**]

"Unlisted Shares"	ordinary Shares in the share capital of our Company with a nominal value of RMB0.10 each (taking into account the Share Subdivision), which are subscribed for and paid up in RMB and are unlisted Shares not currently listed or traded on any stock exchange
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. Securities Act"	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
"US$", "USD" or "U.S. dollars"	United States dollars, the lawful currency of the United States
"Wuxi Chenxing"	Wuxi Chenxing Times Technology Co., Ltd. (無錫辰星時代技術有限公司), a limited liability company established under the laws of the PRC on July 29, 2024 and a wholly-owned subsidiary of our Company
"Wuxi Huicui"	Wuxi Huicui Hengyi Hui High-tech Golden Sycamore Venture Capital Partnership (Limited Partnership) (無錫惠萃恒益惠高新金梧桐創業投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on August 17, 2022
"Xinxiang Chenxing"	Xinxiang Chenxing Siasun Robot Co., Ltd. (新鄉辰星新松機器人有限公司), a limited liability company established under the laws of the PRC on May 7, 2021 and a wholly-owned subsidiary of our Company

"Yixing Saitian"	Yixing Saitian Zhihang Venture Capital Partnership (Limited Partnership) (宜興賽天智航創業投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on June 1, 2021
"%"	percent

Certain amounts and percentage figures included in this document have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

For ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in this document in both the Chinese and English languages; in the event of any inconsistency, the Chinese versions shall prevail.

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains definitions of certain terms used in this document in connection with our Group and our business. Some of these may not correspond to standard industry definitions or usage of these terms.

"AGV logistics scheduling system"	Automated Guided Vehicle logistics scheduling system, is a material handling system that transports goods or materials within a controlled environment without the need for a human operator or driver
"AI"	artificial intelligence, the ability of a machine or computer system to perform tasks that typically require human intelligence
"attention mechanism"	a component in neural networks that allows the model to dynamically focus on the most relevant parts of the input data when performing a task, such as translating a sentence or recognizing objects in an image
"automation"	the application of various control systems, such as robots, control and vision systems as well as information technologies, to operate equipment and processes in a wide range of industries
"axis" or "axes"	each represents a degree of freedom, where increasing the number of axes allows a robot to access a greater amount of space or greater flexibility
"bevel gear transmission"	a power transmission system that uses cone-shaped gears (bevel gears) to transfer motion between intersecting shafts, typically at a 90-degree angle
"CE safety certification"	a part of the CE marking process that demonstrates an industrial product's compliance with European health, safety and environmental protection directives for machinery
"cobot"	also known as collaborative robot; designed to work alongside humans in a shared workspace, it is equipped with advanced sensors and safety features that allow it to operate safely around people
"controller"	the core computing unit that processes commands, executes control algorithms, and manages the operation of a robot or automated system
"conveyor"	a mechanical system that often features a powered belt or series of rollers used for the automated transportation of materials or products from one location to another
"CRM system"	Customer Relationship Management system, a software platform used to manage a company's interactions with current and potential customers, centralizing data related to sales, marketing, customer service and support
"cycle time"	the total time required to complete one full cycle of a specific operation or process

"decoupling"	the process of designing controllers to make individual system outputs, such as a robot's axis movements, independent of each other, allowing them to be controlled separately without unwanted interaction
"deep learning algorithm"	machine learning that uses multi-layered neural networks to learn and make decisions from complex data patterns
"deformable convolutional networks"	a type of neural network architecture where the convolutional filters can adapt their sampling locations based on the input data, improving the model's ability to handle object geometric variations
"degrees of freedom" or "DOF"	the count of independent axis of motion that a robotic system can autonomously manipulate to perform tasks
"drive-and-control"	an integrated architecture where the power drive units and the motion controller are combined into a single system for efficient, synchronized control of actuators
"dynamics"	the study of the forces and torques that cause motion in robotic systems, analyzing how a robot's movement results from applied forces and its physical properties like mass and inertia
"dynamic scaling method"	an integrated design strategy that simultaneously accounts for a robot's motion capability, torque requirements and dynamic response, ensuring the robot maintains both agility and stability during high-speed operation
"EI"	Engineering Index, a world-renowned literature retrieval system in the field of engineering
"embodied intelligent robot"	a robot whose intelligent behavior emerges from the interaction between its computational algorithms and its physical body situated in a real-world environment
"end-effector"	the tool mounted on the robot according to the customer's requirements, such as vacuum suction cups, pneumatic grippers, electric grippers, specialized jigs or dispensing valves
"ERP system"	Enterprise Resource Planning system, an integrated software suite used to manage and automate core business processes across an organization, such as finance, human resources, supply chain, manufacturing and services
"error compensation"	techniques and algorithms used to identify, measure and correct systematic deviations or inaccuracies in a robot's movement or positioning to improve precision
"FEA"	Finite Element Analysis, the simulation of a physical phenomenon using numerical mathematic technique
"FPGA"	Field-Programmable Gate Array, an integrated circuit that can be configured and reconfigured by the user after manufacturing to implement custom digital logic

GLOSSARY OF TECHNICAL TERMS

"full-stack"	a development approach where a company designs and manufactures all critical components of a system, from low-level firmware to high-level software and algorithms
"GPM"	gross profit margin
"high-order trajectory planning"	a method for generating smooth and precise motion paths by accounting for higher derivatives of motion, which reduces vibration and improves accuracy during high-speed movement
"Hooke's joint"	a mechanical coupling that allows the transmission of rotary motion between two shafts whose axes are inclined to each other, which is commonly used in robotic wrist assemblies to provide flexibility in movement
"industrial protocol interface"	a standardized hardware or software interface that enables communication and data exchange between industrial devices, such as PLCs and robots, using specific fieldbus or industrial Ethernet protocols
"industrial robot"	programmable, automatically controlled, reconfigurable machines designed to perform tasks with precision and efficiency in manufacturing and other industries
"inertia"	the physical quantity that measures the degree to which the moving components of a robot resist changes in their motion state, and it is a key factor in achieving system responsiveness
"IP rating"	an international standard that classifies the degree of protection of an enclosure provides against intrusion from solid objects and liquids
"joint module"	an integrated modular drive unit that incorporates a motor, speed reducer, torque sensor and encoder into a single assembly to deliver precise motion and force control for robots
"kinematics"	the study of motion in robotic systems without considering the forces that cause it, focusing on the geometric relationships between links and joints to describe position, velocity and acceleration.
"Linux"	an open-source operating system kernel that serves as the foundational software layer for managing hardware resources and executing programs, widely used in embedded and industrial systems
"machine vision"	the technology and methods that enable robots to acquire, process, analyze and understand images or video to perform tasks such as inspection, guidance and identification
"magnetic circuit topology"	the specific geometric arrangement and design of the magnetic flux paths within an electric motor or electromagnetic device, which determines its efficiency, torque characteristics and power density
"mechanical topology"	the fundamental geometric arrangement and connection scheme of components, such as links and joints, that defines the kinematic structure and motion capabilities of a robot

GLOSSARY OF TECHNICAL TERMS

"MES"	Manufacturing Execution System, a software system that monitors, tracks, documents and controls the process of transforming raw materials into finished goods on the factory floor, providing real-time operational data
"multi-modal"	pertaining to a system that processes and integrates information from multiple types of sensory inputs to perceive and interact with its environment
"parallel robot"	a type of robot where the end-effector is supported by multiple arms that work together in parallel
"payload"	the maximum weight that a robot can handle while performing its tasks and maintaining its specified performance, such as speed and accuracy
"PCB"	Printed Circuit Board, a flat board that mechanically supports and electrically connects electronic components using conductive tracks
"perception system"	the integrated hardware and software components of a robot responsible for sensing, interpreting and understanding its surrounding environment
"PL standard"	an international standard for the ability of safety-related parts of a machine's control system to perform a safety function under foreseeable conditions
"PLC"	Programmable Logic Controller, a specialized digital computer employed in industrial settings for automation and control
"pole-slot coordination"	the design relationship in an electric motor between the number of magnetic poles on the rotor and the number of slots in the stator, which is critical for optimizing performance, minimizing torque ripple and reducing vibration and noise
"power-density"	a measure of the amount of power a motor or drive system can deliver relative to its size or weight, typically expressed in watts per kilogram or similar units
"QR code"	quick response code, a type of matrix barcode or two-dimensional barcode that can be scanned
"rated power"	the maximum continuous power input or output a robot is designed to handle without risk of damage
"reducer"	a mechanical gear assembly (gearhead) used to reduce the high speed and low torque output of a motor to a lower speed with higher, more usable torque for driving a load
"redundancy"	the inclusion of extra or backup components, whether hardware or software, within a system to increase its reliability, ensure its continuous operation and provide fault tolerance in case of a failure

"repeat positioning accuracy"	a robot's ability to consistently return to the same commanded position over multiple cycles under identical conditions, typically measured as a deviation
"rotary vector reducer"	a high-precision, high-rigidity gear reduction mechanism using a two-stage cycloidal gear design
"SCARA"	Selective Compliance Assembly Robot Arm, a type of articulated robot where the robot can move freely and maintain stiffness in three axes while being compliant in the final axis
"SCI"	Science Citation Index, an international journal literature retrieval tool
"servo motor"	an electric motor that can precisely control its output torque, rotational speed and position in accordance with control signals
"servo system"	a closed-loop control system consisting of a motor, feedback sensor and controller that precisely governs the position, velocity or torque of a mechanical component
"SIL standard"	an international standard that defines the required level of risk reduction for a safety function in electrical or electronic systems
"SLAM navigation"	Simultaneous Localization and Mapping navigation, a technology that enables a robot or autonomous system to construct a map of an unknown environment while simultaneously tracking its own position within it
"Stewart mechanism"	a type of robot mechanism typically using six extendable legs as actuators connected to a moving platform
"stiff" or "stiffness"	a measure of a material's or structure's resistance to deformation, such as bending and twisting, when subjected to an applied force
"working range"	the area or volume within which the robot can operate and perform tasks
"Xenomai"	a real-time development framework that provides a co-kernel or interface to achieve hard real-time capabilities for applications running on Linux, enabling precise and deterministic timing for industrial control
"zero-backlash"	a mechanical design characteristic that eliminates free play or lost motion between engaged components, such as in gears

FORWARD-LOOKING STATEMENTS

We have included in this document forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This document contains certain forward-looking statements and information relating to us and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this document, the words "aim," "anticipate," "believe," "can," "could," "estimate," "expect," "forecast," "going forward," "intend," "may," "might," "ought to," "plan," "potential," "predict," "project," "seek," "should," "will," "wish," "would" and the negative of these words and other similar expressions, as they relate to our Company or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our Company's management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These forward-looking statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this document. Although we believe that our expectations expressed in these forward-looking statements are reasonable, our expectations may later be found to be incorrect. Our actual results could be materially different from our expectations. Important risks and factors that could cause our actual results to be materially different from our expectations are generally set forth in "Risk Factors," "Business," "Financial Information" and other sections in this document. You should read thoroughly this document with the understanding that our actual future results may be materially different from and worse than what we expect.

You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing our Company that could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our business prospects;
- our business strategies and plans to achieve these strategies;
- future developments, trends and conditions in and competitive environment for the industries and markets in which we operate;
- general economic, political and business conditions in locations where we operate;
- our financial condition and performance;
- our capital expenditure plans;
- our dividend policy;
- changes to the regulatory environment, policies, operating conditions of and general outlook in the industries and markets in which we operate;
- our expectations with respect to our ability to acquire and maintain regulatory licenses or permits;
- the extent and nature of, and potential for, future development of our business;
- the actions of and developments affecting our competitors;
- the actions of and developments affecting our major customers and suppliers; and
- certain statements in the section headed "Risk Factors".

Any forward-looking statement made by us in this document speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Subject to the requirements of applicable laws, rules and regulations, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise. All forward-looking statements contained in this document are qualified by reference to this cautionary statement.

An [**REDACTED**] *in our H Shares involves significant risk. You should carefully consider the following information about risks, together with the other information contained in this document, including our consolidated financial statements and related notes, before you decide to* [**REDACTED**] *our H Shares. If any of the circumstances or events described below actually arises or occurs, our business, results of operations, financial condition and prospects would likely suffer. In any such case, the* [**REDACTED**] *of our H Shares could decline and you may lose all or part of your* [**REDACTED**]. *This document also contains forward-looking information that involves risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the risks described below.*

RISKS RELATING TO OUR GENERAL OPERATIONS AND INDUSTRY

Our business, results of operations and financial condition could be adversely affected if the potential size of our target markets and the demand for our robots and robotics solutions do not grow as quickly as we expect due to various factors.

We are a high-speed industrial robotics enterprise dedicated to the research and development ("R&D"), production, sales and service of high-speed and reliable robots. We operate in markets that are subject to rapid change, including ongoing technological developments, evolving customer requirements and shifting industry dynamics. As a result, it is inherently difficult to accurately predict the timing, scale and commercial potential of opportunities associated with each of our products and solutions.

This document contains estimates and forecasts relating to the industries in which we operate, which are derived from industry publications, market reports and other publicly available information. Such estimates and forecasts are subject to a number of assumptions, inherent limitations and significant uncertainties. Similarly, our internal estimates and projections are based on various assumptions, including assumptions regarding customer acceptance of our products and solutions and the manner in which emerging and rapidly evolving markets will develop. There can be no assurance that the assumptions and estimates will prove to be accurate. Changes in market conditions, technological trends or other external factors may reduce the reliability of these estimates at any time. If third-party or internally generated data are inaccurate, or if our assumptions prove to be incorrect, the addressable markets for our products and solutions may be smaller than anticipated, our growth opportunities and sales prospects may be more limited than expected, and our business, results of operations and financial condition could be materially and adversely affected.

Given our limited commercialization track record, we cannot guarantee that we will achieve our anticipated business plans or future performance targets.

We have a limited track record in the commercialization, sales and marketing of our robots and robotics solutions. During the Track Record Period, our business has been focused on four principal product lines, namely parallel robots, high-speed SCARA robots, high-payload cobots and embodied intelligent robots, which are applied to a wide spectrum of application scenarios, spanning food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive industries, and each of them is at a different stage of commercialization and market penetration process. Our ability to successfully commercialize our future products and solutions may involve more inherent risks, take longer time and cost more efforts than it would have if we were a company with a longer track record in commercialization. In particular, the commercialization of new products and solutions requires additional resources. The success of commercializing, selling and marketing our existing and potential principal product lines depends on our ability to attract, motivate and retain qualified, experienced personnel with sufficient technical expertise in our products and solutions, relevant industry experience, and marketing and promotional capabilities to deepen collaboration with existing stakeholders and expand future sales channels. Such personnel must be capable of effectively communicating with our direct sales customers, distributors and system integrators and other stakeholders in relevant industries and supporting the deployment of our products and solutions in various application scenarios.

Given our limited commercialization track record, there can be no assurance that the sales performance of our products and solutions will meet our expectations or forecasts, that customers will adopt and deploy our products in their production lines or other use cases, or that we will be able to consistently maintain effective quality control over our products and solutions. Any failure, individually or in combination, could materially and adversely affect the commercialization of our products and solutions and, in turn, materially and adversely affect our business, results of operations and financial condition. Accordingly, our historical performance may not provide a meaningful basis for assessing our future performance, financial condition or growth prospects. We may encounter unforeseen expenses, operational challenges, delays or other known or unknown risks, and there can be no assurance that we will be able to achieve our anticipated results in future periods. If we are unable to effectively address these risks, our business and prospects may be materially and adversely affected.

Our business, results of operations and financial condition could be adversely affected if we fail to compete with our competitors in the highly competitive robotics industry.

The robotics industry is highly competitive with the competitive landscape in each relevant sector to be relatively dispersed. See "Industry Overview." We primarily compete with other companies that focus on the development and distribution of robots and robotics solutions, which include multinational corporations, established domestic manufacturers and emerging technology companies. Competition is intense across multiple product categories, including parallel robots, high-speed SCARA robots and high-payload cobots. For example, even though we were ranked second and fourth in the global market share of parallel robots and leading high-speed industrial robots ranked by global shipment volume, our products only accounts for 7.7% and 5.2% of the global market share, respectively. Competitors and new market entrants may possess greater marketing resources to promote their products and solutions, and may introduce alternative automation technologies or products that are more cost-effective, easier to deploy, or capable of addressing a broader range of application scenarios.

In particular, more established market players, such as multinational corporations or seasoned domestic manufacturers, typically possess greater market familiarity and more robust marketing resources to promote their products, as well as more substantial financial resources to invest in R&D for upgrading their product lines. Particularly, the high-speed industrial robot industry is dominated by Swiss and Japanese manufacturers where they accounts for three of the top five largest high-speed industrial robot manufacturers and their accumulated market shares accounts for around 23% of the global market, in terms of global shipment volume. Our leading position in China may be challenged by these major manufacturers should they decide to enhance their marketing resources in promoting their products into the Chinese markets leveraging their international technical expertise. New market entrants may offer more innovative and cost-competitive products and solutions to penetrate the market and attract new customers, further intensifying industry competition. Increased competition could result in lower sales volume, price reductions, compressed profit margins, or loss of market share. Furthermore, we may be required to make substantial additional investments in R&D, sales and marketing, talent recruitment and retention, and the acquisition of technologies complementary to, or necessary for, our current and future products and solutions to respond to such competitive threats, and we cannot assure you that such investments will be effective. If we are unable to compete effectively, or if competing effectively requires us to take costly actions in response to our competitors' strategies, our business, results of operations, and financial condition may be materially and adversely affected.

We had incurred net losses and recorded operating cash outflows during the Track Record Period, and may not be able to subsequently maintain profitability in the near future.

We recorded net losses of RMB39.3 million and RMB47.1 million in 2023 and 2024, respectively. Although we recorded net profits of RMB0.7 million in 2025, there is no assurance that we will be able to subsequently maintain profitability in the near future and may revert to incurring net losses in the short term, as we are in the stage of expanding our business and operations in the rapidly growing robotics industry and are continuously investing in R&D. We recorded net loss of RMB4.8 million and RMB28.8 million in the six months ended June 30, 2025 and 2026. Active efforts to acquire new customers or launch new products may result in higher initial layout of costs required to meet specific customer needs, including longer on-site implementation lead time for our robotics solutions to onboard customers, and mold development and/or production line adjustments associated with the mass production of our newly launched robots. We believe that our future revenue growth will depend on, among other factors, our ability to develop new technologies to diversify our product offerings and improve customer experience, enhance our operational efficiency, establish and successfully complete effective commercialization strategies. Accordingly, you should not rely on the revenues of any prior period as an indication of our future performance. Our costs and expenses may continue to increase in future periods, as we continue to expand our business and operations and invest in R&D activities. In addition, we expect to incur substantial costs and expenses as a result of being a public company. We are unable to generate sufficient revenues and manage our expenses effectively, we could fail to maintain our profitability going forward.

Additionally, the robotics industry we operate in is characterized by long operating cycle and relatively high upfront working capital investments. We recorded net cash outflow used in operating activities of RMB14.9 million, RMB6.6 million, RMB23.2 million, RMB20.2 million and RMB28.6 million in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively. See "Financial Information — Liquidity and Capital Resources — Cash Flows." We cannot assure you that we will be able to generate positive cash flows from operating activities in the future. If we continue to record net operating cash outflows in the future, our working capital may be constrained, which may adversely affect our financial condition. Our future liquidity primarily depends on our ability to maintain adequate cash inflows from our operating activities and adequate external financing such as offering and issuing securities, and/or other sources such as external debt, which may not be available on terms favorable or commercially reasonable to us or at all. If we fail to obtain sufficient funding in a timely manner and on reasonable terms, or at all, we will be in default of our payment obligations and may not be able to expand our business. As a result, our business, results of operations and financial condition may be materially and adversely affected.

The demand for our robots and robotics solutions may decrease due to the long lifecycle of certain products and ongoing technological advancements.

Our robots and robotics solutions are designed to substitute manual labor and help customers reduce labor-related costs. However, due to the long replacement cycles of automated production lines, certain customers may continue to operate their existing automated production lines for extended periods as long as they remain functional and economically efficient. The replacement cycles for industrial robotics vary from three to eight years, depending on the specific downstream industries in which they are employed. For example, as for our key products, the replacement cycles range from 5 to 7 years, 3 to 5 years and 3 to 5 years for our parallel robots, high-speed SCARA robots and high-payload cobots, respectively. As a result, even if our products and solutions offer better performance or greater cost efficiency, our prospective customers may delay upgrades or replacement purchases, leading to slower-than-expected procurement cycles and reduced demand for our products and solutions. This could materially and adversely affect our sales volume, revenue growth, market penetration, business, results of operations and financial condition.

Moreover, the robotics industry is characterized by rapid technological advancements, including improvements in machine vision, motion control algorithms, AI-enabled automation and emerging robot architectures. If competitors or new market entrants launch innovative alternative technological solutions, such as enhanced collaborative systems, modular automation platforms or AI-driven general-purpose robots, this may reduce customers' reliance on our existing robot types, including parallel robots, high-speed SCARA robots and high-payload cobots, and may render certain of our existing offerings less competitive or unnecessary in certain use cases.

Furthermore, our ongoing efforts to upgrade and expand our product portfolio are subject to technological and commercial uncertainties. There is no assurance that such initiatives will achieve the intended performance targets, meet customer expectations or keep pace with industry developments. If we fail to introduce new products or enhanced solutions in a timely manner, maintain technological competitiveness or adapt to evolving market trends, we may experience reduced competitiveness, constrained market expansion opportunities, lower revenue, loss of talent and erosion of market share to competitors. As a result, our business, results of operations and financial condition could be materially and adversely affected.

Our business, results of operations and financial condition could be adversely affected if we fail to recruit, retain and incentivize key management and technical personnel, as our business depends on this ability.

Our ability to sustain and grow our business depends, to a significant extent, on our capability to attract, retain and motivate individuals with appropriate qualifications, expertise and experience, including senior management, technical personnel, professional executives, engineers and sales personnel. Our senior management team possess extensive industry experience and operational expertise, and their continued involvement is an important contributor to our long-term development and overall performance. Such individuals and our other technical staff play a critical role in supporting our R&D activities and in facilitating the successful commercialization of our products and solutions. The demand for highly skilled professionals within our industry has intensified, and competition for such talent continues to increase. In addition, as we are in the early stage of commercialization process, any unanticipated changes to the composition of our management and technical team could materially and adversely affect the continuity and efficiency of our operations, as well as increase costs and disrupt the stability of our commercialization process as we work to enhance market penetration of our robots and robotics solutions.

We seek to retain our key management and technical personnel. Nevertheless, changes to our management and technical team may occur from time to time, and we cannot guarantee that our key management and technical personnel's resignation will not take place or that we will be able to identify, recruit and retain suitably qualified replacement on acceptable terms or within a reasonable period of time. In addition, changes in the interpretation, implementation or enforcement of employment-related laws and regulations applicable to our workforce practices may result in increased compliance costs and reduced flexibility in managing our human resources. See "Regulatory Overview — PRC Laws and Regulations — Laws and Regulations on Labor Protection, Social Insurance and Housing Provident Funds."

Our business, operating results and financial conditions may be adversely affected if we fail to maintain stable relationships with our major customers to retain our existing customers and/or we fail to approach new customers.

We cannot guarantee that our customers will place repeat orders for our robots or robotics solutions on a regular basis, or at all. In addition, our ability to continuously attract new customers to support revenue growth depends on various factors, many of which are beyond our control, including customer acceptance of our products and solutions, the pace at which relevant use cases expand, and changes in customer preferences, demand patterns and industry trends. If we are unable to effectively attract new customers or retain existing customers, our business, results of operations and financial condition may be materially and adversely affected.

Specifically, as many of our robots and robotics solutions are deployed in customers' production lines and other mission-critical environments our ability to deliver, and reputation for delivering, timely, reliable and responsive after-sales services is an important factor in maintaining stable and long-term relationships with our major customers and securing repeat business from them and attracting new customers. Customers rely on us and our distributors to provide installation, commissioning, on-site troubleshooting, spare parts support and other after-sales services. As we expand our product range and enter new markets, the scope and complexity of our maintenance and support services may increase. For overseas customers, we partially rely on our distributors to deliver after-sales services locally. The technical capabilities, responsiveness and stability of these distributors vary across regions. Any inadequacy in the service capabilities of our distributors, whether due to limited engineering resources, insufficient product knowledge or delays in customer response, may negatively impact customer experience in overseas markets. As we scale our operations, we may face increasing challenges in meeting growing service demands, responding promptly to service requests, maintaining a sufficiently skilled, experienced and high-quality technical maintenance and support team, and sustaining stable relationships with our overseas local after-sales distributors. If we are unable to consistently provide high-quality maintenance and support services, our major customers may experience extended downtime, product malfunctions or unsatisfactory service outcomes, which could weaken customer confidence, damage our reputation and adversely affect our relationships with such customers and hinder our ability to attract new customers.

In addition, the increasing adoption of advanced technologies in our products may require more specialized technical expertise and support capabilities. If we fail to keep up with evolving customer requirements or are unable to provide timely troubleshooting, repairs or system upgrades, customer satisfaction and loyalty may decline. As a result, our major customers may reduce their purchases from us, terminate their cooperation with us or shift their procurement to alternative suppliers. We may also incur higher operating costs as we allocate additional resources to address service issues, enhance training or improve service response times. Any of the foregoing could materially and adversely affect our business, operating results and financial condition.

Accordingly, if there is a material decline in the order volume for our products or solutions, a reduction in the scale of such projects as measured by contract value, or if we are unable to secure future projects with relatively favorable profit margins, our business, operating results and financial condition could be materially and adversely affected.

We may encounter emerging challenges and additional risks while expanding into new product categories or solutions.

We plan to continue enriching our product portfolio by developing new types of product offerings targeted at high-value-added scenarios, such as smart cleaning robots, space robotic arms and force-controlled humanoid arms. These initiatives are intended to broaden our addressable markets and strengthen our competitiveness. However, the R&D and commercialization of new products involve significant uncertainties. New products may require substantial investment in R&D, manufacturing resources, testing and iteration, and there is no assurance that such efforts will result in commercially viable offerings or achieve the anticipated performance improvements.

Market acceptance of new product categories is also uncertain. Adoption in downstream industries may depend on customer education, proven case studies, product reliability and price competitiveness. If our new products fail to meet customer expectations, cannot deliver stable performance across diverse application environments or face strong competition from existing market players, their commercialization may be delayed or may not achieve the desired levels of sales.

In addition, expanding into new product categories may place additional demands on our supply chain, production capacity and quality-control systems. New components may need to be sourced, production lines may require reconfiguration, and our teams may need to build new testing and calibration procedures. If we fail to effectively manage these operational challenges or allocate sufficient resources, our production efficiency, product consistency and customer satisfaction may be adversely affected.

If we are unable to successfully develop, launch or commercialize new products and solutions, or if the associated costs exceed expectations, our growth prospects, business performance, financial condition and market competitiveness could be materially and adversely affected.

Our strategic acquisitions or investments may not achieve their intended objectives and could adversely affect our reputation, business and operating results.

As of the Latest Practicable Date, we have not identified any investment or acquisition target and we have not made any acquisition during the Track Record Period. In the future, we may pursue strategic acquisitions, investments or alliances with third parties in order to complement or expand our existing businesses, technologies or market presence. Such transactions may expose us to a variety of risks, including risks associated with the sharing of proprietary or confidential information, failure by counterparties to perform their obligations, increased costs incurred in structuring and implementing such transactions, and limitations on our ability to control or oversee the operations or actions of our partners or investees. Any of these factors could materially and adversely affect our business and operating results.

Our reputation may also be adversely affected by our association with third parties involved in strategic alliances, investments or acquisitions. To the extent that any such third parties experience adverse publicity, regulatory scrutiny or reputational damage arising from matters related to their own businesses, we may suffer negative publicity or reputational harm as a result of such association, regardless of whether we are directly involved in or responsible for such matters.

In addition, future acquisitions or investments may involve significant management attention and resources to integrate acquired assets, technologies or businesses into our operations. Such integration efforts may divert management's focus from our existing business operations and may be complex, time-consuming and costly. There can be no assurance that any acquired or invested businesses, assets or technologies will achieve the expected financial or operational performance, or that anticipated synergies or strategic benefits will be realized within the expected timeframe.

Our reliance on a limited number of suppliers for certain components and equipment may expose us to supply chain risks.

We procure (i) components, such as reducers, motors, carbon fiber tubes and aluminum shafts; and (ii) equipment, such as Computer Numerical Control (CNC) machine tools, sheet metal cutting equipment and bending machines from a limited number of suppliers for the production of our products and solutions.

In 2023, 2024 and 2025 and the six months ended June 30, 2026, purchases from our top five largest suppliers amounted to RMB23.6 million, RMB30.1 million, RMB28.5 million and RMB29.2 million, respectively, accounting for 24.4%, 22.0%, 23.3% and 28.2% of our total purchases, respectively. In 2023, 2024 and 2025 and the six months ended June 30, 2026, purchases from our largest supplier amounted to RMB6.5 million, RMB8.1 million, RMB6.6 million and RMB12.1 million, respectively, accounting for 6.7%, 5.9%, 5.4% and 11.6% of our total purchases, respectively.

The operational stability, commercial practices and business strategies of our suppliers are beyond our control, and we cannot guarantee that we will be able to maintain stable, continuous or long-term relationships with such suppliers. The identification, assessment and qualification of alternative or additional suppliers and vendors is often time-consuming and may result in production delays, disruptions to our manufacturing activities and increased costs. In certain circumstances, suitable alternative suppliers may not be available on commercially reasonable terms, or at all.

Any failure by our suppliers to deliver required components, equipment or services in a timely manner could disrupt our production processes and adversely affect the implementation of our business strategies. In addition, suppliers may from time to time extend delivery lead times, encounter capacity constraints, restrict supply volumes, increase prices, experience quality or performance issues or face other operational challenges, any of which could materially and adversely interrupt our supply chain or increase the costs associated with our procurement of components, equipment and services.

Our business, operating results and financial condition may be adversely affected if we fail to mitigate or hedge against rising costs of parts and components used in our products and solutions.

Our production of products and solutions depends on the procurement of various parts, components and other supplies, the prices of which are subject to fluctuations in the markets in which they are sourced. Our main parts and components sourced from third parties suppliers primarily includes components and equipment, such as reducers, motors non-standard parts. See "Business — Our Suppliers." Such costs of direct materials amounted to RMB64.4 million, RMB84.3 million, RMB143.9 million, RMB58.5 million and RMB80.1 million in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, which accounts for 83.0%, 80.7%, 81.9%, 82.4% and 81.4% of our costs of sales in the relevant year. Changes in market conditions, including shifts in supply and demand dynamics, cost structures of upstream suppliers and broader economic factors, may result in increases in our procurement costs. Competitive pressures and prevailing market conditions may limit our ability to fully offset such cost increases through adjustments to the prices charged to our customers.

In particular, where the costs of certain parts or components increase significantly, rise rapidly or remain elevated relative to historical levels, we may not be able to pass on such increases to customers in a timely manner, or at all. There can be no assurance that our cost management measures will be sufficient to effectively hedge against sustained or material increases in parts and component costs. This may be more pronounced in product segments characterized by intense competition or heightened price sensitivity as well as in respect of parts or components for which there are limited alternative sources or substitutes. As a result, our gross margins may be compressed, and our profitability may be adversely affected.

If we are unable to effectively mitigate, absorb or hedge against rising costs of parts and components through alternative sourcing, operational adjustments or pricing strategies, our business, operating results and financial condition could be materially and adversely affected.

We might not be able to maintain consistent and full quality control over our products and solutions as defective products supplied by third parties could result in direct warranty expenses and after-sales service costs to downstream customers.

The performance and reliability of our products and solutions depend, to a significant extent, on the effectiveness of our quality control and quality assurance systems. Such systems are influenced by a number of factors, including the quality and reliability of parts and components used, the qualifications and training of our personnel, and our ability to ensure that relevant quality control and assurance procedures are consistently implemented. However, we cannot assure that our quality control and quality assurance measures will be sufficient to prevent or promptly detect deviations from applicable quality standards in all circumstances.

Any material deficiency, failure or deterioration in our quality control or quality assurance processes could result in products failing to perform as intended, give rise to safety concerns or cause damage to property or personal injury. Such incidents could also adversely affect our market reputation, customer confidence and relationships with business partners, and may lead to increased costs associated with remediation, recalls, repairs or other corrective actions.

In addition, we rely on third-party suppliers to provide us with components and equipment. The quality of these components and equipment supplied by third-party suppliers and incorporated into our robots or robotics solutions is largely beyond our direct control. See "Business — Our Suppliers." We cannot assure that such components and equipment will consistently meet required quality standards or be free from defects. While we implemented a rigorous cross-functional supplier evaluation system pre-engaging with any suppliers, any quality-related issues attributable to such suppliers could result in customer complaints, product liability claims or other disputes.

In the event of quality issues arising from supplier-provided parts or components, we may be unable to obtain adequate compensation or indemnification from the relevant suppliers. Under our existing business arrangements, we generally bear the warranty obligations directly to our customers who purchase our products through our direct sales channels, which may result in

increased warranty-related expenses and after-sales service costs. Any legal proceedings against suppliers, regardless of their outcome, may be time-consuming and costly. Any of the foregoing circumstances could materially and adversely affect our business, operating results and financial condition.

We may be subject to product liability claims if our products or solutions contain defects, and we could incur significant expenses to remediate such defects. As a result, our reputation could be damaged and we could lose market shares, and our business, results of operations and financial condition may be adversely affected.

Our robots and robotics solutions may contain errors, defects, security vulnerabilities or software issues that are difficult to detect and correct, particularly when first introduced or when new versions or enhancements are released. Our products or solutions may contain serious errors or defects, security vulnerabilities or software issues, which we are unable to successfully correct in a timely manner or at all. Some errors or defects in our products or solutions may only be discovered after they have been commercialized and deployed by our customers for their production lines or other use cases and we may incur costs relating to product recall, repair or replacement. Furthermore, these issues could potentially lead to lawsuits filed against us by our customers or other parties, exposing us to potential liabilities and damages. We may also experience revenue loss, significant capital expenditures, delay or loss in market acceptance and damage to our reputation and brand, any of which could adversely affect our reputation, business, results of operations and financial condition.

Given that many of our customers use our products or solutions in production processes that are critical to their businesses, any error or defect in our products or solutions could result in losses to our customers. Our customers may seek compensation from us for any losses they suffer or cease conducting business with us altogether. A claim brought against us by any of our customers would likely be time-consuming, costly to defend and may materially and adversely affect our reputation and brand, making it difficult for us to sell and market our products and solutions.

Our business, results of operations and financial condition could be adversely affected if our distributors fail to operate effectively or we are unable to maintain strong relationships with them.

We rely on a network of distributors to sell our products and provide after-sales services in certain markets, leveraging their local market knowledge, sales channels and customer resources. As of June 30, 2026, we had 25 distributors. See "Business — Sales — Distribution." Our ability to effectively reach customers and generate sales depends, in part, on the performance, capabilities and commercial efforts of our distributors, which are largely beyond our control. Our distributors may not be able to successfully promote, market or sell our products, or maintain their competitiveness, or consistently provide high-quality after-sales services comparable to those offered to direct customers, due to a variety of factors, including limitations in their sales capabilities, marketing execution, financial condition or strategic priorities or service delivery resources. For example, our distributors may fail to organize effective marketing or promotional activities, or may not achieve the desired sales outcomes, or may lack the technical expertise or resources to deliver timely and reliable after-sales support. If their sales volumes to end customers do not meet expectations, our distributors may reduce their order volumes, seek price concessions, delay placing new orders or choose not to renew distribution arrangements with us.

The loss of, or a reduction in orders from, one or more distributors could adversely affect our access to customers, sales volumes and revenue. In addition, there can be no assurance that our distributors will continue to comply with applicable distribution agreements or that we will be able to timely identify or effectively address any non-compliance. Any failure by distributors to comply with contractual or regulatory requirements, or to maintain the required standards of after-sales service, could harm our brand, disrupt our sales activities and damage our relationships with distributors.

Furthermore, if we are unable to maintain stable relationships with a significant portion of our distributors, or if our distributors experience operational difficulties or fail to operate successfully, our ability to effectively sell and distribute our products may be negatively impacted. Certain actions by distributors may also adversely affect our corporate reputation and product image, potentially leading to loss of customers and a decline in sales.

In addition, there may be channel conflicts, cannibalization or competition among our distributors, which could further impair their sales effectiveness. We cannot assure that our distributor network will continue to operate successfully or generate revenue at expected levels. Any of the foregoing circumstances could materially and adversely affect our business, financial condition and results of operations.

Our business is subject to risks associated with the execution of our international expansion initiatives.

We have established a geographically diversified customer base both in the PRC and overseas, with our business footprint spanning more than 30 countries and regions around the world. During the Track Record Period, our overseas business experienced rapid growth. Our revenue from overseas customers also increased by 251.6% from RMB3.4 million in 2023 to RMB11.8 million in 2024, by 124.9% from RMB11.8 million in 2024 to RMB26.5 million in 2025, and by 282.5% from RMB2.3 million in the six months ended June 30, 2025 to RMB8.6 million in the six months ended June 30, 2026. As we continue to advance our international expansion strategy, such initiatives require substantial financial resources and significant management attention and expose us to various additional risks, including overseas regulatory risks, macroeconomic risks and geopolitical risks, which are beyond those we face in the PRC market.

Our overseas operations are subject to a wide range of operational, financial and compliance-related risks that could adversely affect our business. These risks include, but are not limited to, increased difficulty in managing and supervising overseas operations and agents, as well as compliance with anti-corruption laws, data protection regulations, trade compliance requirements and intellectual property laws in the relevant foreign jurisdictions. The occurrence of any of these factors, or the consequences arising therefrom, may restrict our ability to operate effectively in certain overseas markets or reduce the profitability of our operations in such regions. In addition, as we further expand internationally, we will be exposed to heightened risks arising from foreign exchange rate fluctuations and foreign exchange controls.

Due to our relatively limited experience in developing, managing and scaling operations in international markets, our overseas expansion initiatives may not achieve the results we expect. We may encounter challenges in recruiting, managing and retaining personnel for overseas operations, including application engineers and localized service teams, and may incur higher operating, travel, infrastructure and legal and compliance costs associated with international business activities.

In addition, we are required to provide technical support in multiple languages, localize and adapt our products and services to meet the specific needs of different countries and regions, implement appropriate pricing strategies, and coordinate with overseas business partners and third-party service providers, such as local logistics or transportation service providers. In certain overseas markets, we also face competition from established international robotics companies with stronger brand recognition, broader distribution networks and deeper local market experience, which may further increase the difficulty of expanding our market share.

Failure to effectively manage any of the foregoing risks could impair the performance of our international operations and materially and adversely affect our overall business development, results of operations and financial condition.

We are subject to risks associated with international trade policies, geopolitics and trade protection measures, tariffs, rising political tensions, and our business, financial condition and results of operations could be adversely affected.

Our business is exposed to evolving international trade policies, sanctions regimes, export controls, tariffs, and geopolitical tensions, which could adversely affect our operations, financial condition, and results of operations.

Some of our business partners are located outside of China, and deteriorating geopolitical or geoeconomic relations may disrupt supply chains, limit market access, or increase compliance burdens. Certain foreign jurisdictions, such as the United States, the European Union, the United Kingdom, Australia and the United Nations, may impose sanctions or trade restrictions that directly or indirectly affect China-based companies based on product origin, ownership, or other factors. These frameworks frequently change and are subject to uncertain interpretation and enforcement, and could be costly or burdensome to satisfy and could materially impact us and our business partners.

Specifically in relation to Chinese robotics companies, we may be subject to various international trade restrictions, most notably export controls implemented by the United States. U.S. export controls require licenses for the export, reexport, and in-country transfer of items subject to U.S. jurisdiction under the Export Administration Regulations ("EAR") administered by the Bureau of Industry and Security ("BIS"), including restrictions tied to the Entity List. Absent satisfaction of applicable licensing requirements, parties on the Entity List are generally prohibited from acquiring items subject to the EAR. In recent years BIS has increasingly designated PRC entities

on the Entity List, including many entities in the technology sector. These measures may limit our ability, and that of suppliers and customers, to obtain technologies, systems, devices, or components that are critical to our infrastructure and offerings, and may constrain sales in certain foreign markets.

During the Track Record Period, our sales activities should not give rise to material risks under US primary or secondary sanctions. This is because we did not engage in any USD transactions or significant non-USD transactions with counterparties who are subject to blocking sanctions imposed by the U.S. Our sales activities should similarly not be subject to materials risks under other applicable international sanctions laws, including those imposed by the EU, the UK, Australia, Canada and the United Nations. Furthermore, our sales activities during the Track Record Period should not give rise to material risks under U.S. export controls. This is because the Group's products sold worldwide did not incorporate any controlled U.S. items, nor were they subject to the EAR by virtue of being foreign direct products of U.S. technologies. We therefore do not believe our business activities are subject to any material direct and indirect impact from applicable sanctions and export controls. Nonetheless, we cannot assure you that regulators will not take the view that our past, current, or future activities are sanctionable, or that new or expanded restrictions will not increase scrutiny of our business. If competent authorities determine that any of our activities violate applicable sanctions or export control laws, or otherwise provide a basis for the designation of our group, our business and reputation could be materially and adversely affected. Additionally, if any customer, end user, or supplier becomes subject to sanctions, we may be required to suspend or terminate dealings with such parties, which could negatively affect our financial results.

Our products sold worldwide are also subject to tariffs imposed by the relevant countries. Notably, the current U.S. administration has frequently imposed and amended tariffs pursuant to various legal authorities. Particularly targeting Chinese-origin goods, the U.S. has since February 2025 imposed various tariffs, mainly under (i) section 301 of the Trade Act of 1974 of the U.S. (generally 7.5% to 25% across product lists covering electronics and machinery); (ii) section 232 of the Trade Expansion Act of 1962 of the U.S.; and (iii) the International Emergency Economic Powers Act ("**IEEPA**") tariffs (10% fentanyl-related tariffs and 10% baseline tariffs on all products from China). Since the U.S. Supreme Court struck down all tariffs imposed under the IEEPA on February 20, 2026, the current administration has instead imposed a 10% cross-the-board tariff under Section 122 of the Trade Act of 1974, effective February 24, 2026. That tariff expired on July 24, 2026 and was replaced by Section 301 forced labor tariffs effective July 24, 2026 (the "**Section 301 Forced Labor Tariffs**"). Under the Section 301 Forced Labor Tariffs, rates vary by country, with a 12.5% additional tariff (on top of existing applicable duties) imposed on all products exported from China.

During the Track Record Period, we made sales to one direct customer in the U.S. in 2024, 2025 and the six months ended June 30, 2026. Our revenue generated from such sales amounted to approximately RMB822,738.28 in 2024, RMB136,677.48 in 2025 and RMB35,289.32 in the six months ended June 30, 2026, representing 0.61%, 0.05% and 0.03% of the Group's total revenue of the respective years. Our products sold to the U.S. customer during the Track Record Period would be subject to the majority of the U.S. tariffs discussed above. However, given that the tariffs were paid by the U.S. importer of our products, we did not pay tariffs in connection with our U.S. sales. We also did not pay export duties or tariffs for direct sales to other overseas countries during the Track Record Period due to similar international commerce terms in our sales contracts. In light of the foregoing facts and the non-material sales revenue generated from our overseas sales during the Track Record Period, we do not consider our business to have been subject to material direct impacts of international tariffs. If our downstream customers export our products to the U.S. and have to pay U.S. tariffs, it may ultimately lead to reduced demand for our products. That said, we consider this indirect impact to be limited and manageable since our end users are predominantly located outside the U.S. Our direct and indirect sales to countries other than the U.S. similarly have not and are not expected to have any material impact on our business due to the limited overseas sales amounts and relatively low tariff rates (including certain preferential tariff treatment under free trade agreements with China).

Certain foreign investment restrictions may affect our ability to attract foreign investments. For instance, On October 28, 2024, the U.S. Department of the Treasury ("**Treasury**") issued the Outbound Investment Rule, which became effective on January 2, 2025. The Outbound Investment Rule imposes investment prohibition and notification requirements on U.S. persons for a wide range of investments in entities associated with China (including Hong Kong and Macau), collectively defined as "covered foreign persons," that are engaged in covered activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence. U.S. persons subject to the Outbound Investment Rule are prohibited from making, or required to notify Treasury report, certain investments in covered foreign persons. Certain

transactions, including U.S.-person investments in any publicly traded securities, are currently excepted from the restrictions imposed under the Outbound Investment Rule. On December 18, 2025, the U.S. Congress enacted the Comprehensive Outbound Investment National Security Act of 2025 (the "**COINS Act**"), which codifies and expands the Outbound Investment Rule. Treasury was given 450 days to amend the Outbound Investment Rule to conform with the provisions set forth therein, and the existing Outbound Investment Rule remains in effect until then.

We do not believe the Company is a covered foreign person as we do not engage in any covered activities under the Outbound Investment Rule. In any event, following the completion of the [**REDACTED**], it is expected that U.S. persons will be able to acquire our H Shares based on the publicly traded securities exception as long as the acquisition does not afford a U.S. investor rights beyond standard minority shareholder protections. We therefore do not consider the Outbound Investment Rule to have any material impact on our business or the [**REDACTED**].

That said, we cannot rule out the possibility of being deemed a covered foreign person due to different views taken by Treasury, potential amendments to the Outbound Investment Rule or the introduction of similar regulations. The Outbound Investment Rule may nonetheless increase the compliance burden of U.S. investors and may cause certain U.S. investors to adopt a more cautious approach in their investments, affecting the investor sentiment towards us, and therefore negatively impacting our ability to raise capital. Additionally, we cannot rule out the possibility that potential amendments to the Outbound Investment Rule may further restrict U.S. person investment. If our ability to raise such capital is significantly and negatively affected, it could be detrimental to our business, financial condition and prospects. In such case, the value of our Shares may significantly decline. U.S. persons (and their controlled non-U.S. subsidiaries) that acquire our Shares in the [**REDACTED**] should consult their legal counsel regarding their obligations under the Outbound Investment Rule, including the applicability of any exceptions.

Our business, operating results and financial condition could be adversely affected if we fail to obtain or maintain the requisite licenses and approvals in the jurisdictions in which we operate.

Our operations are subject to various laws, regulations and regulatory requirements in the PRC and other jurisdictions in which we conduct business. We are required to obtain and maintain certain licenses, approvals, filings and certifications in connection with our manufacturing activities and the sale of our products and solutions. Regulatory requirements may differ across jurisdictions and may change from time to time, and uncertainties may exist regarding the interpretation and implementation of applicable laws and regulations. And certain overseas customers or major customers may require our products to meet specific technical standards or certification requirements. Any inability to meet such customer-driven or jurisdiction-specific certification requirements, whether directly or through our suppliers, could restrict our access to certain markets or customers.

We cannot guarantee that we will be able to obtain, renew or maintain all required licenses, approvals or certifications on a timely basis, or that we will not be found to be in non-compliance with applicable regulatory requirements. Failure to obtain or maintain such licenses, approvals or certifications, or delays in regulatory review or renewal processes, could result in administrative penalties, suspension or restriction of operations, or other enforcement actions, which could disrupt our business and materially and adversely affect our business, operating results and financial condition.

Furthermore, changes in regulatory requirements, increased enforcement or the introduction of new compliance obligations could increase our operating costs, require modifications to our products or production processes, delay product launches or restrict our access to certain markets. Any of the foregoing circumstances could materially and adversely affect our business, operating results and financial condition.

Our business, reputation and financial results may be adversely affected if we fail to succeed with our embodied intelligence initiatives.

Our industry is entering a new phase of development characterized by the convergence of AI and robotics. Intensifying competition, faster technology cycles and rising customer expectations may increase the risks associated with our embodied intelligence initiatives. We officially launched the first prototype of our embodied intelligent robot in June 2025 and have continued iterative updates. In addition, we continue to develop new embodied intelligent robot products. If we fail to anticipate market trends, accurately capture customer demand or develop differentiated embodied intelligent products and solutions, our competitive position and growth prospects may be adversely affected.

Our strategy involves accelerating automation, expanding production capacity, pursuing selective acquisitions to enhance our product portfolio, and making sustained investments in core technologies such as software and algorithms. However, these initiatives involve significant execution, funding and integration risks. Our embodied intelligence-related R&D efforts may require substantial investment, may not achieve the intended technical or commercial outcomes, or may not be adopted by customers as expected. In addition, delays or inefficiencies in capacity expansion or post-acquisition integration could increase costs and negatively affect our operating results.

If we are unable to successfully execute our embodied intelligence strategy or fail to capture key market opportunities, our business, reputation and financial results may be materially and adversely affected.

Our expansion into new jurisdictions might expose us to various legal, regulatory and political risks.

Our growth strategy involves expanding our sales and operations into new jurisdictions, including East Asia, Southeast Asia, Europe, the Middle East and North America. Such expansion exposes us to a variety of risks that could materially and adversely affect our business, financial condition and results of operations.

Entering new geographic markets requires us to navigate unfamiliar legal, regulatory and political environments. Each jurisdiction has its own laws and regulations governing product safety, import and export controls, customs duties, foreign investment, data privacy, labor practices and intellectual property protection. Compliance with these diverse and sometimes conflicting requirements may be costly and time consuming, and any failure to comply could result in fines, penalties, delays in market entry or restrictions on our ability to operate. In addition, changes in trade policies, tariffs, sanctions or geopolitical tensions, such as those that may arise in the regions we are targeting, could adversely affect our ability to import components or export finished products, increase our costs or disrupt our supply chains.

We also face heightened operational risks when establishing a presence in new jurisdictions. These include difficulties in recruiting and retaining qualified local personnel, establishing effective distribution and service networks, managing relationships with local partners or distributors, and adapting our products and marketing strategies to local customer preferences and industrial standards. Our brand recognition in these markets is limited, and we may face intense competition from well established local and international competitors with greater resources, deeper customer relationships and better developed after sales support. If we fail to gain sufficient market acceptance or to scale our operations efficiently, our investments in these regions may not yield the expected returns.

Furthermore, cross border operations expose us to currency exchange rate fluctuations, repatriation of earnings restrictions, and potential difficulties in enforcing contractual rights or protecting our intellectual property. Political instability or economic downturns in any of these regions could reduce demand for automation equipment and negatively affect our revenue.

Any of these factors could impair our ability to successfully implement our global expansion strategy, delay our entry into target markets, or result in higher than anticipated costs, any of which could have a material adverse effect on our business, financial condition and results of operations.

We cannot guarantee that our growth strategies will be executed successfully or that they will produce the expected results.

We have adopted a number of growth strategies. See "Business — Our Strategies" and "Future Plans and [**REDACTED**]." The execution of such strategies involves significant risks and uncertainties, and certain initiatives are at an early stage of development or continue to evolve. There can be no assurance that these strategies will be implemented as planned or that any of the related initiatives will achieve their intended objectives.

The successful execution of our growth strategies may require substantial time, resources and management attention, and may depend on our ability to develop new technologies, introduce new products or solutions, and achieve sufficient market acceptance. We may encounter delays, technical challenges or difficulties in building customer demand, and we may not have sufficient experience in implementing certain new initiatives effectively. As a result, some of our growth initiatives may take longer than expected to generate returns or may not be successful.

In addition, if our growth initiatives fail to enhance our monetization capabilities or generate the anticipated revenue, we may not be able to maintain or increase our revenue levels or recover the costs associated with such initiatives. Any of the foregoing circumstances could materially and adversely affect our business, results of operations and financial condition.

Our past performance is not necessarily indicative of future growth, and we may not be able to maintain previous levels of expansion.

During the Track Record Period, our revenue growth benefited from, among other factors, the rapid development of the domestic automation market, increased adoption of parallel robots in various application scenarios and expanding customer demand from the food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive industries. However, such growth drivers may not persist, and our historical performance should not be relied upon as an indicator of our future results. The pace of industry development may fluctuate due to changes in macroeconomic conditions, downstream capital expenditure cycles, technological advancements or intensifying competition, any of which could adversely affect our ability to sustain our historical growth rates.

Our future growth prospects further depend on our ability to, among other things, expand production capacity, enhance our sales and after-sales service capabilities, deepen our penetration into existing industries, successfully commercialize new products and implement our international expansion strategies. The execution of these initiatives requires continued and substantial investments in R&D, supply chain management, talent recruitment and operational infrastructure. There can be no assurance that we will be able to secure sufficient resources to support such expansion on a timely basis, or that these initiatives will be implemented or progress as planned.

If we are unable to maintain our historical growth trajectory due to the foregoing factors, our business expansion, financial performance and results of operations may be materially and adversely affected.

Our business, operating results and financial condition could be adversely affected by any unexpected disruption at our production facilities.

During the Track Record Period, we manufactured and produced our products at our production facilities located in Tianjin, Suzhou, Wuxi and Xinxiang. Our ability to meet customer demand and to grow our business depends on the efficient, orderly and uninterrupted operation of our production plan, as well as the continuous and sufficient supply of utilities. The occurrence of any event that limits or disrupts the operations of our production facilities could result in significant losses, including revenue losses arising from production interruptions.

In addition, any errors or misuse during our production procedures may result in workplace accidents, injuries or fatalities. Our production operations are exposed to risks and occupational hazards, including but not limited to dust, noise, fires and electric shock. These hazards may cause harm to human health, property damage, worker injuries or other serious consequences. See "Business — Environmental, Social and Corporate Governance." Factors such as insufficient attention to safety, inadequate maintenance, substandard working conditions or lapses in training may increase the likelihood of accidents or health issues. There can be no assurance that the health and safety protection mechanisms we maintain will provide adequate protection in all circumstances. Any occurrence of workplace accidents or occupational health incidents may lead to regulatory investigations, penalties, compensation claims, production disruptions, increased costs and negative publicity. If any of these events occur, our business, financial condition and results of operations could be materially adversely affected.

Furthermore, our ability to maintain optimal utilization rates of our production facilities depends on factors beyond our control. For example, shortages of key materials sourced from third parties, disruptions to essential utilities or critical facilities caused by external factors including natural disasters, public health emergencies, labor shortages or rising labor costs may disrupt our planned production schedules. Such events may require us to divert additional time and financial resources to alternative or more costly arrangements to avoid delays in the supply of goods to our downstream customers, which could materially adversely affect our business, financial condition and results of operations.

In addition, we may be required to incur substantial additional costs, which may exceed the coverage of our insurance policies, to repair or replace damaged equipment or facilities. Any such disruption could materially impair our ability to manufacture and supply our products and to fulfill our delivery obligations to customers, damage our relationships with customers, and consequently have a material and adverse effect on our business, results of operations and financial condition.

Our business and operating results are subject to risks arising from force majeure and unforeseen, hostile or catastrophic events, including but not limited to wars, nuclear contamination, tsunamis, pollution incidents, acts of terrorism and civil unrest.

Our operations, supply chain and sales activities may be adversely affected by force majeure and other catastrophic or disruptive events beyond our control, such as natural disasters, extreme weather conditions, public health emergencies, large-scale power or communication failures, geopolitical conflicts, acts of terrorism or civil unrest. Such events may disrupt our production activities, impair the operations of our suppliers or logistics partners, or delay the delivery and installation of our products at customer sites.

In addition, catastrophic events may result in increased operational costs, including expenses related to employee safety, facility protection, supply-chain adjustments or restoration of normal operations. The time required to resume production and service activities may be uncertain and may depend on the severity and duration of such events.

If force majeure or other unforeseen events materially disrupt our operations, supply chain or customer activities, our business, operating results and financial condition could be adversely affected.

Our business, operating results and financial condition could be adversely affected if our insurance coverage is insufficient to cover all losses or potential claims by our customers.

We believe that we have obtained insurance coverage in respect of our business operations by maintaining the mandatory insurance policies required under PRC laws and regulations. As of the Latest Practicable Date, we maintained property all risks and employees' accident insurance. See "Business — Insurance." However, such insurance coverage may not be sufficient to fully compensate us for all types of losses that we may incur in the future. In addition, our insurance policies are generally subject to annual review by our insurers, and we cannot guarantee that such policies will be renewed on similar terms, on terms acceptable to us, or at all. Furthermore, if we incur significant losses as a result of uninsured events or events that result in losses exceeding the coverage limits of our insurance policies, we may be required to bear substantial costs. Any such circumstances could materially and adversely affect our business, operating results and financial condition.

Negative publicity regarding our brand, management team, employees or products may harm our reputation, as our business and prospects depend on enhancing and maintaining our brand and reputation.

We believe that the maintenance and enhancement of our brand are critical to the success of our business. As we operate in a highly competitive market, our ability to sustain our market position depends, in part, on effective brand management and promotion. The success of our brand-building efforts relies on the effectiveness of our marketing initiatives and customer recognition, including word-of-mouth referrals. We may incur additional costs in connection with brand promotion, and we cannot assure you that such efforts will achieve the intended results.

In addition, any negative publicity relating to us and our Directors, employees or products, whether justified or not, may adversely affect our brand image, reputation and business. Such negative publicity may arise from product performance issues, customer complaints, after-sales service incidents, unfavorable media coverage, online discussions or inaccurate third-party commentary, including malicious harassment or unfair competitive conduct beyond our control.

Any damage to our brand reputation could reduce customer confidence, impair our ability to attract or retain customers and business partners, and materially and adversely affect our business prospects, results of operations and financial condition.

Malfunctions, unexpected system failures, interruptions, insufficiency or security breaches may occur in our information technology and software systems.

We rely on various information technology and software systems to support our business operations, including, among others, our CRM system, ERP system, MES, AGV logistics scheduling system and other systems. Any malfunction, system failure, interruption, performance insufficiency or security breach affecting these systems could disrupt our operations, delay product development, impair production planning or delivery schedules, reduce inventory accuracy, or hinder our ability to respond to customer issues in a timely manner.

Our information technology and software systems may be damaged, interrupted or rendered unstable due to factors beyond our control, including hardware defects, software bugs, insufficient system capacity, unexpected surges in user traffic, power outages, fires, natural disasters, cyberattacks, unauthorized access, failures of third-party cloud service providers, or the intentional or inadvertent transmission of computer viruses and other malicious code. In addition, we may encounter difficulties when upgrading or integrating our systems, which could further affect system reliability and availability.

Cybersecurity risks also pose potential threats to our systems and data. Unauthorized access, data leakage, ransomware attacks or other malicious activities may compromise confidential information belonging to us, our customers, suppliers or distributors, and may result in operational disruptions, remediation costs, regulatory inquiries or reputational damage. Even in the absence of an actual security breach, perceived vulnerabilities in our systems may undermine customer confidence. If our information technology or software systems fail to operate reliably, securely and efficiently, our business operations, customer relationships, brand reputation and financial performance may be materially and adversely affected.

Any improper warehousing or handling of our products, delivery delay or material changes in warehousing and logistics related costs could adversely affect our business and results of operations.

We lease warehouses and rely on third-party logistics service providers for transportation and on-site delivery, over which we have no control. See "Business — Inventory Management and Logistics — Logistics." Any disruption in their services, including capacity shortages, route restrictions, labor shortages, transportation incidents or inefficiencies in cross-regional or overseas shipping arrangements, may result in delivery delays or increased logistics costs. These risks may be more pronounced for overseas shipments, where customs clearance, regulatory inspections or geopolitical factors may also affect delivery timelines.

Increases in warehousing or logistics costs, whether due to fuel price fluctuations, supply-chain disruptions, changes in market rates or adjustments in service providers' pricing policies, may increase our operating costs. Given the competitive pricing environment in certain product categories, we may not be able to fully pass such cost increases on to our customers. If delivery delays, logistics disruptions or cost fluctuations occur, our ability to fulfill orders on schedule may be impaired, which could adversely affect customer relationships, brand reputation and overall business performance.

Any improper warehousing or handling of our products, material changes in logistics costs or significant delivery delays could materially and adversely affect our business, operating results and financial condition.

Increasing focus on environmental, social and governance matters may impose additional costs on us or expose us to further risks.

In recent years, governmental authorities, regulators and public advocacy groups have placed increasing emphasis on environmental, social and governance ("ESG") matters. As a result, our business has become more sensitive to ESG-related considerations, as well as changes in governmental policies, laws and regulations relating to environmental protection and other ESG matters. In parallel, investor advocacy groups, institutional investors, investment funds and other influential market participants have increasingly incorporated ESG considerations into their investment decisions, with greater attention paid to the social impact and broader implications of their investments.

Irrespective of industry, heightened scrutiny by investors in respect of ESG matters may adversely affect a company's access to capital, as investors may reallocate capital or elect not to commit capital based on their assessment of a company's ESG practices and performance. Any future ESG-related concerns could result in increased regulatory compliance requirements and associated costs.

Furthermore, if we are perceived by investors or other stakeholders as having failed to respond adequately to evolving ESG expectations, regardless of whether such expectations are legally mandated, our reputation could be adversely affected. Any such reputational damage, increased compliance burden or loss of investor confidence could materially and adversely affect our business, results of operations and financial condition.

Our business is subject to seasonal fluctuations.

Our business and financial performance are subject to seasonal fluctuations. In particular, our revenue in the second half of a calendar year typically accounted for a majority of our total revenue, which is mainly attributable to the procurement and financial management practices of our customers. See "Business — Seasonality."

The extent of seasonality may fluctuate year over year due to industry conditions and other external factors, which may create variability in our demand forecasts and uncertainty in inventory management. If demand in peak periods exceeds our expectations, we may face challenges in arranging sufficient inventory, production capacity or timely delivery. Conversely, if demand during certain periods is lower than anticipated, we may experience excess inventory, higher working capital and liquidity requirements, as well as potential inventory impairment risks. In addition, our operating and financial results for interim periods may not be indicative of our results for a full financial year.

We expect such seasonal fluctuations in our revenue, results of operations and financial condition to continue, which may result in period-to-period volatility and could adversely affect the [**REDACTED**] of our H Shares.

Our business could be adversely affected if we fail to detect or prevent fraudulent, illegal or other improper activities by our employees, customers, suppliers or other third parties.

Our business may be exposed to fraudulent, illegal or other improper activities or misconduct committed by our employees, customers, suppliers or other third parties. Such activities could subject us to civil, administrative or criminal liabilities, fines, penalties or sanctions imposed by governmental authorities, as well as adverse publicity.

There can be no assurance that our internal controls, policies and procedures will be effective in preventing or detecting such conduct in the future, or that similar incidents will not occur. Any illegal, fraudulent, corrupt or collusive conduct, including violations of applicable anti-corruption or anti-bribery laws, could expose us to reputational harm, regulatory investigations, enforcement actions and significant financial or other liabilities.

If we fail to timely identify, prevent or mitigate fraudulent, illegal or other improper activities by our employees, customers, suppliers or other third parties, our business operations, results of operations and financial condition could be materially and adversely affected.

Our reputation, business, operating results and financial condition could be adversely affected if we are involved in legal proceedings or commercial and contractual disputes.

In the ordinary course of our business, we may from time to time be involved in legal proceedings and commercial or contractual disputes. We cannot assure you that we will not become a party to additional litigation, arbitration or other disputes in the future, which may expose us to additional risks, costs and potential losses.

Such proceedings or disputes may require us to incur significant legal and related expenses, including costs associated with professional services, appraisals, auctions, enforcement actions or legal advisory services. Litigation, arbitration and other disputes may also give rise to inquiries, investigations or proceedings by regulatory authorities or other governmental agencies, and may result in reputational harm, increased operating costs and the diversion of management time and resources away from our core business activities.

Any adverse judgments, arbitral awards or other unfavorable outcomes in legal or regulatory proceedings against us, or against our Directors, senior management or key employees, could materially and adversely affect our reputation, business, results of operations and financial condition.

We may face risks and uncertainties associated with our existing properties and the future construction and expansion of production and operational facilities.

We lease properties in various locations, which are primarily used for production, office operations and R&D. Any non-renewal of leases, material increase in rental costs, or any challenge by third parties or governmental authorities to our leasehold interests may adversely affect our business operations and financial performance. Our leased properties are also subject to fluctuations in the property rental market. Prior to the expiration of each of our lease arrangements, we are required to negotiate renewal terms with the relevant lessors. There can be no assurance that our existing leases will be renewed on similar or commercially reasonable terms, or at all, particularly with respect to rental amounts and lease terms. Any material increase in the rent payable for our leased properties may increase our rental and related operating expenses, which could materially and adversely affect our profitability. In addition, there can be no assurance that our existing lease agreements will not be terminated by the lessors prior to their expiry in accordance with applicable laws or contractual provisions. If we are required to relocate our office or production facilities, it may divert our attention from normal business operations and incur additional financial and time costs to identify suitable alternative premises, relocate our office and manufacturing facilities in the leased properties in a timely manner, or secure leases on comparable terms.

According to the Measures for the Administration of Commercial Housing Leases (《商品房屋租賃管理辦法》), within thirty days after the conclusion of a housing lease contract, the parties to the lease shall register the contract with the construction (real estate) authority of the people's governments of centrally administered municipalities, cities, or counties where the leased property is located; any violation of the provisions of these measures shall be ordered by the relevant authority to rectify within a specified time limit. As of June 30, 2026, we had not completed registration or filing of certain lease agreements in respect of three leased properties in the PRC. Under the Civil Code of the PRC, parties to a lease agreement are required to register and file the executed lease agreement with the relevant governmental authorities. As advised by our PRC Legal Advisors, the validity and enforceability of a lease agreement are not affected, notwithstanding the failure to complete registration or filing. Nevertheless, PRC Legal Advisors have further advised that, if the relevant local housing management authorities require us to complete registration within a specified period and we fail to do so, we may be subject to administrative fines of between RMB1,000 and RMB10,000 for each affected property. As of the Latest Practicable Date, we had not received any rectification notices or been subject to any administrative penalties in relation to such unregistered lease agreements. Accordingly, our PRC Legal Advisors are of the view that the risk of significant penalties arising from such non-compliance is not substantial for our [**REDACTED**].

In addition, we plan to further upgrade our properties to modernize our production and operational facilities. We intend to construct a multifunctional headquarters on the land parcels for which we hold land use rights in Tianjin, China. See "Future Plans and [**REDACTED**] — [**REDACTED**]." If disputes or governmental actions arise in relation to title challenges concerning the above properties, we may encounter difficulties in continuing to lease such properties or own such land use rights and may be required to relocate. If any of such property rights are terminated or rendered void as a result of challenges by third parties or governmental authorities, we would need to secure alternative premises and incur relocation costs and it may also disrupt our properties upgrading plans. As advised by our PRC Legal Advisors, under the relevant PRC laws and regulations, the lessor of the three unregistered leased properties shall be obligated to warrant its right to lease the premises. If we suffer any losses due to defects in the lessor's title to the premises, the lessor shall be liable to compensate us for such losses, and the likelihood of us being required to relocate to alternative premises is low. To the best of our knowledge, as of the Latest Practicable Date, there are no title disputes relating to the land parcels for which we hold land use rights. There can be no assurance that we will be able to relocate such operations to suitable alternative premises, and any such relocation may disrupt our business operations and result in loss of revenue. We also cannot assure you that we will be able to effectively mitigate the adverse effects arising from such disruptions, including losses and additional costs. Any such disruption, loss or cost could adversely affect our business, results of operations and financial condition.

RISKS RELATING TO THE RESEARCH AND DEVELOPMENT AND INTELLECTUAL PROPERTY RIGHTS IN OUR PRODUCTS AND SOLUTIONS

Our profitability and operating cash flows may be adversely affected by our ongoing and future substantial R&D investments, and such investments may not yield the anticipated outcomes.

We have devoted, and expect to continue to devote, substantial resources to R&D. In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our R&D expenses amounted to RMB19.4 million, RMB29.8 million, RMB21.4 million, RMB9.7 million and RMB24.0 million, respectively, accounting for 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, respectively. If we are able to successfully complete a [**REDACTED**] of our H Shares, we expect R&D to remain a key area of investment over the next three to five years. We currently plan to maintain a comparable level of R&D expenditures intensity in order to track technological frontiers and sustain our competitive advantages. However, there can be no assurance that such investments will achieve the outcomes we expect or generate corresponding returns.

However, there is no assurance that our R&D efforts will be successful or that the technologies and products under development will achieve the intended performance targets, obtain market acceptance or be commercialized in a timely manner. Certain projects may require extended development cycles, undergo repeated iterations or fail to reach commercial viability. If we allocate resources to projects that do not generate expected returns or do not ultimately result in marketable products, the associated expenditures may not be recoverable.

In addition, rapid technological advancements in our industry may require continuous upgrades to existing products and additional investments to remain competitive. If competing technologies develop more quickly than ours or if customer preferences shift toward alternative solutions, the value of our R&D efforts may be diminished.

If our substantial ongoing or future R&D expenditures do not deliver anticipated outcomes, our profitability, cash flows, operating results and overall financial condition could be materially and adversely affected.

Our future business, operating results, financial condition and competitive position could be adversely affected if we fail to successfully develop or introduce new products or solutions.

Our future business development, operating results, financial condition and competitive position depend significantly on our ability to continuously develop, enhance and successfully commercialize new products and solutions that incorporate evolving technologies and address changing market needs. There can be no assurance that we will be able to timely or effectively develop and introduce new or upgraded products and solutions, or that such products and solutions will achieve market acceptance.

The development and commercialization of new and enhanced products and solutions involve technological complexity and operational challenges. We may encounter unexpected technical difficulties, engineering challenges, production constraints or delays during the development process or when scaling up manufacturing in a cost-efficient manner. Any such challenges or delays may increase development costs, postpone product launches or limit our ability to respond promptly to market opportunities.

Successful product and solution development and upgrades also require us to make substantial and sustained investments in R&D, as well as to (i) design innovative, reliable and safe features that effectively differentiate our products and solutions from those of our competitors; (ii) continuously improve the stability, reliability and performance of our existing technology platforms; (iii) respond effectively to technological advancements, new product launches and competitive dynamics in the industry; and (iv) adapt in a timely and cost-effective manner to evolving customer requirements, market conditions and industry trends. There can be no assurance that we will be able to achieve these objectives on a consistent basis.

If we fail to complete the development of new or enhanced products, solutions or technologies on a timely basis, within budget or at all, or if our products and solutions fail to meet customer expectations or gain broader market acceptance, we may be unable to satisfy customer demand or expand our market presence. As a result, our business, operating results, financial condition and competitive position could be materially and adversely affected.

The potential involvement in legal proceedings to protect or enforce our intellectual property rights could be costly, time-consuming and lead to uncertain outcomes, and the validity of our product-related patents may be challenged before courts, the China National Intellectual Property Administration or similar agencies in other jurisdictions.

We may be required to initiate or become involved in legal proceedings to protect or enforce our intellectual property rights, which could be costly, time-consuming and may not result in favorable outcomes. Our patent rights relating to our products could be challenged, invalidated or found unenforceable in judicial proceedings or administrative actions before courts, the China National Intellectual Property Administration or similar intellectual property authorities in other jurisdictions.

Our competitors or other parties may infringe upon, misappropriate or otherwise violate our intellectual property rights in the future. In order to address potential infringement or unauthorized use, we may need to commence litigation or other legal proceedings to enforce or defend our intellectual property rights, protect our trade secrets, or clarify the validity, scope or ownership of our intellectual property or that of third parties. Such proceedings may be expensive, time-consuming and divert management attention from our core business. In addition, parties against whom we assert claims may file counterclaims alleging that we infringe their intellectual property rights. Many of our current or potential competitors may have greater financial, technical or legal resources than we do to enforce or defend their intellectual property rights.

We may not be able to prevent third parties from infringing upon or misappropriating our intellectual property rights. An adverse outcome in any litigation or administrative proceeding could result in the invalidation, revocation, narrowing or unenforceability of our existing patents, as well as any patents that may be granted in the future based on our pending patent applications.

Furthermore, intellectual property disputes typically involve extensive discovery and disclosure obligations, which may require us to disclose confidential or proprietary information during the course of such proceedings. Claims of invalidity or unenforceability may also be asserted on various grounds, and similar challenges may be brought before administrative authorities in China or other jurisdictions, even outside the context of litigation. The outcome of such proceedings is inherently uncertain. If any of our patents are revoked, amended or rendered unenforceable, such patents may no longer provide effective protection for our existing or future products, which could materially and adversely affect our business, results of operations and financial condition.

If we are alleged to have infringed IP rights, we may be subject to liabilities or financial penalties and may be required to redesign or cease selling the relevant products or modify our company name.

Certain of our competitors possess extensive patent portfolios and may assert that the commercialization or use of our products infringes their intellectual property rights. Given the breadth of claims in certain patents, specific features of our products may be alleged to fall within the scope of such claims. As a result, we may become subject to claims, legal proceedings or demands alleging infringement, misappropriation or other violations of third-party intellectual property rights in connection with the design, development, manufacture or sale of our products. There can be no assurance that our products will not infringe upon third-party intellectual property rights in the future.

We may face claims for damages, indemnification or other remedies arising from alleged infringement of proprietary rights held by third parties. In addition, we may be unaware of certain intellectual property registrations or pending applications relating to our products or business activities, or may rely on technologies licensed from third parties that are themselves subject to infringement allegations or similar claims. In the robotics industry, intellectual property litigation is sometimes used as a competitive tool, and determining whether a product or solution infringes a patent often involves complex legal and factual analysis and is inherently uncertain. We may also employ personnel who previously worked for competitors or other companies in relevant industries, and there can be no assurance that such employees will not inadvertently use proprietary know-how or trade secrets of their former employers.

Any allegation or claim of intellectual property infringement, regardless of its merit, could be costly and time-consuming to defend, result in substantial damages, fines or penalties, restrict or prohibit our ability to manufacture or sell products incorporating the challenged intellectual property, require us to redesign, reengineer or rebrand our products, compel us to enter into royalty-bearing or licensing arrangements on terms that may not be acceptable to us or available at all, divert management's attention from our day-to-day operations, or cause customers to terminate, defer or limit their purchases of the affected products pending resolution of such claims.

We cannot assure you that our operations or any aspect of our business do not, or will not, infringe upon or otherwise violate the intellectual property rights of third parties. We have been, and may from time to time in the future be, subject to claims or allegations of intellectual property infringement arising in the ordinary course of our business. The outcomes of such claims or proceedings are inherently unpredictable. If we fail to successfully defend against such claims or are subject to adverse judgments or rulings, we may be prohibited from engaging in certain business activities, incur substantial liabilities or be required to cease operations relating to certain products or business segments, any of which could materially and adversely affect our business, results of operations and financial condition, and may also result in negative publicity or reputational harm.

To obtain or maintain patent protection, we must comply with the requirements issued by governmental patent authorities; failure to comply with such requirements may result in reduced or lost patent protection.

Obtaining and maintaining patent protection is subject to compliance with various procedural, documentary, fee payment and other requirements imposed by the China National Intellectual Property Administration and governmental patent authorities in other jurisdictions. During the patent application process and throughout the term of an issued patent, we are required to take timely and appropriate actions, including responding to official communications within prescribed time limits, paying periodic maintenance or annuity fees and properly executing, legalizing and submitting required documents.

Any failure to comply with these requirements, including delays in responding to office actions, non-payment of maintenance fees or failure to complete required formalities, may result in the abandonment, lapse, invalidation or narrowing of our patent rights or pending patent applications, leading to partial or complete loss of patent protection in the relevant jurisdictions. In such circumstances, competitors may be able to enter the relevant markets with similar products or technologies, which could materially and adversely affect our business, results of operations and financial condition.

The value of patents and our ability to protect our products may be diminished if patent law is revised.

Changes in patent laws, regulations or examination guidelines may affect the scope, strength or duration of patent protection available to us. Any revision that narrows the scope of patentable subject matter, imposes stricter examination criteria or alters enforcement standards may reduce the value of our existing patents or limit our ability to obtain new ones.

If such changes diminish the level of protection afforded to our technologies, our competitive position may be weakened and our business, financial condition and operating results may be materially and adversely affected.

Our ability to protect the confidentiality of our trade secrets may be inadequate, and we, our employees or business partners may face claims of wrongful use or disclosure of trade secrets allegedly owned by others.

In addition to our registered patents and patent applications, we also rely on trade secrets, including unpatented know-how, technical information and other proprietary information, to protect our products and maintain our competitive position. We protect our trade secrets, in part, by entering into non-disclosure and non-competition agreements, or incorporating similar undertakings into relevant agreements, with parties who have access to such information. However, there can be no assurance that any employee or third party will not make unauthorized use or disclosure of our proprietary confidential information. Such unauthorized use or disclosure may occur intentionally or inadvertently. It is possible that competitors may obtain and make use of such information, thereby undermining our competitive position, and any resulting harm may have already occurred even if we take legal action against the relevant parties.

Trade secrets are inherently difficult to protect. Our employees or business partners may intentionally or inadvertently disclose our trade secrets to competitors, or our trade secrets may otherwise be misappropriated by third parties. Any efforts to enforce our rights against third parties that unlawfully obtain or use our trade secrets are typically costly, time-consuming and subject to uncertain outcomes. We also seek to enter into confidentiality agreements with our employees to address the ownership of inventions developed during the course of their employment. However, such agreements may not be self-executing or enforceable in all circumstances. In addition, third parties who are not parties to such agreements may independently develop technologies relevant to our business. If employees who are parties to such agreements breach their contractual obligations, we may not be able to obtain adequate remedies for such breaches and may lose our trade secrets

and inventions as a result. In addition, we, our employees or our business partners may be alleged to have wrongfully used or disclosed trade secrets or confidential information claimed to be owned by third parties, which could give rise to claims, disputes or litigation against us.

We may also become involved in claims or disputes relating to the ownership of such trade secrets. If we fail to successfully pursue or defend against any such claims, we may be required to pay monetary damages and may lose valuable intellectual property. Even if we are successful in pursuing or defending such claims, the related proceedings may still result in substantial costs and divert the attention of our management and R&D personnel, which could materially and adversely affect our business operations.

Brand building in our addressable market and our competitive position may be adversely affected if our trademarks are not under adequate protection.

We rely on our trademarks and trade names to establish brand recognition and differentiate our products and solutions in our addressable markets. As of June 30, 2026, we held 25 trademarks in Mainland China. However, our trademarks or trade names may be challenged, infringed, circumvented, declared generic or determined to infringe upon third-party rights. In addition, we may not have obtained, or may be unable to obtain, trademark registrations in all jurisdictions, categories or applications that are necessary or desirable for our current or future products and services.

Our trademarks may not be approved for registration by one or more governmental trademark authorities, or may not be approved for use in connection with certain products or services. We may also be unable to adequately protect our rights in our trademarks and trade names, or may be required to cease using certain names, which could impair our brand recognition among customers, business partners and other market participants.

Moreover, competitors may adopt trademarks or trade names that are identical or similar to ours, which may hinder our ability to build brand identity and lead to market confusion. We may also be subject to trademark infringement claims from third parties based on registered or unregistered trademarks or trade names that incorporate variations of our trademarks. If we are unable to effectively establish and maintain brand recognition through our trademarks and trade names, our ability to compete in our addressable markets may be materially and adversely affected, and our business, results of operations and competitive position could suffer.

Intellectual property rights may not provide adequate protection against all potential threats to our competitive advantages.

We rely on patents, software copyrights, trade secrets and other proprietary rights to protect our technologies, such rights may not provide comprehensive protection for all aspects of our products or prevent competitors from developing similar or functionally equivalent technologies. Some of our robot designs and control algorithms may be susceptible to technical modifications that circumvent the scope of our intellectual property rights. Detecting and preventing infringement can also be difficult, particularly in markets with large numbers of competitors or in jurisdictions where enforcement mechanisms are less robust.

Furthermore, certain key technologies are protected primarily through trade secrets rather than patents. Such protections may be more vulnerable to unauthorized disclosure or reverse engineering. If competitors replicate or improve upon our technologies, the strength of our competitive advantages may diminish. Any limitation in our intellectual property protection could materially and adversely affect our business performance and market position.

Our ability to protect our intellectual property rights on a global scale may be inadequate.

Protecting, prosecuting and enforcing patents and other intellectual property rights across multiple jurisdictions is costly, time-consuming and inherently uncertain. While we have established an intellectual property portfolio primarily in the PRC, our protection in overseas jurisdictions remains comparatively limited. There can be no assurance that our existing or future intellectual property rights will provide us with sufficient protection in all markets in which we operate or intend to expand.

Patent protection is territorial in nature. As a result, competitors or other third parties may be able to use technologies similar to ours, or practice our inventions, in jurisdictions where we have not obtained patent protection or where our intellectual property rights are limited in scope or

difficult to enforce. In addition, the legal systems of certain countries or regions may not provide effective mechanisms for the enforcement of patents or other intellectual property rights, which could make it challenging or impracticable for us to prevent or remedy infringement in such jurisdictions.

As we seek to expand our overseas intellectual property portfolio, we may need to initiate legal or administrative proceedings to protect or enforce our rights. Such proceedings may involve substantial costs, require significant management time and resources, and result in uncertain outcomes. Our patents may be challenged, invalidated, interpreted narrowly or otherwise rendered unenforceable, and our patent applications may be rejected. In addition, enforcement actions may provoke counterclaims or other disputes, which could further increase our legal exposure.

There is no assurance that we will prevail in any such proceedings or obtain remedies that we consider adequate. Even if we are successful, the costs and distractions associated with protecting and enforcing our intellectual property rights globally may outweigh the benefits. Accordingly, our efforts to secure and enforce intellectual property protection on a global basis may be insufficient to prevent competition or to enable us to fully realize the commercial value of the technologies and solutions we develop, which could materially and adversely affect our business, results of operations and financial condition.

RISKS RELATING TO OUR FINANCIAL CONDITION AND NEED FOR ADDITIONAL CAPITAL

We are subject to inventory obsolescence risks due to the rapid pace of technological change and product innovation in our industry.

Our industry is characterized by rapidly changing technology, evolving industry standards, and frequent new product introductions. Our inventory, which consists primarily of raw materials, work in progress, and finished goods used in our operations, is exposed to the risk of obsolescence. During the Track Record Period, we recorded relatively high inventory turnover days due to our limited history of large-scale commercialization and the need to maintain a broad portfolio of robots and related materials to cater to diverse customer requirements. Specifically, our inventory turnover days were 249 days, 226 days, 118 days and 88 days in 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. Even with our improved inventory management efficiency, our inventory turnover days experienced a downward trend, the historical length of these turnover days, combined with the rapid technological iterations in the robotics industry, continues to expose us to inventory obsolescence risks.

We record inventory write-downs to cost of sales when the net realizable value falls below cost. Net realizable value is calculated as the estimated selling price less any estimated costs to complete and sell the product. See Note 2.3 and Note 19 to the Accountants' Report in Appendix I to this document. We determine this value based on current market conditions and our historical sales data for similar products. However, because net realizable value relies heavily on estimates of future customer demand and competitor actions, it is subject to change. If actual market conditions differ from our assumptions, we may need to adjust the carrying value of our inventory, resulting in additional charges in future periods. As of December 31, 2023, 2024 and 2025 and June 30, 2026, we recorded write-downs, provisions for impairment losses, of inventories of RMB0.9 million, RMB2.0 million, RMB1.0 million and RMB1.4 million, respectively. If we are unable to accurately forecast customer demand relative to the timing of new product releases, we may be left with excess inventory of older-generation products. Because the value of our products can diminish quickly upon the announcement or launch of a competing or next-generation technology, we may be required to write down or write off obsolete inventory. Such write-downs would increase our cost of sales and adversely affect our business, financial condition, and results of operations.

We may not be able to obtain additional capital when desired on favorable terms or at all.

Our capital requirements are subject to a variety of factors, including technological advancements, market acceptance of our products and solutions, the overall level of sales, R&D expenditures, relationships with customers and suppliers, cost control capabilities, sales and marketing expenses, enhancements to our infrastructure and systems, capital improvements to our facilities, potential acquisitions of businesses or product lines, as well as general economic conditions, inflation, rising interest rates and international conflicts.

From time to time, our production facilities and operations may require substantial capital investment and upgrading due to depreciation, business expansion or changes in regulatory or operational requirements, which may increase our operating costs. The timely completion of such investments and upgrades depends on various factors, including our ability to secure sufficient

funding, obtain required governmental approvals and licenses, and ensure adequate supply and delivery of relevant equipment. If such upgrades or investments are delayed or not completed as planned, our operations may be temporarily constrained, which could materially and adversely affect our business, financial condition, results of operations and prospects.

If our actual capital requirements differ materially from our current expectations, we may need to raise additional capital earlier than anticipated. There is no assurance that additional financing will be available to us on acceptable terms, on a timely basis, or at all. If we are unable to obtain adequate funding when needed, we may be unable to continue our operations as planned, develop or enhance our products, expand our sales and marketing capabilities, pursue strategic opportunities or respond effectively to competitive pressures, which could materially and adversely affect our business, financial condition and results of operations.

Our business, operating results, financial condition and prospects could be adversely affected if we fail to obtain or maintain government grants or preferential tax treatments.

During the Track Record Period, our business has benefited from government grants and preferential tax treatments available to high-tech enterprises. In 2023, 2024 and 2025 and the six months ended June 30, 2026, the government grants that we received amounted to RMB5.3 million, RMB5.0 million, RMB8.9 million and RMB0.4 million, respectively. These incentives are subject to periodic review, compliance with specific qualification criteria and changes in government policies. There is no assurance that we will continue to meet the relevant requirements or that such incentives will remain available in the future. Any reduction, suspension or loss of government grants or preferential tax treatments could increase our tax burden, reduce our profitability, which could materially and adversely affect our financial condition and business prospects.

Our liquidity and financial condition could be adversely affected if customers, distributors or related parties delay payments or default on their obligations.

We are exposed to credit risk related to delay in payment and defaults of our customers, distributors or related parties. As of December 31, 2023, 2024 and 2025, and as of June 30, 2026, we had trade and bills receivables of RMB12.3 million, RMB13.4 million, RMB58.7 million and RMB71.7 million, respectively. Our customer credit terms are determined on a case-by-case basis. We may offer longer credit terms to strategically important customers for our business expansions. We may not be able to collect all such trade and bills receivables due to various factors beyond our control, including long payment cycles of certain customers, adverse operating or financial conditions of customers, and distributors' inability to make payment caused by delays in payment from their own customers.

If our customers and/or distributors delay or default in their payments to us, we may be required to make impairment provisions or write off the relevant receivables, and our liquidity and financial condition could be materially and adversely affected.

Our financial performance could be adversely affected, and we may incur share-based payment expenses, for we have granted and might continue to grant share-based awards.

In recognition of the contributions of our employees and to incentivize them to further promote our development, Chenxing Friends and Chenxing Brothers were established as our employee shareholding platforms in the PRC, and our Company has implemented an employee incentive scheme (the "Employee Incentive Scheme"). See "History — Our Employee Shareholding Platforms." We recorded amount of share-based payment expenses of nil, RMB10.6 million, RMB4.4 million, RMB2.0 million and RMB2.9 million in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026. We do not have any outstanding share awards as of the Latest Practicable Date, but we may grant share-based awards to certain management and employees under our share incentive scheme. We believe that such share-based awards are important to our ability to attract, retain and motivate our key individuals, and we may continue to grant share-based awards in the future. As a result, we may incur share-based payment expenses, which could increase our operating expenses, adversely affect our financial performance and dilute the shareholding interests of our existing Shareholders.

Our liquidity and financial position may be materially and adversely affected in the future if we fail to perform our contractual obligations.

Our contract liabilities primarily represent advance payments received from customers in connection with the delivery of our robots and robotics solutions. As of December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, our contract liabilities amounted to RMB39.8 million, RMB41.9 million, RMB16.4 million and RMB17.9 million, respectively. If we fail to fulfill

our obligations relating to such contract liabilities, we may be unable to recognize the corresponding revenue as expected. In addition, customers may request not to make advance payments to us in the future if we fail to perform our contractual obligations. Any of these circumstances could materially and adversely affect our business, results of operations, cash flows and liquidity condition.

RISKS RELATING TO DOING BUSINESS IN THE JURISDICTIONS WHERE WE OPERATE

The economic and social conditions in the jurisdiction we operate could affect our business, results of operations, financial conditions and prospects.

Our business, financial performance and prospects are closely linked to the overall economic and social conditions in China, where a significant portion of our revenue is generated. Demand for robots and robotics solutions is influenced by macroeconomic factors such as industrial production levels, capital expenditure by manufacturing enterprises, investment sentiment, credit availability and general business confidence. Any changes in China's economic growth, fluctuations in the manufacturing sector, or weaker investment activities in food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive industries may lead to reduced procurement of automation equipment by customers and negatively affect our sales.

Social factors, including changes in labor costs, demographic trends, employment conditions and regional development policies, may also influence the pace of automation adoption. In addition, public health events, logistical disruptions, geopolitical tensions or broader social instability could impact our supply chain, production schedule, workforce availability or customer operations.

Any changes in China's economic or social environment, or adverse developments in any of the above areas, may affect our business performance, slow our growth, increase our operational costs or disrupt our strategic plans. These developments could also materially and adversely affect our financial condition, results of operations and overall prospects.

PRC regulatory changes may adversely affect our business, operating results and financial condition, thereby leading to impacts on our [REDACTED].

We operate in an industry that is subject to extensive and evolving PRC laws and regulations, including those relating to manufacturing, product quality and safety, robotics technologies, environmental protection, taxation, labor management and data security. PRC regulatory authorities may from time to time introduce new regulations, adjust existing rules, strengthen supervision or modify enforcement practices. These changes may impose additional licensing or filing requirements, increase compliance obligations, or result in more stringent operational standards.

If we are required to adjust our operations, upgrade facilities, enhance product testing procedures, modify product features or increase investment in compliance systems to meet new regulatory requirements, our operating costs may increase and our business activities may be disrupted. Any failure to respond to evolvement in the regulatory environment in China could materially affect our business and impede our ability to continue our operations. Such impacts may in turn affect the [**REDACTED**] of our H Shares and the [**REDACTED**] returns of our [**REDACTED**].

Government control of currency conversion and regulations on cross-border RMB transfers may limit our ability to utilize our revenues effectively, discharge dividends and other obligations, and impact the [REDACTED] of our H Shares.

The remittance of currency in and out of China is subject to various laws and regulations. We are subject to the currency exchange regulatory system. The conversion of RMB is subject to applicable laws and regulations in the PRC. Under the current PRC foreign exchange control system, foreign exchange transactions under the current account conducted by us, including the payment of dividends, do not require advance approval from the SAFE, but we are required to present documentary evidence of such transactions and conduct such transactions at designated foreign exchange banks within China that have the licenses to carry out foreign exchange business.

If we are unable to convert Renminbi into foreign currencies when needed, remit funds offshore or complete required procedures for dividend payments, our operational flexibility, financial management and ability to distribute dividends may be adversely affected. Any such restrictions may also reduce the attractiveness or [**REDACTED**] of our H Shares.

Fluctuations in currency conversion could have an effect on our results of operations and your [REDACTED].

A significant portion of our revenue and expenses is denominated in Renminbi, while the net [**REDACTED**] from the [**REDACTED**] and certain procurement or overseas business activities may be denominated in Hong Kong dollars, U.S. dollars or other foreign currencies. Fluctuations in the Renminbi exchange rate against these foreign currencies may therefore affect the value of our revenue, costs, assets and liabilities when expressed in foreign currencies.

If the Renminbi depreciates, the value of the net [**REDACTED**] from the [**REDACTED**] and any foreign-currency-denominated assets may decline when converted into Renminbi. If the Renminbi appreciates, our overseas procurement costs or other foreign-currency-denominated expenses may increase. Exchange-rate volatility may also affect our pricing competitiveness in overseas markets and the financial performance of our international operations.

PRC regulatory authorities may adjust exchange-rate policies or intervene in the foreign exchange market, and the timing and extent of such actions cannot be predicted. Any significant depreciation or appreciation of the Renminbi, or increased volatility in the foreign exchange market, could materially and adversely affect our operating results, financial condition and the value of your [**REDACTED**].

We face certain legal and regulatory risks relating to social insurance and housing provident fund.

Pursuant to the relevant PRC laws, employers must make full contribution to the social insurance and housing provident funds for employees. See "Regulatory Overview Laws and Regulations on Labor Protection, Social Insurance and Housing Provident Funds." Local regulatory authorities may conduct inspections or review our past contributions. If any non-compliance is identified, such as insufficient contributions or late payments, we may be required to make supplemental payments and pay late fees or penalties. The standards for determining compliance and the level of enforcement may vary across different regions, and regulatory authorities may adjust their enforcement practices from time to time. As advised by our PRC Legal Advisors, if any of the relevant social insurance authorities is of the view that the social insurance contributions we made for our employees do not comply with the requirements under the relevant PRC laws and regulations, it may order us to pay the outstanding balance within a prescribed time period plus a late fee of 0.05% of the total outstanding balance per day. If we fail to do so within the prescribed period as requested, we may be subject to a maximum exposure of penalties ranging between one to three times of the total outstanding balance. In addition, if any of the relevant housing provident fund authorities is of the view that our contributions to the housing provident funds do not satisfy the relevant requirements, it may order us to pay the outstanding balance within a prescribed period. If we fail to do so, the relevant housing provident fund authority may apply to a PRC court for an order of mandatory payment and a fine or penalty ranging from RMB10,000 to RMB50,000 may be imposed.

In addition, as of June 30, 2026, we have paid social insurance and housing provident fund contributions for all employees, however, during the Track Record Period, we have not made full contributions for certain of our employees. During the Track Record Period, the aggregated shortfall amount of the Group's social insurance and housing provident fund contributions for each year during the Track Record Period amounted to RMB3.7 million, RMB5.1 million, RMB5.1 million and RMB2.7 million in 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. Furthermore, we engaged third-party agencies to make contributions to five of our employees' social insurance and housing provident funds on our behalf, since the five employees reside at different municipal cities from place of employment. Such practices are not in strict compliance with applicable PRC laws and regulations. As advised by our PRC Legal Advisors, if the validity of such arrangements is challenged by competent PRC authorities, we might be subject to additional contributions, late payment fees and/or penalties for failing to discharge our obligations in relation to payment of social insurance and housing provident funds as an employer and be ordered to rectify such practice. We might also be subject to labor disputes arising from such arrangements with the relevant employees. Nevertheless, pursuant to the Urgent Notice on Enforcing the Requirement of the General Meeting of the State Council and Stabilizing the Levy of Social Insurance Payment (《國家税務總局辦公廳關於穩妥有序做好社會保險費徵管有關工作的通知》) promulgated on September 13, 2018 by the State Taxation Administration, administrative enforcement authorities are prohibited from organizing and conducting centralized collection of enterprises' historical social insurance arrears. As of the Latest Practicable Date, no competent government authorities had imposed administrative action, fine or penalty to us with respect to mandatory social insurance and housing provident fund contributions. As advised by our PRC Legal Advisors, the possibility that we will be subject to any administrative penalties and late fees of unpaid social insurance contributions, as well as be subject to a concentrated liquidation of unpaid social insurance

contributions and housing provident fund by relevant administrative authorities is remote, provided that (i) there are no material changes to the current PRC applicable laws, regulations, policies and their enforcement, (ii) we and our holding subsidiaries have not received any material complaints or reports from any employees, and (iii) we fulfill our commitment to pay any arrears within the time limit required by the relevant administrative authorities when so requested. As a result, no provision has been made in relation to the shortfall amount during the Track Record Period due to the remote risks associated with the aforementioned non-compliance and the confirmation provided by our PRC Legal Advisors' view.

In addition, on July 31, 2025, the Supreme People's Court of the People's Republic of China promulgated the Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) ("judicial interpretation" or "interpretation"), which took effect on September 1, 2025. Under this interpretation, any agreements between an employer and its employees that waive the payment of social insurance contributions shall be deemed invalid. If a court determines that the company has failed to make full social insurance contributions for its employees, the company may face the risk of being ordered by the court to settle the outstanding contributions, but shall not be subject to administrative penalties. See "Regulatory Overview — Laws and Regulations Relating to Employment and Social Welfare." As advised by our PRC Legal Advisors, taking into account the facts as of the Latest Practicable Date: (i) we had not entered into any agreements with employees to forgo social insurance payment, and we had made social insurance contributions for all of our employees, with the only non-compliance being our failure to pay full social insurance contributions for certain employees; (ii) we had not been involved in any material employee complaints or any material labor disputes in connection with employment or social insurance matters; and (iii) there were no pending or unresolved social insurance complaints against us, the new judicial interpretation will not have a material adverse impact on our business or financial performance. Nevertheless, as PRC labor laws and regulatory guidelines continue to evolve, we cannot provide assurance as to how future regulatory developments may affect our operations.

If we are required to make additional contributions or pay penalties, our operating costs may increase and our financial condition could be adversely affected. Furthermore, any finding of historical non-compliance may also affect our reputation and human resources management.

Our H Share [REDACTED] could be liable for PRC taxes on dividends obtained from us and profits from the disposition of their H Shares.

Under PRC tax laws and regulations, non-resident enterprise investors are generally subject to withholding income tax on dividends received from PRC companies at a rate of ten percent, unless an applicable tax treaty or arrangement provides for a reduced rate. Gains derived from the sale or other disposition of H Shares by non-resident investors may also be treated as PRC-sourced income and become subject to PRC tax, depending on the interpretation and enforcement practices of the tax authorities. Individual non-resident investors may likewise be subject to PRC tax on dividend income and capital gains in accordance with PRC tax regulations.

PRC tax authorities may issue new rules, adjust enforcement practices or reinterpret existing regulations. These changes could affect whether and how taxes are imposed on dividends or capital gains derived by H Share investors. If tax authorities determine that dividends or gains from H Shares are subject to PRC withholding tax, we may be required to withhold such taxes on behalf of investors, which may reduce the net amount of income received by H Shareholders.

Any imposition of PRC withholding taxes on dividend income or capital gains could materially and adversely affect the [**REDACTED**] returns of our H Shareholders and the overall attractiveness of our H Shares.

Dividend distributions are subject to restrictive provisions under PRC law.

Under PRC law, we may distribute dividends only out of our accumulated after-tax profits as determined in accordance with PRC accounting standards. Before making any dividend distributions, we must allocate a certain portion of our after-tax profits to statutory reserves until such reserves reach the required level. These reserve funds are not distributable as cash dividends. In addition, if our subsidiaries incur losses in a given year or retain accumulated losses from prior periods, they may be required to offset such losses before distributing profits to us.

The ability of our PRC subsidiaries to distribute dividends to us may also be affected by other regulatory requirements, including restrictions imposed by financing agreements, investment project filings, capital verification procedures or foreign exchange controls. Any tightening of PRC regulatory policies or changes in administrative practice may further limit the amount of profits available for distribution.

As a result, even if we achieve profitability, we may not be able to distribute dividends to our Shareholders in a timely manner or in the amounts expected. Any limitation on dividend distributions could materially and adversely affect the returns to our Shareholders and the value of their [**REDACTED**] in our H Shares.

You may experience difficulties in effecting service of process upon or enforcing foreign judgments against us, our Directors and senior management residing in Chinese Mainland.

We are a company incorporated under the laws of Chinese Mainland, and a substantial majority of our assets are located in Chinese Mainland. In addition, most of our Directors and senior management reside within Chinese Mainland. As a result, the service of process, investigation, collection of evidence, ratification, and enforcement procedure inside Chinese Mainland should follow the rules set forth in the Civil Procedure Law of the People's Republic of China as well as other applicable laws, regulations and interpretations. It would generally require you to commit more time and economic cost. On July 14, 2006, the Supreme People's Court of China and Hong Kong entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排) (the "2006 Arrangement"). Pursuant to the 2006 Arrangement, a party with a final judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to a choice of court agreement in writing may apply for recognition and enforcement of the judgment in Chinese Mainland, and vice versa. However, it is subject to the parties in the dispute agreeing to enter into a choice of court agreement in writing under the 2006 Arrangement.

On January 18, 2019, the Supreme People's Court of China and Hong Kong entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the "2019 Arrangement") and the 2019 Arrangement was issued on January 25, 2024 and became effective on January 29, 2024. The 2019 Arrangement will supersede the 2006 Arrangement and afford greater clarity and certainty for reciprocal recognition and enforcement of judgments in civil and commercial matters. The 2006 Arrangement will remain applicable to a "choice of court agreement in writing" entered into before the 2019 Arrangement taking effect. However, we cannot guarantee that all judgments made by Hong Kong courts will be recognized and enforced in the Chinese Mainland, as whether a specific judgment will be recognized and enforced is still subject to a case-by-case examination by the relevant court in accordance with the 2019 Arrangement.

Foreign investment policies implemented by the PRC government may affect our business and results of operations.

The PRC government regulates foreign investment through a system that includes the Negative List for foreign investment access, the Catalog of Encouraged Industries for Foreign Investment, industry-specific regulations, national security review mechanisms and other approval or filing requirements. These policies may change from time to time in response to economic conditions, industrial policy priorities, technological development objectives or geopolitical considerations. As our business involves R&D and manufacturing of robots and robotics solutions, any adjustment to relevant foreign investment rules or classifications may affect our operational arrangements or long-term development plans.

If future policies impose additional restrictions on foreign investment in the robotics industry or related technology sectors, foreign investors' participation in our company may be limited, or our ability to attract strategic investors, cooperate with foreign partners or undertake cross-border business activities may be affected. Changes to security review requirements, foreign-invested enterprise reporting obligations or approval procedures may increase compliance costs or cause delays in certain transactions.

Conversely, if the PRC government adjusts the Catalog of Encouraged Industries in a manner that affects tax incentives or support measures currently applicable to our business, we may no longer be entitled to certain benefits or may be required to satisfy additional conditions to maintain eligibility.

If adjustments to foreign investment policies result in new compliance obligations, restrict certain business arrangements or increase operational costs, our business activities, financial condition and operating results may be materially and adversely affected.

PRC tax laws and regulations apply to our operations, and revisions to such regulations may affect our business activities.

We are subject to various PRC tax laws and regulations, including those governing enterprise income tax, value-added tax, withholding tax, surtaxes and other tax categories applicable to manufacturing enterprises and companies engaged in software development and technology services. These laws and their implementing rules are subject to amendments, refinements and enhanced enforcement from time to time. As tax authorities continue to refine policies and adjust administration practices, the interpretation and application of relevant tax rules may change, which may increase compliance uncertainties for enterprises such as ours.

Our past and future tax benefits, including preferential treatments relating to high and new technology enterprises (HNTE), or R&D super deduction policies, are subject to periodic review by local tax authorities. There is no guarantee that we will continue to qualify for these preferential treatments, or that such policies will remain unchanged. If our eligibility is revoked, fails to be renewed or becomes subject to more stringent criteria, our effective tax rate may increase and our financial performance may be adversely affected.

In addition, tax authorities may adjust tax rates, revise deduction standards, modify invoicing requirements or tighten administrative practices, which may materially increase our tax burden or require us to modify existing business practices. If new tax rules are issued, or if existing rules are amended or reinterpreted, we may incur additional tax liabilities, interest or penalties. Any significant change in PRC tax regulations or enforcement policies could materially and adversely affect our business operations, cost structure, profitability and financial condition.

We must comply with continuously evolving laws and regulations related to data security and the protection of personal information.

We are subject to various PRC laws, regulations and regulatory requirements that govern data security, cybersecurity, network operations and the protection of personal information. These regulatory frameworks have expanded rapidly in recent years and continue to evolve. Key regulations include, among others, the PRC Cybersecurity Law, the Data Security Law, the Personal Information Protection Law and the corresponding implementing rules and industry-specific standards. Regulatory authorities may issue new rules, impose additional compliance obligations or strengthen enforcement practices from time to time. As a result, the scope, interpretation and application of these laws may change, and compliance requirements for enterprises operating in China may increase.

To comply with these regulatory requirements, we must invest resources to enhance our data governance systems, cybersecurity capabilities, internal controls and employee training. We also maintain information systems that support our robotics products, after-sales services and operational management. If these systems fail to meet regulatory standards or experience vulnerabilities, unauthorized access, data leakage or other security incidents could occur. Any actual or perceived failure to protect personal information or important data may expose us to regulatory investigations, administrative penalties, civil claims or reputational damage.

In addition, regulators may require companies handling certain types of data to complete security assessments, adopt classified protection measures or undergo certification processes. If applicable requirements become stricter or if new obligations are introduced, we may be required to modify our systems, adjust internal processes or suspend certain data-related operations until compliance is achieved. Failure to comply with evolving data security and personal information protection requirements may materially and adversely affect our business operations, financial condition and prospects.

RISKS RELATING TO THE [REDACTED]

There is no assurance that an active or liquid [REDACTED] for our H Shares will develop or be sustained.

There is no assurance that an active, liquid or sustainable [**REDACTED**] for our H Shares will develop following the [**REDACTED**], or, if it does develop, that it will be maintained in the future. The [**REDACTED**] and [**REDACTED**] of our H Shares may be influenced by factors beyond our control, including overall market conditions, investor sentiment toward the robotics industry, fluctuations in our financial and operating performance, changes in regulatory policies, geopolitical events, as well as the [**REDACTED**] liquidity of comparable companies listed in Hong Kong.

If an active or liquid market for our H Shares does not develop or is not sustained, our [**REDACTED**] may find it difficult to sell their H Shares at a desired price or time, or at all. Even if a market develops, the H Share [**REDACTED**] may be volatile and could fluctuate significantly due to relatively small volumes of trades. Any such volatility or lack of liquidity may materially and adversely affect the value of your [**REDACTED**].

As the [REDACTED] of our H Shares is substantially higher than the consolidated net tangible book value per share, purchasers in the [REDACTED] may experience immediate dilution.

The [**REDACTED**] of our H Shares is expected to be substantially higher than the consolidated net tangible book value per share immediately prior to the [**REDACTED**]. As a result, purchasers of our H Shares in the [**REDACTED**] will experience immediate dilution in the net tangible book value per share of their [**REDACTED**]. Existing Shareholders will benefit from any increase in the net tangible book value per share resulting from the [**REDACTED**], whereas investors who purchase H Shares at the [**REDACTED**] will bear the dilution arising from the difference between the [**REDACTED**] and the adjusted net tangible book value per share upon completion of the [**REDACTED**].

Furthermore, the net tangible book value per H Share may be further diluted if we [**REDACTED**] additional Shares in the future, whether in connection with capital-raising activities, the exercise of share options or other equity incentive plans, or the acquisition of businesses or assets. Any such future [**REDACTED**] could result in additional dilution to [**REDACTED**] who purchase H Shares in the [**REDACTED**] and could materially and adversely affect the value of their [**REDACTED**].

Future sales or perceived sales or conversion of substantial amounts of our securities in the public market, such as conversion of our Unlisted Shares into H Shares, could have a material and adverse effect on the prevailing [REDACTED] of our H Shares and our ability to raise additional capital in the future, or may result in dilution of your shareholdings.

The [**REDACTED**] of our H Shares may decline if a substantial number of our securities are sold or become available for sale in the public market. Even the perception that such sales may occur could exert downward pressure on the [**REDACTED**] of our H Shares. In particular, if our Unlisted Shares are converted into H Shares and become tradable on the Stock Exchange, the increased supply of our shares in the market could adversely affect the [**REDACTED**] of our H Shares.

Future [**REDACTED**] of additional H Shares or other securities, or the conversion or exercise of convertible or exchangeable instruments, could also result in dilution of your shareholdings. Moreover, any decline in the [**REDACTED**] of our H Shares caused by actual or perceived future sales may impair our ability to raise additional capital through equity financing, or may result in less favorable financing terms.

These events could materially and adversely affect the value of your [**REDACTED**] in our H Shares.

We may not be able to pay any dividends on our H Shares.

Any declaration or payment of dividends on our H Shares will be subject to the discretion of our Board of Directors and will depend on factors such as our future results of operations, financial condition, cash flow requirements, capital expenditure plans, contractual restrictions and other considerations that the Board may consider relevant. Under PRC laws, dividend distributions are also subject to statutory reserve requirements and other regulatory restrictions.

We may decide to retain our earnings to support the expansion of our business, fund R&D activities or maintain financial flexibility. As a result, even if we achieve profitability in the future, we may not pay dividends on our H Shares.

Accordingly, you may not receive any return on your [**REDACTED**] through dividend payments, and the value of your [**REDACTED**] in our H Shares may depend entirely on the [**REDACTED**] appreciation of such shares, which is uncertain.

If securities or industry analysts do not publish research reports about our business, or if they adversely change their recommendations regarding our H Shares, the [REDACTED] and [REDACTED] of our H Shares may decline.

The [**REDACTED**] market for our H Shares will depend in part on the availability of research reports and analyses published by securities or industry analysts. We cannot assure you that analysts will initiate or continue to provide coverage of our Company. If analysts choose not to publish research regarding our business, our industry position or our financial performance, [**REDACTED**] in our H Shares may decrease.

In addition, if any analysts who cover us issue reports containing unfavorable commentary, lower their recommendations, reduce their earnings forecasts or otherwise present our prospects in a negative manner, the [**REDACTED**] and [**REDACTED**] of our H Shares may be adversely affected. Negative or limited analyst coverage may also impair our ability to attract new [**REDACTED**].

As a result, the value of your [**REDACTED**] in our H Shares may be materially and adversely affected.

We may require additional capital, and any future [REDACTED] of H Shares or other equity securities may cause further dilution to our Shareholders.

We may require additional capital in the future to support our R&D initiatives, expand production capacity, strengthen our sales and service network, pursue strategic investments or respond to changes in our operating environment. If our internal resources are insufficient to meet these needs, we may seek to raise additional funds through public or private [**REDACTED**] of H Shares or other equity or equity-linked securities.

Any such [**REDACTED**] would increase the total number of shares outstanding and dilute the ownership interests of existing Shareholders. In addition, future capital raising activities depend on market conditions, investor sentiment and regulatory approvals, which may not always be favorable. If we are unable to raise capital on terms acceptable to us, our ability to execute our business strategies may be constrained.

Accordingly, future equity [**REDACTED**] may materially and adversely affect your [**REDACTED**] by diluting your shareholdings and, depending on market conditions, could also impact the [**REDACTED**] of our H Shares.

The industry data and forecasts quoted in this document from various government publications have not been independently verified.

Certain facts, forecast and other statistics in this document are derived from various official government sources, documents or statements. However, our Directors cannot guarantee the reliability of such source materials. We believe that the sources of the said information are appropriate sources for such information and have taken reasonable care in extracting and presenting such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. Nevertheless, information from government and official sources have not been independently verified by us, the Sole Sponsor, the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**] and the [**REDACTED**] or any of their respective affiliates or advisers and, therefore, we make no representation as to the accuracy of such facts and statistics. Further, we cannot assure our investors that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, our investors should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

Forward-looking statements contained in this document are subject to risks and uncertainties.

This document contains forward-looking statements regarding our business strategies, future operations, financial condition, industry developments, market growth, competitive landscape and other matters. These statements are based on assumptions made in light of information currently available to us, and they involve risks and uncertainties.

A number of factors, many of which are beyond our control, may cause actual results to differ materially from those expressed or implied in the forward-looking statements. These factors include changes in market conditions, industry trends, competitive dynamics, customer demand,

macroeconomic developments, regulatory changes and technological progress. There is no assurance that the events or circumstances discussed in the forward-looking statements will occur, or that our plans or expectations will be achieved.

Forward-looking statements speak only as of the date of this document. We undertake no obligation to update or revise such statements to reflect future events or developments. Investors should therefore exercise caution when relying on forward-looking statements in evaluating our prospects and the value of our H Shares.

You should read the entire document carefully and we strongly caution you not to place any reliance on any information contained in press articles and other media regarding us and the [REDACTED].

Any information or opinions regarding our Company or the [**REDACTED**] that appear in press articles, online platforms, social media or other media sources have not been prepared, reviewed or verified by us, the Sole Sponsor, the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**] and the [**REDACTED**] or any of their respective affiliates or advisers. Such information may be incomplete, inaccurate, inconsistent with the facts, based on speculation or presented without sufficient context.

Media reports may also include forward-looking statements, financial projections or commentary that do not reflect our actual business, prospects or financial condition as disclosed in this document. Reliance on such information may result in an inaccurate understanding of our Company or the [**REDACTED**].

Investors should rely solely on the information contained in this document to make an informed [**REDACTED**]. We strongly caution investors not to base any [**REDACTED**] on information obtained from press articles or other media sources.

In preparation for the [**REDACTED**], we have applied to the Stock Exchange for the following waivers from strict compliance with the relevant provisions of the Listing Rules.

MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, all applicants applying for a primary listing on the Stock Exchange must have sufficient management presence in Hong Kong. This would normally mean that at least two of the applicant's executive directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 may be waived by having regard to, among other considerations, the applicant's arrangements for maintaining regular communication with the Stock Exchange.

Since all the business operations of our Group are managed and conducted outside Hong Kong, and all of the executive Directors ordinarily reside outside Hong Kong, our Company considers that it would not be practically feasible or commercially reasonable for our Company to arrange for two executive Directors to be ordinarily resident in Hong Kong. Therefore, we do not have, and for the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the management presence requirement under Rules 8.12 and 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] a waiver from strict compliance with Rules 8.12 and 19A.15 of the Listing Rules, subject to the conditions that, among other things, we maintain the following arrangements to maintain effective communication between us and the Stock Exchange:

(1) **Authorized representatives:** we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two appointed authorized representatives are Mr. Song Tao (宋濤), our executive Director, and Ms. Wong Nga Sim (黃雅嬋), one of our joint company secretaries (the "**Authorized Representatives**"), who will act as our principal channel of communication with the Stock Exchange and would be readily contactable by phone and email to deal promptly with enquiries from the Stock Exchange. In addition, the Authorized Representatives will be able to meet with the relevant members of the Stock Exchange to discuss any matters in relation to our Company within a reasonable period of time upon request of the Stock Exchange;

(2) **Directors:** each of our Authorized Representatives has means to contact all members of our Board (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact the members of our Board for any matters. In the event that any Director expects to travel or otherwise be out of office, he/she will provide a contactable phone number to the Authorized Representatives. Pursuant to Rule 3.20 of the Listing Rules, each of our Directors will provide his/her telephone number, mobile phone number, facsimile number (if available), email address (if available), residential address and correspondence address to the Stock Exchange. To the best of our knowledge and information, each Director who does not ordinarily reside in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period upon request of the Stock Exchange;

(3) **Compliance Advisor:** our Company has, in accordance with Rule 3A.19 of the Listing Rules, also appointed Altus Capital Limited as our compliance advisor (the "**Compliance Advisor**"), who will act as an additional channel of communication with the Stock Exchange. The Compliance Advisor will advise ongoing compliance requirements and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong for a period commencing on the [**REDACTED**] at least until the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our Company's financial results for the first full financial year after the [**REDACTED**]. Pursuant to Rule 3A.23 of the Listing Rules, we shall ensure that the Compliance Advisor will have access at all times to our Authorized Representatives, our Directors and other officers. We shall also ensure that our Authorized Representatives, our Directors and other officers will provide promptly such information and assistance as the Compliance Advisor may need or may reasonably require in connection with the performance of the Compliance Advisor's duties as set forth in Chapter 3A of the Listing Rules. We shall ensure that there are adequate and efficient means of communications among our Company, our Authorized Representatives, our Directors and other officers and the Compliance Advisor, and will keep the Compliance Advisor fully informed of all communications and dealings between us and the Stock Exchange; and

(4) **Hong Kong legal advisor:** we will retain a Hong Kong legal advisor to advise us on the on-going compliance requirements, any amendment or supplement to and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong after the [**REDACTED**].

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who possesses the necessary academic or professional qualifications or relevant experience, and is therefore capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the Stock Exchange considers the following academic or professional qualifications to be acceptable:

(1) a member of The Hong Kong Chartered Governance Institute;

(2) a solicitor or a barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and

(3) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Note 2 to Rule 3.28 of the Listing Rules further sets out the factors that the Stock Exchange will consider in assessing an individual's "relevant experience":

(1) length of employment with the issuer and other issuers and the roles he/she has undertaken;

(2) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

(3) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and

(4) professional qualifications in other jurisdictions.

We have appointed Mr. Li Jigang (李季剛) ("**Mr. Li**"), who is our secretary to the Board, as one of our joint company secretaries. Although Mr. Li does not possess the qualification and sufficient relevant experience as stipulated in the Notes to Rule 3.28 of the Listing Rules, we would like to appoint him as our joint company secretary due to his thorough understanding of the internal administration and business operations of our Group. In addition, we have appointed Ms. Wong Nga Sim (黃雅嬋) ("**Ms. Wong**"), who fulfils the requisite qualification as required under Note 1 to Rule 3.28 of the Listing Rules, to act as our other joint company secretary and to assist Mr. Li to acquire all qualifications and experience as the company secretary of our Company required under Rule 3.28 of the Listing Rules. See "Directors and Senior Management" for further information regarding the qualifications and experience of Mr. Li and Ms. Wong.

Apart from discharging her functions in her role as one of our joint company secretaries, Ms. Wong will assist Mr. Li in enabling him to acquire the relevant company secretary experience as required under Note 2 to Rule 3.28 of the Listing Rules and to become familiar with the requirements of the Listing Rules and other applicable Hong Kong laws. In addition, Mr. Li will also attend relevant professional training during each financial year as required under Rule 3.29 of the Listing Rules.

We have applied for, and the Stock Exchange [has granted], a waiver from strict compliance of Rules 3.28 and 8.17 of the Listing Rules in respect of the appointment of Mr. Li as one of our joint company secretaries pursuant to Chapter 3.10 of the Guide on the following conditions:

(1) Mr. Li must be assisted by Ms. Wong, who possesses the qualifications and experience required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary of our Company throughout the validity period of the waiver;

(2) the waiver is valid for an initial period of three years commencing from the [**REDACTED**] and will be revoked immediately if Ms. Wong ceases to provide such assistance or if there are material breaches of the Listing Rules by our Company; and

(3) before the end of the three-year period, the qualifications and experience of Mr. Li and the need for on-going assistance of Ms. Wong will be further evaluated by our Company. Our Company will demonstrate and seek the Stock Exchange's confirmation that Mr. Li, having had the benefit of the assistance of Ms. Wong for the immediately preceding three years, has acquired the relevant experience (within the meaning of Note 2 to Rule 3.28 of the Listing Rules) such that a further waiver from Rules 3.28 and 8.17 of the Listing Rules will not be necessary.

[REDACTED]

[REDACTED]

[REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors:		
Mr. Liu Songtao (劉松濤)	Room 301, Unit 1, Building 3 Yuehua Garden, Vanke City Dongli Lake Dongli District Tianjin, PRC	Chinese
Mr. Song Tao (宋濤)	Zeng No. 3 No. 195 Liuwei Road Hedong District Tianjin, PRC	Chinese
Non-executive Directors:		
Mr. Huang Tian (黃田)	Room 502, Unit 1, Building 8 Xinyuancun, Tianjin University Nankai District Tianjin, PRC	Chinese
Mr. Wang Tianmiao (王田苗)	Room 602, Unit 1, Building 206 No. 37 Xueyuan Road Haidian District Beijing, PRC	Chinese
Independent Non-executive Directors:		
Mr. Wang Gang (王剛)	Beihang University No. 37 Xueyuan Road Haidian District Beijing, PRC	Chinese
Mr. Xiao Shilian (肖世練)	24B, Hoi Hing Building 5-7 Mercury Street North Point Hong Kong	Chinese (Hong Kong)
Ms. Wang Anqi (王安琪)	Room 1101, No. 20 Lane 350, Qingyun Road Jing'an District Shanghai, PRC	Chinese

For the biographies and other relevant information of our Directors, see "Directors and Senior Management".

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor and [REDACTED]	**Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong
	[**REDACTED**]
Legal Advisors to our Company	*As to Hong Kong law* **Baker & McKenzie** 14/F, One Taikoo Place 979 King's Road Quarry Bay Hong Kong *As to PRC law* **DeHeng Law Offices** 12/F Tower B, Focus Place No. 19 Finance Street Xicheng District Beijing PRC
Legal Advisors to the Sole Sponsor and the [REDACTED]	*As to Hong Kong law* **King & Wood** 13/F, Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong *As to PRC law* **Commerce & Finance Law Offices** 12-15th Floor China World Office 2 No. 1 Jianguomenwai Avenue Beijing PRC

Auditors and Reporting Accountants	**Ernst & Young** *Certified Public Accountants* *Registered Public Interest Entity Auditors* 27/F, One Taikoo Place 979 King's Road Quarry Bay Hong Kong
Independent Industry Consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** Room 2504, Wheelock Square 1717 West Nanjing Road Shanghai PRC

[**REDACTED**]

CORPORATE INFORMATION

Registered Office and headquarters	Unit 01, No. 29 Tongchang No. 156 Nanhai Road Tianjin Economic-Technological Development Area PRC
Principal Place of Business in Hong Kong	Room 1916 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Company's Website	**www.atomrobot.com** *(information contained in this website does not form part of this document)*
Joint Company Secretaries	**Mr. Li Jigang** Unit 01, No. 29 Tongchang No. 156 Nanhai Road Tianjin Economic-Technological Development Area PRC **Ms. Wong Nga Sim** *(a Chartered Secretary, a Chartered Governance Professional and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)* Room 1916 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Authorized Representatives	**Mr. Song Tao** Zeng No. 3 No. 195 Liuwei Road Hedong District Tianjin, PRC **Ms. Wong Nga Sim** Room 1916 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Audit Committee	Mr. Xiao Shilian *(Chairman)* Mr. Wang Gang Ms. Wang Anqi

Nomination Committee	Mr. Liu Songtao *(Chairman)* Mr. Wang Gang Ms. Wang Anqi
Remuneration Committee	Mr. Wang Gang *(Chairman)* Mr. Song Tao Ms. Wang Anqi

[**REDACTED**]

Principal Banks	**Huaxia Bank Binhai New Area Branch** No. 2856-2864 Hebei Road Binhai New Area, Tianjin PRC **China Merchants Bank Co., Ltd. Shenzhen Xixiang Branch** 1st Floor, Building 2, Bay Pearl Garden Phase 1, Xinhu Road Bao'an District, Shenzhen PRC **China Merchants Bank Co., Ltd. Wuxi Luoshe Branch** No. 117 Luocheng Avenue Huishan District, Wuxi PRC **China Construction Bank Co., Ltd. Wujiang Yundong Development Zone Branch** No. 1690 Yunli Road Wujiang District, Suzhou PRC

Certain information and statistics set out in this section and elsewhere in this document are derived from various government and other publicly available sources and from the market research report prepared by Frost & Sullivan. We believe that the sources of such information and statistics are appropriate for such information and statistics and have taken reasonable care in extracting and reproducing such information and statistics. We have no reason to believe that such information and statistics are false in any material respect or misleading or that any fact has been omitted that would render such information or statistics false in any material respect or misleading. None of our Company, the Sole Sponsor, the [**REDACTED**]*, the* [**REDACTED**]*, the* [**REDACTED**]*, the* [**REDACTED**] *and the* [**REDACTED**]*, any of our or their respective directors, officers, employees, agents or advisers has verified the information and statistics from official government sources, thus makes no representation as to the accuracy, fairness and completeness of the information and statistics from official government sources. Accordingly, information and statistics from official government sources should not be unduly relied upon.*

SOURCE OF INDUSTRY INFORMATION

We have engaged Frost & Sullivan, an independent market research consultant, to conduct a detailed analysis on Global and China's industrial robot market, Global and China's high-speed industrial robot market and prepare a report for use in this document, for which we have agreed to pay an engagement fee of RMB600,000, which we believe to be consistent with market rates.

In compiling and preparing the Frost & Sullivan Report, Frost & Sullivan adopted the following assumptions: (i) global social, economic and political environment is likely to remain stable in the period of 2026 to 2030 (the "forecast period"); (ii) purchasing power is expected to continue to rise moderately in emerging regions and to grow steadily in developed regions; and (iii) related industry key drivers are likely to drive the market in the forecast period.

Except as otherwise noted, all of the data and forecasts contained in this section are derived from the Frost & Sullivan Report. Frost & Sullivan has prepared the Frost & Sullivan Report based on detailed primary research which involved discussing the status of the Global and China's industrial robot market and Global and China's high-speed industrial robot market with certain leading industry participants and secondary research which involved reviewing company reports, independent research reports and data based on its own research database. Our Directors confirm that, after taking reasonable care, there has been no material adverse change in the overall market information since the date of the Frost & Sullivan Report that would materially qualify, contradict or have an impact on such information.

OVERVIEW OF GLOBAL INDUSTRIAL ROBOT MARKET

Definition and Classification

Industrial Robot refers to automatically controlled, reprogrammable mechanical device with multi-degree-of-freedom manipulation capabilities, which can be either fixed in place or fixed to a mobile platform for use in automation applications in an industrial environment.

By mechanical structure, industrial robots can be primarily categorised into (i) articulated robots, (ii) SCARA robots, (iii) parallel robots, and (iv) collaborative robots ("cobots").

- **Articulated Robot** is constructed with at least three rotary joints connected in series. With a structure that imitates a human arm, articulated robot can perform intricate trajectory motions in three-dimensional space.

- **SCARA Robot** (Selective Compliance Assembly Robot Arm) is characterised by two parallel rotary joints to achieve precise positioning in the horizontal plane and typically a linear joint in the vertical direction for Z-axis movement. Its mechanical structure features selective compliance in the horizontal plane, enabling adaptive compensation for minor positional errors in the XY-axis direction, while maintaining high rigidity in the vertical direction.

- **Parallel Robot** is based on parallel kinematic mechanisms, in which the end-effector is driven simultaneously by multiple independent kinematic chains forming closed-loop structures. This design achieves precise control of end-effector position and orientation through coordinated parallel motion, providing advantages including high stiffness and dynamic response.

- **Collaborative Robot**, commonly known as "Cobot", is a type of industrial robot capable of working safely and in close proximity to humans within a shared workspace. Unlike traditional industrial robots, which are typically isolated behind safety fences and perform tasks independently, cobots employ advanced safety technologies — such as force feedback, collision detection and speed limitation — to ensure safety during human interaction.

Within the industrial robotics industry, high-speed industrial robots have evolved into a widely recognised market segment. Industry participants generally identify and define high-speed industrial robots based on motion cycle time as a key performance indicator. Such classification methodology has been broadly adopted across the industry value chain, including robot manufacturers, system integrators and end customers. From an industry development perspective, the emergence of this segment is not merely attributable to differences in technological routes, but is also driven by downstream application requirements for increasingly stringent production takt time, throughput and overall manufacturing efficiency. Against this backdrop, high-speed industrial robots have established mature and representative applications in production processes with demanding cycle-time requirements.

Classified by the core performance metric of motion cycle time, the domain of high-speed industrial robotics is primarily defined by two mechanical structures: parallel robots and SCARA robots. These two structures are particularly suitable for high-speed development due to their inherent kinematic and structural characteristics as following.

- **Parallel robots** feature multiple kinematic chains operating simultaneously to control the end effector. This design results in low moving mass, high stiffness, and an excellent dynamic response, making them exceptionally well-suited for ultra-high-speed pick-and-place and other demanding high-cycle rate applications.

  The parallel architecture is inherently designed for high-speed operation; therefore, all parallel robots are classified as high-speed industrial robots.

- **SCARA robots** employ a rigid vertical axis combined with compliant horizontal motion, enabling fast planar movement with high repeatability, which makes them highly effective in short-cycle assembly and handling tasks.

  Importantly, not all SCARA robots are categorised as high-speed. In the context of high-speed applications, this classification generally applies to models specifically engineered to achieve a cycle time of 0.4 seconds or less.

In contrast, articulated robots and cobots are not typically defined by high motion cycle rates as a core characteristic. The design of these robot types prioritises different performance dimensions.

- Articulated robots offer advantages in higher payload capacity and full spatial operational flexibility, making them suitable for complex, multi-axis tasks across a wide working range.

- Cobots further place "human-robot collaboration safety" as the foremost design priority. This inherent safety requirement objectively limits their maximum operating speed.

The core value of these two robot types lies in their exceptional task versatility and ease of integration in human-robot shared environments. Therefore, articulated robots and cobots are not systematically classified within the high-speed industrial robot category at the current stage of industrial application.

Looking forward, the speed performance of both articulated and cobots is expected to improve as enabling technologies continue to evolve. Advances in high-precision motion control, real-time sensing, AI-based perception, adaptive safety systems, and control algorithms are gradually reducing the traditional trade-offs between speed, safety, and flexibility. As a result, high-speed capability is expected to become an emerging performance dimension within selected segments of these robot categories, reflecting a structural convergence between traditional flexible architectures and high-throughput industrial automation demands.

Value Chain Analysis of Industrial Robot Market

The industrial robot market is a highly interdisciplinary and technology-intensive sector. The value chain of the industrial robot market can be systematically divided into three core segments.

- ***Up-stream: Suppliers of Basic Materials & Core Components & Software***

The upstream of the industry chain forms the technological and resource base of the industrial robot industry. Its development directly shapes the performance limits and cost structure of robot hardware.

Raw materials include structural materials and key functional materials, covering alloys and carbon fibre composites, rare-earth permanent magnets, semiconductor materials and seals and coating materials. Core components include electronic hardware, controllers, reducers, sensors, actuators and drive systems, providing the foundation for robot motion and perception.

Upstream suppliers also provide foundational software and technologies, including real-time operating systems, simulation tools, industrial communication frameworks, human-machine interfaces (HMI), and libraries of algorithms, which support secondary development and application integration.

- ***Mid-stream: Industrial Robot Manufacturers & System Integrators***

The midstream segment of the industrial robot value chain serves as the key link between upstream core components and downstream applications, and mainly comprises robot body manufacturers and system integrators.

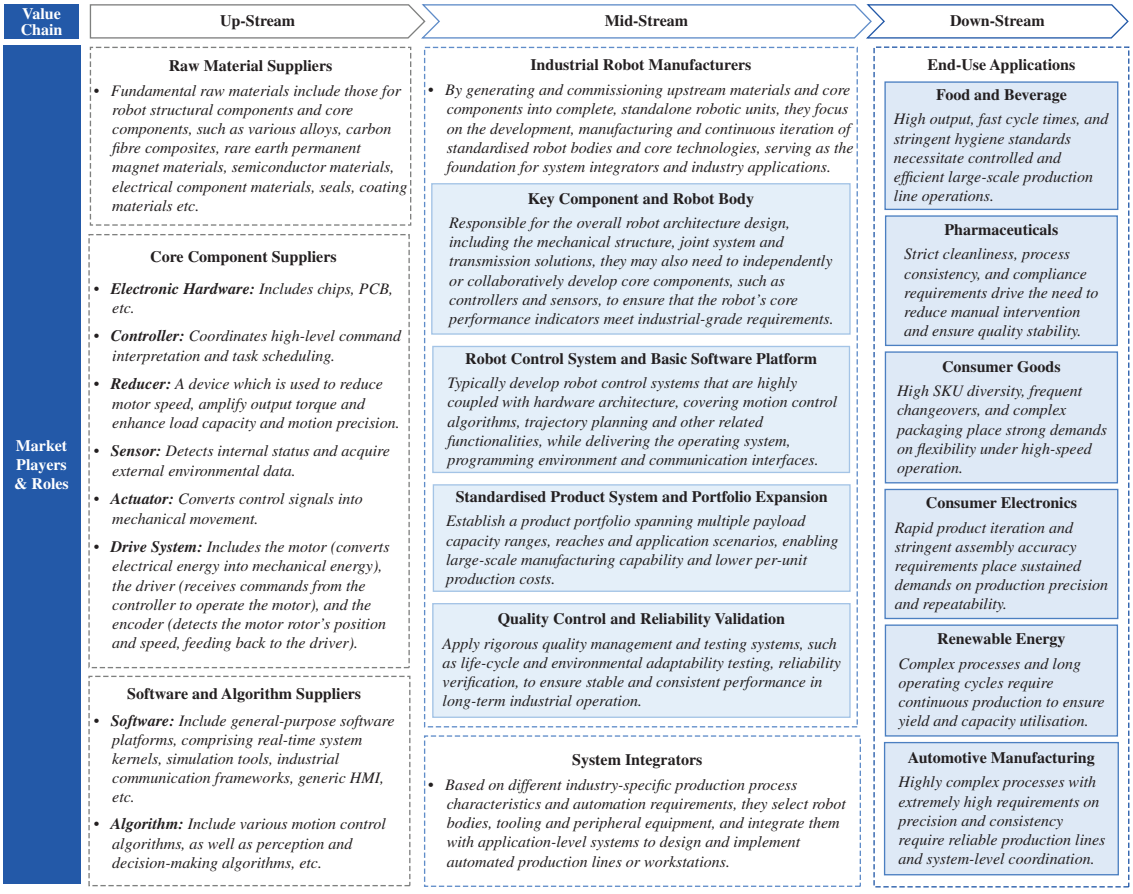
Robot body manufacturers occupy a central position, integrating upstream inputs to carry out the R&D, manufacturing, and iteration of standardised robot platforms. Their core functions include the design of mechanical structures, the development of highly coupled control systems, the implementation of motion control and vision algorithms, and the construction of standardised

product portfolios across multiple payloads and application scenarios. To ensure overall performance and system compatibility, body manufacturers often develop core components in-house or collaborate closely with upstream suppliers to optimise hardware-software integration and overall performance.

System integrators, in addition, operate close to end-user industries and are responsible for application-level integration and solution deployment based on the production processes and automation requirements of different sectors.

- ***Down-stream: End-use Applications***

Downstream end-use applications of industrial robots primarily span consumer goods, food and beverage, pharmaceutical, consumer electronics, renewable energy and automotive manufacturing. Owing to differences in production characteristics, these industries impose differentiated requirements on robot systems, and drive technological iteration and overall industry development across the value chain.



Source: Frost & Sullivan Analysis

Global and China's Industrial Robot Market

Industrial robot is the cornerstone of advanced manufacturing, enabling production systems to evolve toward higher levels of intelligence, automation and flexibility. Against the backdrop of the sustained advancement of intelligent manufacturing and structurally rising labour costs in the manufacturing sector, industrial robots have increasingly been adopted as critical automation equipment to replace repetitive, labour-intensive and hazardous tasks, thereby supporting

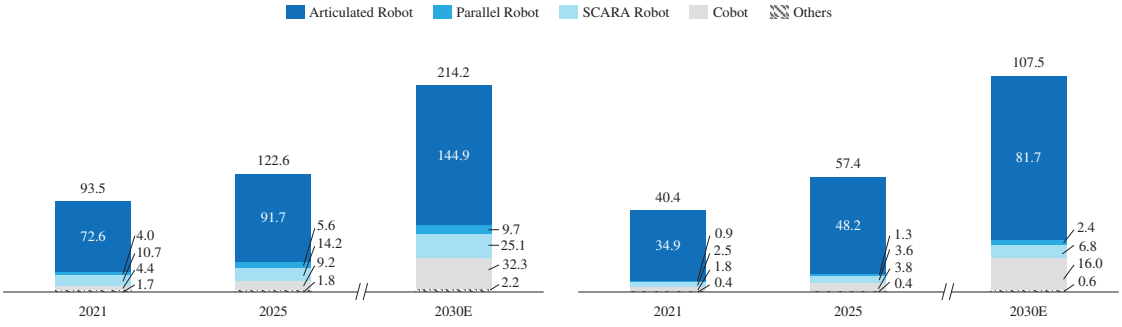
improvements in production efficiency, process stability and product quality. In 2021, both the global and China's industrial robot markets experienced a pronounced surge, with year-on-year growth in shipment values reaching approximately 25.5% and 28.5%, respectively. This rapid expansion was primarily driven by the explosive growth of downstream demands, most notably the new energy vehicle (NEV) sector. In the same year, global and China's NEV sales volume increased by approximately 102.4% and 157.6% year on year, significantly accelerating capital investment and capacity expansion in vehicle manufacturing and power battery production, and in turn stimulating a concentrated release of demand for industrial robots across key manufacturing processes.

Industrial Robot Market, Global
RMB Billion; 2021-2030E

CAGR	Total	Articulated Robot	Parallel Robot	SCARA Robot	Cobot	Others
2021-2025	7.0%	6.0%	8.7%	7.3%	20.1%	2.1%
2025-2030E	11.8%	9.6%	11.4%	12.0%	28.6%	3.7%

Industrial Robot Market, China
RMB Billion; 2021-2030E

CAGR	Total	Articulated Robot	Parallel Robot	SCARA Robot	Cobot	Others
2021-2025	9.2%	8.4%	10.7%	9.9%	21.1%	3.5%
2025-2030E	13.4%	11.1%	12.5%	13.5%	33.4%	6.2%



Source: Frost & Sullivan Analysis and Estimates

Note: The market size refers to the total shipment value of industrial robots.

From 2021 to 2025, both global and China's industrial robot shipment values exhibited a clear upward trajectory, increasing from approximately RMB93.5 billion and RMB40.4 billion to approximately RMB122.6 billion and RMB57.4 billion, with CAGRs being approximately 7.0% and 9.2%, respectively. Over the same period, China's share of the global industrial robot shipment value increased from roughly 43.2% to 46.8%, reflecting its strengthening position in the global industrial robot market.

Looking ahead, the industrial robot market is expected to maintain steady growth, supported by the continued advancement of intelligent manufacturing, rising labour costs and accelerating industrial automation. By 2030, the global industrial robot shipment value is forecast to reach approximately RMB214.2 billion, while China's shipment value is expected to reach approximately RMB107.5 billion, maintaining its position as the world's largest industrial robot market.

Global and China's Parallel Robot Market

The growth of the parallel robot market stems from its irreplaceable performance advantages in specific high-demand scenarios. Unlike versatile industrial robots, parallel robots excel in processes requiring extreme speed, precision, and dynamic stability, such as high-throughput sorting, rapid assembly, and high-speed packaging. These are often production bottlenecks where traditional solutions struggle to balance efficiency and reliability. From 2021 to 2025, the global and China's parallel robot shipment values increased from approximately RMB4,042.3 million and RMB879.2 million to approximately RMB5,637.7 million and RMB1,319.2 million, respectively.

From a growth perspective, the parallel robot market is supported by both deeper penetration in established applications and expansion into emerging scenarios. In mature sectors such as food & beverage and pharmaceuticals, adoption continues to increase, supporting larger-scale deployment. Meanwhile, improvements in core components and system control capabilities are enabling broader adoption in emerging applications, including consumer electronics micro-assembly and semiconductor back-end processes. As downstream manufacturers continue to pursue higher production efficiency, precision and process consistency, parallel robots are becoming increasingly critical to production capacity and manufacturing performance, strengthening both their market position and demand certainty.

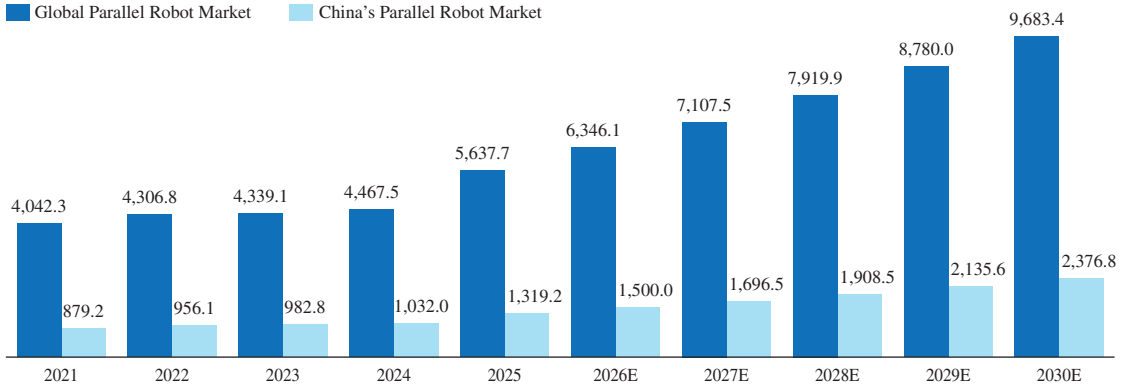
By 2030, the global parallel robot shipment value is expected to reach approximately RMB9,683.4 million, while China's shipment value is projected to reach approximately RMB2,376.8 million, representing a CAGR of approximately 12.5% from 2025 to 2030, outpacing the global market.

Parallel Robot Market, Global
RMB Million; 2021-2030E

CAGR	2021-2025	2025-2030E
Global Parallel Robot Market	8.7%	11.4%

Parallel Robot Market, China
RMB Million; 2021-2030E

CAGR	2021-2025	2025-2030E
China's Parallel Robot Market	10.7%	12.5%



Source: Frost & Sullivan Analysis and Estimates

Note: The market size refers to the total shipment value of parallel robots.

Global and China's SCARA Robot Market

SCARA robots' horizontal flexibility and vertical rigidity make them ideal for precision assembly, material handling, and positioning inspection. Demand is mainly driven by key downstream sectors such as consumer electronics and renewable energy, where higher precision requirements and expanding battery production support applications including automated assembly, high-speed dispensing, cell sorting, module assembly, and PACK. As global capacity and supply chains concentrate in China, China's SCARA market growth has become closely tied to these strategic industries.

Between 2021 and 2025, the SCARA robot market experienced fluctuations driven primarily by cyclical demand in the consumer electronics industry, which is the largest application sector for SCARA robots. Despite this, the global and China's markets grew from approximately RMB10.7 billion and RMB2.5 billion in 2021 to approximately RMB14.2 billion and RMB3.6 billion in 2025, representing CAGRs of approximately 7.3% and 9.9%, respectively. China's stronger growth reflects its leading position in global manufacturing and supply chains, as well as the continued demand for SCARA robots in high-frequency, standardised production processes.

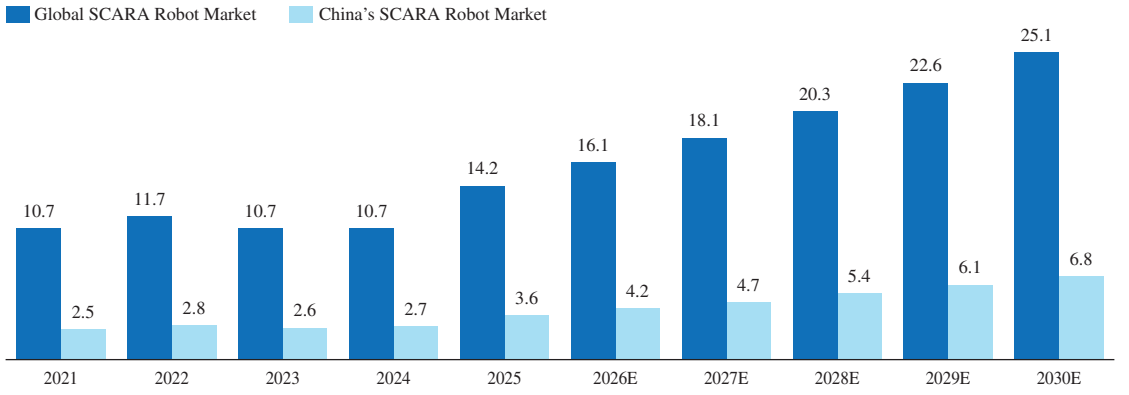
Looking ahead, accelerated product innovation, deeper AI integration, and the expansion of emerging devices such as wearable devices are expected to support a steady recovery in the consumer electronics industry. As a result, SCARA robots are expected to maintain strong penetration potential across industries and applications. The global and China's SCARA robot shipment values are projected to grow at CAGRs of approximately 12.0% and 13.5%, reaching approximately RMB25.1 billion and RMB6.8 billion by 2030, respectively.

SCARA Robot Market, Global
RMB Billion; 2021-2030E

CAGR	2021-2025	2025-2030E
Global SCARA Robot Market	7.3%	12.0%

SCARA Robot Market, China
RMB Billion; 2021-2030E

CAGR	2021-2025	2025-2030E
China's SCARA Robot Market	9.9%	13.5%



Source: Frost & Sullivan Analysis and Estimates

Note: The market size refers to the total shipment value of SCARA robots.

Global and China's Cobot Market

Cobots, as a key development direction in industrial automation, derive their core technological value from the ability to work safely alongside humans in shared spaces. Compared with traditional industrial robots, cobots offer significant advantages in safety, ease of deployment, and operational flexibility, filling the application gap between conventional industrial robots and purely manual operations. Between 2021 and 2025, the global and China's cobot shipment values grew from approximately RMB4.4 billion and RMB1.8 billion to approximately RMB9.2 billion and RMB3.8 billion, representing CAGRs of approximately 20.1% and 21.1%, respectively.

Market demand is expanding from material handling and loading/unloading to higher-value applications such as precision assembly, inspection, and packaging, particularly in small-batch, mixed-production environments. At the same time, modular design, open interfaces, and AI-enabled vision and force control are improving deployment efficiency and task capabilities, accelerating adoption from isolated applications toward full production line integration.

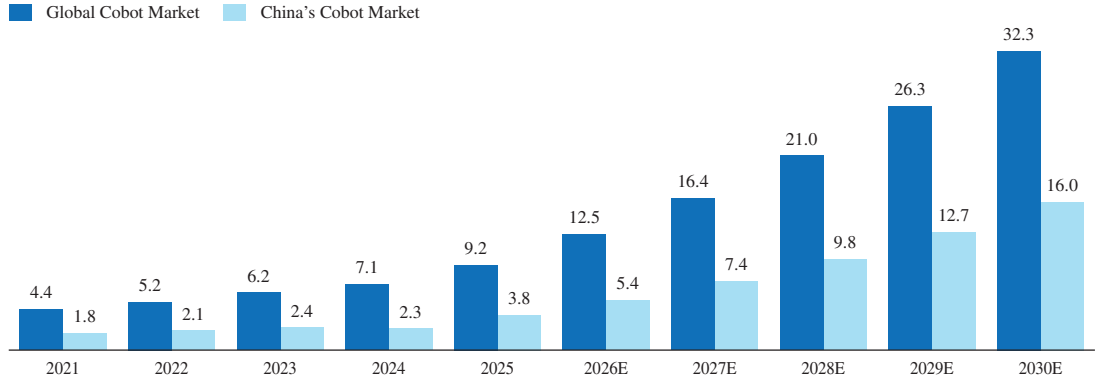
Looking ahead, the global and China's cobot shipment values are projected to reach approximately RMB32.3 billion and RMB16.0 billion by 2030, representing CAGRs of approximately 28.6% and 33.4%, respectively, from 2025 to 2030. This growth is expected to be supported by wider adoption in higher-value applications, the expansion of flexible manufacturing, and continued advances in AI-enabled capabilities.

Cobot Market, Global
RMB Billion; 2021-2030E

CAGR	2021-2025	2025-2030E
Global Cobot Market	20.1%	28.6%

Cobot Market, China
RMB Billion; 2021-2030E

CAGR	2021-2025	2025-2030E
China's Cobot Market	21.1%	33.4%



Source: Frost & Sullivan Analysis and Estimates

Note: The market size refers to the total shipment value of cobots.

Global and China's High-speed Industrial Robot Market

High-speed industrial robots refer to a category of industrial robots designed with high cycle rates, high end-effector speeds, and high acceleration as their core performance objectives. They are primarily deployed in industrial scenarios characterised by short operating cycles, highly repetitive tasks, and stringent requirements for throughput per unit time. The core value of high-speed Industrial Robot lies in significantly reducing single-cycle operation time while maintaining the required levels of precision and operational stability, thereby enhancing overall production line capacity and improving equipment overall equipment effectiveness.

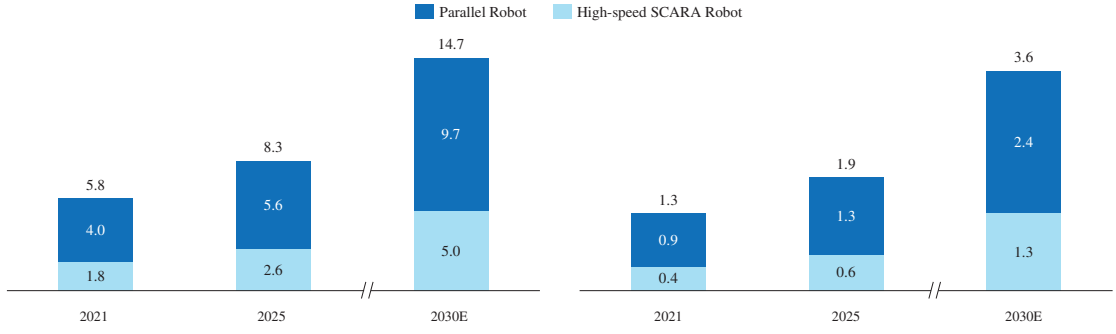
High-speed industrial robots are increasingly emerging as a key development direction in the technological evolution of industrial robots, driven primarily by the manufacturing sector's sustained demand for higher throughput efficiency, lower unit production costs, and stable capacity output. Between 2021 and 2025, the global and China's high-speed industrial robot markets experienced steady growth, with shipment values rising from approximately RMB5.8 billion and RMB1.3 billion to approximately RMB8.3 billion and RMB1.9 billion, respectively. The period from 2022 to 2024 saw slight market fluctuations, mainly attributable to the volatility in the aforementioned SCARA robot segment.

High-speed Industrial Robot Market, Global
RMB Billion; 2021-2030E

CAGR	Total	Parallel Robot	High-speed SCARA Robot
2021-2025	9.3%	8.7%	10.6%
2025-2030E	12.2%	11.4%	13.9%

High-speed Industrial Robot Market, China
RMB Billion; 2021-2030E

CAGR	Total	Parallel Robot	High-speed SCARA Robot
2021-2025	11.3%	10.7%	12.8%
2025-2030E	13.6%	12.5%	15.8%



Source: Frost & Sullivan Analysis and Estimates

Note: The market size refers to the total shipment value of high-speed industrial robots.

Specifically, the sustained growth of high-speed industrial robots is predominantly fuelled by the increasing demands of downstream sectors. In the food and beverage industry, high-speed pick-and-place operations for flexible packaging, sorting, and bottling are essential to meet high-volume throughput. The consumer goods and cosmetics sector rely on rapid yet delicate handling for filling, capping, and assembly. In pharmaceutical, stringent cleanroom standards and the need for precise manipulation in packaging and sterile handling drive adoption. Furthermore, the automotive industry, especially with the shift toward electric vehicles, requires these robots for battery assembly, power electronics manufacturing, and precision component placement. These diverse, sector-specific requirements, along with pressures to shorten cycle times and enhance production flexibility, continue to accelerate the deployment of high-speed SCARA and parallel robots in automated production environments.

Looking forward, as control precision, payload optimisation, and vibration damping continue to improve, high-speed industrial robots are expected to extend into assembly, inspection, and selected precision manufacturing processes, with their application boundaries set to expand further. Both the global and China's high-speed industrial robot markets are projected to grow at an accelerated pace, at CAGRs of approximately 12.2% and 13.6% from 2025 to 2030, reaching approximately RMB14.7 billion and RMB3.6 billion by 2030, respectively.

COMPETITIVE LANDSCAPE OVERVIEW

Growth Drivers of China's High-speed Industrial Robot Market

- **Labour Structure Shifts and Rising Costs:** Global manufacturing is increasingly challenged by structural changes in labour supply. In traditional manufacturing hubs such as China, growth in the working-age population has slowed, and labour costs continue to rise. Against this backdrop, industrial robots offer advantages in terms of predictable operating costs, consistent output quality and continuous operation, resulting in a favourable total cost of ownership profile. Within this category, high-speed industrial robots — characterised by rapid motion execution, compact structures, and flexible deployment — are increasingly adopted in applications requiring high-frequency operations, repetitive tasks, and rapid production cycles. Their core value lies in directly reducing reliance on manual labour and associated operational risks, while ensuring production continuity and quality stability, which in turn enhances cost predictability and controllability.

- **Downstream Demand for Responsive and Efficiency-driven Production Lines:** As manufacturing trends increasingly toward product diversification and customisation, downstream sectors emphasise not only production flexibility and agility, but also greater efficiency in cycle time, throughput, and equipment utilisation. High-speed industrial robots, with their rapid motion execution and high repeatability, combined with programmable operation and modular integration, can be deployed as highly efficient production modules. When equipped with adaptive end-effectors, they enable quick reconfiguration and fast changeovers, effectively supporting high-frequency product switching, multi-variant batch production, and complex high-speed processes. Their role is critical in achieving both high throughput and adaptive manufacturing, serving as a key enabler of efficient, resilient and responsive production lines.

- **Advances across Multiple Disciplines Underpin the Intelligence of Robots:** Improvements in the performance and cost efficiency of core hardware provide a solid foundation for achieving higher levels of precision, speed and reliability in robot execution. In parallel, rapid progress in perception algorithms, machine vision, motion control algorithms, and other AI algorithms has significantly enhanced robots' capabilities in environmental perception, motion capabilities and information processing. Breakthroughs in hardware performance enable the stable deployment of increasingly complex algorithms, while advanced algorithms

fully unlock hardware potential. The deep integration of these two dimensions constitutes the core technological basis for the evolution of industrial robots from automated equipment toward intelligent operational units.

- **National Strategies and Industrial Policy Support:** China has identified intelligent manufacturing as a core strategy for enhancing national competitiveness, as reflected in policy frameworks such as the "14th Five-Year Plan for the Development of Intelligent Manufacturing" and "Implementation Opinions on Promoting the Innovative Development of Future Industries". Industrial robots, as key enabling equipment, play a critical role in advancing manufacturing automation and digital transformation. At the policy level, initiatives including the ""Robot+" Application Action Plan" and the "14th Five-Year Plan for the Development of Robot Industry" underscore government support for the sector and, in conjunction with other measures such as R&D incentives, industry standards and industrial alliance development, contribute to a supportive environment for the long-term development of the industrial robot industry.

Entry Barriers of China's High-Speed Industrial Robot Market

- **Barriers in Technical Expertise & Industry Adaptation:** The high-speed industrial robot industry is technology-intensive, requiring integration of long-term accumulated system-level development capabilities and cross-disciplinary knowledge. SCARA and parallel robots must manage severe vibration and dynamic shock at high cycle rates, necessitating expertise in the design and integration of advanced control algorithms, mechanical design, and precision components. This knowledge is built through long-term R&D investment, talent cultivation, and extensive field validation, which new entrants often lack. Additionally, applications span diverse sectors like electronics, FMCG, and automotive, each with distinct speed, precision, and safety demands. New players without sector-specific domain know-how struggle to address specific customer needs. Furthermore, the necessity for rigorous product reliability testing and operational validation demands heavy asset investment throughout the entire process from R&D, testing, to mass production. This capital-intensive approach significantly increases upfront costs and operational risks, thereby establishing a substantial barrier to entry.

- **Barriers in Manufacturing Scale and Supply Chain Integration:** High-speed applications demand tight consistency in machining accuracy, assembly processes, and end-of-line testing to ensure stable performance under continuous high-frequency operation. Achieving such consistency typically requires scaled production, standardised manufacturing systems, and mature quality management, which are difficult for new entrants to replicate quickly. In parallel, leading players benefit from integrated supply chains for critical components such as servo systems, controllers, precision parts, and key suppliers of fixtures and testing equipment, enabling shorter lead times, better cost control, and faster iteration. These capabilities collectively raise the threshold for competitive, large-scale commercialisation.

- **Barriers in Customer Acquisition and Brand Recognition:** The high-speed industrial robot market is characterised by long sales cycles and high customer switching costs. End-users require extensive on-site validation, performance testing, and technical support before adoption. Established players benefit from years of field experience, proven track records, and strong brand recognition, making it difficult for new entrants to gain customer trust. Additionally, the high cost of failure in production lines means customers are risk-averse and prefer suppliers with established reliability. This creates a "proof of concept" barrier where new players must invest heavily in demonstration projects and customer education, often without guaranteed returns, significantly increasing their time-to-market and capital requirements.

- **Barriers in Regulatory Compliance and Certification:** High-speed industrial robots must comply with stringent international safety standards and industry-specific certifications. The certification process is time-consuming and costly, requiring extensive documentation, testing, and third-party validation. Established manufacturers have already navigated these regulatory hurdles and maintain ongoing compliance systems, while new entrants must invest significant resources in understanding and meeting these requirements. Furthermore, industry-specific certifications for sectors like food and beverage or pharmaceutical add additional layers of complexity. The lengthy approval timelines and high compliance costs create significant delays and financial burdens for market entry, favouring incumbents with established regulatory frameworks.

Future Trends of China's High-speed Industrial Robot Market

- **Application Penetration across Industries and Production Stages:** The expansion of high-speed industrial robot applications exhibits both horizontal broadening and vertical deepening. Horizontally, adoption is extending from traditional sectors such as food and consumer goods to emerging industries, including semiconductor and renewable energy, which require higher standards of cleanliness, precision and reliability. Vertically, applications are moving beyond labour substitution in single repetitive tasks — such as material handling and sorting — toward more complex processes — such as inspection, precision assembly and dispensing — enabling broader functional coverage across individual production lines and entire factory operations. This trend reflects the evolution of high-speed industrial robots from addressing localised automation needs to supporting end-to-end flexible and intelligent manufacturing.

- **Technology Progression Toward Higher Autonomy and Adaptability:** Building on the convergence of high-performance hardware and intelligent algorithms, high-speed industrial robots are evolving from assisted execution toward greater autonomous decision-making. Hardware development continues to advance toward higher integration, precision and weight-to-payload efficiency, supporting improved motion performance, precision and load capacity, and providing a stable physical foundation for complex tasks. At the software and algorithm level, progress in areas such as real-time perception, autonomous task planning, and process-adaptive optimisation is enabling closed-loop operation in dynamic and unstructured environments. Through tighter hardware — software co-design and system-level integration, high-speed industrial robots are achieving higher levels of autonomy and transferability.

- **Ecosystem-Based and Integrated Solution Capabilities as Key Competitive Factors:** To build sustainable competitive advantages, leading robot manufacturers are extending upstream along the technology stack through collaborative or independent development of core components and advanced intelligent algorithms, strengthening self-control over core technologies and product performance. Downstream, greater emphasis is being placed on building open and collaborative ecosystems with system integrators, end-effector suppliers and end users. Through ecosystem collaboration and the integration of industry-specific process know-how, manufacturers are delivering stable, easy-to-deploy end-to-end solutions, thereby establishing new competitive advantages cantered on overall performance and service value.

- **Domestic Substitution and Global Expansion:** Against the backdrop of China's manufacturing sector placing increasing emphasis on self-reliance and supply chain security, downstream industries are showing rising acceptance of domestically produced industrial robots, with deployment expanding across multiple sectors and applications as scale-driven cost advantages and implementation feasibility become more evident. Meanwhile, the acceleration of intelligent manufacturing globally is sustaining overseas demand for cost-effective, fast-to-deploy automation solutions, creating expansion opportunities for Chinese vendors with sufficient technological maturity and cost control capabilities. Overall, domestic substitution strengthens the industry's internal growth foundation, while international expansion provides incremental structural growth.

Ranking of the Global Leading High-speed Industrial Robot Manufacturers

In 2025, the global shipment volume of the top five high-speed industrial robot companies reached approximately 12,654 units in total, representing around 31.7% of the global shipment volume of high-speed industrial robots. In 2025, the Company ranked 4th in the global high-speed industrial robot market with share of approximately 5.2% as measured by shipment volume.

The table below sets forth the top five high-speed industrial robot manufacturers in terms of the global shipment volume in 2025.

Ranking of the Leading High-speed Industrial Robot Manufacturers, Global[(1)], 2025 by Global Shipment Volume, Unit

Ranking	Company	Global Shipment Volume	Market Share[(2)]
1	Company A[(3)]	3,590	9.0%
2	Company B[(4)]	3,200	8.0%
3	Company C[(5)]	2,230	5.6%
4	**Our Company**	**2,075**	**5.2%**
5	Company D[(6)]	1,559	3.9%
Top 5		**12,654**	**31.7%**

Notes:

(1) The ranking is based on the global shipment volume of high-speed industrial robots by global companies.

(2) Denominator of the percentage is the global shipment volume of high-speed industrial robots, which is approximately 39.9 thousand units in 2025.

(3) Company A is a company established in 1988 and it is headquartered in Zurich, Switzerland. It is a technology leader in the electrical and automation field, with its global operations organised into four business divisions: Electrification, Automation, Motion Control, and Robots & Discrete Automation. The company is committed to integrating engineering expertise with software technologies to deliver solutions that optimise manufacturing, transportation, energy, and operational efficiency. It employs approximately 105,000 people worldwide. Its industrial robot product portfolio includes articulated robots, SCARA robots, parallel robots, and cobots.

(4) Company B is a company established in 1892 and it is headquartered in Pfäffikon, Switzerland. It focuses on three core business areas: industrial connectors, industrial robots, and textile machinery. Its industrial robot product line primarily includes SCARA and articulated robots. With a global workforce of approximately 6,000 employees, the company is committed to driving innovation and delivering high-precision solutions across industries worldwide.

(5) Company C is a company established in 1975 and it is headquartered in Suwa, Japan. It offers a wide range of industrial robots, including SCARA robots, six-axis robots, and cobots. With a global workforce of approximately 76,000 employees, the company, the company widely ranges from printing solutions and visual communications to manufacturing-related and wearables business.

(6) Company D is a company listed on Hong Kong Stock Exchange and headquartered in Taizhou, Zhejiang Province. Established in 2012, it is a company integrating industrial robot R&D and manufacturing, control system development, vision system development, intelligent manufacturing solutions, and equipment provision. Its industrial robot products include articulated robots, SCARA robots, and parallel robots.

Ranking of Leading High-speed Industrial Robot Manufacturers in China

In 2025, China's shipment volume of the top five high-speed industrial robot companies reached approximately 6,178 units, representing around 41.8% of the total market. In 2025, the Company ranked 1st in China's high-speed industrial robot market with share of approximately 13.4% as measured by shipment volume.

The table below sets forth the top five high-speed industrial robot manufacturers in terms of China's shipment volume in 2025.

Ranking of the Leading High-speed Industrial Robot Manufacturers, China[7], 2025 by Shipment Volume in China, Unit

Ranking	Company	Shipment Volume in China	Market Share[8]
1	**Our Company**	**1,978**	**13.4%**
2	Company D[6]	1,250	8.5%
3	Company C[5]	1,160	7.8%
4	Company B[4]	900	6.1%
5	Company A[3]	890	6.0%
Top 5		**6,178**	**41.8%**

Notes:

(7) The ranking is based on the shipment volume of high-speed industrial robots in China by global companies.

(8) Denominator of the percentage is the shipment volume of high-speed industrial robots in China, which is approximately 14.8 thousand units in 2025.

Ranking of the Global Leading Parallel Robot Manufacturers

In 2025, the global parallel robot market exhibited a relatively dispersed competitive landscape. The top five parallel robot companies shipped a total of approximately 8,193 units globally, accounting for approximately 34.4% of the global shipment volume of parallel robots.

The table below sets forth the top five high-speed industrial robot manufacturers in terms of the global shipment volume in 2025.

Ranking of the Leading Parallel Robot Manufacturers, Global[9], 2025 by Global Shipment Volume, Unit

Ranking	Company	Global Shipment Volume	Market Share[10]
1	Company A[3]	3,430	14.4%
2	**Our Company**	**1,824**	**7.7%**
3	Company D[6]	1,559	6.5%
4	Company E[11]	770	3.2%
5	Company F[12]	610	2.6%
Top 5		**8,193**	**34.4%**

Notes:

(9) The ranking is based on the global shipment volume of parallel robots by global companies.

(10) Denominator of the percentage is the global shipment volume of parallel robots, which is approximately 23.8 thousand units in 2025.

(11) Company E is a company established in 1933 and it is headquartered in Kyoto, Japan. It is a globally recognised manufacturer of automation control and electronic equipment, with core competencies in sensing and control technologies. Its product portfolio spans a wide range of fields, including industrial automation control systems, electronic components, social infrastructure systems, and healthcare equipment, and the company employs more than 28,000 people worldwide. Its industrial robot product portfolio includes articulated robots, SCARA robots, and parallel robots.

(12) Company F is a company established in 1878 and it is headquartered in Tokyo, Japan. It is a diversified heavy industry group with operations spanning aerospace, railway vehicles, shipbuilding & marine, precision machinery, and industrial robots. The company employs approximately 40,000 people, and its industrial robot offerings include articulated robots, SCARA robots and parallel robots.

Ranking of Leading Parallel Robot Manufacturers in China

In 2025, China's parallel robot market exhibited a relatively higher degree of concentration, with the total shipment volume of the top five companies reached approximately 4,604 units in China, representing around 54.2% of the total shipment volume of parallel robots in China. The table below sets forth the top five parallel robot manufacturers in terms of China's shipment volume in 2025.

Ranking of the Leading Parallel Robot Manufacturers, China[(13)], 2025 by Shipment Volume in China, Unit

Ranking	Company	Shipment Volume in China	Market Share[(14)]
1	**Our Company**	**1,729**	**20.4%**
2	Company D[(6)]	1,250	14.7%
3	Company A[(3)]	760	8.9%
4	Company G[(15)]	540	6.4%
5	Company F[(12)]	325	3.8%
Top 5		**4,604**	**54.2%**

Notes:

(13) The ranking is based on the shipment volume of parallel robots in China by global companies.

(14) Denominator of the percentage is the shipment volume of parallel robots in China, which is approximately 8.5 thousand units in 2025.

(15) Company G is a company established in 2017 and it is headquartered in Zhenjiang, Jiangsu Province. It is a technology-oriented company integrating industrial robot systems with automation solutions. The company focuses on the research, development, and sales of parallel robots, with products widely applied across industries including food, pharmaceuticals, logistics, consumer goods, consumer electronics, and renewable energy, and distributed to markets worldwide.

LAWS AND REGULATIONS OF CHINA

This section provides an overview of certain aspects of Chinese laws and regulations relevant to the Group's business and operations.

Robotics Industry Policies

Robotics industry policies center on supporting innovation and development while regulating market order. Key documents include the "14th Five-Year Plan for Robotics Industry Development" (《"十四五"機器人產業發展規劃》), "Guiding Opinions on Innovation and Development of Humanoid Robots" (《人形機器人創新發展指導意見》), "Industrial Robot Industry Standardization Requirements (2024 Edition)" (《工業機器人行業規範條件(2024 版)》) and "Implementation Measures for the Management of Industrial Robot Industry Standardization Requirements (2024 Edition)" (《工業機器人行業規範條件管理實施辦法(2024 版)》). Relevant policies have defined development goals for the robotics industry, emphasizing breakthroughs in core technologies, ensuring the security of core component supply chains, and promoting high-end and intelligent industrial development. They also regulate industry development through measures such as raising entry barriers and implementing a notification-based management system. Meanwhile, the Catalogue for Industrial Structure Adjustment (2024 Edition) (《產業結構調整指導目錄(2024年本)) classifies robotics and integrated systems as encouraged industries, providing policy support for the sector's development.

Company Law

According to the Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "Company Law") (adopted by the Standing Committee of the National People's Congress on December 29, 1993, effective as of July 1, 1994, last amended on December 29, 2023, and effective as of July 1, 2024), both limited liability companies and joint-stock limited companies established in China in accordance with the law possess legal personality. The liability of shareholders in these two types of enterprises is limited to the amount of capital they have subscribed to or the shares they have subscribed for. This law shall also apply to foreign-invested enterprises, unless otherwise provided for in relevant specialized laws governing foreign-invested companies.

According to the "Guidance on the Application of Regulatory Rules — Overseas Issuance and Listing No. 1" (《監管規則適用指引– 境外發行上市類第1號》) issued by China Securities Regulatory Commission (CSRC) on February 17, 2023, Chinese domestic enterprises conducting direct overseas issuance and listing shall formulate their articles of association by reference to the "Guidance on Articles of Association for Listed Companies" (《上市公司章程指引》) issued by CSRC and other relevant provisions concerning corporate governance. CSRC promulgated the "Guidelines for Articles of Association of Listed Companies" (《上市公司章程指引》) (CSRC Announcement [2025] No. 6) on March 28, 2025, which took effect on the same date. Pursuant to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》)("Trial Measures for Overseas Listing"), as a joint-stock limited company incorporated in China, the Company must fully comply with the Company Law of the People's Republic of China and formulate its articles of association by reference to (rather than in accordance with) the then-applicable Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》). The Company shall dissolve the supervisory committee on the [**REDACTED**]. The Company will abolish its supervisory committee and establish an audit committee to perform the duties originally undertaken by the supervisory committee.

LAWS AND REGULATIONS ON PRODUCT QUALITY

The Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》) ("Product Quality Law"), adopted by the Standing Committee of the National People's Congress ("NPCSC") on February 22, 1993, and most recently amended and implemented on December 29, 2018, serves as the primary law governing product quality supervision and management. Under the Product Quality Law, manufacturers shall be responsible for the quality of the products they produce, and sellers shall take measures to maintain the quality of the products they sell. A manufacturer shall be liable to compensate for any bodily injuries or damage to property other than the defective product itself resulting from the defects in the product, unless the manufacturer is able to prove that: (1) the product has never been circulated; (2) the defects causing injuries or damage did not exist at the time when the product was circulated; or (3) the science and technology at the time when the product was circulated were at a level incapable of detecting the defects.

Where a product defect causes personal injury or damage to another person's property, the seller shall bear liability for compensation. A seller shall be liable to compensate for any bodily injuries or damage to property of others caused by the defects in the product if such defects are attributable to the seller. The seller shall pay compensation if it can indicate neither the manufacturer, nor the supplier of the defective product. A person who is injured or whose property is damaged by the defects in the product may claim for compensation from the manufacturer or the seller.

According to the Civil Code of the People's Republic of China (《中華人民共和國民法典》) (the "Civil Code"), adopted by the National People's Congress ("NPC") on May 28, 2020, and effective as of January 1, 2021, where a product defect causes harm to another person, the injured party may seek compensation from either the manufacturer or the seller of the product; where a product defect endangers the personal or property safety of others, the injured party has the right to request the producer or seller to bear tort liability, including ceasing the infringement, removing the obstruction, and eliminating the danger.

The Consumer Rights Protection Law of the People's Republic of China (《中華人民共和國消費者權益保護法》), adopted by the Standing Committee of the National People's Congress on October 31, 1993, last amended on October 25, 2013, and implemented on March 15, 2014, aims to protect the rights of consumers when purchasing, using goods, and receiving services. Operators shall comply with this Law when providing consumers with goods they produce or sell, or when providing services. Pursuant to the amendments made on October 25, 2013, all business operators must place high priority on protecting consumer privacy and must strictly maintain the confidentiality of consumer personal information collected in the course of their business operations.

The State Council of the People's Republic of China ("State Council") promulgated the Implementing Regulations of the Consumer Rights Protection Law of the People's Republic of China (《中華人民共和國消費者權益保護法實施條例》) ("Implementing Regulations of the Consumer Rights Protection Law") on March 19, 2024, which came into effect on July 1, 2024. The Implementing Regulations of the Consumer Rights Protection Law are primarily designed to elaborate and supplement the obligations of business operators, refine provisions related to online consumption, strengthen the responsibilities of prepaid service providers, standardize consumer claims procedures, and clarify the government's duties in protecting consumer rights.

According to the Compulsory Product Certification Management Regulations (《強制性產品認證管理規定》) issued by the former General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (later merged into the State Administration for Market Regulation) on July 3, 2009, revised on September 29, 2022, and implemented on November 1, 2022, products specified by the state must undergo certification ("Compulsory Product Certification") and bear the China Compulsory Certification Mark before they can be manufactured, sold, imported, or used in other business activities. The state implements a unified product catalog ("3C Catalog") for products subject to compulsory product certification, along with unified mandatory requirements, standards, and conformity assessment procedures for technical specifications, a unified certification mark, and a unified fee schedule.

LEGAL REGULATIONS ON BIDDING AND TENDERING

According to the Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》) ("Bidding Law"), adopted by the Standing Committee of the National People's Congress on August 30, 1999, amended on December 27, 2017, and implemented on December 28, 2017, bidders shall not collude with each other in bidding quotations, nor shall they exclude fair competition from other bidders, thereby harming the lawful rights and interests of the tenderer or other bidders. Bidders shall not submit bids below cost, nor shall they bid under another party's name or engage in any other fraudulent means to secure an award.

According to the Implementing Regulations of the Bidding Law of the People's Republic of China (《中華人民共和國招標投標法實施條例》), issued by the State Council on December 20, 2011, and last revised and implemented on March 2, 2019, where bidding and tendering activities for projects subject to mandatory bidding under the law violate the Bidding Law and these Regulations, substantially affecting the bid award outcome and where such violations cannot be remedied through corrective measures, the bidding, tendering, and bid award shall be invalid. The bidding or bid evaluation shall be conducted anew in accordance with the law.

According to the Government Procurement Law of the People's Republic of China (《中華人民共和國政府采購法》) ("Procurement Law"), adopted by the Standing Committee of the National People's Congress on June 29, 2002, and most recently amended and implemented on August 31,

2014, government procurement methods include open bidding, invitation-only bidding, competitive negotiation, single-source procurement, quotation solicitation, and other procurement methods recognized by the government procurement supervisory and administrative department of the State Council. Public bidding is the primary method for government procurement. "Government procurement" refers to the act of state organs, institutions, and organizations at all levels using fiscal funds to procure goods, works, and services that fall within the legally established centralized procurement catalog or exceed the procurement threshold standards. Pursuant to Article 73 of the Procurement Law, if any illegal act specified in Article 71 of this Law has resulted in or may result in a supplier winning the bid, but the procurement contract has not yet been performed, the contract shall be rescinded. The winning supplier shall be separately determined from among the qualified winning and successful candidates. Where the procurement contract has already been performed and losses are incurred by the procuring entity or the supplier, the responsible party shall bear the liability for compensation.

LAWS AND REGULATIONS ON INTELLECTUAL PROPERTY

Trademarks

The Trademark Law of the People's Republic of China (《中華人民共和國商標法》) ("Trademark Law"), promulgated by the Standing Committee of the National People's Congress on August 23, 1982, effective as of March 1, 1983, last amended on April 23, 2019, and effective as of November 1, 2019, and the Implementing Regulations of the Trademark Law of the People's Republic of China (《中華人民共和國商標法實施條例》), promulgated by the State Council on August 3, 2002, implemented on September 15, 2002, and most recently amended on April 29, 2014, and effective as of May 1, 2014, provide the fundamental legal framework for regulating the management of trademarks in China.

Under the Trademark Law, registered trademarks include trademarks for goods, service marks, collective marks, and certification marks. Registered trademarks are protected under the Trademark Law and related laws and regulations. Any trademark application that fails to comply with relevant regulations or is identical or similar to a trademark already registered by another party or preliminarily approved for the same or similar goods shall be rejected by the Trademark Office. The validity period of a registered trademark is ten years, starting from the date of approval of registration.

Patents

According to the Patent Law of the People's Republic of China (《中華人民共和國專利法》), adopted by the Standing Committee of the National People's Congress on March 12, 1984, last amended on October 17, 2020, and effective as of June 1, 2021, and the Implementing Regulations of the Patent Law of the People's Republic of China (《中華人民共和國專利法實施細則》), promulgated by the State Council on June 15, 2001, last amended on December 11, 2023, and effective as of January 20, 2024, patents are classified into three categories: inventions, utility models, and designs. The term of a patent for invention is 20 years, the term of a design patent is 15 years, and the term of a utility model patent is 10 years, all starting from the filing date. China's patent system operates on a "first-to-file" principle, meaning that when two or more applicants file separate patent applications for the same invention, the patent right is granted to the applicant who filed first. Inventions and utility model patents must meet three criteria: novelty, creativity, and utility. Unless otherwise provided by relevant laws and regulations, third parties must obtain the consent of the patent owner or an appropriate license before using the patent. Otherwise, such use constitutes patent infringement.

Copyright and Software Copyright

Pursuant to the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), adopted by the Standing Committee of the National People's Congress on September 7, 1990, last amended on November 11, 2020, and effective as of June 1, 2021, and the Implementing Regulations of the Copyright Law of the People's Republic of China (《中華人民共和國著作權法實施條例》), promulgated by the State Council on August 2, 2002, last amended on January 30, 2013, and effective as of March 1, 2013, literary, artistic, and scientific works created by Chinese citizens, legal persons, or other organizations shall enjoy copyright protection regardless of whether they have been published.

Additionally, Internet activities, products disseminated via the Internet, and software products are also protected by copyright. According to the Regulations on the Protection of Computer Software (《計算機軟件保護條例》) issued by the State Council on December 20, 2001, effective as of January 1, 2002, last amended on January 30, 2013, and effective as of March 1, 2013, the

software registration authority shall issue registration certificates to applicants for computer software copyright in accordance with the provisions of the Regulations on the Protection of Computer Software (《計算機軟件保護條例》).

Domain Names

Pursuant to the Measures for the Administration of Internet Domain Names (《互聯網域名管理辦法》) issued by Ministry of Industry and Information Technology of the People's Republic of China ("MIIT") on August 24, 2017, and effective as of November 1, 2017, as well as the Implementation Rules for Registration of National Top-Level Domains (《國家頂級域名註冊實施細則》) issued and implemented by the China Internet Network Information Center on June 18, 2019, the MIIT is responsible for the administration of Internet domain names in China. Domain name owners must register their domain names. Domain name registration services operate on a "first-come, first-served" basis. Applicants who complete the registration process will become the holders of the relevant domain names.

LAWS AND REGULATIONS ON LABOR PROTECTION, SOCIAL INSURANCE, AND HOUSING PROVIDENT FUNDS

Labor Protection

According to the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) ("Labor Contract Law"), promulgated on June 29, 2007, implemented on January 1, 2008, most recently amended on December 28, 2012, and effective as of July 1, 2013, if an enterprise, individual economic organization, private non-enterprise unit, or other organization intends to establish or has already established an employment relationship with a worker, it must enter into a written labor contract. Employers shall not coerce or implicitly coerce employees into working overtime, and employers shall pay overtime compensation to employees in accordance with relevant national regulations. Furthermore, wages shall not be lower than the local minimum wage standard and must be paid to workers in a timely manner. According to the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), adopted by the Standing Committee of the National People's Congress on July 5, 1994, implemented on January 1, 1995, and most recently amended and implemented on December 29, 2018, employers must establish and improve occupational safety and health systems, strictly enforce national occupational safety and health regulations and standards, provide occupational safety and health education to workers, prevent accidents during the work process, and reduce occupational hazards. The labor safety and health facilities must meet the national standards. Employers must also provide workers with labor safety and health conditions that meet national standards, as well as necessary labor protection equipment.

According to the Interim Provisions on Labor Dispatch (《勞務派遣暫行規定》) issued by the Ministry of Human Resources and Social Security on January 24, 2014, and effective as of March 1, 2014, employers may only employ dispatched workers in temporary, auxiliary, or substitute positions. Employers shall strictly limit the number of dispatched workers to no more than 10% of their total workforce. Furthermore, pursuant to the Labor Contract Law, if an employer violates the regulations on labor dispatch, the labor administration department shall order it to rectify the violation within a specified time limit. If the violation is not rectified by the deadline, a fine of not less than RMB5,000 and not more than RMB10,000 shall be imposed per person.

Social Insurance and Housing Provident Funds

According to the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》), adopted by the Standing Committee of the National People's Congress on October 28, 2010, implemented on July 1, 2011, and amended and implemented on December 29, 2018, employers and individuals within the territory of the People's Republic of China shall contribute to social insurance in accordance with the law, including basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance, and maternity insurance. Employers who fail to pay social insurance contributions in full shall be ordered to make payment or make up the shortfall within a specified time limit, and shall be charged a daily late payment penalty of 0.05% of the outstanding amount from the date of default. If payment is still not made by the deadline, the relevant administrative department shall impose a fine of one to three times the amount of the arrears.

According to the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例) issued by the State Council on April 3, 1999, and last revised and implemented on March 24, 2019, employers shall contribute housing provident funds on time and in full, and shall not make late or underpayments. Employers who violate the provisions of these regulations by failing to pay by the due date or underpaying housing provident fund contributions shall be ordered

by the competent authorities of the Chinese government to make the payments within a specified time limit. If payment is still not made within the specified time limit, an application may be made to the People's Court for enforcement.

According to the Reform Plan for the National and Local Tax Collection and Administration System (《國稅地稅徵管體制改革方案》) issued by the General Office of the CPC Central Committee and the General Office of the State Council on July 20, 2018: starting from January 1, 2019, all social insurance premiums, including basic endowment insurance, unemployment insurance, maternity insurance, work injury insurance, and basic medical insurance, shall be collected by the tax authorities.

According to the Notice on Steadily and Orderly Advancing the Collection and Administration of Social Insurance Premiums (《關於穩妥有序做好社會保險費徵管有關工作的通知》) (Shui Zong Ban Fa [2018] No. 142) issued by the General Office of the State Taxation Administration on September 13, 2018, it is strictly forbidden to independently organize centralized settlement of historical social insurance arrears from enterprises.

According to the Notice on the Implementation of Several Measures to Further Support and Serve the Development of the Private Economy (《關於實施進一步支持和服務民營經濟發展若干措施的通知》) (Shui Zong Fa [2018] No. 174) issued by the State Taxation Administration on November 16, 2018, it is reiterated that tax authorities at all levels shall, without exception, not independently organize centralized cleaning up of social insurance premiums owed in previous years by any payers, including private enterprises.

Legal Regulations on Property Leasing

According to the Civil Code, a property service contract is an agreement whereby a property service provider offers property services within a property service area, including maintenance and upkeep of buildings and their ancillary facilities, environmental sanitation, and management and maintenance of related order, to property owners, who in turn pay property fees. Property service providers include property service enterprises and other managers. Property service providers shall properly maintain, repair, clean, landscape, and manage the common areas within the property service area in accordance with agreements and the nature of the property's use. They shall uphold basic order within the property service area and take reasonable measures to protect the personal and property safety of owners.

According to the Civil Code of the People's Republic of China, adopted by the National People's Congress on May 28, 2020, and effective as of January 1, 2021, a lease agreement generally includes provisions such as the name, quantity, and purpose of the leased property; the lease term; the rent; the payment schedule and method; and maintenance of the leased property. With the consent of the lessor, the lessee may sublease the leased property to a third party. If the parties fail to complete the registration and filing formalities for a lease contract as required by laws or administrative regulations, such failure shall not affect the validity of the contract.

According to the Measures for the Administration of Commercial Housing Leases (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development of the People's Republic of China on December 1, 2010, and effective as of February 1, 2011, a commercial housing lease contract shall be registered and filed with the construction (real estate) authority of the municipal, city, or county people's government where the leased property is located within 30 days after its execution.

LAWS AND REGULATIONS ON WORK SAFETY

According to the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), adopted by the Standing Committee of the National People's Congress on June 29, 2002, amended on June 10, 2021, and effective as of September 1, 2021, production and business operation entities must strengthen work safety management, establish and improve a comprehensive work safety responsibility system and work safety regulations, increase investment in work safety funds, materials, technology, and personnel, improve work safety conditions, strengthen work safety standardization and informatization, establish a dual prevention mechanism for risk classification control and hidden danger investigation and management, and improve risk prevention and resolution mechanisms, in order to enhance work safety level and ensure work safety. In addition, production and business entities must arrange occupational safety training and provide employees with personal protective equipment that meets national or industry standards. In addition, production and business entities shall file their major hazards and related safety measures

and emergency response plans with the emergency management department and other relevant authorities for record-keeping. They shall also establish a safety risk classification and control system and implement corresponding control measures.

LAWS AND REGULATIONS ON FOREIGN EXCHANGE

Pursuant to the Foreign Exchange Administration Regulations of the People's Republic of China (《中華人民共和國外匯管理條例》) promulgated by the State Council on January 29, 1996, implemented on April 1, 1996, last amended on August 1, 2008, effective as of August 5, 2008, the People's Republic of China imposes no restrictions on current international payments and transfers. Domestic institutions and individuals making direct investments abroad or engaging in the issuance or trading of overseas securities and derivatives shall register in accordance with the regulations of the foreign exchange administration department of the State Council. Where national regulations require prior approval or filing with the relevant competent authorities, such approval or filing procedures shall be completed before foreign exchange registration.

Pursuant to the Notice of the State Administration of Foreign Exchange on Issues Concerning Foreign Exchange Management for Overseas Listings (《國家外匯管理局關於境外上市外匯管理有關問題的通知》), issued and implemented on December 26, 2014, and to be repealed on April 1, 2026, the State Administration of Foreign Exchange and its branches, as well as foreign exchange management departments, shall supervise, manage, and inspect activities related to domestic companies' overseas listings, including business registration, account opening and usage, cross-border receipts and payments, and fund conversion. Domestic companies shall register for the overseas listing with the required materials at the foreign exchange bureau located at its registered address within 15 working days after the conclusion of the overseas listing and issuance. According to the Notice of the People's Bank of China and the State Administration of Foreign Exchange on Issues Concerning the Management of Funds for Overseas Listings by Domestic Enterprises (《中國人民銀行國家外匯管理局關於境內企業境外上市資金管理有關問題的通知》), issued on December 24, 2025, and effective as of April 1, 2026, the People's Bank of China, the State Administration of Foreign Exchange ("SAFE"), and their branches shall supervise, manage, and inspect activities related to business registration, account opening and usage, cross-border receipts and payments, and fund conversion for overseas listings by domestic enterprises after the implementation of this Notice. Domestic enterprises listing overseas shall apply for overseas listing registration at a bank within the provincial/planned-city jurisdiction where they are registered, submitting the required materials within 30 working days from the first trading day of the overseas listing or the completion of the over-allotment option.

Pursuant to the Notice of the State Administration of Foreign Exchange on Reforming and Standardizing the Management of Capital Account Exchange Policies (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) issued on June 9, 2016, and the Notice of the State Administration of Foreign Exchange on Further Deepening Reforms to Promote Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步深化改革 促進跨境貿易投資便利化的通知》) issued on December 4, 2023 (with Item 7 of the Notice effective as of June 3, 2024), domestic institutions' foreign exchange income under the capital account is subject to the voluntary exchange policy. Relevant policies have clarified that foreign exchange income under the capital account subject to voluntary exchange (including foreign exchange capital, foreign debt funds, and repatriated funds from overseas listings) may be exchanged at banks according to the actual operational needs of domestic institutions. The proportion of voluntary settlement of foreign exchange income from capital accounts by domestic institutions is tentatively set at 100%. The SAFE may adjust the above-mentioned proportion in a timely manner according to the international balance of payments position. In the implementation of the foreign exchange income under capital account that domestic institutions intend to settle, domestic institutions may still choose to use their foreign exchange income in accordance with the payment settlement system. When handling each foreign exchange settlement in accordance with the principle of payment and settlement, the bank shall examine the authenticity and compliance of the funds used in the previous foreign exchange settlement (including discretionary settlement and payment settlement) of the domestic institution. Foreign exchange income from capital accounts of domestic institutions and the Renminbi funds obtained from its conversion shall not be used directly or indirectly for expenditures outside the scope of the enterprise's business operations or prohibited by national laws and regulations. Unless otherwise explicitly stipulated, such funds shall not be used directly or indirectly for securities investment or other investment and wealth management activities (except for wealth management products and structured deposits with a risk rating no higher than Level 2). Such funds shall not be used to extend loans to non-affiliated enterprises, except where explicitly permitted within the scope of business operations; nor shall they be used to purchase residential properties for non-self-use purposes (except for enterprises engaged in real estate development or real estate leasing operations).

According to the Notice of the State Administration of Foreign Exchange on Further Deepening Reforms to Promote Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》), issued and implemented on December 4, 2023 (with Item 7 of the Notice taking effect on June 3, 2024), foreign exchange funds raised by domestic enterprises through overseas listings may be directly remitted into capital account settlement accounts. Funds within the capital account settlement account may be freely converted and utilized. The use of foreign exchange income under capital contributions and foreign debt of non-financial enterprises, as well as the Renminbi funds obtained from their exchange, shall adhere to the principles of authenticity and self-use. Such funds shall not be directly or indirectly used for expenditures prohibited by national laws and regulations; Unless otherwise explicitly stipulated, such funds shall not be directly or indirectly used for securities investment or other investment and wealth management activities (except for wealth management products and structured deposits with a risk rating no higher than Level 2); Such funds shall not be used to extend loans to non-affiliated enterprises (except where explicitly permitted by business scope and in the following four designated zones: Lingang New Area of China (Shanghai) Pilot Free Trade Zone, Nansha New Area of China (Guangdong) Pilot Free Trade Zone, Yangpu Economic Development Zone of China (Hainan) Free Trade Port, and Beilun District of Ningbo City, Zhejiang Province); such funds shall not be used to purchase residential properties for non-self-use purposes (except for enterprises engaged in real estate development or real estate leasing operations).

According to the Notice on Optimizing Foreign Exchange Management to Support Foreign-related Business Development (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) issued by SAFE on April 10, 2020, on the premise of ensuring that the use of funds is truly compliant and in accordance with the current management regulations on the use of income from capital accounts, eligible enterprises are allowed to use capital account income, such as capital funds, foreign debts and overseas listings, for domestic payments without having to provide proof of authenticity to the bank in advance one by one. Local foreign exchange authorities shall strengthen monitoring and analysis, as well as supervision during and after the transaction.

LAWS AND REGULATIONS ON TAX

Enterprise Income Tax Law of the People's Republic of China

Pursuant to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得税法》) (the "EIT Law"), promulgated on March 16, 2007, implemented on January 1, 2008, and last amended and effective as of December 29, 2018, as well as the Implementing Regulations of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得税法實施條例》) (the "EIT Law Implementing Regulations"), promulgated on December 6, 2007, implemented on January 1, 2008, and most recently amended on December 6, 2024, and effective as of January 20, 2025, enterprise income tax payers shall include resident enterprises and non-resident enterprises. A resident enterprise refers to an enterprise established within China, or an enterprise established under the laws of a foreign country (region) but with its place of effective management within China. A non-resident enterprise refers to an enterprise established under the laws of a foreign country (or region) with its place of effective management outside China, but which either has an establishment or place of business within China, or, without having an establishment or place of business within China, derives income from sources within China. The enterprise income tax rate is 25%. Qualified small-sized enterprises with thin profit are subject to a reduced enterprise income tax rate of 20%.

Pursuant to the EIT Law and the Administrative Measures for the Recognition of High-Tech Enterprises (《高新技術企業認定管理辦法》) issued by the Ministry of Science and Technology, the Ministry of Finance, and the State Administration of Taxation on January 29, 2016, and effective as of January 1, 2016, enterprises recognized as high-tech enterprises are entitled to a preferential enterprise income tax rate of 15%. The qualification of a high-tech enterprise that has been certified is valid for three years from the date of issuance of the certificate. After the certificate expires, enterprises may reapply for recognition as high-tech enterprises.

Value-Added Tax

According to the Value-Added Tax Law of the People's Republic of China(《中華人民共和國增值税法》), adopted by the Standing Committee of the National People's Congress on December 25, 2024, and effective as of January 1, 2026, entities and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets, or real estate within the territory of the People's Republic of China, or import goods, are taxpayers of value-added tax and shall pay value-added tax in accordance with the law. Taxpayers selling goods, processing, repair and replacement services, or tangible movable property leasing services, as well as importing goods, shall be subject to a tax rate of 13%, unless otherwise specified by law.

Taxpayers selling transportation, postal, basic telecommunications, construction, or immovable property leasing services, selling real estate, transferring land use rights, or selling or importing specific goods shall be subject to a tax rate of 9%, unless otherwise specified by law. Taxpayers selling services or intangible assets shall be subject to a tax rate of 6%, unless otherwise specified by law. Taxpayers exporting goods shall be subject to a 0% tax rate, except as otherwise provided by the State Council. Domestic entities and individuals cross-border selling services and intangible assets within the scope specified by the State Council shall be subject to a 0% tax rate.

According to the Announcement on Improving the VAT End-of-Period Carry-forward Refund Policy (《財政部稅務總局關於完善增值稅期末留抵退稅政策的公告》) issued by the Ministry of Finance and the State Taxation Administration on August 22, 2025 and effective from September 1, 2025, eligible general VAT taxpayers may apply to the competent tax authority for a refund of the end-of-period carry-forward tax credit starting from the September 2025 VAT filing period.

Transfer Pricing

Under the EIT Law, where business transactions between an enterprise and its related parties fail to comply with the arm's length principle and thereby reduce the taxable income or profits of the enterprise or its related parties, the tax authorities have the right to adjust such income or profits using reasonable methods. When submitting the annual enterprise income tax return to the tax authority, an enterprise shall attach an annual report on related-party transactions detailing its business dealings with related parties. Where an enterprise fails to provide information regarding its business dealings with related parties, or provides false or incomplete information that does not accurately reflect its related-party transactions, the tax authorities have the right to assess its taxable income in accordance with the law. Where the tax authorities make tax adjustments in accordance with relevant regulations and additional tax payments are required, such payments shall be collected, and interest shall be levied in accordance with the provisions of the State Council. Furthermore, pursuant to the EIT Law Implementing Regulations, where business transactions between an enterprise and its related parties fail to comply with the arm's length principle, or where the enterprise implements other arrangements lacking a reasonable commercial purpose, the tax authorities shall have the right to make tax adjustments within 10 years from the tax year in which such transactions occurred.

According to the Administrative Measures for Special Tax Adjustment and Mutual Agreement Procedures (《特別納稅調查調整及相互協商程序管理辦法》) issued by the State Taxation Administration on March 17, 2017, and effective as of May 1, 2017, tax authorities shall conduct key monitoring and management of enterprises subject to special tax adjustments. They may issue tax matter notices to enterprises identified as having risks of special tax adjustments to alert them to their existing tax risks. Enterprises may also adjust their tax returns and pay additional taxes on their own initiative, while tax authorities may still conduct special tax investigations and adjustments afterward. Tax authorities shall initiate special tax investigation procedures upon request by an enterprise (such as concerning the pricing principles or methods adopted for related-party transactions).

According to the Law of the People's Republic of China on the Administration of Tax Collection (《中華人民共和國稅收徵收管理法》), adopted by the Standing Committee of the National People's Congress on September 4, 1992, and most recently amended and implemented on April 24, 2015, where a taxpayer fails to pay taxes within the prescribed time limit, or where a withholding agent fails to remit taxes within the prescribed time limit, the tax authorities shall, in addition to ordering payment within a specified time limit, impose a late payment surcharge of 0.05% per day on the overdue tax amount, calculated from the date on which the tax became overdue. Where a taxpayer fails to file a tax return and fails to pay or underpay the tax due, the tax authority shall collect the unpaid or underpaid tax and late payment penalties, and impose a fine of not less than fifty percent but not more than five times the amount of the unpaid or underpaid tax.

Tax on Dividends

Pursuant to the Personal Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》) (the "Personal Income Tax Law"), adopted on September 10, 1980, last amended on August 31, 2018, and effective as of January 1, 2019, and the Implementing Regulations of the Personal Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》) (the "Personal Income Tax Law Implementing Regulations"), promulgated on January 28, 1994, and amended most recently on December 18, 2018, and effective as of January 1, 2019, interest, dividends, property rental income, property transfer income, and incidental income shall be subject to a proportional tax rate of twenty percent. In addition, pursuant to the Circular of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on Issues Relating to the Differentiated Individual Income Tax

Policy on Dividends and Bonuses of Listed Companies (《財政部國家稅務總局證監會關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) issued by the MOF, the SAT and the CSRC on September 7, 2015 and effective as of September 8, 2015, for shares of listed companies acquired by an individual from public offering and transfer market, the dividend income shall be temporarily exempt from individual income tax for shares held for more than one year; the dividend income shall be fully included in the taxable income for shares held for less than one month (inclusive); and the dividend income shall be temporarily included into taxable income at 50% for shares held for more than 1 month and less than 1 year (inclusive). The above income shall be subject to individual income tax at a uniform rate of 20%.

According to the EIT Law and the EIT Law Implementing Regulations, the enterprise income tax rate is 25%. Non-resident enterprises that have not established an institution or place of business within China, or that have established such an institution or place of business but whose income is not effectively connected with that institution or place of business, shall be subject to a reduced corporate income tax rate of 10% on income derived from within China. The aforementioned withholding enterprise income tax payable by non-resident enterprises shall be withheld at source, with the payer acting as the withholding agent. Taxes shall be withheld by the withholding agent from the amount payable or due at each time of payment or when payment is due.

The Circular of the State Administration of Taxation on Issues Relating to Withholding and Payment of Enterprise Income Tax on Dividends Distributed by Chinese Resident Enterprises to Overseas H-share Non-resident Enterprises Shareholders issued by the State Administration of Taxation ("SAT") (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) on November 6, 2008, further clarifies that, when distributing dividends for the year 2008 and the subsequent years to overseas H-share non-resident enterprises shareholders, PRC resident enterprises shall be subject to a uniform 10% tax rate for withholding and paying enterprise income tax on behalf of their shareholders. Non-resident enterprise shareholders may apply to the competent tax authority for tax treaty (arrangement) benefits after receiving dividends. Upon verification by the competent tax authority, a refund shall be issued for the difference between the tax already levied and the tax payable calculated at the rate specified in the tax treaty (arrangement). In addition, the State Administration of Taxation's Reply on Enterprise Income Tax Issues Concerning Dividends from B-Shares and Other Stocks Received by Non-Resident Enterprises (《國家稅務總局關於非居民企業取得B股等股票股息徵收企業所得稅問題的批復》), issued by the SAT on July 24, 2009, further stipulates that dividends distributed by any Chinese resident enterprise listed on an overseas stock exchange to non-resident enterprises for the 2008 fiscal year and subsequent years shall be subject to withholding and remittance of enterprise income tax at a rate of 10%. Such tax rates may be further adjusted pursuant to tax treaties or agreements entered into between China and the relevant jurisdictions, if applicable.

Pursuant to the Arrangement between Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) signed on August 21, 2006, the Chinese government may impose a tax on dividends payable by a Chinese company to a Hong Kong resident, but such tax shall not exceed 10% of the total dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, the tax levied shall not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol on the Arrangement between the Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, which became effective on December 6, 2019, provides that such provisions shall not apply to any arrangements or transactions whose primary purpose is to obtain such tax preferences. The implementation of the dividend provisions under the tax treaties shall be subject to the Circular of the State Administration of Taxation on Relevant Issues relating to the Implementation of Dividend Clauses in Tax Treaty Agreements (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) and other Chinese tax laws and regulations.

According to the Notice of the State Administration of Taxation on Issues Concerning Individual Income Tax Administration Following the Repeal of Document Guo Shui Fa [1993] No. 045 (國家稅務總局關於執行稅收協定股息條款有關問題的通知), issued on June 28, 2011, overseas resident individual shareholders of domestic non-foreign-invested enterprises issuing shares in Hong Kong may enjoy relevant preferential tax treatment in accordance with the provisions of tax treaties between China and the countries of which they are residents, as well as the tax arrangements between Chinese Mainland and Hong Kong (or Macao). Domestic non-foreign-invested enterprises issuing shares in Hong Kong are generally subject to a 10% withholding tax on dividends and profits for individual income tax purposes, with no need for application. If the individual receiving dividends is a resident of a treaty country with a tax rate below 10%, the withholding agent shall apply for the relevant preferential treatment on their behalf in accordance with regulations. Upon

approval by the competent tax authority, any excess tax withheld shall be refunded. Where an individual is a resident of a treaty country with a tax rate exceeding 10% but not exceeding 20%, the withholding agent shall withhold individual income tax at the effective treaty rate when paying dividends and bonuses, and no application is required in such cases. Where the individual receiving the dividend is a resident of a country with which China has not entered into a tax treaty, or where other circumstances apply, the withholding agent shall withhold individual income tax at a rate of 20% when paying the dividend.

Tax Treaties

Non-resident investors from countries that have signed double taxation avoidance treaties with China are entitled to preferential tax treatment on dividends received from Chinese companies. China currently has double taxation treaties/arrangements in place with multiple countries and regions, including the Hong Kong Special Administrative Region, the Macao Special Administrative Region, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom, and the United States.

Income Tax

Pursuant to the Individual Income Tax Law and its Implementing Regulations, gains realized from the sale of equity interests in Chinese resident enterprises shall be subject to individual income tax at a rate of 20%. Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on the Continued Temporary Exemption from Individual Income Tax on Gains from the Transfer of Stocks by Individuals (《財政部國家稅務總局關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》), issued on March 30, 1998, gains derived by individuals from the transfer of stocks of listed companies shall continue to be temporarily exempt from individual income tax since January 1, 1997. On December 31, 2009, the MOF, SAT and CSRC jointly issued the Notice on Issues Concerning the Collection of Individual Income Tax on Gains from the Transfer of Restricted Shares of Listed Companies by Individuals (關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知). This notice stipulates that gains derived by individuals from the transfer of shares of listed companies obtained through public offerings or secondary market transactions on the Shanghai Stock Exchange ("SSE") or the Shenzhen Stock Exchange ("SZSE") shall continue to be exempt from individual income tax, except for restricted shares as defined in the Supplementary Notice of Ministry of Finance, State Administration of Taxation, and China Securities Regulatory Commission on Issues Concerning the Collection of Individual Income Tax on Gains from the Transfer of Restricted Shares of Listed Companies by Individuals (《財政部國家稅務總局證監會關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的補充通知》) jointly issued by the aforementioned three departments on November 10, 2010.

Stamp Tax

According to the Stamp Duty Law of the People's Republic of China (《中華人民共和國印花稅法》), which came into effect on July 1, 2022, China's stamp duty applies only to entities and individuals who execute taxable documents within China, engage in securities transactions within China, or execute taxable documents outside China for use within China. Therefore, the provisions governing stamp duty on share transfers of Chinese listed companies do not apply to non-Chinese investors purchasing or selling H-shares outside China.

LAWS AND REGULATIONS ON ENVIRONMENTAL PROTECTION AND FIRE SAFETY

Environmental Protection

The Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), adopted by the Standing Committee of the National People's Congress on December 26, 1989, and implemented on the same day, as amended most recently on April 24, 2014, and implemented on January 1, 2015, clearly defines the powers and responsibilities of environmental protection regulatory authorities.

The competent department of environmental protection under the State Council has the authority to promulgate national environmental quality standards and national pollutant discharge standards, and to exercise unified supervision and management over environmental protection work nationwide. In addition, local environmental protection authorities may establish local pollutant discharge standards that are stricter than national standards. Relevant enterprises must comply with both national and local standards.

Environmental Impact Assessment

According to the Regulations on Environmental Protection Management of Construction Projects (《建設項目環境保護管理條例》) issued by the State Council on November 29, 1998, last revised on July 16, 2017, and effective as of October 1, 2017, the construction unit shall submit an environmental impact statement, an environmental impact report form, or complete an environmental impact registration form based on the extent of the project's environmental impact. For construction projects requiring the preparation of an environmental impact statement or environmental impact report according to law, the construction unit shall submit the environmental impact statement or environmental impact report to the environmental protection administrative department with approval authority for review and approval prior to commencing construction. Where the environmental impact assessment documents for a construction project have not been reviewed by the competent approval authority in accordance with the law, or have been reviewed but not approved, the construction unit shall not commence construction.

According to the Environmental Impact Assessment Law of the People's Republic of China (《中華人民共和國環境影響評價法》), adopted by the Standing Committee of the National People's Congress on October 28, 2002, and most recently amended and implemented on December 29, 2018, if a construction project has an impact on the environment, the construction unit shall prepare an environmental impact statement, an environmental impact report form, or complete an environmental impact registration form based on the extent of the project's environmental impact.

Pollutant Discharge

According to the Administrative Measures for Pollutant Discharge Permits (Trial) (《排汙許可管理辦法(試行)) issued by the former Ministry of Environmental Protection of the People's Republic of China (now the Ministry of Ecology and Environment of the People's Republic of China, "MEE") on January 10, 2018, which was repealed on July 1, 2024, and the Administrative Measures for Pollutant Discharge Permits (《排汙許可管理辦法》) issued on April 1, 2024 and effective as of July 1, 2024, enterprises, institutions, and other production and business operators subject to pollutant discharge permit management (the "Pollutant Discharging Entities") shall apply for and obtain a pollutant discharge permit in accordance with the law and discharge pollutants in compliance with the permit's provisions. Entities that have not obtained a pollutant discharge permit shall not discharge pollutants.

According to the Classification Management Catalog for Pollutant Discharge Permits of Fixed Pollution Sources (2019 Edition) (《固定污染源排汙許可分類管理名錄(2019年版）》) issued by the Ministry of Ecology and Environment on December 20, 2019, the state implements key management, simplified management, and registration management for pollutant discharge permits based on factors such as the pollutant generation volume, discharge volume, and environmental impact level of pollutant discharging entities. Pollutant discharging entities subject to registration management are not required to apply for and obtain a pollutant discharge permit.

According to the Regulations on Pollutant Discharge Permit Management (《排汙許可管理條例》) issued by the State Council on January 24, 2021, and implemented on March 1, 2021, pollutant discharge permit management for discharging entities is categorized into key management and simplified management based on factors such as pollutant generation volume, discharge volume, and the degree of environmental impact. The review and decision of pollutant discharge permits, as well as information disclosure, shall be processed through the National Pollutant Discharge Permit Management Information Platform. The pollutant discharge permit is valid for 5 years. When the validity period of a pollutant discharge permit expires, any entity needing to continue discharging pollutants must submit an application to the approving authority at least 60 days prior to the permit's expiration date.

Acceptance of Environmental Protection Facility

In accordance with the Regulations on Environmental Protection Management of Construction Projects (《建設項目環境保護管理條例》), after the completion of a construction project requiring the preparation of an environmental impact statement or environmental impact report, the construction unit shall conduct acceptance inspections of the supporting environmental protection facilities in accordance with the standards and procedures stipulated by the administrative department for environmental protection under the State Council, and prepare an acceptance report. Except where confidentiality is required by national regulations, the construction unit shall disclose the acceptance report to the public in accordance with the law. If the environmental protection facilities have not undergone acceptance inspection or have failed acceptance inspection, the construction project shall not be put into production or use.

Fire Protection Design and Acceptance

According to the Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》) (the "Fire Protection Law"), adopted by the Standing Committee of the National People's Congress on April 29, 1998, implemented on September 1, 1998, and most recently amended and implemented on April 29, 2021, for special construction projects as defined by the competent housing and urban-rural development authority of the State Council, the construction unit shall submit the fire protection design documents to the competent housing and urban-rural development authority for review. For other construction projects not designated as special construction projects, the construction unit shall provide fire protection design drawings and technical materials sufficient for construction when applying for a construction permit or approval of the commencement report. According to the Interim Provisions on the Review and Acceptance of Fire Protection Design for Construction Projects issued by the Ministry of Housing and Urban-Rural Development of China (《建設工程消防設計審查驗收管理暫行規定》) on April 1, 2020, last revised on August 21, 2023, and effective as of October 30, 2023, the fire protection design review system applies only to special construction projects. For other construction projects, a filing and random inspection system is implemented.

LAWS AND REGULATIONS ON EXPORT OF GOODS

Pursuant to the Regulations of the People's Republic of China on the Administration of Import and Export of Goods (《中華人民共和國貨物進出口管理條例》), promulgated by the State Council on December 10, 2001, implemented on January 1, 2002, last amended on March 10, 2024, and effective as of May 1, 2024; the Foreign Trade Law of the People's Republic of China (《中華人民共和國對外貿易法》), adopted by the Standing Committee of the National People's Congress on May 12, 1994, implemented on July 1, 1994, amended on December 30, 2022, and most recently amended on December 27, 2025, to be implemented on March 1, 2026; the Customs Law of the People's Republic of China, adopted by the Standing Committee of the National People's Congress on January 22, 1987, implemented on July 1, 1987, and most recently revised on April 29, 2021; The Measures for the Record Filing of Foreign Trade Operators (《對外貿易經營者備案登記辦法》) issued by the Ministry of Commerce of the People's Republic of China ("MOFCOM") on June 25, 2004, implemented on July 1, 2004, and last amended on May 10, 2021, and the Regulations on the Record Filing Management of Customs Declaration Units of the People's Republic of China (《中華人民共和國海關報關單位備案管理規定》) issued by the General Administration of Customs of the People's Republic of China on November 19, 2021, and implemented on January 1, 2022, foreign trade operators engaged in the import or export of goods or the import or export of technology shall file for registration with the Ministry of Commerce or an institution entrusted by the Ministry of Commerce. For the imported and exported goods, unless otherwise provided for, customs declaration and tax payment procedures may be completed by the consignee or consignor of the imported and exported goods, or the consignee or consignor of import and export goods may entrust a customs declaration enterprise to complete the customs declaration and tax payment procedures. Customs declaration entities refer to importers, exporters, and customs brokers that have been registered with the customs authorities. Customs declaration entities may conduct customs declaration operations with the customs in territory of the People's Republic of China.

Pursuant to the Law of the People's Republic of China on Import and Export Commodity Inspection (《中華人民共和國進出口商品檢驗法》), adopted by the Standing Committee of the National People's Congress on February 21, 1989, implemented on August 1, 1989, and most recently amended on April 29, 2021, and the Regulations for the Implementation of the Law of the People's Republic of China on Import and Export Commodity Inspection (《中華人民共和國進出口商品檢驗法實施條例》), promulgated by the State Council on August 31, 2005, implemented on December 1, 2005, and most recently amended on March 29, 2022, the General Administration of Customs is responsible for the administration of import and export commodity inspection nationwide. The entry-exit inspection and quarantine authorities conduct inspections on import and export commodities listed in the catalog of goods subject to mandatory inspection, as well as other import and export commodities required by laws and administrative regulations to undergo inspection by the entry-exit inspection and quarantine authorities. The entry-exit inspection and quarantine authorities shall conduct random inspections on the imported and exported commodities other than the aforementioned inspected items in accordance with national regulations. Imported commodities that must undergo inspection shall not be sold or used if they have not been inspected. Exported commodities that must undergo inspection but have not been inspected or have failed the inspection shall not be exported.

LAWS AND REGULATIONS ON DATA, NETWORK, AND INFORMATION SECURITY

Pursuant to the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》) (the "Cybersecurity Law"), adopted by the Standing Committee of the National People's Congress on November 7, 2016, effective as of June 1, 2017, last amended on October 28, 2025, and effective as of January 1, 2026, network operators must comply with applicable laws and administrative regulations and fulfill cybersecurity protection obligations when conducting business and service activities. The construction, operation, or provision of services through networks shall comply with the provisions of laws and administrative regulations, as well as the mandatory requirements of national standards. Technical measures and other necessary measures shall be adopted to ensure the security and stable operation of networks, effectively respond to cybersecurity incidents, prevent illegal and criminal activities on the network, and maintain the integrity, confidentiality, and availability of network data.

The Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》) ("Data Security Law") was adopted by the Standing Committee of the National People's Congress on June 10, 2021, and came into effect on September 1, 2021. The Data Security Law stipulates measures to support the promotion of data security and development, establishes a sound national data security management system, and clarifies the responsibilities of organizations and individuals regarding data security. The Data Security Law introduces a data classification and tiered protection system. Data is categorized and protected based on its importance to economic and social development, as well as the potential harm it could cause to national security, public interests, or the lawful rights and interests of individuals and organizations if tampered with, destroyed, leaked, or illegally obtained or used. The Cybersecurity Review Measures (《網絡安全審查辦法》) were jointly issued by the Cyberspace Administration of China ("CAC") and several other Chinese regulatory authorities on December 28, 2021, and took effect on February 15, 2022. Operators of critical information infrastructure procuring network products and services, and operators of network platforms conducting data processing activities that affect or may affect national security shall undergo cybersecurity reviews in accordance with the Cybersecurity Review Measures.

The Personal Information Protection Law of the People's Republic of China (《中华人民共和国个人信息保护法》) (the "Personal Information Protection Law") was adopted by the Standing Committee of the National People's Congress on August 20, 2021, and came into effect on November 1, 2021. The Personal Information Protection Law defines the scope of personal information and the methods for processing it, establishes rules for personal information processing and cross-border provision, and clarifies the rights of individuals in personal information processing activities as well as the obligations of personal information processors.

Network data processors conducting network data processing activities that affect or may affect national security shall undergo national security review in accordance with relevant national regulations pursuant to the Regulations on Network Data Security Management (《網絡數據安全管理條例》) issued by the State Council on September 24, 2024, and effective as of January 1, 2025.

Pursuant to the Measures for Security Evaluation for Transfer of Data to Foreign Countries (《數據出境安全評估辦法》) issued by the CAC on July 7, 2022 and effective as of September 1, 2022, data processors providing data overseas shall, in any of the following circumstances, apply for security evaluation for transfer of data to foreign countries with the CAC through their local provincial-level Internet information department: (1) when a data processor transfers important data to overseas recipients; (2) when a critical information infrastructure operator (CIIO), or a data processor who handles personal information of more than 1 million individuals transfers personal information to overseas recipients; (3) when a data processor, who has transferred personal information of more than 100,000 individuals, or sensitive personal information of more than 10,000 individuals to overseas recipients since January 1 of the previous year, transfers personal information to overseas recipients; and (4) other circumstances under which security evaluation of cross-border data transfers is required as prescribed by the CAC.

MIIT promulgated the Administrative Measures for Data Security in the Industrial and Information Technology Sectors (Trial) (《工業和信息化領域數據安全管理辦法（試行）》) (the "Data Security Measures") on December 8, 2022, which officially took effect on January 1, 2023. The scope of application of the Data Security Measures covers data in the industrial and information technology sectors, specifically including industrial data, telecommunications data, and radio data (collectively referred to as data in the industrial and information technology sectors). The Data Security Measures classify such data into three categories: general data, important data, and core data, based on the severity of harm caused to national security, public interests, and legitimate personal interests when data in the industrial and information technology sectors is subject to unauthorized tampering, destruction, leakage, illegal acquisition, or use. For the processing of important data and core data, relevant entities must comply with specific archiving requirements

and reporting obligations. In addition, relevant data processors must also establish a security management system covering the entire data lifecycle in accordance with the requirements of the Data Security Measures. They must designate dedicated data security management personnel, reasonably manage operational authorizations, formulate emergency response plans, and organize emergency drills and related training activities.

On December 10, 2024, MIIT officially released the Guidelines for Identifying Critical Data in the Industrial Sector (《工業領域重要數據識別指南》), which took effect on April 1, 2025. These guidelines outline the fundamental principles, procedures, and considerations for industrial data processors to identify critical data within the industrial sector. They are applicable to industrial data processors conducting such identification work and may also serve as a reference for industry regulatory authorities in establishing catalogs of critical industrial data.

On October 24, 2024, MIIT officially released the Data Security Protection Requirements for Industrial Enterprises (《工業企業數據安全防護要求》), which took effect on February 1, 2025. This document outlines the overall requirements for data security protection in industrial enterprises, fundamental data security protection requirements, and data security protection requirements throughout the entire data lifecycle. It serves as a guide for industrial enterprises to implement data security protection measures and also provides a reference for conducting data security risk assessments.

On April 10, 2025, MIIT officially released the Specification for Data Security Risk Assessment in the Industrial Sector (《工業領域數據安全風險評估規範》), which took effect on August 1, 2025. This specification outlines the fundamental principles, elements, processes, and methodologies for conducting data security risk assessments in the industrial sector. It applies to data security risk assessments conducted by processors of critical and core industrial data within China. It may also serve as guidance for general data processors in the industrial sector to conduct data security risk assessments for their data processing activities.

LAWS AND REGULATIONS ON FOREIGN INVESTMENT

The Company Law was adopted by the Standing Committee of the National People's Congress on December 29, 1993, and implemented on July 1, 1994. It was last amended on December 29, 2023, and took effect on July 1, 2024. Under the Company Law, companies are classified into two types: limited liability companies and joint-stock companies. The Company Law also applies to foreign-invested joint-stock companies.

The Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》) (the "Foreign Investment Law") was adopted by the National People's Congress on March 15, 2019, and came into effect on January 1, 2020. The Law of the People's Republic of China on Sino-Foreign Equity Joint Ventures (《中華人民共和國中外合資經營企業法》), the Law of the People's Republic of China on Wholly Foreign-Owned Enterprises (《中華人民共和國外資企業法》), and the Law of the People's Republic of China on Sino-Foreign Cooperative Joint Ventures (《中華人民共和國中外合作經營企業法》) were repealed simultaneously. Since then, the Foreign Investment Law has become the fundamental law regulating wholly or partially foreign-invested enterprises invested by foreign investors. The provisions of laws such as the Company Law shall apply to the organizational form, organizational structure and guidelines for activities of foreign-invested enterprises. China implements the management system of pre-establishment national treatment plus Negative List for foreign investment, and has canceled the original approval and filing management system for the establishment and change of foreign-invested enterprises. Pre-establishment national treatment means that the treatment given to foreign investors and their investments at their pre-admission shall be no less favorable than that given to Chinese investors and their investments.

The Negative List refers to the special administrative measures that China imposes on foreign investment in specific sectors. China grants national treatment to foreign investment outside the scope of the Negative List. The prevailing Negative List is the Special Administrative Measures for Market Access of Foreign Investment (Negative List) (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》) ("Negative List") promulgated by the National Development and Reform Commission of the People's Republic of China ("NDRC") and the Ministry of Commerce on September 6, 2024, and implemented on November 1, 2024. For industries subject to the Negative List, it uniformly lists special administrative measures for foreign investment access, including equity requirements and senior management requirements. In the prevailing Negative List, our industry, industrial robot manufacturing, is not explicitly listed as subject to negative regulation.

While strengthening investment promotion and protection, the Foreign Investment Law further regulates the administration of foreign investment by proposing the establishment of a foreign investment information reporting system to replace the existing MOFCOM approval and filing system for foreign-invested enterprises.

The Foreign Investment Information Report is governed by the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》), which was jointly promulgated by the Ministry of Commerce and the State Administration for Market Regulation and came into effect on January 1, 2020. Pursuant to the Measures for the Reporting of Foreign Investment Information, foreign investors conducting investment activities directly or indirectly in the PRC shall submit investment information to the competent commerce authorities through the enterprise registration system and the National Enterprise Credit Information Publicity System, which shall include initial report, change of report, cancellation of report, and annual report, etc.

LAWS AND REGULATIONS ON COMBATING UNFAIR COMPETITION

According to the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), adopted by the Standing Committee of the National People's Congress on September 2, 1993, amended for the first time on November 4, 2017, revised on April 23, 2019, amended for the second time on June 27, 2025, and effective as of October 15, 2025, operators shall adhere to the principles of voluntariness, equality, fairness, and good faith, abide by laws and business ethics, and participate fairly in market competition. Operators shall not engage in market transactions through improper means that disrupt market competition order or harm the lawful rights and interests of other operators or consumers, including but not limited to: leveraging power or influence to manipulate transactions; creating market confusion; commercial bribery; misleading false advertising; infringement of trade secrets; improper prize-based promotions; commercial defamation; online unfair competition; abuse of dominant position to delay payments to small and medium-sized enterprises; or forced low-price sales through platform; unauthorized use of another party's influential new media account names, application names, or icons; or setting another party's registered trademarks, product names, etc., as search keywords to create misleading confusion; assisting others in false advertising through organized fake transactions or fake reviews; obtaining and using another party's trade secrets through electronic intrusion or other improper means; failing to clearly disclose prize-based promotion information or altering such information without legitimate justification; using data, algorithms, technology, or platform rules to obstruct or disrupt the normal operation of other operators' online products or services; fraudulently obtaining or using data lawfully held by other operators; abusing platform rules to conduct fake transactions or malicious returns; large enterprises abusing their dominant position to impose unreasonable transaction terms on small and medium-sized enterprises or delaying payment.

Securities Law and Regulations

The PRC has enacted multiple regulations concerning the issue and trading of shares and disclosure of information. In October 1992, the State Council established the Securities Commission and the CSRC. The Securities Commission is responsible for coordinating the drafting of securities law and regulations, formulating securities-related policies, and planning the development of the securities market. Additionally, it is responsible for guiding, coordinating and supervising all securities-related institutions in China, and administering the CSRC. The CSRC, as the regulatory arm of the Securities Commission, is responsible for drafting regulatory rules for the securities market, supervising securities companies, regulating the public offering of securities by Chinese companies both domestically and overseas, overseeing securities transactions, compiling securities-related statistical data, and undertaking relevant research and analysis. In April 1998, the State Council merged the two departments and reformed the CSRC.

The Interim Provisional Regulations on the Administration of Share Issuance and Trading(《股票發行與交易管理暫行條例》)deals with the application and approval procedures for public offerings of equity securities, trading in equity securities, the acquisition of listed companies, deposit, clearing and transfer of listed equity securities, the disclosure of information with respect to a listed company, investigation, penalties and dispute settlement.

The PRC Securities Law took effect on July 1, 1999 and was revised on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014 and December 28, 2019, respectively. This is the first national securities law in the PRC, which regulates, among other things, the issue and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of the State Council's securities regulatory authorities. The PRC Securities Law comprehensively regulates activities in the PRC securities market. Article 224 of the PRC Securities Law provides that domestic enterprises shall complywith the relevant provisions of

the State Council to list their shares outside the PRC. Currently, the issue and trading of foreign issued shares (including H shares) are mainly governed by the rules and regulations promulgated by the State Council and the CSRC.

According to the Trial Measures for Overseas Listing, a domestic enterprise shall, within three working days after submitting its application documents for overseas issue and listing, file such documents with the CSRC for record. The exchange and cross-border flow of funds related to the overseas issue and listing of domestic enterprises shall comply with national regulations on cross-border investment and financing, foreign exchange administration, and cross-border RMB management.

LAWS AND REGULATIONS ON OVERSEAS LISTING

On February 17, 2023, with the approval of the State Council, CSRC issued the relevant rules and regulations concerning the filing management for overseas listings, which took effect on March 31, 2023. The newly released regulatory framework comprises six documents, including the Trial Measures for Overseas Listing and five supporting guidelines.

Pursuant to the Trial Measures for Overseas Listing, Chinese domestic enterprises that directly or indirectly conduct an initial public offering of securities overseas or list their securities for trading overseas shall file with CSRC and submit relevant materials within 3 working days after submitting the issuance and listing application documents overseas.

The Trial Measures for Overseas Listing stipulate that under any of the following circumstances, no overseas listing or offering is allowed: (i) financing through listing is explicitly prohibited by laws, administrative regulations or relevant provisions of China; (ii) the overseas offering and listing may endanger national security as determined by the relevant competent department under the State Council after examination according to the law; (iii) a domestic enterprise or its controlling shareholder or actual controller intending to list or issue securities in overseas markets has committed a criminal crime of corruption, bribery, embezzlement, misappropriation of property or disrupting the economic order of the socialist market in the last three years; (iv) a domestic company intending to list or issue securities in overseas markets is under investigation according to law for suspected crimes or major violations of laws and regulations, and no clear conclusions have been reached; or (v) there is a major dispute over ownership of the equity held by the controlling shareholder or a shareholder controlled by the controlling shareholder and/or the actual controller of a domestic company.

In addition, Chinese domestic enterprises seeking overseas listing must strictly comply with Chinese laws, administrative regulations, and relevant provisions concerning foreign investment, state-owned assets, industry supervision, and overseas investment. They shall not disrupt domestic market order, nor harm national interests, public interests, or the lawful rights and interests of domestic investors. The Trial Measures for Overseas Listing also specifies corresponding legal liabilities. If a domestic enterprise violates its relevant provisions, the enterprise may be subject to penalties such as orders to rectify, warnings, or fines. Its controlling shareholders, actual controllers, directly responsible managers, and other directly liable personnel may also face penalties including warnings or fines.

Confidentiality and File Management

On February 24, 2023, the CSRC and other relevant governmental authorities jointly promulgated the Regulations on Strengthening the Confidentiality and Archives Management Related to the Overseas Issuance and Listing of Securities by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "Confidentiality Regulations"), which entered into force on March 31, 2023. In accordance with the requirements of the Confidentiality Regulations, domestic enterprises shall obtain approval from the competent authority with approval jurisdiction in accordance with the law, and simultaneously file with the confidentiality administrative department at the same level, when providing or publicly disclosing documents or materials involving state secrets or work secrets of state organs to securities companies, securities service institutions, overseas regulatory authorities, or other entities or individuals; or when providing or publicly disclosing such documents or materials through channels such as their overseas listed entities. In addition, when domestic enterprises provide accounting archives or copies thereof to securities companies, securities service institutions, overseas regulatory authorities, or other entities or individuals, they shall strictly follow the relevant procedures stipulated by national regulations. The working documents that have been produced in the China by securities companies and securities service agencies that provide services for overseas

issuance and listing of domestic enterprises shall be retained in China, and those that need to leave the country shall go through the examination and approval procedures in accordance with the provisions of the relevant laws and regulations issued by the State.

LAWS AND REGULATIONS ON "FULL CIRCULATION" OF H-SHARE

Companies shall comply with the H-share "Full Circulation" requirement by converting their domestic shares into H-shares and [**REDACTED**] them on the Hong Kong Stock Exchange. Pursuant to the Business Guidelines for H-Share Companies' Application for "Full Circulation" of Domestic Unlisted Shares (《H股公司境內未上市股份申請"全流通"業務指引》) (the "Full Circulation Business Guidelines"), issued and implemented by CSRC on November 14, 2019, and most recently revised and implemented on August 10, 2023, shareholders of domestic unlisted shares may independently negotiate and determine the quantity and proportion of shares to be applied for circulation, provided that such application shall comply with relevant laws, regulations, and policy requirements concerning state-owned asset management, foreign investment, and industry supervision. Domestic unlisted shares may not be transferred back to Chinese Mainland after being listed and circulated on the Hong Kong Stock Exchange.

According to the Full Circulation Business Guidelines, "full circulation" refers to the listing and trading of the unlisted domestic shares of domestic companies (including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares issued domestically after overseas listing, and unlisted shares held by foreign shareholders) on the Hong Kong Stock Exchange. Shareholders of unlisted domestic shares who authorize domestic enterprises to submit "full circulation" applications to CSRC must submit materials addressing key compliance issues, including whether the "full circulation" process has undergone adequate internal decision-making procedures and obtained necessary internal approvals and authorizations; whether it involves approval or filing procedures mandated by laws, regulations, and policies concerning state-owned asset management, industry supervision, foreign investment, etc.; and whether such approval or filing procedures have been fulfilled.

Pursuant to the Implementation Rules for H-Share "Full Circulation" Business ("Implementation Rules") (《H股"全流通"業務實施細則》) issued by China Securities Depository & Clearing Corporation Limited ("CSDC") and Shenzhen Stock Exchange on December 31, 2019, the Implementation Rules shall apply to cross-border transfer registration, custody and maintenance of holding details, trading orders and instruction transmission, settlement, settlement participant management, nominee holder services, and other related operations involved in H-Share "full circulation" business. Where these Implementation Rules do not provide for a matter, reference shall be made to the relevant business rules of CSDC, China Securities Depository and Clearing (Hong Kong) Limited ("CSDC Hong Kong"), and the Shenzhen Stock Exchange. The "H-Share 'Full Circulation' Business Guide (《中國證券登記結算(香港)有限公司H股"全流通"業務指南》) issued by CSDC Hong Kong on September 20, 2024 and effective as of September 23, 2024 aims to fully roll out the H-Share "full circulation" reform, clarifying the business arrangements and operational procedures for share registration, custody, and clearing and settlement. It also stipulates requirements for business preparation, account arrangements, cross-border transfer of registration, and centralized custody overseas.

OVERVIEW

Our predecessor was incorporated as a limited liability company in the PRC in January 2013 under the name of Chenxing (Tianjin) Automation Equipment Co., Ltd. (辰星(天津)自動化設備有限公司) ("**Chenxing Limited**"). After years of growth, we have become a high-speed industrial robotics enterprise dedicated to the research and development, production, sales and service of high-speed and highly reliable robots.

From June 2015 to October 2025, we have completed several rounds of Pre-[**REDACTED**] Investments. On September 30, 2025, in anticipation of the proposed [**REDACTED**], Chenxing Limited was converted into a joint stock limited company (the "**Conversion**"). On June 25, 2026, we were renamed Tianjin Chenxing Technology Co., Ltd. (天津辰星技術股份有限公司).

MILESTONES

The table below sets forth our major business development milestones since our establishment in 2013 and up to the Latest Practicable Date:

Year	Event
2013	Chenxing Limited was founded, specializing in the research and development of high-speed industrial robots, accomplishing the first commercialization in the pharmaceutical industry.
2015	We obtained series angel financing.
2016	We initiated R&D of autonomous control systems.
2017	We initiated R&D of autonomous machine vision.
2019	We launched the fully autonomous control system *AtomMotion* and vision system *AtomVision*, forming a full-stack closed-loop of "Control + Vision + Execution".
2021	We entered the new energy market and achieved the first-time sales.
2023	We were accredited as a National-level Specialized, Sophisticated, Unique and Novel "Little Giant" Enterprise (國家級專精特新"小巨人"企業).
	We launched high-payload cobots.
2024	We launched high-speed SCARA robots.
2025	We launched embodied intelligent robots and advanced the R&D, sales and technical iteration.

OUR MAJOR SUBSIDIARIES

The following subsidiaries made a material contribution to our results of operation during the Track Record Period:

Name of subsidiary	Place of incorporation	Date of incorporation	Shareholding	Principal business activities
Chenxing (Suzhou) .	PRC	November 29, 2019	100%	Robotics solutions
Jiangsu Xiaoye . . .	PRC	November 19, 2019	100%	Production and sale of High-speed SCARA Robots

Name of subsidiary	Place of incorporation	Date of incorporation	Shareholding	Principal business activities
Shenzhen Xiaobai . .	PRC	June 3, 2021	100%	R&D and sale and service center for south China region
Chenxing (Nanjing)	PRC	October 13, 2021	100%	Sales of the robotics products and robotics solutions
Wuxi Chenxing . . .	PRC	July 29, 2024	100%	Production and sale of high-payload cobots

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

1. Establishment of our predecessor and early capital increase and transfer

Chenxing Limited was incorporated as a limited liability company under the laws of the PRC in 2013. As of January 28, 2013, the registered capital of Chenxing Limited was RMB1,500,000 and its shareholding structure was as follows:

Name of Shareholders	Registered capital subscribed for	Approximate equity interest
	(RMB)	*(%)*
Mr. Huang Tian (黃田)	600,000	40.00
Mr. Mei Jiangping (梅江平)	450,000	30.00
Mr. Yang Yuhu (楊玉虎)	150,000	10.00
Ms. Ni Yanbing (倪雁冰)	150,000	10.00
Ms. Xiang Zhongxia (項忠霞)	150,000	10.00
Total	**1,500,000**	**100.00**

Notes:

(1) In September 2014, Mr. Huang Tian transferred the registered capital of Chenxing Limited of RMB600,000 to his spouse, Ms. Yang Junwen (楊雋雯), at a consideration of nil.

(2) In June 2015, Ms. Yang Junwen, Mr. Mei Jiangping, Mr. Yang Yuhu, Ms. Ni Yanbing and Ms. Xiang Zhongxia transferred RMB150,000, RMB112,500, RMB75,000, RMB75,000 and RMB75,000 of the registered capital of Chenxing Limited, respectively, to Mr. Liu and Mr. Song at a consideration of nil, nil, RMB45,000, RMB45,000 and RMB45,000. The consideration was determined with reference to the fact that Mr. Liu and Mr. Song had long been responsible for the daily operations and management of Chenxing Limited and had made significant contributions to the Group. In light of the Company's negative net asset position at the relevant time, and for the purposes of consolidating control and incentivising management, Ms. Yang Junwen and Mr. Mei Jiangping transferred the relevant equity interests of Chenxing Limited to Mr. Liu and Mr. Song at nil consideration. Meanwhile, Mr. Yang Yuhu, Ms. Ni Yanbing and Ms. Xiang Zhongxia fully exited by disposing of all their respective equity interests of Chenxing Limited to Mr. Liu and Mr. Song at a discounted price of RMB0.6 per unit of registered capital. The considerations for such equity transfers were settled by Mr. Liu and Mr. Song on July 28, 2015. There is no other arrangements, understandings or side agreements in connection with the equity transfers to Mr. Liu and Mr. Song.

(3) In June 2015, Ms. Yang Junwen transferred registered capital of RMB5,400 in Chenxing Limited to Mr. Song and registered capital of RMB37,500 in Chenxing Limited to Mr. Liu; Mr. Mei Jiangping transferred the registered share capital of Chenxing Limited of RMB32,100 to Mr. Liu. The consideration was determined on the basis that the proposed series angel financing would dilute the shareholdings of Mr. Liu and Mr. Song. In light of the Company's negative net asset position at the relevant time, and in recognition of their contributions to the Company's operations and investor sourcing, Ms. Yang Junwen and Mr. Mei Jiangping transferred part of their equity interests of Chenxing Limited to Mr. Liu and Mr. Song at nil consideration with a view to maintaining their control over Chenxing Limited following the introduction of external investors. There is no other arrangements, understandings or side agreements in connection with the equity transfers to Mr. Liu and Mr. Song.

(4) Save for Mr. Huang Tian who is our Director and his spouse Ms. Yang Junwen, each of the initial Shareholders is an Independent Third Party. Mr. Huang Tian, Mr. Mei Jiangping, Ms. Ni Yanbing, Ms. Xiang Zhongxia and Mr. Yang Yuhu are faculty members of Tianjin University. The initial Shareholders invested in the Company at the time of its establishment to support the entrepreneurial endeavours of Mr. Liu and Mr. Song. Save for Mr. Huang Tian, none of them has been involved in the management or operations of the Company.

On June 12, 2015, Ms. Yang Junwen transferred her 0.36% equity interest in Chenxing Limited, corresponding to registered capital of RMB5,400, to Mr. Song at nil consideration. Ms. Yang Junwen also transferred her 2.5% equity interest in Chenxing Limited, corresponding to registered capital of RMB37,500, and Mr. Mei Jiangping transferred his 2.14% equity interest in Chenxing Limited, corresponding to registered capital of RMB32,100, to Mr. Liu at nil consideration. Prior to the Pre-[**REDACTED**] Investments, the shareholding structure of the Company was as follow:

Name of Shareholders	Registered capital subscribed for	Approximate equity interest
	(RMB)	*(%)*
Mr. Liu	557,100	37.14
Mr. Song	492,900	32.86
Ms. Yang Junwen	257,100	17.14
Mr. Mei Jiangping	192,900	12.86
Total	**1,500,000**	**100.00**

2. Pre-[REDACTED] Investments

From June 2015 to October 2025, we have completed several rounds of Pre-[**REDACTED**] Investments. See "— Pre-[**REDACTED**] Investments" in this section for subsequent shareholding changes resulting from the Pre-[**REDACTED**] Investments.

3. Equity Transfer to Chenxing Partners and Chenxing Brothers and Subscription by Chenxing Friends

On June 25, 2021, Mr. Liu and Mr. Song entered into equity transfer agreements with Chenxing Partners and Chenxing Brothers respectively, pursuant to which, Mr. Song agreed to transfer RMB486,000 of the registered capital of our Company to Chenxing Partners, and RMB165,000 of the registered capital of our Company to Chenxing Brothers, and Mr. Liu agreed to transfer RMB54,000 of the registered capital of our Company to Chenxing Partners, and RMB495,000 of the registered capital of our Company to Chenxing Brothers at a total consideration of RMB1.00. Chenxing Partners is a limited partnership whose general partner is Mr. Liu and limited partner is Mr. Song. Chenxing Brothers is an employee shareholding platform of our Company. The aforementioned equity transfers were completed in June 2021.

For the purpose of implementing our equity incentive scheme, Chenxing Friends, one of our ESOP Platforms, subscribed for the registered capital of our Company of RMB775,361 at a consideration of RMB775,361. The consideration of the subscription was settled on September 17, 2025.

4. The Conversion and Change of Name

In anticipation of the proposed [**REDACTED**], pursuant to shareholders' resolutions and a promoters' agreement dated September 15, 2025 entered into by all the Shareholders, our Company was converted from a limited liability company to a joint stock company with limited liability. Upon completion of the Conversion, the total issued share capital of our Company was 19,468,253 Shares with a nominal value of RMB1.00 each, which were subscribed by all our existing Shareholders in proportion to their respective interests in Chenxing Limited before the Conversion. For details of our shareholding structure, see "Capitalization of our Company" in this section. On June 25, 2026, we were renamed Tianjin Chenxing Technology Co., Ltd. (天津辰星技術股份有限公司).

5. Share Subdivision

On December 30, 2025 and August 14, 2026, our Shareholders resolved that each of our Share with nominal value of RMB1.00 will be subdivided into ten Shares with a nominal value of RMB0.10 each immediately prior to the [**REDACTED**]. Upon completion of such Share Subdivision, the registered capital of our Company, which is RMB20,279,430, will be divided into 202,794,300 Shares with a nominal value of RMB0.10 per Share.

OUR EMPLOYEE SHAREHOLDING PLATFORMS

In recognition of the contributions of our employees and to incentivize them to further promote our development, Chenxing Friends and Chenxing Brothers were established as our employee shareholding platforms in the PRC, and our Company has implemented an employee incentive scheme (the "**Employee Incentive Scheme**"). The Employee Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve the grant of share options or awards by our Company after [**REDACTED**]. The Employee Incentive Scheme may be required to re-comply with Chapter 17 of the Listing Rules if there are any material alterations or changes to the terms and conditions of the scheme. For details of the Employee Incentive Scheme, see "Statutory and General Information — 5. Employee Incentive Scheme" in Appendix V to this document.

In accordance with the terms of the Employee Incentive Scheme and the grant agreements, eligible participants and grantees (the "**Participants**"), including senior management, middle management, certain members of the R&D department, and employees with outstanding performance of our Group as the Board deems appropriate, shall subscribe for limited partnership interests in the Company's employee shareholding platforms, and make corresponding contribution according to the amount and grant approved by the Board, thereby holding indirect interest in the Shares. Except as approved by the Board or otherwise stipulated by the terms of the Employee Incentive Scheme, the Participants could not transfer their direct or indirect interests in the ESOP Platforms before the [**REDACTED**]. In addition, the underlying Shares held by the Participants are subject to a lock-up period starting from the grant date till 12 months after the [**REDACTED**] to dispose of their limited partnership interests. The underlying Shares shall be unlocked in three batches upon the expiry of the lock-up period, namely: (i) 40% as at the expiry of the lock-up period; (ii) 30% upon the date falling 12 months after such expiry; and (iii) the remaining 30% upon the date falling 24 months after such expiry, unless otherwise agreed in the grant agreements. Participants shall be required to withdraw from the Employee Incentive Scheme due to death, termination of employment or other change in circumstances pursuant to the grant agreements.

As of the Latest Practicable Date, all of the awards underlying an aggregate of 1,435,361 Shares of the Company under the Employee Incentive Scheme have been granted, and, as a result, the grantees held the limited partnership interests in our employee shareholding platforms.

Pursuant to the relevant partnership agreements, the general partners are responsible for the management and administration of the partnerships.

As of the Latest Practicable Date, the general partner of Chenxing Friends is Mr. Song, who holds approximately 0.99% of its partnership interests. The limited partners of Chenxing Friends are 17 employees of our Company, among whom, Mr. Liu, our executive Director, and Mr. Li Yanhua, our senior management, hold approximately 10.92% and 6.45% of its limited partnership interests, respectively, and the remaining 81.64% limited partnership interests are held by 15 employees who are not Directors or senior management of our Company.

As of the Latest Practicable Date, the general partner of Chenxing Brothers is Mr. Song, who holds approximately 2.42% of its partnership interests. The limited partners of Chenxing Brothers are 26 employees of our Company, among whom, Mr. Liu, our executive Director, and Mr. Li

Jigang, Mr. Li Yanhua, and Mr. Su Zhe, our senior management, hold approximately 3.35%, 15.15%, 10.61% and 10.07% of its limited partnership interests, respectively, and the remaining 58.40% limited partnership interests are held by 22 employees who are not Directors or senior management of our Company.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

Throughout the Track Record Period and up to the Latest Practicable Date, we did not conduct any acquisitions, disposals or mergers that we consider to be material to us.

PRE-[REDACTED] INVESTMENTS

(1) Series Angel Financing and Equity Transfer

On June 18, 2015, Mr. Yang Haoyong (楊浩湧), Mr. Chen Yin (陳寅) and Mr. Wei Bingfang (韋炳方) entered into an investment agreement with our Company and our then Shareholders, pursuant to which (i) Mr. Yang Haoyong subscribed for the registered capital of our Company of RMB535,714 at a consideration of RMB6,666,667; (ii) Mr. Chen Yin subscribed for the registered capital of our Company of RMB64,286 at a consideration of RMB800,000; and (iii) Mr. Wei Bingfang subscribed for the registered capital of our Company of RMB42,857 at a consideration of RMB533,333. The consideration of subscriptions was settled on August 9, 2017. All of our then Shareholders resolved to capitalize the capital reserve of RMB7,357,143 into registered capital on a pro rata basis for all Shareholders, and the registered capital of our Company increased to RMB9,500,000.

On October 8, 2016, Mr. Mei Jiangping entered into an equity transfer agreement with Mr. Liu and Mr. Song, pursuant to which, Mr. Mei Jiangping agreed to transfer and each of Mr. Liu and Mr. Song agreed to purchase the registered capital of our Company of RMB332,500 at a consideration of RMB332,500. The consideration for such equity transfers was settled on July 21, 2017.

(2) Series Pre-A Financing and Equity Transfers

On October 18, 2016, Mr. Mei Jiangping entered into an equity transfer agreement with Ningbo Haida, pursuant to which Mr. Mei Jiangping agreed to transfer and Ningbo Haida agreed to purchase the registered capital of our Company of RMB190,000 at a consideration of RMB1,920,000. The consideration for such equity transfer was settled on November 21, 2016.

On October 18, 2016, Ningbo Haida entered into the investment agreement with our Company and all of our then Shareholders, pursuant to which Ningbo Haida agreed to subscribe the registered capital of our Company of RMB1,615,000 at a consideration of RMB17,000,000. The consideration of the subscription was settled on November 21, 2016. Upon the completion of the subscription, the registered capital of our Company increased from RMB9,500,000 to RMB11,115,000.

On August 8, 2017, Shenzhen Capital and Hongtu Chuangke entered into an investment agreement with our Company and all of our then Shareholders, pursuant to which, each of Mr. Yang Haoyong, Mr. Wei Bingfang and Mr. Chen Yin agreed to transfer the registered capital of our Company of RMB570,000, RMB190,000 and RMB285,000 to Hongtu Chuangke at a total consideration of RMB10,560,000. Shenzhen Capital subscribed for the registered capital of our Company of RMB285,000 at a consideration of RMB3,000,000. The consideration of the equity transfer was settled on September 27, 2017 and the consideration of the subscription was settled on August 22, 2017. Upon completion of the subscription, the registered capital of our Company increased from RMB11,115,000 to RMB11,400,000.

(3) Series A Financing and Equity Transfer

On January 23, 2019, Ms. Yang Junwen transferred the registered capital of our Company of RMB114,000 at a consideration of RMB1,200,000 to Mr. Wang Tianmiao. The consideration of such equity transfer was settled on February 28, 2019.

On January 23, 2019, Ms. Yang Junwen transferred the registered capital of our Company of RMB228,000 at a consideration of RMB2,400,000 to Ningbo Yarui. Ningbo Yarui subscribed for the registered capital of our Company of RMB352,577 at a consideration of RMB6,000,000. The consideration of such equity transfer and subscription were settled on February 28, 2019. Upon completion of the subscription, the registered share capital of our Company increased from RMB11,400,000 to RMB11,752,577.

On June 30, 2019, TEDA Venture Capital and Beijing Yarui entered into an investment agreement with our Company and all of our then Shareholders, pursuant to which TEDA Venture Capital and Beijing Yarui agreed to subscribe for the registered capital of our Company of RMB587,629 and RMB470,103 at a consideration of RMB10,000,000 and RMB8,000,000, respectively. The consideration of TEDA Venture Capital and Beijing Yarui's first tranche consideration were settled on August 9, 2019. Beijing Yarui's second tranche consideration was settled on January 12, 2021. Upon completion of the subscriptions, the registered capital of our Company increased from RMB11,752,577 to RMB12,810,309.

(4) Series B Financing

On April 9, 2021, Siasun Investment entered into an investment with our Company and all of our then Shareholders, pursuant to which Siasun Investment agreed to subscribe for the registered capital of our Company of RMB480,387 at a consideration of RMB15,000,000. The consideration of the subscription was settled on July 15, 2021. Upon the completion of the subscription, the registered capital of our Company increased from RMB12,810,309 to RMB13,290,696.

On June 18, 2021, TEDA Haihe IM Fund entered into an investment agreement with our Company and all of our then Shareholders, pursuant to which TEDA Haihe IM Fund agreed to subscribe for registered capital of our Company of RMB480,387 at a consideration of RMB15,000,000. The consideration of such subscription was settled on August 20, 2021. Upon the completion of the subscription, the registered capital of our Company increased from RMB13,290,696 to RMB13,771,083.

On September 23, 2021, Guozhong Private Equity entered into an investment agreement with our Company and all of our then Shareholders, pursuant to which Guozhong Private Equity agreed to subscribe for the registered capital of our Company of RMB960,774 at a consideration of RMB30,000,000. The consideration of the subscription was settled on October 8, 2021. Upon the completion of the subscription, the registered capital of our Company increased from RMB13,771,083 to RMB14,731,857.

(5) Series B+ Financing and Equity Transfers

On August 15, 2022, Lenovo Fund, Guozhong Private Equity entered into a capital increase agreement with, among others, our Company and all of our then Shareholders, pursuant to which Lenovo Fund agreed to subscribe for the registered capital of our Company of RMB1,011,340 at a consideration of RMB45,000,000, and Guozhong Private Equity agreed to subscribe for the registered capital of our Company of RMB674,227 at a consideration of RMB30,000,000. The consideration of the subscriptions was settled on October 11, 2022. Upon the completion of the subscription, the registered capital of our Company increased from RMB15,507,218 to RMB17,192,785.

On November 11, 2022, Saitian Industrial Development, Yixing Saitian and Qingdao Haichuang entered into a capital increase agreement with, among others, our Company and all of our then Shareholders, pursuant to which Saitian Industrial Development agreed to subscribe for the registered capital of our Company of RMB539,363 at a consideration of RMB24,000,000, Yixing Saitian agreed to subscribe for the registered capital of our Company of RMB134,841 at a consideration of RMB6,000,000, and Qingdao Haichuang agreed to subscribe for the registered capital of our Company of RMB674,204 at a consideration of RMB30,000,000. The consideration of the subscriptions was settled on February 13, 2023. Upon the completion of the subscription, the registered capital of our Company increased from RMB17,192,785 to RMB18,541,193.

On November 22, 2022, Ningbo Haida entered into an equity transfer agreement with Saitian Industrial Development, pursuant to which Ningbo Haida agreed to transfer the registered capital of our Company of RMB163,741 to Saitian Industrial Development at a consideration of RMB6,000,000. The consideration of such equity transfer was settled on December 23, 2022.

On November 22, 2022, Ningbo Haida entered into an equity transfer agreement with Yixing Saitian, pursuant to which Ningbo Haida agreed to transfer the registered capital of our Company of RMB109,161 to Yixing Saitian at a consideration of RMB4,000,000. The consideration of such equity transfer was settled on December 23, 2022.

On November 22, 2022, Shenzhen Capital and Hongtu Chuangke entered into an equity transfer agreement with Saitian Industrial Development, pursuant to which Shenzhen Capital agreed to transfer the registered capital of our Company of RMB58,479 to Saitian Industrial Development at a consideration of RMB2,142,857, and Hongtu Chuangke agreed to transfer the registered capital of our Company of RMB214,423 to Saitian Industrial Development at a consideration of RMB7,857,143. The consideration of such equity transfer was settled on December 23, 2022.

(6) Series C Financing

On August 14, 2024, Wuxi Huicui entered into a capital increase agreement with, among others, our Company and all of our then Shareholders, pursuant to which Wuxi Huicui agreed to subscribe for the registered capital of our Company of RMB927,060 at a consideration of RMB60,000,000. The consideration of the subscription was settled on August 29, 2024. Upon the completion of the subscription, the registered capital of our Company increased from RMB18,541,193 to RMB19,468,253.

(7) Series D Financing

After the completion of the Conversion, the total issued share capital of our Company was 19,468,253 Shares with a nominal value of RMB1.00 each, which were subscribed by all existing Shareholders in proportion to their respective interests in Chenxing Limited before the Conversion.

On October 20, 2025, TEDA Haihe IM Fund entered into a capital increase agreement with, among others, our Company and all of our then Shareholders, pursuant to which TEDA Haihe IM Fund agreed to subscribe for 811,177 Shares at a consideration of RMB100,000,000. The consideration of the subscription was settled on October 24, 2025. Upon the completion of the subscription, the registered capital of our Company increased from RMB19,468,253 to RMB20,279,430.

As of the Latest Practicable Date, we have received several rounds of Pre-[**REDACTED**] Investments since our establishment. The following table summarizes the key terms of the Pre-[**REDACTED**] Investments to our Company made by the Pre-[**REDACTED**] Investors through share subscription:

	Series Angel Financing	Series Pre-A Financing	Series A Financing	Series B Financing	Series B+ Financing	Series C Financing	Series D Financing
Date(s) of agreement(s)	June 18, 2015	October 18, 2016 and August 8, 2017	January 23 and June 30, 2019	April 9, June 18 and September 23, 2021	August 15, 2022 and November 11, 2022	August 14, 2024	October 20, 2025
Settlement Date[1]	August 9, 2017	November 21, 2016 and August 22, 2017	February 28, 2019, August 9, 2019 and January 12, 2021	July 15, August 20 and October 8, 2021	October 11, 2022 and February 13, 2023	August 29, 2024	October 24, 2025
Amount of consideration paid to the Company	RMB8 million	RMB20 million	RMB24 million	RMB60 million	RMB135 million	RMB60 million	RMB100 million
Cost per Share[2]	RMB0.28	RMB1.05	RMB1.70	RMB3.12	RMB4.45	RMB6.47	RMB12.33
Discount to the [**REDACTED**][3]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Implied pre-money valuations[4]	RMB19 million	RMB100 million	RMB194 million	RMB400 million	RMB690 million	RMB1,200 million	RMB2,400 million
Implied post-money valuations[5]	RMB27 million	RMB120 million	RMB218 million	RMB460 million	RMB825 million	RMB1,260 million	RMB2,500 million
Use of [**REDACTED**] from the Pre-[**REDACTED**] Investments	As at the Latest Practicable Date, [**REDACTED**]% of the funds raised from the pre-[**REDACTED**] investment has been utilized. All such funds have been applied to the operations, business expansion and general working capital requirements of the Group in accordance with the annual consolidated budget of the Company approved by the pre-[**REDACTED**] investors.						
Strategic benefits the Pre-[**REDACTED**] Investments brought to our Company	At the time of the pre-[**REDACTED**] investment, the Directors were of the opinion that the Company would benefit from the additional capital provided by the pre-[**REDACTED**] investors' investment in the Company, as well as their knowledge and experience.						
Basis of determining the consideration paid	The consideration for the pre-[**REDACTED**] investment was determined by the Company and the pre-[**REDACTED**] investors after arm's length negotiations, taking into account various factors, including but not limited to: (i) the milestone status and commercialization prospects of our specialist technology products; (ii) our expansion capabilities and R&D management systems; (iii) the Company's strategic layout and execution efficiency; (iv) our Company's team culture and other factors; and (v) investment timing, market value and business prospects.						
Lock-up period	Pursuant to the applicable PRC laws, each of the existing Shareholders of the Company (including the Pre-[**REDACTED**] Investors) are not permitted to dispose of any of the Shares held by them within the 12 months immediately following the [**REDACTED**].						

1 Refers to the settlement date of the investment in Chenxing Limited or our Company by relevant Pre-[**REDACTED**] Investors.

2 Calculated based on the amount of consideration paid to the Company divided by the registered capital/the number of Shares of the Company and taking into account the Share Subdivision. Furthermore, the cost per Share for Series Angel financing has taken into account the conversion of capital reserve into registered capital of our Company in December 2015.

3 Calculated based on the currency translation of HK$1 to RMB0.8654 and on the [**REDACTED**] of HK$[**REDACTED**], being the mid-point of the indicative [**REDACTED**] with adjustments for the Share Subdivision. The significant discount of the cost per Share subscribed by the Pre-[**REDACTED**] Investors in the financing rounds prior to the [**REDACTED**], compared with the [**REDACTED**], was mainly due to:

(i) Risk compensation: higher investment risks at the Pre-[**REDACTED**] stage. By subscribing Shares, the Pre-[**REDACTED**] Investors face higher operation risks, market risks and [**REDACTED**] uncertainties than those at the [**REDACTED**] stage. In consideration of such additional risks, it is reasonable for the Pre-[**REDACTED**] Investors to require a share price discount as risk compensation, which is in line with the commercial principle of matching risks with returns.

(ii) Liquidity compensation: longer lock-up period faced by the Pre-[**REDACTED**] Investors. The Pre-[**REDACTED**] Investors are subject to longer lock-up arrangements for their Shares, resulting in a longer capital commitment period. In contrast, investors in the open market after the [**REDACTED**] can trade freely once the Shares are [**REDACTED**], enjoying significantly better liquidity. As the Pre-[**REDACTED**] Investors have to accept a longer lock-up period and forgo short-term capital liquidity to support the Company's long-term development, it is reasonable for them to receive a discounted price as consideration.

(iii) Market practice: The Pre-[**REDACTED**] Investors normally enjoy share price discounts. It is a common market practice for the Pre-[**REDACTED**] Investors to be granted with a certain degree of share price discount. The discount rate is usually determined based on a combination of factors, including the Company's industry position, growth potential, [**REDACTED**] certainty, investor qualifications and lock-up period. For specialized technology enterprises like our Company operating in the high-growth track, the Pre-[**REDACTED**] Investors assume higher risks associated with technological R&D and business expansion, so it is reasonable for them to enjoy a discount rate that is in line with actual market conditions.

4 The implied pre-money valuation is calculated based on (i) the cost per share paid to the Company for the corresponding round of Pre-[**REDACTED**] Investment and (ii) the issued share capital of the Company immediately prior to the corresponding round of Pre-[**REDACTED**] Investment. Furthermore, the implied pre-money valuation for Series Angel financing has taken into account the conversion of capital reserve into registered capital of our Company in December 2015.

5 The implied post-money valuation is the sum of (i) the pre-money valuation for the corresponding round of Pre-[**REDACTED**] Investment and (ii) the total funds received by the Company from the corresponding round of Pre-[**REDACTED**] Investment. Furthermore, the implied post-money valuation for Series Angel financing has taken into account the conversion of capital reserve into registered capital of our Company in December 2015.

6. The increase in the valuation of the Company in Series Pre-A Financing compared with Series Angel Financing was mainly because we initiated R&D of autonomous control systems and autonomous machine vision, completed the independent R&D layout of core technologies and gradually built up technical barriers.

7. The increase in the valuation of the Company in Series A Financing compared with Series Pre-A Financing was mainly because we launched the fully autonomous control system *AtomMotion* and vision system *AtomVision*, and our proprietary core technologies were commercially applied in products, with our technology transfer capability gaining recognition from [**REDACTED**] institutions.

8. The increase in the valuation of the Company in Series B Financing compared with Series A Financing was mainly because we increased our brand visibility and highlighted our competitive strengths and commercialization potential, therefore significantly increasing the Company's valuation.

9. The increase in the valuation of the Company in Series B+ Financing compared with Series B Financing was mainly because we entered the new energy market and achieved the first-time sales. The successful rollout of new business scenarios, along with the continuously expanding growth potential of the industry, further contributed to the increase of the Company's valuation.

10. The increase in the valuation of the Company in Series C Financing compared with Series B+ Financing was mainly because we secured the number-one sales ranking among all brands of parallel robot in the domestic market and accredited as a National-level Specialized, Sophisticated, Unique and Novel "Little Giant" Enterprise (國家級專精特新"小巨人"企業). The further consolidation of our market position, together with the certification of national-level honorary qualifications, reflects our long-term development potential, which in turn increased the Company's valuation.

11. The increase in the valuation of the Company in Series D Financing compared with Series C Financing was mainly because we achieved large-scale sales of high-payload cobots and launched high-speed SCARA robots. The orderly implementation of product planning, the continuous enrichment of product types, and the ongoing expansion of the product matrix further strengthened our long-term growth momentum and increased the valuation of the Company.

12. The increase in valuation of the Company in the [**REDACTED**] compared with Series D Financing was mainly due to (i) the expected steady and rapid increase in revenue and continuously strengthened profitability in 2026, (ii) the launch of our embodied intelligent robot products, achieving effective layout and ongoing iteration of the cutting-edge technology sector, and (iii) continuous upgrading of our core technologies, further consolidating our overall technological advantages and long-term competitive barriers.

Special rights of the Pre-*[REDACTED] *Investors

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 the Company.

For the purpose of the Conversion, the Company entered into a termination agreement (the "**Termination Agreement**") in relation to the shareholders' special rights on August 6, 2025. In anticipation of the proposed [**REDACTED**] and in order to comply with relevant requirements under the Guide for New Listing Applicants, the Shareholders passed resolutions (the "**Shareholders' Resolutions**") to amend the termination date of redemption rights granted by Mr. Liu, Mr. Song, Chenxing Partners, Chenxing Brothers and Chenxing Friends on December 30, 2025. Pursuant to the Termination Agreement and the Shareholders' Resolutions,

(1) the redemption rights granted by our Company to the Pre-[**REDACTED**] Investors (the "**Company Redemption Right**"), liquidation preference rights and anti-dilution rights granted by our Company under the shareholders' agreement were terminated on September 9, 2025 (i.e. the issuance date of the audited report for the purpose of the Conversion) and shall be deemed *void ab initio* and not resume under any condition. During the Track Record Period, the Company Redemption Right, liquidation preference rights and anti-dilution rights were not exercised;

(2) the redemption rights granted by Mr. Liu, Mr. Song, Chenxing Partners, Chenxing Brothers and Chenxing Friends (the "**Company-side Shareholders Redemption Rights**") to the Pre-[**REDACTED**] Investors under the shareholders' agreement were terminated one day prior to our Company's submission of first filing application to the Stock Exchange; and

(3) all other special rights of the Pre-[**REDACTED**] Investors shall cease to be effective and be terminated on the date when our Company's first [**REDACTED**] application is acknowledged by the Stock Exchange, provided that the special rights (except for the Company Redemption Right, liquidation preference rights and anti-dilution rights granted by our Company) so terminated shall resume to be exercisable automatically upon the earliest of the occurrence of the following events: (i) our Company does not submit [**REDACTED**] application to and acknowledged by the Stock Exchange by December 31, 2026; (ii) the [**REDACTED**] application is withdrawn, terminated or rejected; (iii) the [**REDACTED**] does not take place within six months upon receiving the [**REDACTED**] approval; or (iv) the [**REDACTED**] does not take place before December 31, 2027.

Article 143 of the Civil Code of the People's Republic of China (中華人民共和國民法典) stipulates that a civil legal act is valid if it is conducted by parties with the requisite capacity for civil conduct, is based on genuine intent, and does not contravene mandatory provisions of laws, administrative regulations, or public order and morals. Adhering to the principle of autonomy of will, the Company and the Pre-[**REDACTED**] Investors explicitly agreed that the Company Redemption Right, liquidation preference rights and anti-dilution rights granted by our Company were irrevocably terminated and deemed *void ab initio*. The Termination Agreement contains no provisions for the revival of the Company Redemption Right, liquidation preference rights and anti-dilution rights granted by our Company. Through the execution of the Termination Agreement, while the clauses concerning the Company Redemption Right, liquidation preference rights and anti-dilution rights granted by our Company have never been exercised, both parties agreed to terminate these clauses and to treat them as having no legal effect from the time of their execution, thereby restoring the rights and obligations of both parties to the *status quo ante* as if such clauses had never been agreed upon. This arrangement does not violate any mandatory provisions of laws, administrative regulations, or public order and morals, and is thus legally valid. Based on the above, the PRC Legal Advisors are of the view that the Company Redemption Right, liquidation preference rights and anti-dilution rights granted by our Company agreed upon by the Company and the Pre-[**REDACTED**] Investors have been irrevocably terminated and shall be deemed *void ab initio*. Regarding the other special rights of the Pre-[**REDACTED**] Investors, the Termination Agreement does not stipulate any clause providing for *voidness ab initio*. Pursuant to the Termination Agreement and the Shareholders' Resolutions, the PRC Legal Advisors are also of view that there is no warranty regarding the enforceability of the redemption rights.

No Pre-[**REDACTED**] Investors had exercised their redemption rights, liquidation preferences rights or anti-dilution rights during the Track Record Period. Certain special rights have been exercised by the Pre-[**REDACTED**] Investors, such as information rights and director nomination rights. Such exercise of certain special rights prior to the execution of the Termination Agreement does not affect and is irrelevant to the conclusion drawn by the PRC Legal Advisors that the Company Redemption Right, liquidation preference rights and anti-dilution rights granted by our Company have been irrevocably terminated and shall be deemed *void ab initio*. The exercised special rights are independent and unrelated to the Company Redemption Right and liquidation preference rights. For details, please refer to note 31 of the Accountants' Report.

With respect to the Company-side Shareholders Redemption Rights, the Company has not provided any guarantee in relation to such redemption rights or any related side agreements. No liability regarding the Company-side Shareholders Redemption Rights was recorded during the Track Record Period considering that the Company is not a party to the relevant agreement. For the details of the Company-side Shareholders Redemption Rights, see note 36(d) to the Accountants' Report in Appendix I to this document.

Compliance with the Guide for New Listing Applicants

On the basis that (i) the consideration for the last Pre-[**REDACTED**] Investment was irrevocably settled on a date which is more than 28 days before the date of the first submission of the [**REDACTED**] application form, and (ii) the special rights granted to the Pre-[**REDACTED**] Investors have been suspended before filing of a [**REDACTED**] application and/or shall cease to be effective and be discontinued prior to the proposed [**REDACTED**], the Sole Sponsor confirm that the Pre-[**REDACTED**] Investments are in compliance with Chapter 4.2 of the *Guide for New Listing Applicants* issued by the Stock Exchange.

PRC Legal Advisors confirmation

Our PRC Legal Advisors has confirmed that we have legally completed, settled, and obtained the requisite legal approvals from the PRC competent authorities or made all necessary registration or filings with the relevant local branch of the State Administration for Market Regulation (國家市場監督管理總局) with respect to all the aforesaid Pre-[**REDACTED**] Investments, capital increases and equity transfers in all material respects.

Information relating to our key Pre-*[**REDACTED**] *Investors

Set out below is a description of our Sophisticated Independent Investors (as defined under Chapter 2.5 of the *Guide for New Listing Applicants*, hereinafter referred to as the "**SIIs**"). As at the Latest Practicable Date, we have a total of five SIIs, including four Pathfinder SIIs, each of the Pathfinder SIIs holds, on an individual basis, more than 3% of the Company's total issued share capital.

Save for their capacity as Shareholders of the Company and save as otherwise disclosed in this document, each SII is independent of, and not connected with, any Director, chief executive officer, substantial Shareholder of the Company, its subsidiaries or any of their respective associates (as such term is defined under the Listing Rules). Save as disclosed herein, the Pre-[**REDACTED**] Investors are independent from one another, and each of the Pre-[**REDACTED**] Investors together with their respective ultimate beneficial owners constitutes an Independent Third Party of the Company.

Pathfinder SIIs

*(a) Shenzhen Capital and Hongtu Chuangke (collectively, "**Shenzhen Capital SIIs**")*

Shenzhen Capital, a limited liability company incorporated in the PRC, was initially co-founded by the State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government (深圳市人民政府國有資產監督管理委員會) and a group of private partners in 1999. The State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government currently directly holds 28.20% equity interests in Shenzhen Capital, making it Shenzhen Capital's largest shareholder. Shenzhen Capital is now a state-owned,

independently managed venture capital institution primarily focusing on investment in innovative high-tech companies in emerging industries at the start-up, growth, or pre-IPO stages, which includes, but is not limited to, investments in information technology, healthcare industry, new energy, new materials, and equipment manufacturing. Shenzhen Capital's other major shareholders include: (1) Shenzhen Galaxy Real Estate Development Co., Ltd., (深圳市星河房地產開發有限公司) ultimately controlled by Mr. Huang Chulong (黃楚龍), an independent third-party businessman, holding 20.00% equity interests in Shenzhen Capital; (2) Shenzhen Capital Holdings Co., Ltd. (深圳市資本運營集團有限公司), wholly owned by the State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government, directly holding 12.79% equity interests in Shenzhen Capital and holding 3.31% equity interests in Shenzhen Capital through Shenzhen Yixin Investment Co., Ltd. (深圳市億鑫投資有限公司); and (3) Shanghai Dazhong Public Utilities (Group) Co., Ltd. (上海大眾公用事業(集團)股份有限公司), a company listed on the Stock Exchange (stock code: 1635) and the Shanghai Stock Exchange (stock code: 600635), holding 10.80% equity interests in Shenzhen Capital. Except as disclosed above, no other shareholder of Shenzhen Capital holds more than 10% of its equity interests individually. Hongtu Chuangke is a fund established as a limited partnership under the laws of the PRC, with Shenzhen Hongtu Chuangke Venture Capital Management Co., Ltd. (深圳市紅土創客創業投資管理有限公司) as its general partner. Shenzhen Hongtu Chuangke Venture Capital Management Co., Ltd. is ultimately controlled by Shenzhen Capital, holding 80% of its equity interests. The principal limited partners of Hongtu Chuangke include: (1) Shenzhen Capital, holding 31.2% of the limited partnership interests in Hongtu Chuangke; (2) Shenzhen Guidance Fund Investment Co., Ltd. (深圳市引導基金投資有限公司), holding 25% of the limited partnership interests in Hongtu Chuangke; (3) Shenzhen City Huitong Financial Holding Fund Investment Co., Ltd. (深圳市匯通金控基金投資有限公司), wholly owned by Nanshan District State-owned Assets Supervision and Administration Bureau, Shenzhen City (深圳市南山區國有資產監督管理局), holding 22% of the limited partnership interests in Hongtu Chuangke; and (4) Hubei Zhenghan Investment Co., Ltd. (湖北正涵投資有限公司), a wholly-owned subsidiary of Jinpai Co., Ltd. (勁牌有限公司), which is 99.0% owned and controlled by Mr. Wu Shaoxun (吳少勳), an independent third party, holding 12% of the limited partnership interests in Hongtu Chuangke. Except as disclosed above, no other limited partner of Hongtu Chuangke holds more than 10% of the limited partnership interests in Hongtu Chuangke individually.

As of July 31, 2017 (i.e., the date not more than six months prior to the execution of the final agreement for Shenzhen Capital SIIs' earliest investment in the Company) and as of July 16, 2026, the assets under management ("**AUM**") of Shenzhen Capital SIIs were more than HK$15 billion and approximately RMB560 billion, respectively. As Shenzhen Capital is ultimately responsible for the investment decisions concerning Hongtu Chuangke, different platforms representing distinct funds or entities ultimately managed by the same entity should be aggregated as a single Pathfinder SII pursuant to Chapter 2.5 of the Guide. Given that Shenzhen Capital's AUM meets the threshold stipulated in Chapter 2.5 of the Guide, the Shenzhen Capital SIIs collectively qualify as a sophisticated independent investor as a whole. Pursuant to Rule 18C.05 of the Listing Rules, as of the date of submission of the Company's first [**REDACTED**] application and the commencement date of the pre-application 12-month period, Shenzhen Capital SIIs held approximately 5.21% and 5.43% of the total issued share capital of the Company, respectively.

(b) Guozhong Private Equity

Guozhong Private Equity is a limited partnership established in the PRC on May 14, 2021 as an investment vehicle. Guozhong Private Equity is owned by Shenzhen Guozhong Changrong Asset Management Co., Ltd. (深圳國中常榮資產管理有限公司) ("**Guozhong Changrong**") (as its general partner), holding 1.00% of its partnership interests. The ultimate beneficial owner of Guozhong Changrong is Dr. Shi Anping (施安平). China SME Development Fund Co., Ltd. (國家中小企業發展基金有限公司), as limited partner, holds 33.33% interests in Guozhong Private Equity, which is held as to 42.66% by the Ministry of Finance of the People's Republic of China (中華人民共和國財政部). Save as disclosed above, no other limited partner of Guozhong Private Equity holds 20% or more of the limited partnership interests in Guozhong Private Equity.

Guozhong Capital, established on December 21, 2015, is a professional venture capital fund management platform founded by the team led by Dr. Shi Anping. It collectively manages four funds, including Shenzhen Guozhong SME Development Private Equity Investment Fund Partnership (Limited Partnership) (深圳國中中小企業發展私募股權投資基金合夥企業(有限合夥)), Guozhong Private Equity, Guozhong (Shenzhen) Phase III SME Development Private Equity Investment Fund Partnership (Limited Partnership) (國中(深圳)三期中小企業發展私募股權投資基金合夥企業(有限合夥)), and Guozhong Green Development Private Equity Investment Fund (Guizhou) Partnership (Limited Partnership) (國中綠色發展私募股權投資基金(貴州)合夥企業(有限合夥)). These entities are managed by the same team at Guozhong Changrong and Shenzhen Guozhong Venture Capital Management Co., Ltd. (深圳國中創業投資管理有限公司) ("**Guozhong Venture Capital**") controlled by Dr. Shi Anping, and operated under the same brand name "**Guozhong Capital**" by either Guozhong Changrong or Guozhong Venture Capital. Additionally, Guozhong Private Equity maintains an investment decision committee (the "**Investment Decision Committee**"), which is the highest investment decision-making body of Guozhong Capital and responsible for making final decisions on all material investments. The limited partners of Guozhong Private Equity do not participate in daily management or investment decision-making. Their rights are mainly limited to the right to information and the right to supervise material matters under the partnership agreement, and they do not make decisions regarding specific investment. Therefore, even though China SME Development Fund Co., Ltd. holds 33.33% and 30% partnership interests in Guozhong Private Equity and Lenovo Fund respectively, the Shares held by Guozhong Private Equity and Lenovo Fund should not be aggregated. China SME Development Fund Co., Ltd. does not exercise any control, influence or concerted action in respect of investment decision-making in respect of Guozhong Private Equity and Lenovo Fund.

Guozhong Private Equity is managed by its general partner, Guozhong Changrong, which establishes the Investment Decision Committee to exercise the fund's investment decision-making authority. Proposed investments are sourced and evaluated by the investment team, subjected to internal review and due diligence, and submitted to the Investment Decision Committee for consideration. The Investment Decision Committee, composed of a chairman, standing members and non-standing members, deliberates and makes investment decisions by collective vote in accordance with applicable internal procedures. Only investments approved by the Investment Decision Committee may be implemented. The general partner is responsible for convening Investment Decision Committee meetings and executing approved investments but does not make unilateral investment decisions. Limited partners do not participate in the day-to-day management of the funds, do not sit on the Investment Decision Committee and do not have voting or veto rights over individual investment decisions, which is consistent with market practice for private equity funds. Both Guozhong Changrong and Guozhong Venture Capital operate under the unified investment management platform of "Guozhong Capital". This platform is ultimately controlled by Dr. Shi Anping. Under a unified investment philosophy, research framework, project screening criteria and investment decision committee decision-making mechanism, Dr. Shi leads the core management team in carrying out investment activities. Dr. Shi is the ultimate controller of both Guozhong Changrong and Guozhong Venture Capital. Dr. Shi also serves as the chairman of the investment decision committees of the four funds under Guozhong Capital. He has the authority to control the composition of, and appoint all members to, the respective investment decision committees. All members of the investment decision committees of the funds they manage are part of Guozhong Capital's management team and more than half of the members overlap between the investment decision committees of the funds. Each investment decision committee comprises a chairman (being Dr. Shi), standing and non-standing members. The investment decision committees of three of the funds each comprise seven members, with the chairman and three standing members being identical. The investment decision committee of one fund comprises five members, with the chairman and two standing members overlapping with those of the other three funds. Dr. Shi has veto rights in respect of resolutions of the investment decision committees. Therefore, in assessing whether Guozhong Private Equity qualifies as a Sophisticated Independent Investor, the Board believes that considering the combined AUM of Guozhong Changrong and Guozhong Venture Capital more accurately and comprehensively reflects the overall investment capability and management experience of the investment management platform behind Guozhong Private Equity.

As of June 30, 2021 (i.e., the date not more than six months prior to the execution of the final agreement for Guozhong Private Equity's earliest investment in the Company) and as of July 16, 2026, Guozhong Changrong and Guozhong Venture Capital had AUMs of approximately RMB10 billion and approximately RMB16 billion, respectively. As of 30 June 2021, the core management team of Guozhong Capital had been engaged in investment activities for many years and had accumulated extensive experience in the specialised technology sector. The team has completed investments in numerous companies across various stages of development, including Empyrean Technology Co., Ltd. (北京華大九天科技股份有限公司; 301269.SZ), with investments made in December 2017, September 2018 and July 2020, listed in July 2022 with the latest partial exit completed in October 2025 (not fully exited); Henan Shijia Photons Technology Co., Ltd. (河南仕佳光子科技股份有限公司; 688313.SH), invested in July 2016, listed in August 2020 and fully exited in June 2023; Hymson Laser Technology Group Co., Ltd. (海目星激光科技集團股份有限公司; 688559.SH), invested in October 2016, listed in September 2020 and fully exited in January 2026; and GAD Environmental Technology Co., Ltd. (中蘭環保科技股份有限公司; 300854.SZ), invested in March 2019, listed in September 2021 and fully exited in August 2024. The team possesses strong capabilities in continuously sourcing high-quality investment opportunities, mobilising industrial and capital resources, and conducting comprehensive due diligence.

During the period from 30 June 2021 to July 16, 2026, the increase in AUM of Guozhong Capital was primarily attributable to the experience, knowledge and expertise in venture and technology investment of Guozhong Capital. They have extensive investment experience, knowledge and expertise in technology companies investment and possess the vision, execution capability and connection in building up the ecosystem to support continuing growth of investment portfolio of Guozhong Capital (in terms of both scale and size). Guozhong Capital, through its managed funds, has invested in more than 100 projects before 30 June 2021 and numerous specialised technology and high-tech companies, including several listed companies such as Empyrean Technology Co., Ltd (北京華大九天科技股份有限公司; 301269.SZ), Shenzhen SEICHI Technology Co., Ltd. (深圳精智達技術股份有限公司; 688627.SH), Hymson Laser Technology Group Co., Ltd. (海目星激光科技集團股份有限公司; 688559.SH), Suzhou Oriental Semiconductor Co., Ltd. (蘇州東微半導體股份有限公司; 688261.SH), Guangdong Jiayuan Technology Co., Ltd. (廣東嘉元科技股份有限公司; 688388.SH), Linktel Technologies Co., Ltd. (武漢聯特科技股份有限公司; 301205.SZ), RemeGen Co., Ltd. (榮昌生物製藥(煙台)股份有限公司; 9995.HK/688331.SH), Suzhou Zelgen Biopharmaceuticals Co., Ltd. (蘇州澤璟生物製藥股份有限公司; 688266.SH), Henan Shijia Photons Technology Co., Ltd. (河南仕佳光子科技股份有限公司; 688313.SH) and Shenzhen Mindray Bio-Medical Electronics Co., Ltd. (深圳邁瑞生物醫療電子股份有限公司; 300760.SZ). In addition, the key personnel of Guozhong Capital, Dr. Shi Anping, previously served as vice president of Shenzhen Capital Group Co., Ltd. and has achieved outstanding accomplishments in the practice and theoretical research of venture capital over many years. He has successively participated in the decision-making of more than 1,000 investment projects of various types, among which over 200 projects in respect of which he participated in presiding over the decision-making have been successfully listed. Dr. Shi Anping has been awarded numerous awards including: Forbes China Best Hard Tech Investor 2024 (the sole winner), Forbes China Top 4 Venture Capitalists 2024, Top 5 Venture Capitalists 2023, Top 9 Venture Capitalists 2025, China Best Venture Capitalists 2019, 2018 and 2017, Zero2IPO Venture Capital Top 100 Investors for 2025, 2024, 2023, 2022, 2019 and 2018 and Top 10 Venture Capitalists of the Year 2010, China Venture Capital Annual Investor 2025-2017, Top 20 Best Semiconductor Investors 2022-2023, Top 20 Best Advanced Manufacturing and Carbon Neutrality Industry Investors 2021, Top 10 Best Carbon Neutrality Industry Investors 2020, Top 10 Best New Consumption Industry Investors 2017, CCTV Top 10 Chinese Investors 2019, Securities Times China Venture Capital Golden Eagle Award — Outstanding Venture Capitalist 2025-2017, 36kr Most Popular Investors Among Entrepreneurs 2025, China Best Investor 2024 by China Venture Capital & Private Equity, Golden Investment Award — China Influential Investor 2025-2021, Outstanding Achievement Award for Chinese Excellent Venture Capitalists, Distinguished Venture Mentor of CCTV, Distinguished Expert of the Capital Market in Shenzhen District of the China Securities Regulatory Commission, Distinguished Expert on Financial Innovation of the Shenzhen Municipal People's Government, Distinguished Investment Decision Consultant of the Jilin Provincial People's Government and Financial Advisor

of the Xi'an Municipal People's Government. The Directors believe that their extensive investment experience enables Guozhong Private Equity to satisfy the thresholds under Chapter 2.5 of the Guidance and qualify as a Sophisticated Independent Investor. Based on the independent due diligence work conducted, nothing has come to the attention of the Sole Sponsor to cast doubt on the Directors' view and basis above.

Pursuant to Rule 18C.05 of the Listing Rules, as of the date of submission of the Company's first [**REDACTED**] application and the commencement date of the pre-application 12-month period, Guozhong Private Equity held approximately 8.06% and 8.40% of the total issued share capital of the Company, respectively.

(c) Lenovo Fund

Lenovo Fund is a limited partnership established in the PRC on December 7, 2021. It is owned as to (i) 1.1% by Tianjin Zhiji Xingyuan Erhao Investment Management Center (Limited Partnership) (天津知己行遠二號投資管理中心(有限合夥)) ("**Zhiji Xingyuan**") as its general partner; (ii) 48.9% by Lenovo Zhiyuan (Tianjin) Technology Co., Ltd. (聯想知遠(天津)科技有限公司) ("**Lenovo Zhiyuan**") as a limited partner, (iii) 30% by China SME Development Fund Co., Ltd. (國家中小企業發展基金有限公司) as a limited partner, and (iv) two other limited partners, each holding no more than 30% of partnership interest. Zhiji Xingyuan and Lenovo Zhiyuan are both controlled by Lenovo Group Limited (Stock Code: 0992.HK) ("**Lenovo Group**"). Pursuant to the partnership agreement of Lenovo Fund, the investment decision committee is composed of individuals designated by its general partner. Zhiji Xingyuan, as the general partner, has decisive authority over the investment decisions of Lenovo Fund, and the limited partners shall not interfere with the efficiency, professionalism or independence of the general partner's investment decision-making. China SME Development Fund Co., Ltd. participates in Lenovo Fund solely as a limited partner and does not have control over Lenovo Fund, nor does it have any control over the selection, decision-making or coordination of Lenovo Fund's investment projects. Therefore, the Shares held by Guozhong Private Equity and Lenovo Fund should not be aggregated.

Lenovo Group is a major player in the technology and information services industry, committed to supporting the digital transformation of enterprises. Its IT services primarily include providing comprehensive solutions encompassing hardware, software, cloud computing, and edge computing for various downstream application scenarios, with robotics being one of its key IT solution offerings. According to Frost & Sullivan, as of June 30, 2022 (i.e., not more than six months prior to the execution of the final agreement for Lenovo Fund's earliest investment in the Company) and as of June 30, 2026, Lenovo Group is a major player in the Company's downstream industries based on sales revenue in China's non-operator IT services market. From the perspective of industrial value chain, IT hardware manufacturing is an important downstream application scenario for industrial robotics. For example, in the production of computers and related hardware products, including Lenovo's manufacturing lines, industrial robots are widely used in assembly, testing, and material handling processes to improve efficiency, precision, and production standardisation. In terms of the market position of Lenovo Group, China's IT services market reached approximately RMB114.1 billion and RMB144.9 billion in terms of revenue in the first half of 2022 and in the first half of 2026 with Lenovo Group ranking third and first with a market share of about 3.1% and 5.8%, respectively.

Pursuant to Rule 18C.05 of the Listing Rules, as of the date of submission of the Company's first [**REDACTED**] application and the commencement date of the pre-application 12-month period, Lenovo Fund held approximately 4.99% and 5.19% of the total issued share capital of the Company, respectively.

(d) Qingdao Haichuang

Qingdao Haichuang is a limited partnership established on July 16, 2021 as an investment vehicle. Qingdao Haichuang's 1.00% partnership interests is held by Qingdao Haichuang Zhilian Equity Investment Management Co., Ltd. (青島海創智鏈股權投資管理有限公司) (as its general partner). It is held as to 51.00% and 49.00% shares by Qingdao Haier Venture Capital Co., Ltd. (青島海爾創業投資有限責任公司) and Qingdao Haironghui Holding Co., Ltd. (青島海融匯控股有限公司), respectively. Its controlling shareholder, Qingdao Haier Venture Capital Co., Ltd., is wholly owned by Haier Group (Qingdao) Jinying Holdings Co., Ltd. (海爾集團(青島)金盈控股有限公司) ("**Haier Financial Holdings**"). The principal limited partners of Qingdao Haichuang include: (1) Qingdao Haironghui Holding Co., Ltd. (青島海融匯控股有限公司), holding 56.50% partnership interests in Qingdao Haichuang. It is held as to 51.20% and 48.80% of the shares by Haier Group Corporation ("**Haier Group**") and Qingdao Haichuangke Management Consulting Enterprise (Limited Partnership) (青島海創客管理諮詢企業(有限合夥)) ("**Qingdao Haichuangke**"), respectively; (2) Qingdao Science and Technology Innovation Fund Partnership Enterprise (Limited Partnership) (青島市科技創新基金合夥企業(有限合夥)), holding 20.00% partnership interests in Qingdao Haichuang. According to a statement issued by Qingdao State owned Assets Management Office and Qingdao Administration for Industry and Commerce in 2002, the nature of Haier Group is an urban collectively-owned enterprise. According to the Regulation of the People's Republic of China on Urban Collectively-Owned Enterprises (2016 Revision) which applies, socialist economic organisation, of which the property is collectively owned by the working masses, subject to joint work, thus Haier Group has no substantial shareholders holding over 30% partnership interests therein. The general partner of Qingdao Haichuangke is Qingdao Haichuangke Investment Management Co., Ltd. *(青島海創客投資管理有限公司). Qingdao Haichuang II Management Consulting Enterprise (Limited Partnership) *(青島海創貳管理諮詢企業(有限合夥)), as the limited partner, holds 31.81% partnership interests in Qingdao Haichuangke, and no other limited partner of Qingdao Haichuangke holds 30% or more partnership interests therein. Mr. Zhang Ruimin (張瑞敏) is the ultimate beneficial owner of Qingdao Haichuangke. The general partner of this partnership, Qingdao Science & Technology Innovation Fund Management Co., Ltd. (青島科技創新基金管理有限公司), holds 0.04% of its partnership interests. The major shareholder of Qingdao Science & Technology Innovation Fund Management Co., Ltd., Qingdao Innovation Investment Co., Ltd. (青島市創新投資有限公司) ("**Qingdao Innovation Investment**"), holds 36.00% of its shares and is a wholly-owned subsidiary of Qingdao Caitong Group Co., Ltd. (青島財通集團有限公司); (3) Qingdao Guiding Fund Investment Co., Ltd. (青島市引導基金投資有限公司), holding 10.00% interests in Qingdao Haichuang. This company is wholly owned by Qingdao Caitong Group Co., Ltd.; (4) Qingdao Jufeng Technology Venture Capital Co., Ltd. (青島巨峰科技創業投資有限公司), holding 10.00% interests in Qingdao Haichuang. The ultimate beneficial owner of this company is the Qingdao Laoshan District Finance Bureau (青島市嶗山區財政局). Except as disclosed above, no other limited partner of Qingdao Haichuang holds more than 10% of the limited partnership interests in Qingdao Haichuang individually.

As of June 30, 2022 (i.e., the date not more than six months prior to execution of the final agreement for Qingdao Haichuang's earliest investment in the Company) and as of March 31, 2026, Haier Financial Holdings had an investment portfolio[6] of more than RMB29 billion and more than RMB32.1 billion, respectively, meeting the thresholds set forth in Chapter 2.5 of the Guide. As Qingdao Haichuang general partner's controlling shareholder is a wholly-owned subsidiary of Haier Financial Holdings, Qingdao Haichuang is ultimately managed and controlled by Haier Financial Holdings. Therefore, Qingdao Haichuang qualifies as a sophisticated independent investor. Pursuant to Rule 18C.05 of the Listing Rules, as of the date of submission of the Company's first [**REDACTED**] application and the commencement date of the pre-application 12-month period, Qingdao Haichuang held approximately 3.32% and 3.46% of the total issued share capital of the Company, respectively.

6 For the avoidance of doubt, in accordance with the Guide, the calculation of the investment portfolio size includes trading financial assets and long-term equity investments in Haier Financial Holdings' financial statements.

Other SII

(a) TEDA Venture Capital

TEDA Venture Capital is a company established in China on October 13, 2000 as an investment vehicle. TEDA Venture Capital is 14.69% owned by Tianjin TEDA Industrial Development Group Co., Ltd. (天津泰達產業發展集團有限公司) ("**TEDA Industrial Development**"), 10.81% owned by Kunlun Trust Co., Ltd. (昆侖信託有限責任公司) and 10.42% owned by Tianjin Binhai Zheshang Enterprise Management Group Co., Ltd. (天津濱海浙商企業管理集團有限公司). No other shareholder holds 10% or more equity in TEDA Venture Capital. TEDA Industrial Development is wholly owned by Tianjin Economic-Technological Development Area State-Owned Assets Management Co., Ltd. (天津經濟技術開發區國有資產經營有限公司) ("**Tianjin State-Owned Assets Management**"), which in turn is 89.44% owned by Tianjin Economic-Technological Development Area State-owned Capital Investment and Operation Co., Ltd. (天津經濟技術開發區國有資本投資運營有限公司), a wholly-owned subsidiary of the State-owned Assets Supervision and Administration Bureau of Tianjin Economic-Technological Development Area (天津經濟技術開發區國有資產監督管理局).

As of June 30, 2019 (i.e., a date not more than six months prior to the execution of the final agreement for TEDA Venture Capital's earliest investment in the Company) and as of June 30, 2026, TEDA Venture Capital's diversified investment portfolio amounted to approximately RMB3 billion and approximately over RMB10 billion, respectively, primarily derived from the valuation of investments in specialized technology sectors as confirmed by Frost & Sullivan including C*Core Technology Co., Ltd. (蘇州國芯科技股份有限公司, 688262.SH), Vanchip (Tianjin) Technology Co., Ltd. (唯捷創芯(天津)電子技術股份有限公司, 688153.SH), Chipsea Technologies (Shenzhen) Corp.,Ltd. (芯海科技(深圳)股份有限公司, 688595.SH), Wuxi Chipown Micro-electronics Co., Ltd. (無錫芯朋微電子股份有限公司, 688508.SH), Suzhou Novosense Microelectronics Co., Ltd. (蘇州納芯微電子股份有限公司, 688052.SH), Fortior Technology (Shenzhen) Co., Ltd. (峰岹科技(深圳)股份有限公司, 688279.SH), Forehope Electronic (Ningbo) Co., Ltd. (甬矽電子(寧波)股份有限公司, 688362.SH), Shanghai V-Test Semiconductor Tech. Co., Ltd. (上海偉測半導體科技股份有限公司, 688372.SH), Brite Semiconductor (Shanghai) Co., Ltd. (燦芯半導體(上海)股份有限公司, 688691.SH), Shenzhen Chipscreen Biosciences Co., Ltd. (深圳微芯生物科技股份有限公司, 688321.SH), Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司, 002821.SZ), MetaX Integrated Circuits (Shanghai) Co., Ltd. (沐曦集成電路(上海)股份有限公司, 688802.SH), and MaxOne Semiconductor (Suzhou) Co., Ltd. (強一半導體(蘇州)股份有限公司, 688809.SH).

TEDA Venture Capital's investment portfolio increased from RMB3 billion to RMB10 billion, which is attributed to its investment experience, knowledge, and expertise. As a fund management company focusing on early-stage technology investments, the investment projects of TEDA Venture Capital were relatively limited in number and size at the initial stage and the business development and scale of its portfolio companies required time to mature. Since its establishment in 2000, TEDA Venture Capital has focused on specialized technology sectors such as semiconductors, biopharmaceuticals and advanced manufacturing. Although its investment portfolio amounted to approximately RMB3.0 billion as at 30 June 2019, taking into account that (i) it had then accumulated over 19 years of investment experience in specialized technology sectors, with a core management team possessing extensive investment and management experience, an average tenure in the venture capital industry of over 15 years, experience in managing multiple government-guided funds and a well-established due diligence system; (ii) as of 30 June 2019, TEDA Venture Capital had completed investments in numerous companies at different stages of development, including Vanchip (Tianjin) Technology Co., Ltd. (唯捷創芯(天津)電子技術股份有限公司; 688153.SH), which was invested in May 2018 with exit completed in October 2025; Ningbo Zhenyu Technology Co., Ltd. (寧波震裕科技股份有限公司; 300953.SZ), invested in August 2017 with exit completed in September 2024; C*Core Technology Co., Ltd. (蘇州國芯科技股份有限公司; 688262.SH), invested in April 2017 with the latest partial exit completed in May 2026; and Chipsea Technologies (Shenzhen) Corp. Ltd. (芯海科技(深圳)股份有限公司; 688595.SH), invested in July

2018 with exit completed in July 2023; (iii) the size of its investment portfolio subsequently increased significantly to RMB10 billion as its portfolio companies gradually matured, expanded in scale and completed subsequent listings; and (iv) it had been selected for several consecutive years as one of the "Top 50 Venture Capital Firms in China" by Zero2IPO, the Directors of the Company are of the view that TEDA Venture Capital meets the criteria of a Sophisticated Independent Investor. Based on the independent due diligence work conducted, nothing has come to the attention of the Sole Sponsor to cast doubt on the Directors' view and basis above. As of the Latest Practicable Date, TEDA Venture Capital held approximately 2.90% of the total issued share capital of the Company.

Other Key Pre-*[REDACTED] *Investors

We set out below descriptions of our other Pre-[**REDACTED**] Investors which, together with our Single Largest Shareholders and the SIIs, held more than 90% of our total issued share capital as of the date of this document:

Ningbo Haida: Ningbo Haida is a limited partnership established in the PRC on January 8, 2016 as an investment vehicle. Ningbo Haida is owned by Ningbo Haida Ruiying Equity Investment Management Co., Ltd. (寧波海達睿盈股權投資管理有限公司) (as its general partner), which holds 15.38% of its partnership interests and is a wholly-owned subsidiary of Tianjin Haida Venture Capital Management Co., Ltd. (天津海達創業投資管理有限公司). Tianjin Haida Venture Capital Management Co., Ltd. is held as to 50.02% and 49.98% of its equity interests by Tianjin Xinhua Enterprise Management Consulting Co., Ltd. (天津信華企業管理諮詢有限公司) and Hangzhou Yiheng Equity Investment Partnership (Limited Partnership) (杭州義恒股權投資合夥企業(有限合夥)), respectively. The ultimate beneficial owner of Tianjin Xinhua Enterprise Management Consulting Co., Ltd. is Wang Wengang (王文剛), who holds 83.70% of its equity interests. The general partner of Hangzhou Yiheng Equity Investment Partnership (Limited Partnership) is Hu Deyuan (胡德源), who holds a 51% partnership interest therein, while its limited partner Jiang Huiming (蔣惠明) holds a 49% partnership interest therein. None of the limited partners holds a partnership interest exceeding 30% in Ningbo Haida. As of the Latest Practicable Date, Ningbo Haida held approximately 7.55% of the total issued share capital of the Company.

Ningbo Yarui and Beijing Yarui: Ningbo Yarui is a limited partnership established in the PRC on June 29, 2017 as an investment vehicle. Yarui Heyi Capital Management (Beijing) Co., Ltd. (雅瑞和宜資本管理(北京)有限責任公司), the general partner of Ningbo Yarui, holds 1.00% of its partnership interests. Yarui Heyi Capital Management (Beijing) Co., Ltd. is held as to 51.00% and 49.00% of its equity interests by Gao Yaping (高雅萍) and Zhang Ruijun (張瑞君), respectively. As a limited partner of Ningbo Yarui, Gao Yaping holds 79% of its partnership interests. Zhang Ruijun is the spouse of Mr. Wang Tianmiao, our non-executive Director. Except as disclosed above, no other limited partner holds more than 30% of the partnership interests in Ningbo Yarui.

Beijing Yarui is a limited partnership established in the PRC on September 18, 2015 as an investment vehicle. Yarui Heyi Capital Management (Beijing) Co., Ltd., the general partner of Beijing Yarui, holds 1.00% of its partnership interests. Yarui Heyi Capital Management (Beijing) Co., Ltd. is held as to 51.00% and 49.00% of its equity interests by Gao Yaping and Zhang Ruijun, respectively. As a limited partner of Beijing Yarui, Gao Yaping holds 89% of its partnership interests. Except as disclosed above, no other limited partner holds more than 30% of the partnership interests in Beijing Yarui. As of the Latest Practicable Date, Ningbo Yarui and Beijing Yarui held approximately 5.18% of the total issued share capital of the Company.

Siasun Investment: Siasun Investment is a company established in the PRC on April 17, 2014 as an investment vehicle. Shenyang Siasun Investment Robot & Automation Co., Ltd. (瀋陽新松機器人自動化股份有限公司), a company listed on the ChiNext Board of the Shenzhen Stock Exchange (stock code: 300024.SZ), holds 37% of the equity interests in Siasun Investment. Beijing Changjin Real Estate Investment Co., Ltd. (北京長金置業投資有限公司) holds 33.00% of the equity interests in Siasun Investment, and it is a wholly-owned subsidiary of Inner Mongolia Jianghe Jinshi

Investment Management Co., Ltd. (內蒙古江河金石投資管理有限責任公司). Inner Mongolia Jianghe Jinshi Investment Management Co., Ltd. is held as to 70.00% and 30% of its equity interests by Xie Ming (謝明) and Ma Zhenzhen (馬珍珍), respectively. Jingshui Asset Management (Beijing) Co., Ltd. (靜水資產管理(北京)有限公司) holds 30% of the equity interests in Siasun Investment, and it is a wholly-owned subsidiary of Ordos Shengda Coal Industry Co., Ltd. (鄂爾多斯市盛達煤業有限責任公司). Ma Tuofang (馬托芳) holds 90% of the equity interests in Ordos Shengda Coal Industry Co., Ltd. As of the Latest Practicable Date, Siasun Investment held approximately 2.37% of the total issued share capital of the Company, which was subject to equity freeze due to a court proceeding. We believe that such freeze will not have a material impact on our shareholding structure or result in a material adverse impact on the Proposed [**REDACTED**].

TEDA Haihe IM Fund: TEDA Haihe IM Fund is a limited partnership established in the PRC on April 22, 2020 as an investment vehicle. Tianjin TEDA Haihe Private Equity Fund Management Co., Ltd. (天津泰達海河私募基金管理有限公司), the general partner of TEDA Haihe IM Fund, holds approximately 0.04% of its partnership interests. Tianjin TEDA Industrial Investment Guidance Fund Co., Ltd. (天津泰達產業投資引導基金有限公司) is the largest limited partner, holding approximately 59.99% of the partnership interests, while Tianjin Haihe Industry Fund Partnership (Limited Partnership) holds 39.97% of the partnership interest. As of the Latest Practicable Date, TEDA Haihe IM Fund held approximately 6.37% of the total issued share capital of the Company.

Saitian Industrial Development and Yixing Saitian: Saitian Industrial Development is a limited partnership established in the PRC on October 22, 2021 as an investment vehicle. Qingchuan Private Equity Fund Management (Wuxi) Co., Ltd. (清川私募基金管理(無錫)有限公司), the general partner of Saitian Industrial Development, holds 0.69% of its partnership interests. The largest shareholder of Qingchuan Private Equity Fund Management (Wuxi) Co., Ltd. is Wuxi Jingshuihu Enterprise Management Co., Ltd. (無錫靜水湖企業管理有限公司), which holds 64% of its equity interests. Zhang Yi holds 100% of the equity interests in Wuxi Jingshuihu Enterprise Management Co., Ltd. None of the limited partners holds 30% or more of the partnership interests in Saitian Industrial Development.

Yixing Saitian is a limited partnership established in the PRC on June 1, 2021 as an investment vehicle. Qingchuan Private Equity Fund Management (Wuxi) Co., Ltd., the general partner of Yixing Saitian holds 1.13% of its partnership interests.Yixing Industrial Development Investment Co., Ltd. (宜興市產業發展投資有限公司), as a limited partner, holds 30% of the partnership interests in Yixing Saitian, whose ultimate controller is the State-owned Assets Supervision and Administration Office of Yixing Municipal People's Government (宜興市人民政府國有資產監督管理辦公室). Except as disclosed above, no other limited partner holds 30% or more of the partnership interests in Yixing Saitian.

As of the Latest Practicable Date, Saitian Industrial Development and Yixing Saitian held approximately 6.02% of the total issued share capital of the Company.

Wuxi Huicui: Wuxi Huicui is a limited partnership established in the PRC on August 17, 2022 as an investment vehicle. Wuxi Huicui Hengyi Private Equity Fund Management Co., Ltd. (無錫惠萃恒益私募基金管理有限公司), the general partner of Wuxi Huicui, holds 0.0033% of its partnership interests. Wuxi Huicui Hengyi Management Consulting Co., Ltd. (無錫惠萃恒益管理諮詢有限公司), the shareholder of Wuxi Huicui Hengyi Private Equity Fund Management Co., Ltd. holds 80% of its equity interests, and the said company is wholly owned and controlled by Pu Jiong (浦炯). Wuxi Huicui Hengyi Huixin Venture Capital Partnership (Limited Partnership) (無錫惠萃恒益惠新創業投資合夥企業(有限合夥)), as a limited partner, holds 99.9967% of the partnership interests in Wuxi Huicui, and its general partner is Wuxi Huicui Hengyi Private Equity Fund Management Co., Ltd. As of the Latest Practicable Date, Wuxi Huicui held approximately 4.57% of the total issued share capital of the Company.

Meaningful investment from SIIs

We have received investments from our Pathfinder SIIs as identified above, each having invested in the Group for at least 12 months prior to the first submission of our [**REDACTED**] application to the Stock Exchange for the purpose of the [**REDACTED**]. In accordance with Chapter 2.5 of the Guide for New Listing Applicants, each of Shenzhen Capital SIIs, Guozhong Private Equity, Lenovo Fund and Qingdao Haichuang holds more than 3%, and in aggregate more than 10%, of the issued share capital of the Company as of the date of our [**REDACTED**] application and throughout the pre-application 12-month period. For details of the ownership percentage of shareholding in our Company's share capital of each of the SIIs, see "— Capitalization of Our Company".

As of the Latest Practicable Date, our SIIs held, in aggregate, approximately 24.48% in the total issued share capital of our Company. At [**REDACTED**], such SIIs will hold, in aggregate, [**REDACTED**]% in the total issued share capital of our Company, assuming that our expected [**REDACTED**] at the time of [**REDACTED**] will exceed HK$[**REDACTED**] but less than HK$[**REDACTED**].

CAPITALIZATION OF OUR COMPANY

The following table sets out our shareholding structure (a) as of the Latest Practicable Date and (b) immediately upon the completion of the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised).

		As of the Latest Practicable Date		**Immediately following the completion of the Share Subdivision, the [REDACTED] and the Conversion of Unlisted Shares into H Shares**	
No.	**Name of Shareholder**	**Number of Unlisted Shares Held**	**Approximate Shareholding Percentage**	**Number of Unlisted Shares/ H Shares Held**	**Approximate Shareholding Percentage**
Single Largest Shareholders					
1 . .	Mr. Liu[A]	2,253,500	11.11%	[**REDACTED**]	[**REDACTED**]
2 . .	Mr. Song[A]	1,866,500	9.20%	[**REDACTED**]	[**REDACTED**]
3 . .	Yang Junwen[A]	798,000	3.94%	[**REDACTED**]	[**REDACTED**]
4 . .	Chenxing Friends[A]	775,361	3.82%	[**REDACTED**]	[**REDACTED**]
5 . .	Chenxing Brothers[A]	660,000	3.25%	[**REDACTED**]	[**REDACTED**]
6 . .	Chenxing Partners[A]	540,000	2.66%	[**REDACTED**]	[**REDACTED**]
Subtotal		**6,893,361**	**33.99%**	[**REDACTED**]	[**REDACTED**]
7 . .	Yang Haoyong[B]	1,805,000	8.90%	[**REDACTED**]	[**REDACTED**]
8 . .	Guozhong Private Equity[B]	1,635,001	8.06%	[**REDACTED**]	[**REDACTED**]
9 . .	Ningbo Haida[B]	1,532,098	7.55%	[**REDACTED**]	[**REDACTED**]
10 .	TEDA Haihe IM Fund[B]	1,291,564	6.37%	[**REDACTED**]	[**REDACTED**]
Saitian Industrial Development and Yixing Saitian					
11 .	Saitian Industrial Development[B]	976,006	4.81%	[**REDACTED**]	[**REDACTED**]
12 .	Yixing Saitian[B]	244,002	1.20%	[**REDACTED**]	[**REDACTED**]
Subtotal		**1,220,008**	**6.02%**	[**REDACTED**]	[**REDACTED**]
Ningbo Yarui, Beijing Yarui and Wang Tianmiao					
13 .	Ningbo Yarui[A]	580,577	2.86%	[**REDACTED**]	[**REDACTED**]
14 .	Beijing Yarui[A]	470,103	2.32%	[**REDACTED**]	[**REDACTED**]
15 .	Wang Tianmiao[A]	114,000	0.56%	[**REDACTED**]	[**REDACTED**]
Subtotal		**1,164,680**	**5.74%**	[**REDACTED**]	[**REDACTED**]
Shenzhen Capital SIIs					
16 .	Hongtu Chuangke[B]	830,577	4.10%	[**REDACTED**]	[**REDACTED**]
17 .	Shenzhen Capital[B]	226,521	1.12%	[**REDACTED**]	[**REDACTED**]
Subtotal		**1,057,098**	**5.21%**	[**REDACTED**]	[**REDACTED**]
18 .	Lenovo Fund[B]	1,011,340	4.99%	[**REDACTED**]	[**REDACTED**]
19 .	Wuxi Huicui[B]	927,060	4.57%	[**REDACTED**]	[**REDACTED**]

		As of the Latest Practicable Date		Immediately following the completion of the Share Subdivision, the [REDACTED] and the Conversion of Unlisted Shares into H Shares	
No.	**Name of Shareholder**	**Number of Unlisted Shares Held**	**Approximate Shareholding Percentage**	**Number of Unlisted Shares/ H Shares Held**	**Approximate Shareholding Percentage**
20.	Qingdao Haichuang[B]	674,204	3.32%	[**REDACTED**]	[**REDACTED**]
21.	TEDA Venture Capital[B]	587,629	2.90%	[**REDACTED**]	[**REDACTED**]
22.	Siasun Investment[C]	480,387	2.37%	[**REDACTED**]	[**REDACTED**]
23.	Investors taking part in [**REDACTED**]	–	–	[**REDACTED**]	[**REDACTED**]
Total		**20,279,430**	**100.00%**	[**REDACTED**]	[**REDACTED**]

Notes:

"A" indicates Shares which are held by our core connected persons, and therefore will not be counted as part of the public float.

"B" indicates the Unlisted Shares held by such Shareholders will be converted into H Shares and [**REDACTED**] on the Stock Exchange, and therefore will be counted as part of the public float.

"C" indicates the Unlisted Shares held by such Shareholders will not be converted into H Shares and [**REDACTED**] on the Stock Exchange, and therefore will not be counted as part of the public float.

PUBLIC FLOAT

Immediately upon completion of the [**REDACTED**] (assuming the Conversion of Unlisted Shares into H Shares is completed and the [**REDACTED**] is not exercised), the Company will have [**REDACTED**] H Shares, among which:

(a) a total of [**REDACTED**] Unlisted Shares held by our Single Largest Shareholders, Mr. Wang Tianmiao, Ningbo Yarui and Beijing Yarui will be converted into H Shares and [**REDACTED**] on the Stock Exchange, and will not be counted as part of the public float, representing [**REDACTED**]% of our issued share capital in aggregate;

(b) a total of [**REDACTED**] Unlisted Shares held by our Shareholders who are not our core connected persons (nor are accustomed to take instructions from core connected persons of the Company in relation to the acquisition, disposal, voting or other disposition of their shares, and their acquisition of shares were not financed directly or indirectly by core connected persons of the Company) (details of which are set out in the paragraph headed "Capitalization of our Company" in this section below) will be converted into H Shares and [**REDACTED**] on the Stock Exchange, and therefore will be counted as part of the public float, representing [**REDACTED**]% of our issued share capital in aggregate; and

(c) [**REDACTED**] H Shares will be issued pursuant to the [**REDACTED**] assuming [**REDACTED**] is not exercised.

Upon [**REDACTED**], our Company will satisfy the public float requirement under Rule 19A.13A(1) of the Listing Rules, which states that, in the event the expected market value of the Company's H Shares upon [**REDACTED**] is over HK$[**REDACTED**] but does not exceed HK$[**REDACTED**], the minimum number of H shares held by the public at the time of [**REDACTED**] as a percentage of the total issued Shares of the Company shall be the higher of: (i) the percentage that would result in the expected market value of H shares held by the public to be HK$1.5 billion at the time of [**REDACTED**]; and (ii) 15%. This calculation assumes that (i) [**REDACTED**] H Shares are allotted and issued in the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), (ii) [**REDACTED**] Unlisted Shares held by our existing Shareholders are converted into H Shares, and (iii) [**REDACTED**] Shares are in issue upon completion of the [**REDACTED**]. Based on these assumptions, [**REDACTED**] H Shares, equivalent to [**REDACTED**]% of the total number of issued Shares of our Company, will be

counted towards the public float, which is higher than the prescribed percentage of H Shares required to be held in public hands under Rule 19A.13A(1) of the Listing Rules, representing [**REDACTED**]%, [**REDACTED**]% and [**REDACTED**]% of H Shares to be held in public hands with the expected market value of HK$1.5 billion at the time of [**REDACTED**], based on the [**REDACTED**] of HK$[**REDACTED**], HK$[**REDACTED**] and HK$[**REDACTED**] per H [**REDACTED**] (being the low-end, mid-point and the upper-end of the indicative [**REDACTED**], respectively).

LOCK-UP AND FREE FLOAT REQUIREMENT UNDER THE LISTING RULES

Rule 18C.14 of the Listing Rules provides that certain persons and their respective close associates, as identified in the listing document of a Specialist Technology Company, must not, and must procure that the relevant registered holder(s) must not, in the period commencing on the [**REDACTED**] and ending on the applicable dates upon the expiry of the period as prescribed under Rule 18C.14 of the Listing Rules, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the shares (except as permitted under Chapter 18C of the Listing Rules). Details of the Shareholders which are subject to lock-up under Rules 18C.14 of the Listing Rules are as follows:

Name	Position/Capacity	Aggregate number of Shares held immediately following the completion of the Share Subdivision, the [REDACTED] and the Conversion of Unlisted Shares into H Shares[(1)]	Approximate shareholding percentage immediately following the completion of the Share Subdivision, the [REDACTED] and the Conversion of Unlisted Shares into H Shares (assuming the [REDACTED] is not exercised)[(1)]	Lock-up period for a Commercial Company[(2)]
Key persons and their close associates				
Mr. Liu	Chairman, Executive Director and Chief Technology Officer	[**REDACTED**]	[**REDACTED**]	The period commencing on the date of this document and ending on the date which is 12 months from the [**REDACTED**].
Mr. Song	Executive Director and General Manager	[**REDACTED**]	[**REDACTED**]	
Chenxing Partners	A limited partnership controlled by Mr. Liu	[**REDACTED**]	[**REDACTED**]	
Chenxing Friends	Employee shareholding platform controlled by Mr. Song	[**REDACTED**]	[**REDACTED**]	
Chenxing Brothers	Employee shareholding platform controlled by Mr. Song	[**REDACTED**]	[**REDACTED**]	

Name	Position/Capacity	Aggregate number of Shares held immediately following the completion of the Share Subdivision, the [REDACTED] and the Conversion of Unlisted Shares into H Shares[(1)]	Approximate shareholding percentage immediately following the completion of the Share Subdivision, the [REDACTED] and the Conversion of Unlisted Shares into H Shares (assuming the [REDACTED] is not exercised)[(1)]	Lock-up period for a Commercial Company[(2)]
Pathfinder SIIs				
Shenzhen Capital SIIs .	Pathfinder SIIs	[**REDACTED**]	[**REDACTED**]	The period commencing on the date of this document and ending on the date which is 6 months from the [**REDACTED**].
Guozhong Private Equity	Pathfinder SII	[**REDACTED**]	[**REDACTED**]	
Lenovo Fund . .	Pathfinder SII	[**REDACTED**]	[**REDACTED**]	
Qingdao Haichuang . .	Pathfinder SII	[**REDACTED**]	[**REDACTED**]	

Notes:

(1) Assuming that the Conversion of Unlisted Shares into H Shares is completed and the [**REDACTED**] is not exercised.

(2) Pursuant to the PRC Company Law, each of the existing Shareholders of the Company (including the key persons and Pathfinder SIIs) are not permitted to dispose of any of the Shares held by them within the 12 months immediately following the [**REDACTED**].

(3) Our key persons are limited partners of the ESOP Platforms, which are subject to the lock-up restrictions set out above.

Under Rule 19A.13C(1) of the Listing Rules, the portion of the class of Shares for which [**REDACTED**] is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of [**REDACTED**], must (i) represent at least 10% of the total number of issued Shares in the class of Shares for which [**REDACTED**] is sought (excluding treasury shares), with an expected market value at the time of [**REDACTED**] of not less than HK$50,000,000; or (2) have an expected market value at the time of [**REDACTED**] of not less than HK$600,000,000. Each of the cornerstone investors will agree with the 6-month lock up period, as such the cornerstone investors shall not be counted towards the free float for the purpose of Rule 19A.13C(1) of the Listing Rules at the time of the [**REDACTED**]. It is expected that immediately following completion of the [**REDACTED**] and assuming the [**REDACTED**] is not exercised, taking into account of the total number of [**REDACTED**] which will not be subject to lock-up at the time of the [**REDACTED**], the expected [**REDACTED**] of the H Shares which are not subject to any disposal restrictions calculated based on an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], being the low-end of the indicative [**REDACTED**] range, is higher than the expected [**REDACTED**] of not less than HK$600,000,000 under Rule 19A.13C(1)(b). Therefore, our Company will thereby satisfy the free float requirement under Rule 19A.13C(1)(b) of the Listing Rules at the time of [**REDACTED**].

ACTING IN CONCERT AGREEMENT

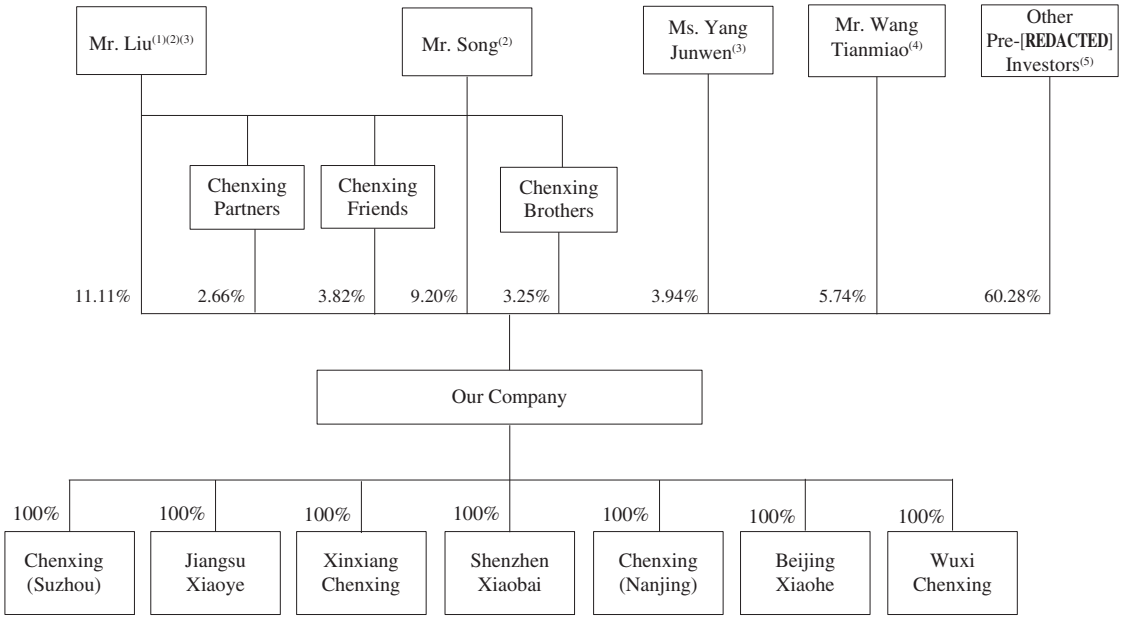
To jointly control the decision-making and operational management of our Company at its shareholders' meetings, Mr. Liu, Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen entered into a concert party agreement (the "**Concert Party Agreement**") on November 15, 2022, pursuant to which, Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen agreed to, among others, act in concert with Mr.

Liu and follow his decisions in exercising their vote at the shareholders' meeting of our Company. The term of the Concert Party Agreement is for an indefinite period. The Concert Party Agreement may be terminated only by mutual agreement of all parties in writing.

CORPORATE STRUCTURE

Corporate Structure immediately prior to the completion of the [REDACTED]

The following diagram illustrates the simplified corporate and shareholding structure of our Company immediately prior to the completion of the [**REDACTED**]:



Notes:

(1) Mr. Liu's beneficial interest in the Company include (i) 11.11% of the equity interest in the Company directly held by Mr. Liu; (ii) 2.66% of the equity interest in the Company held through Chenxing Partners, of which Mr. Liu is the general partner.

(2) Mr. Song's beneficial interest in the Company include (i) 9.20% of the equity interest in the Company directly held by Mr. Song; (ii) 2.66% of the equity interest in the Company held through Chenxing Partners, of which Mr. Song holds 90% partnership interest; (iii) 3.82% of the equity interest in the Company held through Chenxing Friends, of which Mr. Song is the general partner; and (iv) 3.25% of the equity interest in the Company held through Chenxing Brothers, of which Mr. Song is the general partner.

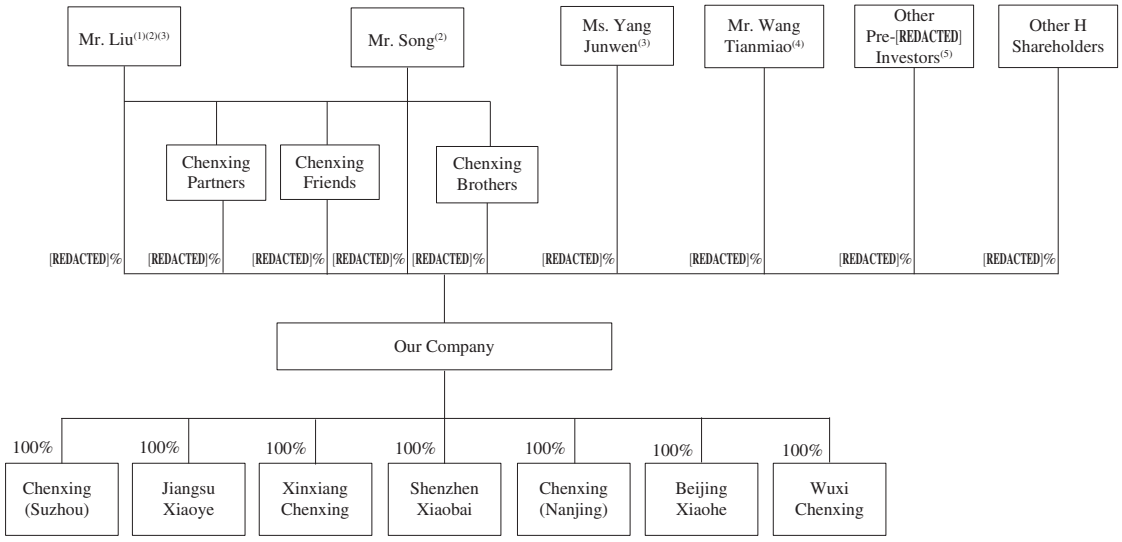
(3) Ms. Yang Junwen is beneficially interested in 3.94% of the equity interests in the Company. Pursuant to the Concert Party Agreement, Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen agreed to, among others, act in concert with Mr. Liu and follow his decisions in exercising his vote at the shareholders' meeting of our Company. The Concert Party Agreement will remain effective after the proposed [**REDACTED**]. Under the SFO, Mr. Liu was deemed to be interested in the Shares held by Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen.

(4) Mr. Wang Tianmiao's beneficial interest in the Company include (i) 0.56% of the equity interest directly held by Mr. Wang Tianmiao; and (ii) 2.32% of the equity interest held by Beijing Yarui and 2.86% of the equity interest held by Ningbo Yarui. The general partner of Ningbo Yarui and Beijing Yarui is Yarui Heyi Capital Management (Beijing) Co., Ltd. (雅瑞和宜資本管理(北京)有限責任公司), which is held as to 49.00% by Ms. Zhang Ruijun, the spouse of Mr. Wang Tianmiao. Under the SFO, Mr. Wang Tianmiao was deemed to be interested in the Shares held by Ningbo Yarui and Beijing Yarui.

(5) Please refer to the chart under "— Capitalization of our Company" in this section for a list of the Pre-[**REDACTED**] Investors and their shareholding percentage in the Company.

Corporate Structure immediately following the completion of the [REDACTED]

The following diagram illustrates the simplified corporate and shareholding structure of our Company immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised):



Please refer to Notes (1) to (5) in the preceding structure chart.

OVERVIEW

Who We Are

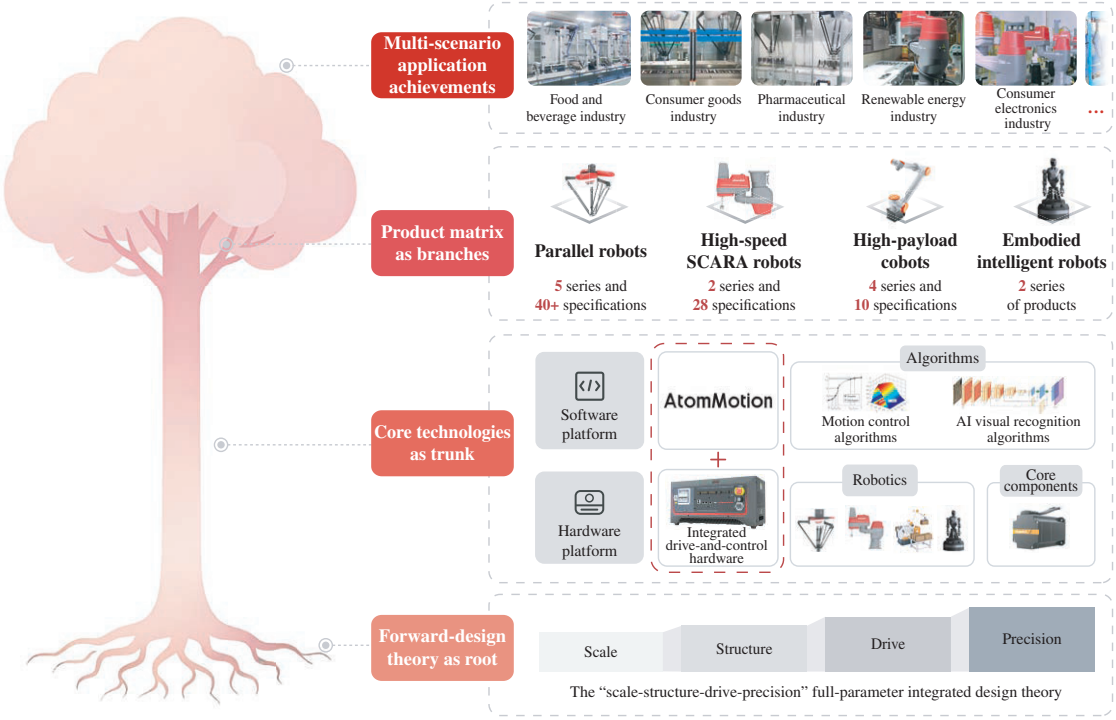
We are a high-speed industrial robotics enterprise dedicated to the research and development, production, sales and service of high-speed and highly reliable robots. Our product portfolio consists of parallel robots, high-speed SCARA robots, high-payload cobots as well as embodied intelligent robots. 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%.

Our high-speed industrial robots have been deployed across multiple industries and our parallel robots have secured a leading position in the domestic food and beverage, consumer goods and pharmaceutical industries. Our efforts to expand into new industries have also yielded significant results. We are now the largest supplier of parallel robots to the renewable energy industry in China and continue to expand our footprint in areas such as consumer electronics and automotive, further broadening our market coverage.

Our Growth Underpinned by Theoretical Foundation, Key Technologies, Product Portfolio and Application Scenarios

Supported by our theoretical foundation and deep technological repository, we have evolved into one of the high-speed industrial robot enterprises with the richest product portfolio and the most diverse application scenarios globally, where our core products feature micron-level precision and millisecond-level cycle times. We developed a forward-design methodology, covering foundational theory, underlying algorithms, core components and complete robotics systems. We also ensure that all key technologies remain proprietary. We have launched five series of parallel robots with over 40 configurations, two series of high-speed SCARA robots with 28 configurations, four series of high-payload cobots with ten configurations and two series of embodied intelligent robots. This product portfolio effectively meets the needs of diverse customers and has been successfully deployed in over 1,000 use cases across industries, such as food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive.



Our Theoretical Foundation Rooted in Our Forward-design Methodology

We developed a forward-design methodology for high-speed industrial robots, spanning customer requirements and product design. Utilizing our dynamic scaling method, we translate customer requirements, such as speed, precision, payload and cycle time, into underlying physical constraints, such as servo motor inertia and rated power, which allows us to systematically derive the optimal structural dimensions, drive system configuration and control strategy for each model of robot. By adopting this forward-design methodology that covers requirement definition to technical implementation, we ensure that our products are tailored to our customers' unique application scenarios from the very beginning rather than being mere replications of existing solutions.

Building on our forward-design methodology, we have established a wide spectrum of parallel robots, covering two to six degrees of freedom. Our portfolio of parallel robots allows us to precisely meet the customized automation and smart production needs of various industries, including food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive. Furthermore, we have successfully extended our design philosophy to our high-speed SCARA robot, high-payload cobot and embodied intelligent robot product lines, achieving a scientific scalable layout for our product portfolio, providing automated, smart products and solutions for a wide range of application scenarios.

Our Key Technologies in Software and Hardware Serve as the Foundational Trunk

We have developed in-house our robotics design and manufacturing technology, integrated drive-and-control hardware-software technology, high-speed, high-precision motion control algorithms, full-stack AI visual recognition algorithms and proprietary high-power-density motors, which provide robust support for our diversified product portfolio and meet the application requirements of our customers across various downstream sectors.

- *Robotics Design and Manufacturing Technology.* Integrating our forward-design methodology with advanced production processes, we conduct collaborative R&D for lightweight and stiff robots, achieving high repeatable positioning accuracy and realizing the organic unification of lightweight design, high speed, high stiffness and high precision.

- *Integrated Drive-and-control Hardware-software Technology*. Our proprietary *AtomMotion* real-time control platform and high-power controllers create a system that integrates algorithm and hardware, reducing hardware volume by 80% and power consumption by 20% compared to our traditional solutions.

- *High-speed, High-precision Motion Control Algorithms.* We developed an adaptive vibration suppression algorithm and a data-driven iterative tuning method, along with techniques like high-order trajectory planning, to enhance our robots' stability and accuracy in high-speed motion under complex operating conditions.

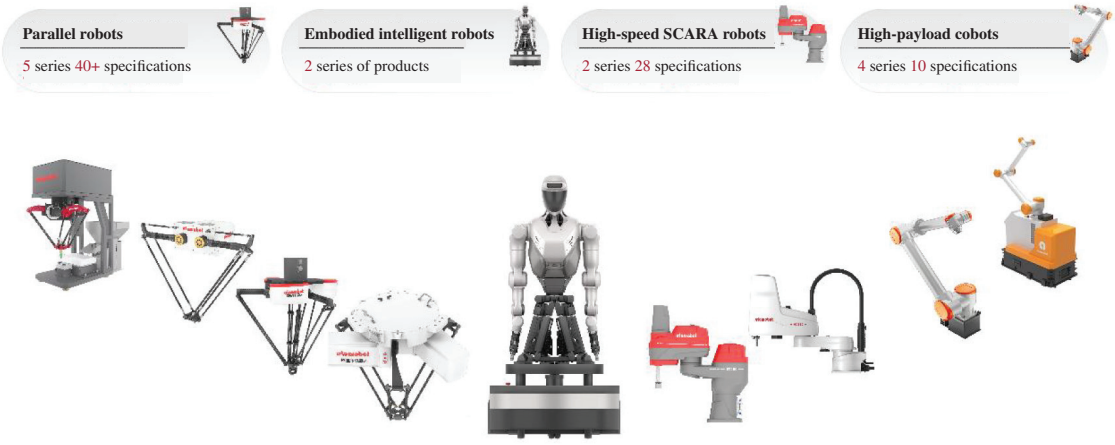
- *Full-stack AI Visual Recognition Algorithms.* We integrate 2D/3D perception and deep learning technologies to facilitate our robots' visual recognition, positioning, guidance and inspection, achieving a picking success rate of over 99.9%.

- *Proprietary High-power-density Motors.* By combining electromagnetic and thermal management design, we substantially improve our motors' power density within limited volume, providing robust and reliable core power support for the high-speed, precise motion of our robots.

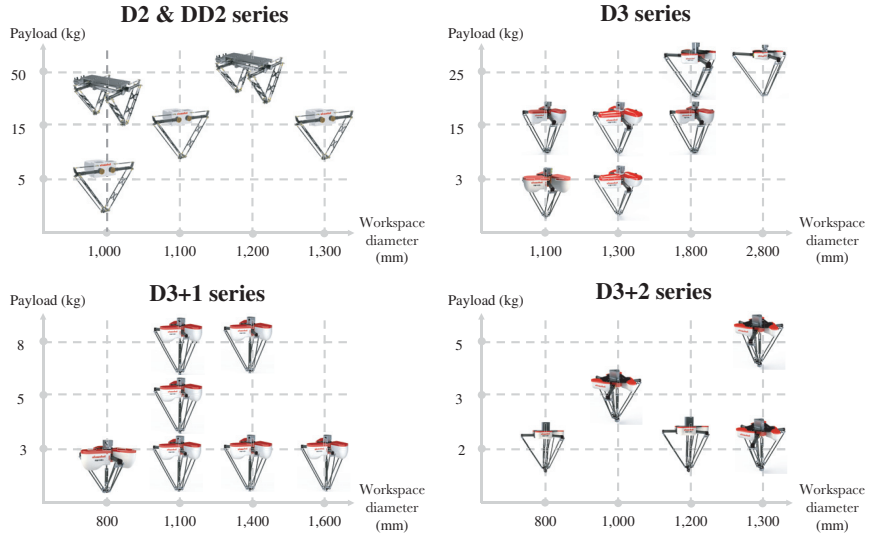
As of June 30, 2026, our R&D team consisted of 99 engineers, and under their collective efforts, we had been granted 171 patents in China, including 51 invention patents, and four overseas patents. We had also received over 50 honors and certifications, solidifying our position as an expert in high-speed industrial robots and an explorer in smart manufacturing.

Our Product Portfolio That Branched Out from Our Key Technologies

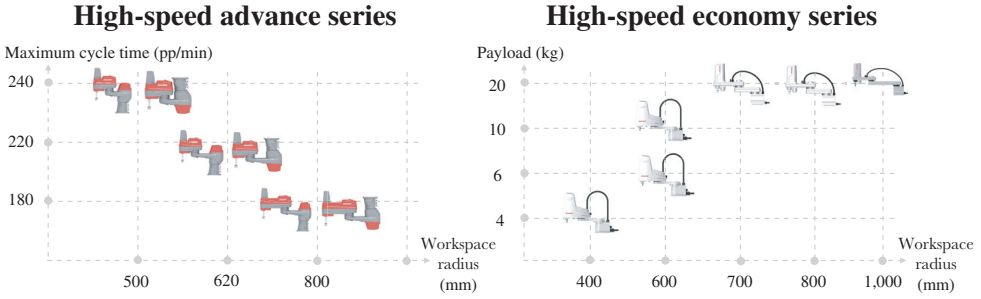
We have established a core strategic focus on high-speed industrial robots. Leveraging parallel robots as our core products, the shared underlying technologies and synergistic product development, we have built a comprehensive product portfolio that meets the demands of diverse application scenarios. The main branch of our product portfolio is our market-validated parallel robots. Building upon the key technologies that underpin our parallel robots, we have also developed our high-speed SCARA robots and high-payload cobots. In 2025, we further added embodied intelligent robots to our product portfolio.



- *Parallel Robots.* Our parallel robots are our core products and the primary driver behind our revenue growth during the Track Record Period. We designed our parallel robot product matrix based on our forward-design methodology with our proprietary technologies. We have built a wide spectrum of parallel robots with two to six degrees of freedom, featuring a maximum payload of 50kg and a maximum workspace diameter of 2,800 mm. In the production process, the operation cycle rate and repeat positioning accuracy of the key models of our parallel robots reached 80 to 130 picks per minute ("PPM") and ±0.05mm, respectively, which, according to Frost & Sullivan, significantly surpassed the industry average range.

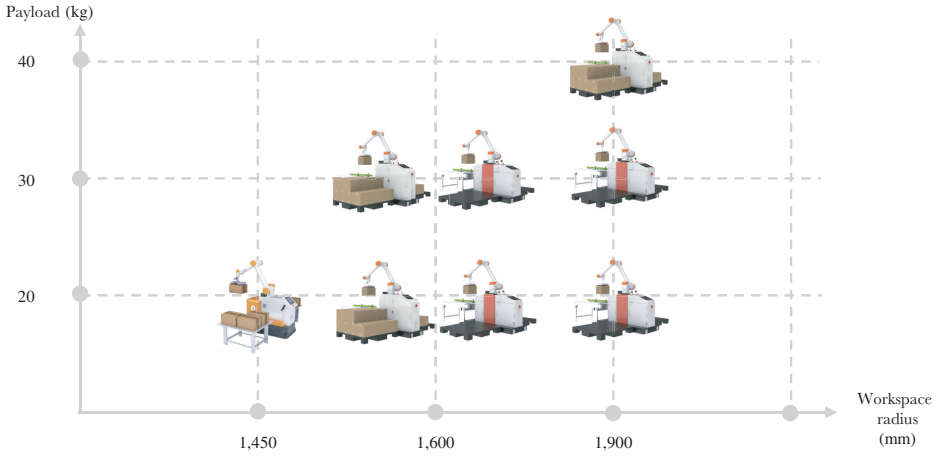


- *High-speed SCARA Robots.* Leveraging the dynamic scaling method applied in our parallel robots, our integrated drive and control and visual recognition technologies as well as expertise in designing a spectrum of products, we developed two series of high-speed SCARA robots with payloads ranging from 4kg to 20kg and arm reaches spanning 410mm to 1,000mm. Our high-speed SCARA robots have become a main driver behind our business scaling across industries, helping us break into high-growth emerging industries such as consumer electronics and renewable energy.



- *High-payload Cobots.* As complementary products addressing the last mile problem of production line automation, our high-payload cobots utilize key technologies of, and exhibit high synergy with, our parallel robots, contributing to the enhancement of customer loyalty. We developed all our high-payload cobots in-house. Our high-payload cobots come in ten configurations with payloads ranging from 20kg to 40kg, and are suitable for the food and beverage as well as pharmaceutical industries. The mobile version of our high-payload cobots incorporates SLAM navigation for cross-line scheduling, enabling a single unit to dynamically serve multiple production lines, which significantly improves our customers' equipment costs and saves factory floor space.

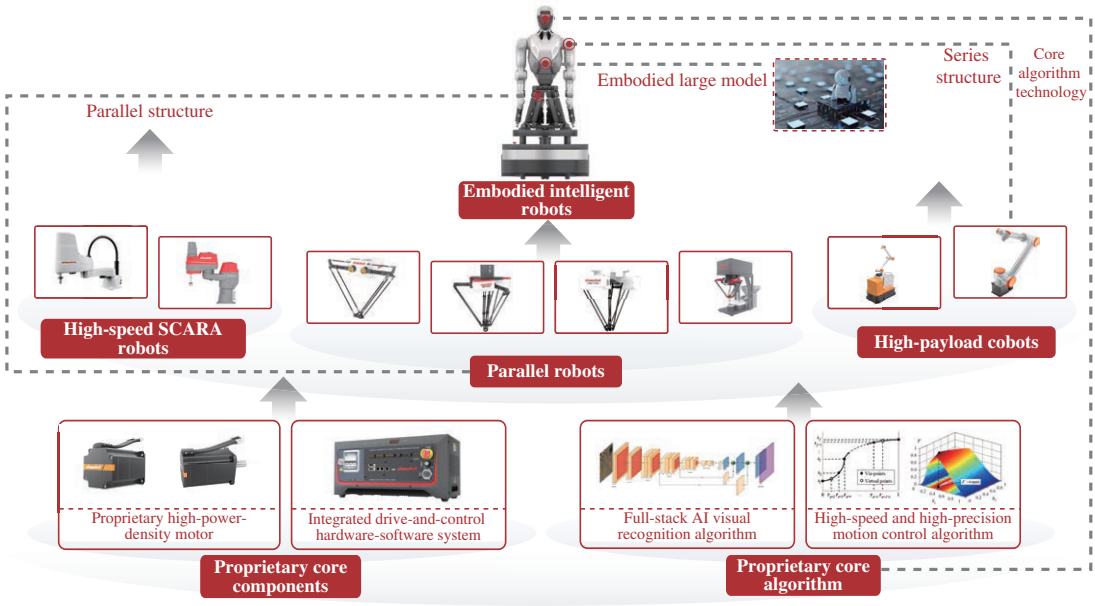
High-payload cobot palletizing workstation



- *Embodied Intelligent Robots.* Building upon our technological repository in parallel robots and in-house R&D capabilities, we developed embodied intelligent robots with a Stewart mechanism that combines high payload capacity with high dexterity. Their biomimetic dual arms can adapt to application scenarios ranging from high-payload handling to precision assembly, and their multi-sensor system ensures safe human-robot collaboration. In 2026, we further expanded and diversified our embodied intelligent robot product lines. Based on our *AtomMotion* and *AtomVision* platforms, we systematically optimized and upgraded our embodied intelligent robots. Their open architecture also allows for the expansion of intelligent functions like AI decision-making, marking our progression from a specialist of industrial robots to a specialist of embodied intelligent robots.

Although our embodied intelligent robots represent a new product form, their core execution capabilities are derived from our existing technological expertise. Take our Tianbing One embodied intelligent robot as an example, (i) the Stewart parallel waist structure of our embodied intelligent robots directly reuse our established design methodologies, control algorithms and commissioning experience, significantly reducing our development costs and risks; (ii) our *AtomMotion* platform provides the underlying motion control capabilities for our embodied intelligent robots, with complex actions such as dual-arm coordination and waist movement being developed on this platform; (iii) our *AtomVision* platform delivers the environmental perception foundation for our embodied intelligent robots, enabling them to recognize objects on workbenches and perform precise positioning; and (iv) our proprietary integrated drive-and-control hardware-software technology provides the technical support for the compact design of embodied intelligent robots. With our technological accumulation, the embodied intelligent robots we develop are not an entirely new exploration from scratch, but rather an extension of our market-verified, mature robotics technologies, ensuring core performance metrics such as motion accuracy, response speed and stability.

A core challenge of embodied intelligent robots lies in how to enable them to autonomously perceive, comprehend, decide and execute in unstructured environments, which requires robots to possess the ability to understand complex scenes and perform generalized tasks. To overcome this challenge, we plan to (i) collaborate with leading domestic AI large model providers to integrate their capabilities, such as natural language understanding, visual question answering and task planning, into our robots via application programming interface (API) calls or on-premises deployment; (ii) fine-tune general-purpose large models vertically for industrial scenarios using our accumulated industry data and case studies to enhance their performance on specific tasks; and (iii) connect the outputs of large models, such as task instructions and target positions, in real time with our *AtomMotion* and *AtomVision* platforms to ensure millisecond-level response from decision to execution.



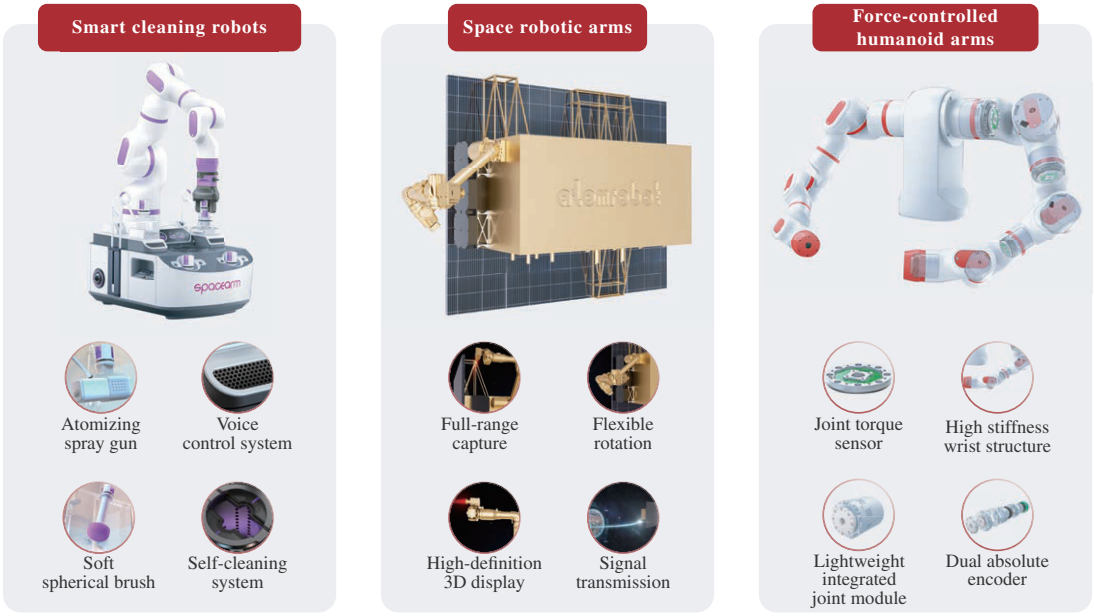
Based on our comprehensive product portfolio as well as supporting components, such as our modular input units, output units, vision units and end-effectors, we are capable of rapid solution deployment, flexible layout, swift optimization and continuous iteration, meeting our customers' needs for automation and smart solutions across multiple industries and effectively assisting them in improving production quality and efficiency as well as supporting their transformation.

Leveraging our profound technological expertise in robotics, we continuously embrace new technologies and plan to launch smart cleaning robots, space robotic arms and force-controlled humanoid arms in the future.

- *Smart Cleaning Robots.* Based on the technology platform of our high-payload cobots, we plan to launch smart cleaning robots to target high-end commercial and household application scenarios. Our smart cleaning robots will be equipped with a collaborative arm and a full-process cleaning system to enable unmanned operation and address pain points in cleaning. The development of smart cleaning robots signifies that the application of our key technologies has extended into the consumer service sector, reflecting our strategic layout for diversified growth.

- *Space robotic arm.* Utilizing our proprietary technologies, we plan to launch space robotic arms that are adapted to and reinforced for space conditions in terms of material selection, thermal control design, radiation hardening, vibration suppression and system redundancy. Our space robotic arms are specifically designed as highly stiff, precise and autonomous robots for extreme space environments characterized by high vacuum, wide temperature ranges, strong radiation and microgravity. They are intended for on-orbit services, satellite maintenance, space station assistance and other space missions.

- *Force-controlled Humanoid Arms.* Our force-controlled humanoid arms represent a key enhancement to our embodied intelligent robots. They will come either in a cross-shaped biomimetic structure or a non-cross-shaped high-dynamic structure. The cross-shaped configuration features high flexibility for complex tasks and is suitable for application scenarios like precision assembly. The non-cross-shaped configuration features high-speed, high-payload stability and is suitable for tasks like load handling.



We have accumulated extensive technologies and experience in designing and engineering high-payload cobots, which can be directly applied in our development of space robotic arm. Specifically, (i) our expertise in high-rigidity, lightweight structural design can be directly applied to the structural optimization of space robotic arm, while high-rigidity design ensures operational stability in orbit; (ii) our technologies and algorithms in high-precision control can be directly applied to space robotic arm to meet their motion precision requirements in the space environment; and (iii) our experience in high reliability, including technologies such as fault self-diagnosis and fault-tolerant control, can be directly used for the redundant design and fault tolerance required by space robotic arm.

Given the special technical requirements of aerospace engineering in terms of vacuum environment adaptability, radiation protection, thermal control management and satellite platform integration, establishing independent and comprehensive space environment verification capabilities would entail a long development cycle and substantial investment. Therefore, in the early stages of our development of space robotic arm, we have collaborated with specialized aerospace enterprises to achieve complementary advantages in robotics technology, space environment adaptability design, radiation hardening, thermal control management, satellite platform integration technology, ground simulation experimental capabilities, space environment payload verification as well as supply chain and customer channels in the aerospace sector.

Application Scenarios That Widely Deploy Our Products and Solutions

Our parallel robots have been deployed in industries such as food and beverage, consumer goods and pharmaceutical, developing specialized robotics solutions for high-speed sorting, boxing and handling of light, small, scattered and irregular items. Through our forward-design methodology and comprehensive product portfolio, we address our customers' pain points, advancing the adoption of robots and robotics solutions in new application scenarios and setting industry trend. We have provided our robots and robotics solutions to over 1,000 enterprises, accumulated over 1,000 use cases and expanded our business to more than 30 countries and regions, including East Asia, Southeast Asia, the Middle East, Europe and North America.

Leveraging our technical barriers and business development capabilities centered on customer needs, we laid a solid foundation for our business growth by organically integrating our technologies in the high-speed industrial robot field and various application scenarios. We recorded rapid revenue growth during the Track Record Period. Our revenue increased by 44.7% from RMB93.5 million in 2023 to RMB135.3 million in 2024, then 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. Given the growth of the global industrial robot industry and our strong technological advantages, we believe that we are capable of seizing the market opportunities in the fast-growing industrial robot industry.

OUR COMPETITIVE STRENGTHS

A Leader in the High-speed Industrial Robot Industry and the Parallel Robot Market in China

We are a leader in the high-speed industrial robot industry and 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 and second among global parallel robot companies; 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 and fourth in the global high-speed industrial robot market. Our parallel robots have been deployed across the food and beverage, consumer goods and pharmaceutical industries where we hold the largest market shares in China. We are also the largest supplier of parallel robots to the renewable energy industry in China.

Leveraging parallel robots as our core products and our underlying technologies, we have established a product portfolio that consists of parallel robots, high-speed SCARA robots, high-payload cobots and embodied intelligent robots, which create product synergies. Our product portfolio has enabled us to cater to the needs of over 1,000 customers from over 30 countries and regions across multiple industries. We have showcased our technologies at premier international exhibitions such as Germany's Hannover Messe, significantly elevating our brand profile. We have also received numerous awards and recognitions, such as being recognized as a National Specialized, Sophisticated, Differential and Innovative Small- and Mid-sized Enterprise, a National Intellectual Property Advantage Enterprise and the Tianjin Enterprise Technology Center, as well as winning the Tianjin Science and Technology Progress First Prize, continuously enhancing our brand recognition and industry influence.

We recorded rapid revenue growth during the Track Record Period. Our revenue increased by 44.7% between 2023 and 2024, by 86.8% between 2024 and 2025, and by 42.8% between the six months ended June 30, 2025 and the six months ended June 30, 2026. Our revenue from overseas customers also increased by 124.9% between 2024 and 2025 and by 282.5% between the six months ended June 30, 2025 and the six months ended June 30, 2026, representing our leap in the high-speed industrial robot market and business expansion.

Comprehensive Technology Ecosystem and Proprietary Key Technologies

We are strategically dedicated to developing proprietary and controllable technologies. We have built a comprehensive technology ecosystem, which is rooted in our forward-design methodology, covering foundational theory, underlying algorithms, core components and complete robotic systems. We ensure that all key technologies remain proprietary, providing our products with difficult-to-replicate technical barriers and sustained performance advantages.

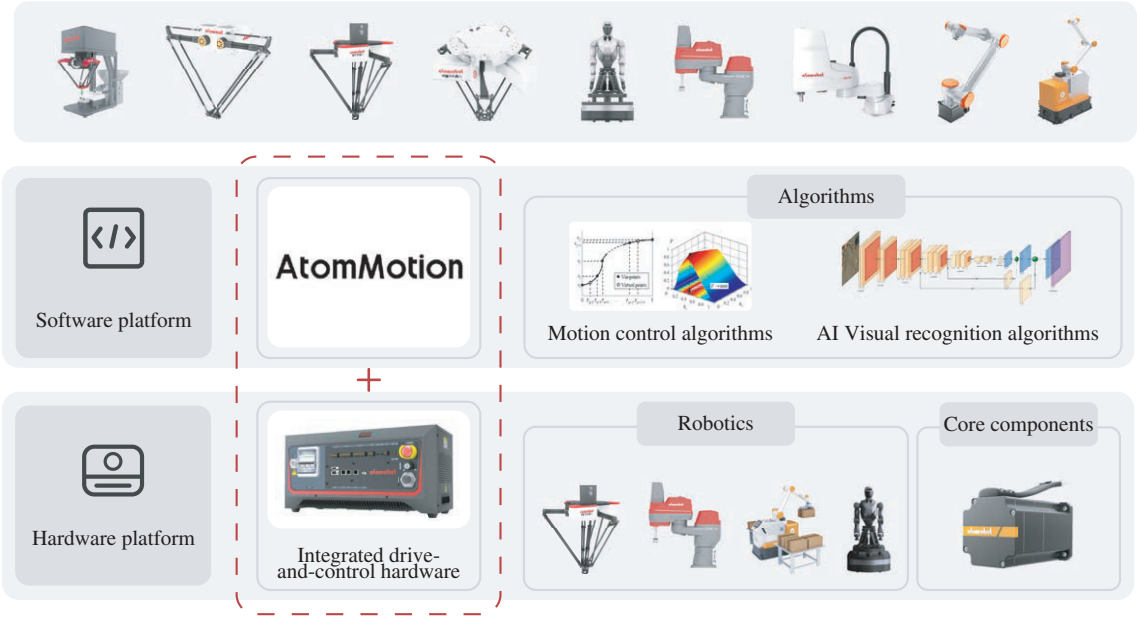
We Built a Wide Spectrum of High-speed Industrial Robots with Our Forward-Design Methodology

We developed a forward-design methodology for high-speed industrial robots, which is based on our customers' needs concerning the scale, structure, drive and precision of robots. Guided by our forward-design methodology, we have established a complete development workflow covering customer requirements, performance indicators, technical parameters and robotics design.

Building on our forward-design methodology, we have established a wide spectrum of parallel robots with two to six degrees of freedom, which allow us to precisely meet our customers' automation and smart production needs in various industries, including food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive. Furthermore, we have successfully extended our design philosophy to our high-speed SCARA robot, high-payload cobot and embodied intelligent robot product lines, achieving a scalable layout for our high-speed industrial robot portfolio.

Multi-dimensional Technological Competitiveness Built on Our Full-stack Key Technologies

Based on our robotics design and manufacturing technology, integrated drive and control hardware-software technology, high-speed, high-precision motion control algorithms, full-stack AI visual recognition algorithms and proprietary high-power-density motors, we have established a technology system in-house with respect to high-speed industrial robots, encompassing core components, core algorithms and robotics design. For core components, we possess high-power-density motors and integrated drive-and-control technology. In terms of core algorithms, we developed high-speed, high-precision motion control and full-stack AI visual recognition algorithms. For robotics design, we have mature design methodologies and advanced manufacturing processes. These technologies work in synergy to form a complete, self-controlled technological closed loop, covering robotics control, accuracy and vision, providing solid support for the large-scale deployment of our products across multiple application scenarios.



Leveraging Our Forward-design Methodology and Full-stack Technologies to Precisely Cater to Diverse Customer Needs

Leveraging our forward-design methodology and full-stack proprietary key technologies, we are able to gain deep insight into our customers' needs for production line automation and smart upgrade across various industries and provide them with products and solutions tailored to their application scenarios. Our strength lies in our ability to rapidly customize the structure and functionality of our robots based on specific industry characteristics and customer requirements, precisely meeting our customers' specific needs. Additionally, for application scenarios involving multiple robots, our coordinated control systems enable dynamic workload distribution among them, optimizing their overall operational efficiency. By adopting this approach, we ensure that our products are tailored to our customers' unique application scenarios from the very beginning, assisting our customers with their automation and smart upgrade.

Growth Foundation Strengthened by our Diversified Customer Base and Competitive Barriers Reinforced by our Full Lifecycle Services and High Repurchase Rates

An Advocate for the Deployment of High-speed Industrial Robots and a Leader in Multiple Industries

As an advocate for the deployment of high-speed industrial robots, we have a diversified customer base spanning industries such as food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive. During the Track Record Period, we did not materially rely on any customer or industry, laying a solid foundation for our sustainable growth in the future. As of the Latest Practicable Date, we had offered our robots and solutions to over 1,000 customers, including numerous leading enterprises in the downstream. Our parallel robots have been deployed across the food and beverage, consumer goods and pharmaceutical industries where we hold the largest market shares in China, and we are also the largest supplier of parallel robots to the renewable energy industry in China, according to Frost & Sullivan. Supported by the synergy among our products, we have become an important partner for domestic enterprises with needs for automation and smart upgrades in multiple industries.

Service Assurance Backed by our Professional Service Team of Nearly a Hundred Team Members

We have assembled a dedicated service team consisting of nearly a hundred experienced personnel strategically located across multiple regions. Grounded in their extensive on-site practice and a holistic understanding of the manufacturing processes across multiple industries, our service team has developed a highly efficient system of execution excellence. It takes our service team three to five days to complete the tuning and commissioning of standardized products and solutions, and ten to fifteen days for more complex or customized products and solutions. Pursuant to our service assurance standards, our service team typically responds to our customers' queries within an hour, arrives on their site within 24 hours and resolves their problems within 72 hours.

Growth Flywheel Powered by Increasing Market Penetration as well as High Repurchase and Demand Conversion Rates

Driven by multiple factors, including technological advancement, favorable policies and changes in labor structure, the penetration rate of automation and smart equipment continues to rise across industries. In addition, we maintain strong customer loyalty. During the Track Record Period, over half of our parallel robot customers were repeat buyers. Leveraging established trust with our customers and product synergies, as of June 30, 2026, approximately 49% of the customers of our high-payload cobots were existing customers of our parallel robots. Strong customer loyalty not only reduces our customer acquisition costs but also provides clear growth expectations for our high-payload cobot products, creating a growth flywheel powered by increasing market penetration as well as high repurchase and demand conversion rates.

Building a Second Growth Curve by Targeting High-growth Sectors and Expanding Overseas

Unlocking Growth Potential with our Dual-driver Strategy and Overseas Layout

The overseas market is a crucial growth driver for our business. Relying on the continuous deployment of our products in existing application scenarios and the rapid exploration of new ones as well as the expansion of the global robot market and the replication of our proven domestic strategies, we have achieved rapid expansion overseas during the Track Record Period.

The global surge in demand for automation upgrades presents a vast market opportunity with significant growth potential. According to Frost & Sullivan, (i) the global market size of parallel robots, which are crucial industrial automation equipment, is projected to reach RMB9.7 billion by 2030 with a CAGR of 11.4% between 2025 and 2030; (ii) the global market size of SCARA robots is projected to reach RMB25.1 billion by 2030 with a CAGR of 12.0% between 2025 and 2030; and (iii) the global market size of cobots is projected to reach RMB32.3 billion by 2030 with a CAGR of 28.6% between 2025 and 2030. As a leader in the high-speed industrial robot industry, leveraging our technological advantages and the experience we accumulated from serving over 1,000 customers, we plan to replicate our proven domestic track record in overseas markets. By aligning with the global demand for automation upgrades, we believe that we are poised to capture the dividends of the robotics market.

In addition, our forward-design capability provides us with a distinct competitive advantage that supports overseas expansion. As more industries embrace manufacturing automation, the application boundaries for high-speed industrial robots continue to broaden, extending from traditional application scenarios, such as food sorting and pharmaceutical packaging, to high-growth scenarios, such as renewable energy electrode handling and flexible precision assembly lines for consumer electronics. Leveraging our forward-design methodology, which integrates customer requirements, physical parameters and robotics design, we are capable of rapidly translating our customers' specific needs into customized robotics solutions, thereby unlocking vast overseas growth potential.

Rapid Growth in Overseas Revenue Driven by our Regional Differentiation Strategies and Proven Sales and Marketing Strategies

Since the establishment of our international trade team in 2022, we have continuously increased our investment in overseas markets, achieving substantial development of our overseas operation from initial setup to scaled growth. As of the Latest Practicable Date, our products and solutions had been sold to over 30 countries and regions worldwide. The revenue that we derived from overseas markets increased from RMB3.4 million in 2023 to RMB11.8 million in 2024, then by 124.9% to RMB26.5 million in 2025, and increased by 282.5% from RMB2.3 million in the six months ended June 30, 2025 to RMB8.6 million in the six months ended June 30, 2026. The proportion of our revenue from overseas markets also increased rapidly from 3.6% in 2023 to 10.5% in 2025, and increased from 2.4% in the six months ended June 30, 2025 to 6.4% in the six months ended June 30, 2026. Moving forward, we plan to remain steadfast in our commitment to developing overseas markets, positioning them as a pivotal engine for our long-term growth and fully capitalizing on the strategic advantages presented by the global trend of manufacturing automation.

We implement precise, regionally differentiated strategies tailored to the characteristics of various overseas markets to achieve multi-industry coverage while simultaneously advancing the development of our localized service systems. For instance, in regions like Southeast Asia and the Middle East where there is a shortage of mechanical engineers, we typically provide comprehensive and integrated solutions to our customers, whereas in developed markets like South Korea, Europe and North America, we primarily offer our customers standardized robots.

In terms of sales and marketing, we replicate our proven strategy in China which is driven by benchmark projects. On one hand, we leverage our major customers' global industrial networks to source high-quality leads. On the other hand, we actively participate in reputable international industry exhibitions, such as the Hannover Messe in Germany, continually strengthening our global brand influence.

Efficient Supply Chain and Flexible Production System

We have built a production and supply chain network centered on our Tianjin headquarters with four collaborative production facilities. Each production facility is close to our customers in its region and deeply integrates supplier resources from China's manufacturing industrial chain. Leveraging the comprehensive and efficient manufacturing industrial chain in China, we efficiently serve the diverse needs of our customers around the world, providing solid support for the commercialization of our products and our global expansion.

At the same time, we have built a digital flexible production system that seamlessly integrates CRM system, ERP system, MES, AGV logistics scheduling system and other systems. Such production system enables real-time information collection, interaction and traceability throughout the product lifecycle. Supported by our digital assembly platforms, production lines and a wide spectrum of products, we have established strict product quality inspection standards and processes, laying a solid foundation for high-quality production and efficient product delivery.

Solid Foundation for Growth Laid by our Core Team and Long-term Development Driven by our Culture and Talent Mechanism

The strategic window in the global high-speed industrial robot market is widening. Our core competitiveness originates from our founding team led by Mr. Liu and Mr. Song, which combines strong technical breakthrough capabilities with a vision for product commercialization, guiding us to enrich our product portfolio and transit from a domestic leader to a globally positioned enterprise.

A Founding Team with Both Technical and Industry Expertise

Both Mr. Liu and Mr. Song studied robotics-related subjects for their undergraduate and postgraduate degrees, establishing a path of technological independence from the outset. They established our Company upon graduation and have since dedicated their careers to the robot industry, forming a complementary partnership that drives both R&D and market expansion.

When pursuing his undergraduate and postgraduate degrees at Tianjin University, Mr. Liu was deeply involved in national and provincial key research projects with respect to mechanical innovation and precision control for parallel robots. He mastered the core design methodologies of kinematics and dynamics as well as key engineering technologies for parallel robots, establishing himself as an explorer of cutting-edge technologies in this field. Since our inception, Mr. Liu has spearheaded the critical breakthroughs from technical prototypes to mass-produced products. He has led our R&D team in overcoming industry-wide challenges, such as high-speed motion control and high-precision error compensation, continuously driving technological iteration and product upgrades.

When pursuing his undergraduate degree at Tianjin University and postgraduate degrees at Beihang University, Mr. Song primarily focused on the research and development of robot control systems and visual algorithms, participating in projects involving the structural design and theoretical innovation of industrial robots, thereby accumulating profound technical and industry experience. Since our inception, Mr. Song has been responsible for corporate operations management and market expansion, facilitating the commercialization of our technological achievements. Leveraging his keen insight into downstream application, Mr. Song has guided our successful entry into the food and beverage, consumer goods, pharmaceutical, renewable energy and consumer electronics industries, providing crucial support for our business expansion and brand elevation.

Sustainable Development Driven by our Core Team and Talent Mechanism

From its inception, our Company has been built upon a clear set of cultural values, fostering a team culture defined by mutual trust, clear accountability and continuous progression. Our founding team members have been collaborating for over a decade, building a high degree of trust and mutual understanding through their long-term partnership, which results in a unified perspective on our development strategy and industry trends. Under their leadership, we have established a professional team covering R&D, production and sales, ensuring the effective execution of our strategic plans and the sustained expansion of our business.

As a technology-driven enterprise, our R&D team is instrumental to our core competitiveness. We have cultivated a broad and deep R&D talent pool. In terms of breadth, members in our R&D team possess expertise in both software and hardware development, and in terms of depth, our core R&D members have an average of over ten years of experience in the high-speed industrial robot industry, equipping them with insights and expertise in key technologies such as high-speed motion control and high-precision positioning. Our R&D team laid a solid foundation that enables the continuous iteration of our key technologies and supports robust product innovation.

We have established a comprehensive long-term incentive mechanism. Through our employee stock ownership platform, we offer equity incentives to all of our core personnel, aligning their interests with ours. We have also built a market-oriented talent acquisition and cultivation system, continuously attracting industry professionals and optimizing our team structure to achieve our long-term strategic goals.

OUR STRATEGIES

Our vision is to become the most reliable robotics enterprise in the world. Our goal is to enhance industrial automation on a global scale while achieving sustainable business growth and maximizing shareholder value. We plan to achieve our goal through the following strategies.

Consolidate our Market Leadership as the Premier Brand in Parallel Robots and Increase the Penetration of our Robots in Downstream Application

Leveraging our comprehensive technological expertise, we have become a robotics enterprise with one of the richest high-speed industrial robot product portfolios in the world and have captured the largest market share in the parallel robot market in China since 2023, according to Frost & Sullivan, making us the premium and best-selling brand in the domestic parallel robot market. Going forward, we plan to reinforce our technological edge and brand recognition in the parallel robot market while continuously improving our market competitiveness and market share.

Currently, parallel robots have relatively low market penetration in downstream application in China, indicating significant application potential and room for growth. We plan to leverage our leading market position and technological advantages in parallel robots, enhance our marketing efforts by expanding our direct sales channels and partnerships with system integrators, and advance the adoption of parallel robots in downstream application, which is expected to significantly boost the shipment volume of our parallel robots.

As the shipment volumes of our robots continue to increase alongside the growing application of our robots as well as robotics solutions across various sectors, we have realized and expect to continuously achieve greater economies of scale. Our gross profit margin increased from 17.0% in 2023 to 22.8% in 2024, then to 30.5% in 2025, and increased from 24.9%, in the six months ended June 30, 2025 to 27.1% in the six months ended June 30, 2026.

Enrich our Product Portfolio, Expand our Production Capacity and Strengthen our Control Over our Supply Chain

Building on our in-house R&D capabilities, we have extended the key technologies underpinning our parallel robots to other products, such as our high-speed SCARA robots, high-payload cobots and embodied intelligent robots, forming a multi-category portfolio with distinct competitive advantages. Moving forward, we plan to focus on enriching our product portfolio, expanding our production capacity and strengthening our control over our supply chain to increase the shipment volume of our robots and enhance our market competitiveness.

Leveraging our technological expertise in robotics, we plan to further enrich our product portfolio by launching various new robots, including smart cleaning robots, space robotic arms and force-controlled humanoid arms.

In terms of production capacity expansion and supply chain development, we plan to advance smart production line upgrades, increase our production flexibility and enhance our delivery capacity while further increasing the proportion of self-produced core components in production. We plan to further reduce our dependence on third-party suppliers by producing core components in-house and vertically integrating the supply chain, thereby ensuring stable supply and controllable costs to better support the enrichment of our product portfolio and the scaled rollout of new robots.

With the enrichment of our product portfolio and expansion of our production capacity, we expect the sales volume of our robots and robotics solutions as well as our revenue to continue their growth. In addition, with the expansion of our production capacity and the advancement of our supply chain self-sufficiency, our inventory turnover days decreased from 249 days in 2023 to 88 days in the six months ended June 30, 2026, further strengthening our cost control capabilities. We expect that the increase of our revenue, combined with our enhanced cost control, will help turn our net operating cash outflows into net operating cash inflows.

Expand Overseas Markets and Cultivate New Areas for Business Growth

The demand for parallel robots, high-speed SCARA robots, high-payload cobots and embodied intelligent robots in the overseas markets remains strong. In particular, the overseas high-speed industrial robot market is several times larger than the domestic market. During the Track Record Period, the shipment volume of our robots in overseas markets remained below that in the domestic market. As our products continue to be adopted in diverse application scenarios, we anticipate growing interest from overseas customers.

In the future, we plan to increase our investment in overseas markets, accelerate our development of sales channels and technical teams in regions such as East Asia, Southeast Asia, the Middle East, Europe and North America, and cultivate new areas for business growth. Our goal is to scale up our overseas sales to eventually reach parity with our domestic sales.

In recent years, we have achieved strong growth in overseas markets. Our revenue from overseas markets increased from RMB3.4 million in 2023 to RMB26.5 million in 2025, representing a CAGR of 181.2%. Our revenue from overseas market increased by 282.5% from RMB2.3 million in the six months ended June 30, 2025 to RMB8.6 million in the six months ended June 30, 2026. Given the significant growth potential, high gross margins and relatively fast collection cycles in overseas markets, we anticipate that further expansion into the overseas markets will improve our revenue, enhance our profitability and strengthen our net operating cash flow generation capacity.

Strengthen our Growth Momentum by Focusing on the R&D of our Core Technologies and Targeting High-value Application Scenarios

We launched the prototype of our embodied intelligent robot in June 2025 and have continued to improve it with iterations. Going forward, we plan to further invest in our core technologies related to humanoid intelligence and develop products for high-value application scenarios, such as industrial automation, education, commercial services and special operations. According to Frost & Sullivan, by 2030, the global market size for embodied intelligent robotics solutions and the market size in China are expected to reach RMB300 billion and RMB100 billion, respectively, representing substantial market opportunities. The broad embodied intelligence market refers to the ecosystem of technologies, products and services that enable artificial intelligence to perceive, understand, reason and act within the physical world through embodied carriers. It extends beyond intelligent robot hardware and covers the full value chain, including AI models and algorithms, data and simulation platforms, computing infrastructure, sensors and perception modules, actuators and core components, embodied intelligent terminals, system integration and scenario-based solutions. The competitive landscape is therefore characterised by the participation of multiple types of players with different capabilities. AI model and algorithm providers focus on perception, planning, reasoning and control capabilities; data and simulation platform providers support model training, evaluation and optimization; chip, sensor and component suppliers provide the underlying hardware foundation; robot and intelligent terminal manufacturers undertake product integration and commercialization; while system integrators and solution providers adapt embodied intelligence systems to specific use cases such as manufacturing, logistics, healthcare, commercial services and household applications. Leveraging our longstanding technological accumulation and sustained R&D investment, and by strategically positioning ourselves in high-value application scenarios while capturing incremental opportunities within this vast market, we expect to further scale our operations and improve our net operating cash flow generation capacity. We are committed to advancing the smart upgrade of high-end equipment through continuous investment in core technologies, and are making progress in our R&D and mass production of high-performance servo motors, reducers and integrated joint modules. We aim to provide core power support for our robots in the future, building a competitive advantage in the supply chain.

We have also achieved phased results in our fully redundant integrated drive and control platform. We plan to continue to optimize our key technologies, such as highly reliable integrated drive-and-control platform and high-speed, high-precision motion control algorithms, increase investment in areas with favorable national policies and serve national strategic and high-end market demands.

Continue to Attract, Cultivate and Incentivize Talent for Our R&D and Management Teams

Talent serves as the foundation and cornerstone of our development. A stable management team and the continuous influx of innovative talent support our sustainable and healthy growth. Benefiting from the dedicated efforts of our employees across various functions, our revenue increased from RMB93.5 million in 2023 to RMB252.7 million in 2025, representing a CAGR of 64.4%, while we turned profitable in 2025, recording a net profit of RMB0.7 million. 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.

Centered on our high-speed industrial robots, we plan to establish a dual-track system for talent recruitment and development. For talent recruitment, we plan to target technical experts of controllers, servo systems and vision algorithms as well as global operation management professionals. For talent development, we plan to immerse management talent in core projects and provide cross-departmental and cross-regional rotation opportunities to accelerate their growth.

We also plan to improve our incentive and retention mechanisms to strengthen our talent commitment. Specifically, we plan to (i) optimize our employee stock ownership platform and equity incentive plans, offering long-term incentives to key R&D personnel and core management to share our success; and (ii) establish clear career pathways supported by industry-competitive compensation and innovation awards. Through these multi-dimensional initiatives, we aim to build a team with both technical expertise and business acumen to effectively execute our growth strategies.

OUR PRODUCTS AND SOLUTIONS

During the Track Record Period, we primarily specialized in the research and development ("R&D"), manufacturing, sales and services of high-speed and reliable industrial 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 industrial robots, we also offered automated and smart robotics solutions tailored to the demands of our customers for various application scenarios in different sectors. As of the Latest Practicable Date, our robots and robotics solutions had become a vital component of the automated and smart operation of our customers across the food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive industries.

As of the Latest Practicable Date, we had established a wide spectrum of high-speed industrial robots, including (i) five series of parallel robots with over 40 configurations; (ii) two series of high-speed SCARA robots with 28 configurations; and (iii) four series of high-payload cobots with ten configurations. In addition, utilizing our technological reserves in high-speed industrial robots and our in-house R&D capability, we commenced the development and sales of our embodied intelligent robots in the first and fourth quarter of 2025, respectively, which was designed to adapt to a wide array of application scenarios ranging from high-payload handling to precision assembly.

Our 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.

The following table sets forth a breakdown of our revenue by the types of products and solutions 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**

The following table sets forth the sales volume and average selling price (ASP) of our parallel robots, high-speed SCARA robots and high-payload cobots for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	Sales volume	ASP	Sales volume	ASP	Sales volume	ASP	Sales volume	ASP	Sales volume	ASP
		(RMB)		*(RMB)*		*(RMB)*		*(RMB)*		*(RMB)*
Parallel robots	719	83,514.3	934	75,456.9	1,662	71,614.7	794	65,151.0	1,082	53,660.8
High-speed SCARA robots	–	–	33	24,398.0	247	24,553.3	103	19,818.5	95	22,200.0
High-payload cobots	9	153,608.7	158	82,702.4	571	49,281.3	174	48,523.6	246	55,439.0
Embodied intelligent robots	–	–	–	–	1	350,973.5	–	–	4	1,172,250.0

The ASP of our parallel robots decreased from RMB83,514.3 in 2023 to RMB75,456.9 in 2024, then further decreased to RMB71,614.7 in 2025, and decreased from RMB65,151.0 in the six months ended June 30, 2025 to RMB53,660.8 in the six months ended June 30, 2026, and the ASP of our high-payload cobots decreased from RMB153,608.7 in 2023 to RMB82,702.4 in 2024, then further decreased to RMB49,281.3 in 2025, primarily because (i) the sales volume of our parallel robots and high-payload cobots increased steadily during the respective periods, which enabled us to realize greater economy of scale by increasing our production efficiency and optimizing our unit production costs; (ii) to efficiently support our expanding market presence, we strategically began engaging distributors in 2024, which effectively lowered our per-unit sales and service costs; (iii) as we increased our production capacity and brought more core components, such as motors, in-house, we reduced the unit production cost of our parallel robots and high-payload cobots; and (iv) we made deliberate pricing adjustments during the Track Record Period in response to the increasingly competitive market landscape, aiming to accelerate adoption of our parallel and high-payload cobots and expand our market footprint.

The ASP of our high-speed SCARA robots increased from RMB19,818.5 in the six months ended June 30, 2025 to RMB22,200.0 in the six months ended June 30, 2026, primarily due to a higher proportion of high-configuration models of SCARA robots being sold, which commanded higher ASP than other variants. The ASP of our high-payload cobots increased from RMB48,523.6 in the six months ended June 30, 2025 to RMB55,439.0 in the six months ended June 30, 2026, primarily due to higher overseas sales volumes in the first half of 2026, given that our high-payload cobots carry higher ASP in overseas markets. The ASP of our embodied intelligent robots increased significantly from RMB350,973.5 in 2025 to RMB1,172,250.0 in the six months ended June 30, 2026, primarily due to the highly customized nature of our embodied intelligent robots, which required extensive customized hardware and software tailored to complex operating environments.

Robotics

Parallel Robots

Parallel robots are industrial robots designed with a parallel structure. The core structure connects the end-effector to the base platform via two to six lightweight kinematic chains. Such design enables all drive motors to be mounted on the fixed base, significantly reducing the mass and inertia of the moving parts. As a result, the end-effector can achieve exceptionally high speed, acceleration and dynamic response within a confined two- or three-dimensional workspace. The parallel structure also prevents error accumulation, granting parallel robots outstanding repeat positioning accuracy and operational flexibility. Consequently, they are particularly well-suited for high-speed pick-and-place, sorting, arranging and precise handling of lightweight items where cycle times are critical.

Our parallel robots possess industry-leading technological advantages in terms of speed, precision and stability. In terms of speed, our parallel robots utilize lightweight kinematic chains to perform rapid point-to-point motions. In terms of precision, relying on our proprietary accuracy assurance framework encompassing advanced kinematic calibration and error identification, our parallel robots achieved repeatability as high as ±0.05 mm. In terms of stability, we developed in-house a series of highly durable components, including lightweight active arms, zero-backlash Hooke's joint and self-lubricating polymer composite wear-resistant bushings, for our parallel robots to enable their stable operation in the long run.

As our core product and a primary driver of revenue growth, we had established a comprehensive product matrix of five series of parallel robots with over 40 configurations to meet the needs of various industries as of June 30, 2026. Our parallel robots feature a maximum payload of 50kg, a maximum workspace diameter of 2,800mm and a pose repeatability of ±0.05mm. In the production process, the key models of our parallel robots achieved an operational cycle rate of 80 to 130 picks per minute ("PPM").

Across the spectrum of our parallel robots, the D3+1 series stands out as the best-selling product line. Based on the delta configuration, the D3+1 series enables multidimensional operation, including three-dimensional translation along the X, Y and Z axes as well as rotation around the Z axis, making it particularly suitable for handling, sorting and boxing tasks in most automation scenarios. During the Track Record Period, the D3+1 series was one of the key drivers behind our business growth. The following table sets forth the representative model and its features of the D3+1 series:

Representative Model	Features
 D3P-1100-P3	The D3P-1100-P3 is the representative model of our D3+1 series. With exceptional compound motion capability for three-dimensional translation and rotation as well as a lightweight end-effector design, it achieves a maximum standard trajectory cycle rate of 330 cycles per minute under a 0.1kg payload, making it widely suitable for the vast majority of high-speed handling scenarios. **Key Features:** – **Carbon Fiber Monocoque Active Arm**: Offers 1.2 times greater strength compared to aluminum alloy composite structures while reducing mass and inertia by 50% – **Zero-Backlash Hooke's Joint**: Improves transmission accuracy by 30% over previous methods and load-to-self-weight ratio by 20% due to its FEA-optimized structural design – **Top-Mounted Rotary Axis Motor**: A lightweight rotation mechanism that significantly reduces end-effector mass **Application Scenarios**: High-speed sorting and handling tasks in the food and beverage, consumer goods and pharmaceutical industries

The D3 series and the D3+2 series are built upon the technological platform of the D3+1 series, each positioned to address distinct market demands. The D3 series is a streamlined version of the D3+1 series that retains its delta configuration and high-speed motion capabilities, whereas the D3+2 series is an enhanced and expanded version of the D3+1 series that boosts its multidimensional movement capabilities. The following table sets forth the representative models and their features of the D3 and D3+2 series:

Series	D3 series	D3 series	D3+2 series
Representative Models	D3PM-1100-P3	D3W-1100-P5	D5-1200-P2
Features	Bottom-Mounted Rotation Motor	Three-Chain Structure	Dual-Rotation Axis Structure
Technological Advantages	Shortens the power transmission path to reduce accuracy loss in the rotation axis system	Eliminates the rotational degree of freedom to reduce end-effector mass and enhance motion speed performance	Adds a pitch degree of freedom, enabling posture transformation from horizontal grasping to vertical placement
Application Scenarios	Suitable for high dynamic-precision scenarios such as PCB board stacking, electronics assembly and hardware component insertion in the consumer electronics industry	Suitable for rapid handling and sorting of uniformly shaped materials or consistently presented feedstock	Suitable for application scenarios requiring posture adjustment, such as bottle/can filling and oriented material insertion in the food and beverage and consumer goods industries

The D2 series represents our product line of two-degree-of-freedom parallel robots. It builds upon the classic parallel structure and delta configuration and is simplified to achieve a more compact and efficient Diamond mechanical topology. The D2 series is dedicated to planar high-speed sorting and handling applications, providing our customers with a parallel robot solution with a balance between performance and cost. The DD2 series is an extended and upgraded product line based on the mature technological platform of the D2 series, developed through an innovative serial dual-Diamond configuration. The following table sets forth the representative models and their features of the D2 and DD2 series:

Series	D2 series	DD2 series
Representative Models	D2-1000-P5	DD2-1000-P35

Features	Symmetrical Dual-Arm Parallel Structure Design	Adjustable Serial Dual Two-Axis Design
Technological Advantages	Compact structure and high space utilization allow it to maintain high dynamic performance while achieving a more competitive cost-to-performance balance	Dual kinematic chains collaboratively drive the end-effector, creating a high-rigidity load platform, which enhances load capacity
Application Scenarios	Suitable for application scenarios involving fixed-point planar handling and assembly of materials weighing up to 5 kg	Suitable for unpacking irregularly shaped dairy packaging or other industrial planar handling involving high-payload materials of less than 35kg

High-speed SCARA Robots

High-speed SCARA robots are cylindrical coordinate industrial robots. Their main characteristic lies in two parallel rotary joints that provide rigid, rapid motion within the horizontal plane, combined with a vertical linear axis for Z-direction positioning. Such design makes them exceptionally proficient at executing high-speed, high-precision planar pick-and-place, precision assembly and point-to-point operations within a defined cylindrical workspace.

Our high-speed SCARA robots demonstrate significant technological advantages in terms of speed, precision and integration flexibility. In terms of speed, we leverage the integrated drive-and-control architecture and high-dynamic motion control algorithms proven in our parallel robot product line and introduce lightweight structural design, significantly reducing our high-speed SCARA robots' joint inertia. In terms of precision, building on our high-rigidity lightweight structure, our high-speed SCARA robots achieved a repeat positioning accuracy as high as ±0.02mm. In terms of integration flexibility, our high-speed SCARA robots are equipped with our proprietary full-stack *AtomVision* platform and a modular end-effector interface, significantly reducing their deployment and changeover complexity.

To expand our market reach, we initiated the in-house R&D of high-speed SCARA robots in 2022. We developed two series of high-speed SCARA robots, namely the high-speed advance series and the high-speed economy series, with payloads ranging from 4kg to 20kg and arm reaches spanning 410mm to 1,000mm to address diverse market demands and competitive dynamics. As of June 30, 2026, our high-speed SCARA robots came in 28 configurations, which become one of the drivers behind business scaling, helping us break into emerging industries such as consumer electronics and renewable energy.

The following table sets forth the representative models and their features of the high-speed advance series and the high-speed economy series:

Series	High-speed advance series	High-speed economy series
Representative Models	ST620-A-A	M08GD

Features	– High-rigidity, high-speed, high-precision, large hollow reducer – Integrated arm-body and reducer, mechanical arm topology optimization and motor ring layout – Unitized and modular design	– Split-end ball screw spline with cableless direct-drive transmission design – No-contact zeroing mechanism – Universalized die-casting molds for optimized product series cost structure
Technological Advantages	– Integrated low-inertia design and high-rigidity reducer contribute to a compact and lightweight structure, leading to a repeat positioning accuracy of ±0.02mm with a standard cycle time of 220 PPM under a 0.1kg payload – Integrated pneumatic and electrical internal cabling design offers flexible adaptation to various end-effectors	– Cableless direct-drive transmission offering higher stiffness and precision, with translational repeat positioning accuracy of ±0.02mm and rotational repeat positioning accuracy of ±0.004° – Highly reliable cabling and modular design achieve a balance between durability and performance
Application Scenarios	Suitable for the consumer electronics, renewable energy and automotive industries, where extreme precision, speed and reliability are required	Suitable for customers sensitive to automation costs but have clear requirements for precision and reliability

High-payload Cobots

High-payload cobots are multi-jointed industrial robots. They are typically characterized by multiple serially linked rotary joints that provide flexible multi-degree-of-freedom spatial movement, combined with safety control modules to achieve precise collision detection and response under high loads. Such design makes high-payload cobots particularly suitable for executing rapid handling, precise palletizing, high-payload assembly and human-robot collaborative tasks for medium to large materials within an extensive three-dimensional workspace, all without the need for safety fences.

Our high-payload cobots integrate a high-rigidity collaborative robotic arm and specialized end-of-arm tooling, designed to work safely alongside humans in a shared space. Given that our cobot's high-payload and high-speed characteristics align well with our customers' needs for flexible deployment and coordination at the end of automated production lines, we have developed high-payload cobot palletizing workstations.

Our high-payload cobot palletizing workstations establish their core competitiveness in terms of collaborative safety, payload performance and deployment flexibility. In terms of collaborative safety, our high-payload cobot palletizing workstations feature highly sensitive collision detection for immediate stop-on-contact functionality. In terms of payload performance, we offer payload options from 20kg to 40kg with a repeat positioning accuracy of ±0.04mm. In terms of deployment flexibility, our high-payload cobot palletizing workstations support rapid deployment and a one-touch product changeover, drastically reducing production line adjustment downtime. We have also innovatively introduced a mobile collaborative version, where our high-payload cobot

palletizing workstations are mounted on an omnidirectional mobile base with an autonomous navigation system, enabling a single unit to dynamically serve multiple production lines. Such approach significantly improves our customers' equipment utilization rate and saves valuable factory floor space.

Our high-payload cobot palletizing workstations create powerful synergy with our parallel robots. As of the Latest Practicable Date, around half of the orders for our high-payload cobot palletizing workstations originated from purchases by and expanded automation requirements of our existing parallel robot customers. Such synergy not only significantly reduces our market penetration and customer acquisition costs, but also enables us to deliver comprehensive, end-to-end automation solutions. By maximizing value per customer, we enhance customer retention, cultivate a predictable incremental market and establish a solid second growth engine for our business.

As of June 30, 2026, we had launched four series of high-payload cobot palletizing workstations with ten configurations, which were widely adopted in the packaging and logistics stages of the food and beverage, consumer goods and pharmaceutical industries.

The following table sets forth the representative models and their features of our high-payload cobots:

Representative Model	Features
 AM-30-S	AM-30-S is the representative model of our high-payload cobots, specifically designed for medium-to-high load automation at the end of production lines. It combines safe collaboration under high payloads with flexible deployment and precise palletizing capabilities. The integrated adjustable electric lifting column of AM-30-S supports a wide range of highly stable vertical position adjustments from 1,700mm to 2,200mm, significantly enhancing application flexibility and reliability. **Key Features** – **High-Rigidity Lightweight Structural Design**: The optimized mechanical configuration ensures load capacity while reducing overall inertia and improving motion response speed – **Safe Collaboration**: Features instant collision detection, enabling human-robot collaboration without the need for additional protective fencing – **Integrated Pneumatic-Electrical Interfaces**: The body of AM-30-S incorporates multiple built-in pneumatic and electrical channels, supporting plug-and-play connectivity for various end-effector grippers to accommodate diverse packaging and pallet specifications – **Rapid Deployment & Programming**: Equipped with a graphical task editing interface, AM-30-S supports drag-and-drop teaching and modular process packages, allowing for production line deployment and changeover adjustments to be completed swiftly

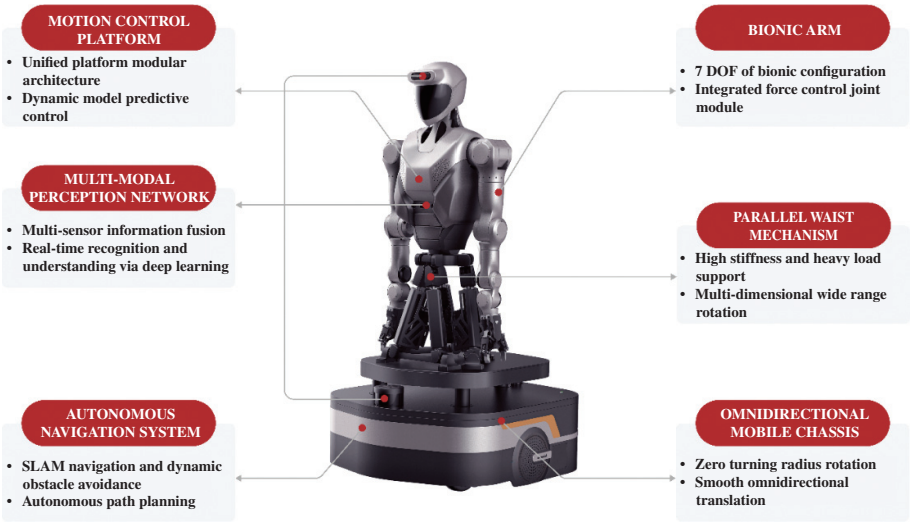
Representative Model	Features		
Series	AM-30 series	AM-40 series	AM-MMD series
Representative Models	AM-30-G	AM-40-G	ATM-MMD20
Features	Fixed Height Configuration	High-Rigidity Rotary Vector Reducer Configuration	Mobile Base Configuration
Technological Advantages	Compared to AM-3-S, it features a simpler structure with increased rigidity, offering more competitive cost efficiency	Replacing harmonic reducers with high-rigidity rotary vector reducers on axes significantly increases payload capacity to 40kg	Equipped with autonomous navigation, intelligent obstacle avoidance and millimeter-level precise docking capabilities
Application Scenarios	Suitable for high-speed, high-intensity palletizing of single-specification products at fixed workstations, such as standardized finished goods outbound logistics	Suitable for automated handling and stacking of heavy, high-value materials in the consumer goods and pharmaceutical industries	Suitable for building smart logistics systems within flexible multi-line workshops

Embodied Intelligent Robots

An embodied intelligent robot is a robot capable of integrated autonomous perception, cognition, decision-making and action through real-time interaction with its environment. At its core lies the integration of (i) an AI model that possesses multi-modal understanding and generalized reasoning capabilities as its brain; and (ii) its body that handles perception and execution tasks, collectively enabling a robot to accomplish a series of tasks in complex, non-structured and unknown application scenarios.

To enable the capability of autonomous perception and action in our embodied intelligent robots, we implement specialized mechanical design and integration. Take our Tianbing One embodied intelligent robot as an example, we employ a highly biomimetic configuration and advanced parallel mechanisms. Our embodied intelligent robots feature a bimanual structure with two seven-degree-of-freedom biomimetic arms that mimic the range of motion and collaborative patterns of human shoulder, elbow and wrist joints. Each joint utilizes an integrated force-controlled joint module, incorporating a high-torque-density motor, a precision reducer and a highly sensitive torque sensor, achieving flexible motion and fine force control capabilities close to those of a human arm. Its waist innovatively employs a Stewart mechanism, connecting the upper and lower platforms via six independently extendable struts, which allows for multi-dimensional, wide-range rotation and powerful rigid support within a compact space. Such structure substantially enhances the loads that the waist of our embodied intelligent robots can withstand while maintaining an overall compact form factor, offering excellent dynamic response and posture adjustment capabilities. The mobile platform of our embodied intelligent robots is equipped with a dual-steering-wheel omnidirectional mobile base that we developed in-house. The mobile platform enables zero-turn-radius in-place rotation and smooth translation in any direction. Combined with

our proprietary SLAM navigation algorithm and a dynamic obstacle avoidance system, our embodied intelligent robots can autonomously plan paths and achieve precise point docking within complex factory environments, providing a stable and reliable mobile foundation for its mobile manipulation.



Our embodied intelligent robots demonstrate breakthrough advantages in terms of movement performance, perceptual intelligence and versatility. In terms of movement performance, leveraging the synergistic design of biomimetic arms and parallel waist, our embodied intelligent robots achieve a unity of high load capacity and high dexterity. In terms of perceptual intelligence, our embodied intelligent robots operate on our proprietary full-stack *AtomVision* platform and feature a multi-sensor fusion system. By integrating depth cameras, LiDAR and force sensing, and utilizing deep learning-based algorithms for environmental understanding and object recognition, our embodied intelligent robots can perceive and comprehend 3D environments in real-time. They accurately identify and locate scattered, stacked or moving objects, enabling autonomous planning and obstacle avoidance. In terms of versatility, our embodied intelligent robots operate on our *AtomMotion* intelligent control platform, which feature our advanced motion control kernel that has been proven in our high-speed industrial robot product line and extends it with additional task planning and learning modules. Based on modular software and hardware architecture, our embodied intelligent robots can be rapidly adapted to diverse task scenarios from industrial material handling to commercial service interaction by changing end-effectors and task programs.

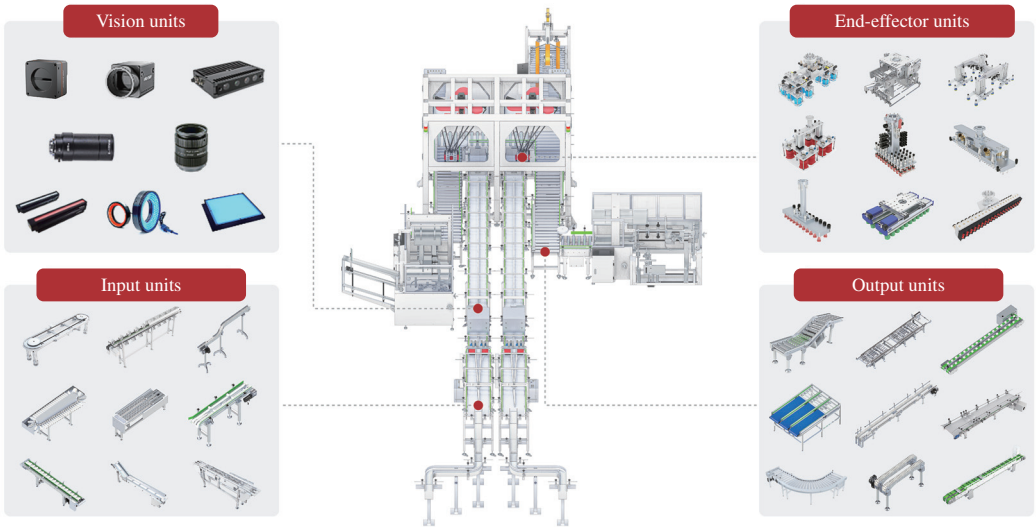
In November 2025, we successfully completed the delivery of our embodied intelligent robot to a customer. As the cornerstone of our future intelligent robotics ecosystem, our embodied intelligent robots are in the initial stage of commercialization and have demonstrated their potential in complex industrial settings. In the field of smart manufacturing, our embodied intelligent robots can perform cross-station heavy component handling, precision assembly and flexible production line inspection. In the field of commercial services, our embodied intelligent robots excel at unmanned picking, delivery and interactive services in warehouse logistics. For special operations, our embodied intelligent robots are suitable for tasks such as equipment maintenance and high-risk environment exploration. We are committed to continuously expanding the application boundaries of robotics through our embodied intelligent robots, aiming to establish it as our major growth engine in the era where general AI converges with physical AI.

Robotics Solutions

Leveraging our portfolio of a wide spectrum of robots, extensive experience across over 1,000 use cases as well as flexible, rapid and reconfigurable production lines, we developed robotics solutions tailored to specific application scenarios for our customers. Our robotics solutions deeply

integrate our in-house capabilities in intelligent visual recognition, dynamic task scheduling and modular production line design, systematically addressing key challenges faced by our customers with respect to production efficiency, labor costs, quality consistency and flexible manufacturing.

To ensure rapid solution delivery and flexible adaptation, we have established a complete parametric module library and a rapid layout system. Catering to diverse material forms and various process requirements, we have designed standardized conveying modules which are paired with modular visual solutions to form parameter-driven input, output, end-effector and vision units. By combining these standardized modules, we can rapidly generate optimal layouts that balance efficiency and cost, integrating input units, output units, vision units and robots. The operational performance of these layouts is pre-validated using virtual simulation technology. Building on this foundation, we have consolidated various standardized robot equipment sets and line layouts that meet the requirements of the majority of application scenarios. Such approach significantly shortens our design cycle for non-standard, customized robotics solutions and enables a highly efficient transition from concept to delivery.



Our robotics solutions are integrated automation services tailored to the end-of-line segments of our customers' production processes, encompassing conveying, sorting, inspection, packing, palletizing and warehousing. Our robotics solutions are not merely the parallel connection of multiple robots; rather, in addition to the robots responsible for task execution, they integrate feeding units, vision positioning and inspection units, custom mechanical units as well as data and control units. The following table sets forth the components that our robotics solutions typically comprise:

Units	Components	Functions
Flexible feeding units	Rotary disc feeders, vibratory bowl feeders, servo-driven random feeding and SCARA with vision correction feeding	Address inconsistencies in incoming materials and disorganized orientations, thereby arranging materials into a graspable state
Vision positioning and inspection units	2D/3D vision systems built on our *AtomVision* platform and defect detection sensors	Identify material position and orientation and to detect product defects
Robots	Parallel robots, high-speed SCARA robots and high-payload cobots	Execute core actions such as picking, transferring, packing and palletizing

Units	Components	Functions
Customized mechanical units	End effectors, conveying mechanisms, servo modules, custom cylinders and transfer mechanisms	Tailored to material characteristics and process requirements
Control and data units	PLCs, touchscreens, data acquisition systems and MES/ERP interfaces	Enable integrated production line control and data upload and exchange

Our robotics solutions embody our (i) interdisciplinary collaboration capability, as their successful delivery demands close coordination across multiple departments, including mechanical design, electrical control, vision algorithms and software implementation, rather than simple product stacking; (ii) customized engineering capability, given that each customer's production line layout, material characteristics and cycle time requirements are unique, necessitating the tailored design of end effectors, optimization of vision algorithms and adjustment of control logic; and (iii) on-site solution deployment experience, which requires us to navigate a wide range of complex operating conditions.

We generally adopt a model that combines module reuse and custom development for our robotics solutions. Over the past decade, we have built an extensive library of modular components and algorithms. When a new project commences, our engineers typically select approximately 70% to 80% of standard modules from our library while undertaking customized development for the remaining 20% to 30% involving non-standard processes, such as handling unusually shaped materials or ensuring protection under extreme operating conditions, rather than developing all hardware and processes from scratch. All of our robotics solutions are assembled at our Suzhou production facility and then transported to our customers' designated locations for on-site assembly and commissioning. Such model enables us to significantly shorten delivery cycles and control project costs while maintaining solution professionalism, thereby establishing a compelling and replicable delivery capability.

In terms of the breadth, the customization for robots is generally confined to configuration and specification parameters, such as arm reach, payload capacity, color and communication protocols, whereas the customization for our robotics solutions requires us to gain an in-depth understanding of our customers' core production processes, material characteristics, cycle time demands, quality standards and site constraints, and to design the process logic, material flow paths as well as multi-robot coordination strategies accordingly. In terms of the depth, the customization for robots generally involves adjustments based on mature products, such as modifying software parameter settings or swapping out accessories, whereas the customization for our robotics solutions necessitates kernel-level development, including the retraining of vision algorithms, the original design of end effectors and the restructuring of control logic.

The following diagram demonstrates the production process of our robotics solutions:

Typically, it takes 47 to 100 days, depending on the complexity and level of customization of the robotics solutions, from manufacturing, which entails material procurement, assembly and in-house testing, to delivery, which entails on-site installation, commissioning and customer trial operation.

The following table sets forth the number, contract value and tenor of our robotics solution projects during the Track Record Period:

Number of robotics solution projects	209
Contract value of robotics solution projects *(RMB'000)*	230,857
Tenor of robotics solution projects *(day)*	90-180

The following table sets forth (i) the number and contract value of our robotics projects in the pipeline; and (ii) tender success rate of our robotics solution projects as of June 30, 2026:

	As of June 30, 2026
Number of robotics solution projects in the pipeline	21
Contract value of robotics solution projects in the pipeline *(RMB'000)*	52,656
Tender success rate *(%)*	40-50

During the Track Record Period, among the 209 robotics solution projects we completed and delivered, we incurred losses of RMB0.3 million in aggregate in five projects, primarily attributable to our strategic pricing adjustments to (i) facilitate market entry; (ii) foster long-term business relationships with key customers; and (iii) clear obsolete machinery from our inventory, reflecting a deliberate trade-off between near-term profitability and longer-term strategic objectives such as market penetration, customer retention and inventory management.

The following are selected examples of our robotics solutions, their key functions and how they empower our customers' operation:

Use Case 1

Our customer, a prominent Chinese snack food manufacturer "Customer X", identified a significant bottleneck in its packaging operations in 2022. At the time, Customer X's product packaging was a labor-intensive process that primarily comprised manual sorting and packing, which resulted in low efficiency and difficulty to scale production to meet growing market demand, creating a pronounced capacity bottleneck for Customer X's popular product lines. Furthermore, continually rising labor costs were compounded by inherent hygiene risks and the need for extensive manual quality control, resulting in inconsistent product quality and potential safety hazards.

To effectively solve Customer X's pain points, we developed and delivered a turnkey robotics solution that transformed its packaging operations. Encompassing a complete automated production line that integrates foreign object detection, weighing, irregular pouch packaging, in-line weight verification, packaging defect inspection and QR code tracing, our solution seamlessly automates Customer X's packaging operations, including case erection, packing, weighing, code aggregation, inkjet printing, case sealing and palletizing. Powered by our parallel robots with multiple end-effectors to handle various package sizes as well as our *AtomVision* platform that utilizes AI-driven analysis to detect packaging flaws, our solution eliminates the manual efficiency bottleneck by automating sequential tasks with continuous high-speed operation, significantly increasing throughput, and reduces Customer X's dependency on manual labor, thereby lowering operational costs and minimizing hygiene risks.

By implementing automated inspection and standardized robotic processes, our solution assists Customer X to ensure consistent, high-quality output, remove the intensive human oversight previously required and enables versatile packaging without the need for additional dedicated machinery. Since the implementation of our robotics solution, Customer X has (i) increased its production line efficiency; (ii) reduced its direct labor costs; (iii) increased its product qualification rate, significantly reducing returns due to quality issues; and (iv) achieved consistency in product quality, eliminating the fluctuations inherent in manual operations.

Use Case 2

Our customer, a globally renowned hotpot restaurant operator ("Customer Y"), desired to enhance the efficiency of its hotpot dipping sauce packaging lines, reduce its operational costs and elevate its workforce productivity in 2021. To achieve its objectives, we provided Customer Y with a robotics solution that integrates upgraded, fully automated packaging lines with a comprehensive traceability system.

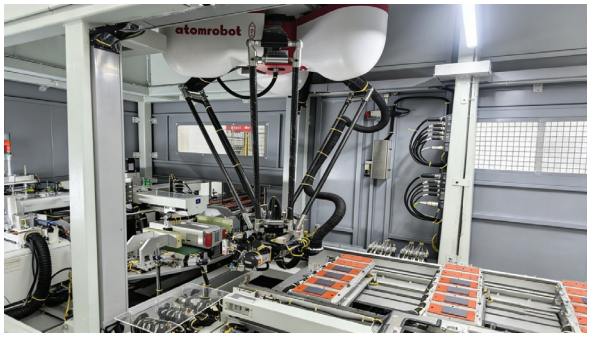
Our solution directly addressed the inefficiencies and inconsistencies of Customer Y's manual processing system. We replaced Customer Y's traditional scanners with our *AtomVision* platform to ensure reliable code scanning and added preliminary visual inspection. We also installed our parallel robots for Customer Y to handle precise picking of hotpot sauce pouches. In our solution, each pouch of hotpot sauce is identified, placed and logged into Customer Y's ERP system, guaranteeing that every item in a case has a unique, traceable code.

Since the implementation of our robotics solution, Customer Y's hotpot sauce packaging line has (i) significantly accelerated its packing speed; (ii) substantially reduced the number of operators required per packaging line; and (iii) ensured both packaging standardization and full product traceability, providing reliable support for large-scale, standardized production.

Use Case 3

Our customer, a global leader in renewable energy technologies ("Customer Z"), identified a significant bottleneck in the taping process of its battery cell module assembly in 2023. The manual and semi-automated methods then in use for applying side tapes resulted in low efficiency, inconsistent precision, material waste and an inability to meet the stringent requirements for consistency and reliability in large-scale continuous production, thereby challenging Customer Z's production ramp-up and delivery stability.

To address Customer Z's pain points, we developed and delivered a fully automated taping solution based on our parallel robots, covering the entire process of battery cell taping from cell loading to precise conveying. Our robotics solution significantly improves taping consistency and production continuity, reduces reliance on personnel and lowers operational costs while enhancing process control for Customer Z.



By implementing our fully automatic taping solution, Customer Z ensures stable and high-quality cell taping operations, effectively eliminating the quality variations and operational risks associated with manual processes. Since the implementation of our robotics solution, Customer Z (i) significantly enhanced the stability of its taping process and removed inconsistencies caused by human intervention; (ii) increased the qualification rate of the cell taping process, reducing rework and scrap losses; and (iii) achieved continuous and reliable production line operation, resulting in optimized overall equipment effectiveness.

Commercialization

All of our robots and robotics solutions were designated Specialist Technology Products as defined under Chapter 18C of the Listing Rules. As advised by Frost & Sullivan, our Directors are of the view that our robots and robotics solutions fall within an acceptable sector of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules on the following basis: (i) our robots are programmable products designed for diverse application scenarios across multiple industries, placing them squarely within the definition of robot technology; and (ii) our robotics solutions involve the application and integration of our industrial robots, control systems and vision systems to enhance task performance and automate processes for our customers. The following table summarizes how our products and solutions fall within an acceptable sector of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules:

Products	Specialist technology industry acceptable sector	Main functions	Major customers
Parallel robots	Robotics and automation (robot technology)	High-speed picking & placing, sorting, arranging and precise manipulation of lightweight items for automated production lines	Enterprises and system integrators in the food and beverage, pharmaceutical, renewable energy and consumer electronics industries
High-speed SCARA robots	Robotics and automation (robot technology)	High-speed, high-precision planar pick-and-place, precision assembly and material transfer for applications like electronic assembly and power battery manufacturing	Enterprises and system integrators in the consumer electronics, renewable energy and automotive components industries

Products	Specialist technology industry acceptable sector	Main functions	Major customers
High-payload Cobots	Robotics and automation (robot technology)	High-payload material handling, palletizing, depalletizing and machine loading/unloading, supporting human-robot collaboration and mobile deployment	Enterprises and system integrators in the food and beverage, pharmaceutical, consumer electronics and logistics industries
Embodied intelligent robots	Robotics and automation (robot technology)	Capable of autonomous perception, decision-making and execution in unstructured environments, performing complex tasks such as handling, assembly, service and specialized operations	High-end manufacturing enterprises, flexible logistics service providers, commercial service operators, specialized industry units and system integrators
Robotics solutions	Robotics and automation (robot technology)	Customized automated production line integration; providing end-to-end solutions for packaging, sorting, loading/unloading, palletizing and more	Enterprises in the food and beverage and pharmaceutical industries

The following table sets forth the timeline of our commercialization of each of our industrial robots and robotics solutions:

Product/Solution	Parallel Robots	High-speed SCARA Robots	High-payload Cobots	Embodied Intelligent Robots	Robotics Solutions
Commencement of revenue generation	2013	2024	2023	2025	2020

OUR KEY TECHNOLOGIES

We have established an in-house technology system with respect to high-speed industrial robots, encompassing core components, core algorithms and robotics design. For core components, we possess high-power-density motors and integrated drive-and-control technology. In terms of core algorithms, we developed high-speed, high-precision motion control and intelligent AI visual recognition algorithms. For robotics design, we have mature design methodologies and advanced manufacturing processes. These technologies work in synergy to form a complete, self-controlled technological closed loop, covering the entire development process, providing solid support for the large-scale deployment of our products across multiple application scenarios.

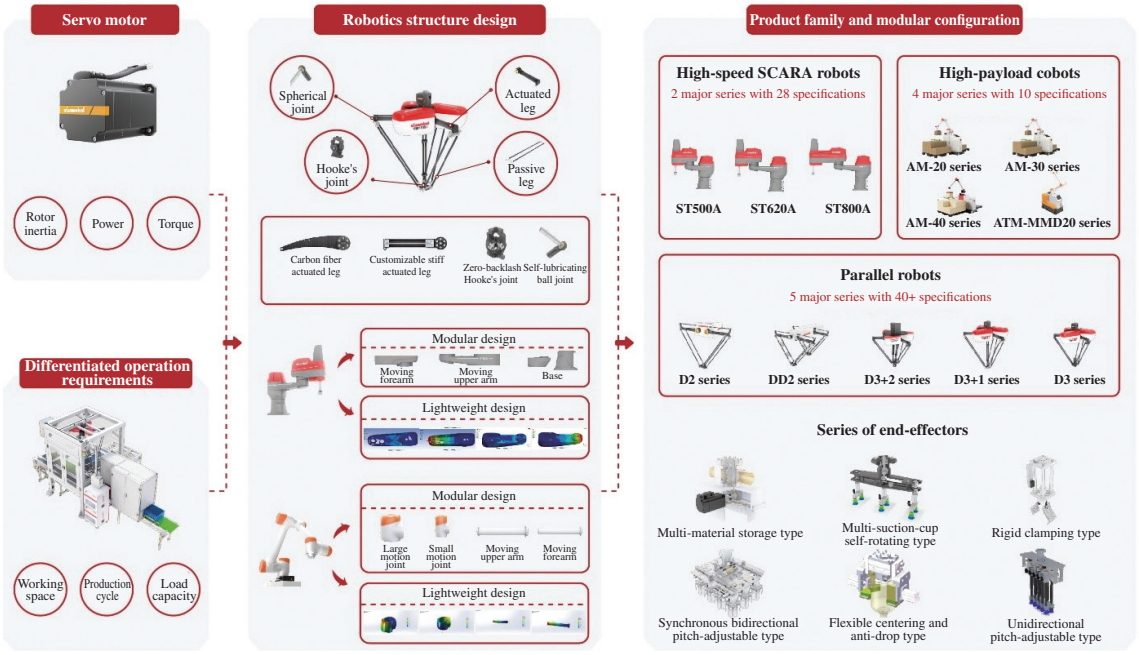
Robotics Design and Manufacturing Technology

We have integrated our forward-design methodology with our advanced manufacturing processes to develop comprehensive robotics technology capabilities, spanning lightweight design, core component innovation and high-precision manufacturing.

For lightweight and high-stiffness design, we systematically reduced the weight of our industrial robots' mechanical structure through topology optimization and rigidity matching performed via finite element analysis. For instance, we substantially reduce the weight of our high-speed advance series of SCARA robots while maintaining their stiffness, and use high-strength aluminum-magnesium alloy die-casting on our high-speed economy series of SCARA robots to reduce considerable weight compared to similar products.

Regarding innovation in core transmission and joint components, based on a dynamic scale synthesis method, we have developed a series of high-performance core parts in-house, including carbon fiber driving arms and zero-backlash Hooke's joints for our parallel robots, and high-power-density transmission assemblies and modular joint units for our high-speed SCARA robots, ensuring smooth and precise high-speed start-stop through precise inertia matching.

Leveraging our high-precision manufacturing and assembly process system, we have established a full-process geometric accuracy assurance mechanism from design to assembly. Through our digital assembly platforms, we have laid a solid foundation for achieving repeatability of ±0.02mm for our high-speed SCARA robots and ±0.05mm for our parallel robots.



Integrated Drive-and-Control Hardware-Software Technology

Our integrated drive-and-control motion control system consists of two core components: our *AtomMotion* intelligent control system and our proprietary high-speed integrated drive-and-control unit. These two components work in concert to provide seamless control from high-level motion planning to precise motor execution.

Employing a control architecture that integrates controller and PLC, our *AtomMotion* motion control system serves as the motion control system's decision-making center. Built on a Linux+Xenomai real-time system, the controller of *AtomMotion* integrates multiple high-speed dedicated process algorithms such as dynamic conveyor tracking and adaptive vibration suppression, enabling millisecond-level synchronization and tracking between materials and robots when production lines start, change speed or stop. *AtomMotion* supports various programming methods, including graphical and code-based interfaces, features soft-PLC functionality and offers extensive industrial protocol interfaces, significantly enhancing development efficiency for complex processes and system integration flexibility.

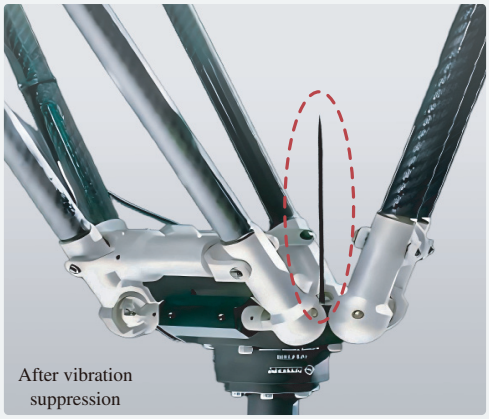
Our integrated drive-and-control unit is the motion control system's high-performance real-time execution module. The high-power controller that we developed in-house adopts an architecture that integrates the control and power layers and leverages FPGA-based multiplication/division optimization methods to free up computational resources. Using FPGA for highly parallel computation of position, velocity and current loop control algorithms at the hardware level, our high-power controller achieves industry-leading control loop real-time performance. Such design reduces the controller's hardware volume by 80% and power consumption by 20% compared to traditional solutions. Having passed EU CE safety certification, our integrated drive-and-control unit stands as a performance benchmark in China.

High-Speed, High-Precision Motion Control Algorithms

To address the challenges of nonlinearity and trajectory tracking accuracy during high-speed motion, we implement high-order spline curve planning with strict jerk constraints, combined with smoothness-optimized design, achieving high-precision motion control.

For vibration and external disturbances caused by high-speed emergency stops, we have developed an adaptive vibration suppression algorithm based on input shaping. Such algorithm identifies system modal parameters online and dynamically generates shaped commands, reducing settling time to 0.03 seconds.

To tackle the cooperative control challenges arising from strong coupling among multiple joints, we combine feedback control with feedforward compensation that accounts for inter-axis coupling effects, ensuring robot coordination accuracy while maintaining stable response under high-speed and high-load conditions through a data-driven iterative tuning method.

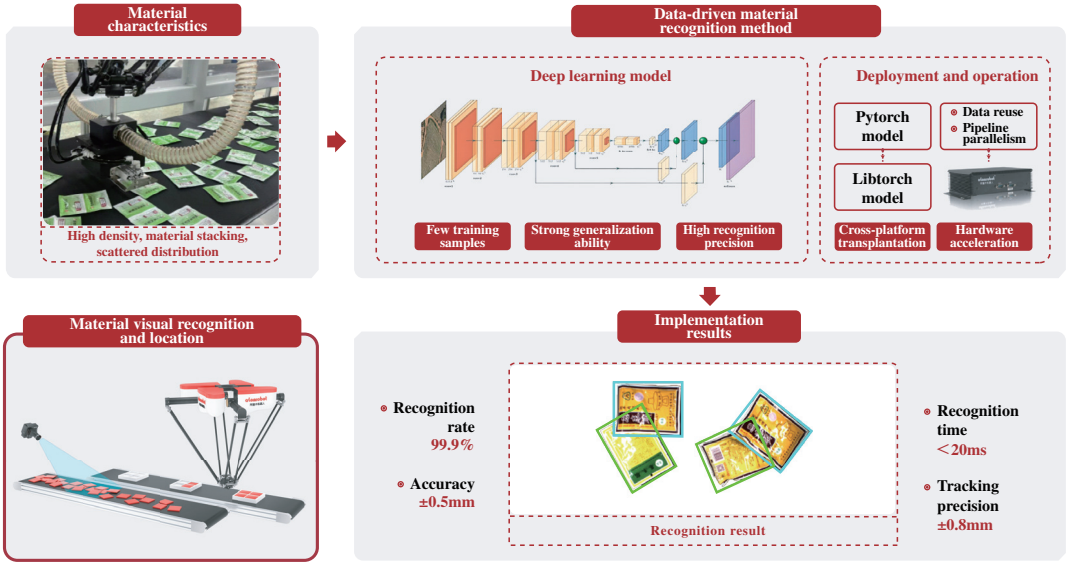


End-effector position stabilization time	End-effector resided vibration amplitude
0.03s	**<0.5mm**
Pose accuracy	Trajectory accuracy
0.01mm	**0.55mm**

Full-stack AI Visual Recognition Algorithms

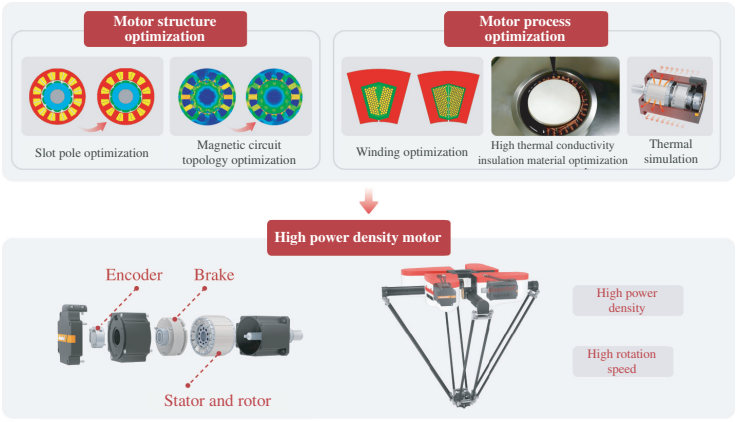
We have developed our full-stack *AtomVision* platform in-house, which integrates 2D/3D perception, deep learning and real-time control technologies, covering the entire workflow of our robots that encompasses vision recognition, location, guidance and inspection. By introducing deformable convolutional networks and attention mechanisms to optimize model architecture and employing targeted data augmentation and transfer learning strategies, we trained high-accuracy models with limited samples.

To integrate *AtomVision* and robot control and to improve engineering deployment efficiency, we built the algorithm modules into a unified software framework optimized for computational load in industrial settings. As such, *AtomVision* supports real-time communication with our integrated drive-and-control motion control system. Its functions can be encapsulated into standard modules like "Locate" and "Track" and seamlessly embedded into *AtomMotion*'s programming environment, significantly lowering the deployment barrier. We are able to provide out-of-the-box standardized solutions for a wide range of application scenarios in the food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive industries, greatly enhancing the implementation efficiency and scalable application of *AtomVision*.



Proprietary High-power-density Motors

To achieve control over the high-speed and high-precision motion performance of our robots on the power source level, we developed a series of high-power-density servo motors in-house. These motors are designed with the control system based on our in-depth understanding of application scenarios such as high-speed sorting and precision assembly. By optimizing pole-slot coordination and magnetic circuit topology, and applying compact winding and high-thermal-conductivity insulation packaging processes, we significantly increased the torque output of our robots within a limited volume, achieving power density improvement. Combined with optimized heat conduction paths in the housing, our high-power-density motors enable our robots' continuous and stable operation under high loads, ensuring smooth, precise and highly dynamic response across the entire speed range from the power source.



RESEARCH AND DEVELOPMENT

We have built a multidisciplinary R&D engine that synthesizes expertise across a diverse range of fields, including robot control system, vision system, cloud network and servo system development.

Our R&D Team

As of June 30, 2026, our R&D team consisted of 99 engineers with an average of five years of experience in industrial robotics, mechanical engineering, electrical engineering, automation and computer science. Our R&D team possesses distinct technological expertise, including the

development of robot control systems, vision recognition systems, cloud network, servo control algorithms and embedded systems, the design of hardware circuitry and PCB, system integration and verification as well as production process control and optimization, spanning underlying hardware and robotics intelligence.

In 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, our R&D expenses amounted to RMB19.4 million, RMB29.8 million, RMB21.4 million, RMB9.7 million and RMB24.0 million, respectively.

We have not licensed-in any material intellectual property rights or outsourced any R&D processes to third parties. Since our inception and up to the Latest Practicable Date, we had not been subject to any legal claims or proceedings that may materially and adversely affect our R&D.

Core R&D Members

Our core R&D members are instrumental to the development and commercialization of industrial robots, robotics components and robotics solutions. The following table sets forth the details of our core R&D members:

Name and Role	Background	Key Contributions
Liu Songtao (Chief Technology Officer)	Mr. Liu holds a master's degree in mechanical engineering and a bachelor's dual-degree in mechanical design, manufacturing and automation and finance. A senior engineer of our Company, Mr. Liu has over a decade of experience in smart manufacturing, authored numerous papers indexed in SCI and EI, participated in national and provincial key projects and received numerous awards, including the Tianjin Technological Invention First Prize.	Mr. Liu has contributed to over a hundred patents for our Company. He pioneered foundational patents for parallel robots and multi-axis manipulators, designed key components for our robots and co-developed our control systems. His work underpins our entire product line and robotics solutions, directly leading to our recognition as a National High-tech Enterprise and a market leader of the robotics industry.
Li Yanhua (Deputy General Manager and R&D Head) .	Mr. Li has a master's degree in Computer Application technology with over a decade of experience in the robotics industry. He possesses comprehensive expertise in full-stack robotics development, combining technical knowledge with strong R&D management capabilities.	Mr. Li has contributed to over ten patents for our Company. He led the development of our control systems and core algorithms for computational efficiency on ARM and FPGA platforms. His work in power module protection and embodied AI-based joint control systems has been crucial in strengthening our integrated hardware-software technological competitiveness.
Xiang Ye (Head of Vision Team)	Mr. Xiang has a master's degree in mechanical engineering with over a decade of experience in robotic vision algorithms. He combines a strong theoretical foundation with practical algorithm development skills.	Mr. Xiang led the development of our vision systems. He led the optimization of 2D/3D vision software architecture, developed hand-eye calibration and point cloud registration and integrated AI deep learning algorithms for tasks like instance segmentation. His work enables advanced applications in unstructured picking and palletizing, providing a key competitive edge in complex visual guidance scenarios.

We are committed to retaining and developing our core managerial and technical talent through competitive compensation, comprehensive incentives and continuous investment in training and upskilling programs. To safeguard against operational disruption, we proactively recruit qualified candidates through multiple channels, including campus recruitment fairs and professional networking platforms.

We typically enter into non-disclosure agreements and non-compete agreements with our core managerial and technical staff, the salient terms of which are set forth below.

- ***Definition of Confidential Information***. We typically define "Trade Secrets" broadly as technical, operational and business information that is non-public, valuable and subject to reasonable protection, such as technical designs, software, customer lists, pricing information and financial data, in our non-disclosure agreements.

- ***Ownership of Intellectual Property***. Typically, all technical achievements and trade secrets developed by our employees during their tenure using our resources or information are our exclusive property.

- ***Employee Obligations***. Our employees typically must adhere to all of our confidentiality policies, safeguard all physical and electronic materials containing trade secrets, refrain from unauthorized use or disclosure and avoid concurrent employment with our competitors.

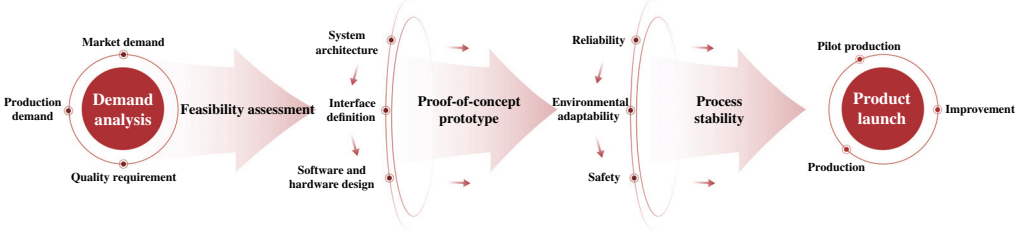
- ***Post-Employment Obligations***. Our employees' duty of confidentiality typically persists indefinitely after their employment ends. Upon departure, our employees must return or destroy all company materials and provide written confirmation of having done so.

- ***Non-Compete***. We typically negotiate the details of our employees' non-compete agreements based on their level of access to sensitive information.

Our R&D Process

Our structured R&D process mainly includes four stages to ensure rigorous product development and seamless transition to commercialization. The following diagram sets forth the major steps in our R&D process:

R&D process



- ***Requirement Analysis and Feasibility Assessment***. In this initial stage, we consolidate the market demands, internal feedback from our production and quality control teams as well as our own technology roadmap into a clear product requirement specification, defining target functions, performance and specifications. We then conduct a preliminary feasibility assessment with a cross-functional team to assess technical viability, alignment with our existing production capabilities, component availability and preliminary budgets.

- ***Development and Initial Prototype***. We translate product requirements into detailed system architectures, interface definitions and hardware or software designs. The key design milestones are subjected to rigorous cross-functional reviews to mitigate technical risks prior to the development of a proof-of-concept (PoC) prototype. This initial prototype validates the core design principles and basic functionality. Its test data forms the basis for a collaborative cost analysis and manufacturing process assessment by our production and procurement departments, identifying potential cost-reduction opportunities and manufacturing challenges, which are then fed back into the design for refinement.

- ***Engineering Validation Prototype and Process Stabilization***. In this phase, we complete product design validation and finalize the manufacturing process. We build an engineering validation prototype and test it for reliability, environmental adaptability and safety. Our R&D and manufacturing engineers collaborate on a pilot production line to optimize and validate process parameters, resulting in a complete technical documentation package, including the bill of materials (BOM), detailed drawings, process flowcharts, work instructions and product test standards, to provide a standardized basis for mass production.

- ***Mass Production and Continuous Improvement***. The finalized design and processes are validated through a pilot run, which verifies production cycle times, yield and the effectiveness of all documentation. A pilot run report is then generated, and upon its successful completion, a formal production handover review transfers product responsibility from our R&D department to our production department. Thereafter, any product changes are managed through a formal engineering change process. Our R&D department transitions to a support role and begins leveraging production feedback and market data for product iteration and technology development.

Commissioned R&D

As part of our ongoing commitment to operational efficiency and strategic focus, we may, from time to time, engage third parties such as renown universities and capable enterprises to conduct R&D activities for non-core technological components. These engagements typically pertain to peripheral elements of our product ecosystem, such as the exterior design, structural framing and non-proprietary mechanical configurations of certain products. For instance, we entered into an agreement with a third-party enterprise in December 2025 for the design of the appearance and structure of our embodied intelligent robot's arms.

We view this flexible commissioning model as a key enabler of our broader innovation strategy, as it (i) allows our core in-house engineering and R&D teams to concentrate their expertise, capital and time on advancing our proprietary, high-barrier technological differentiators; (ii) enhances our speed to market by leveraging the specialized skills and agile workflows of external design partners, eliminates the fixed overhead costs associated with maintaining large-scale, in-house teams for non-strategic functions; and (iii) provides us with scalable cost flexibility that adjusts to evolving project demands.

We typically enter into a commissioned R&D agreement with the third parties we engage, the salient terms of which are set forth below:

- ***Scope of Services.*** We typically specify the scope of services as well as the deliverables to be provided by the third party in our commissioned R&D agreement.

- ***Delivery and Acceptance.*** The third party that we engage is obligated to deliver the deliverables and other work products on schedule and ensure that they are formally accepted by us. We may also specify a delivery date in the commissioned R&D agreement.

- ***Payment Terms.*** We typically make upfront payment to the third party that we engage.

- ***Intellectual Property Rights.*** Typically, all intellectual property rights in the deliverables and other work products are vested solely in us. The third party that we engage may retain the right of attribution, and warrants to us that its work does not infringe any third-party intellectual property rights.

- ***Warranties.*** The third party that we engage typically warrants the originality of its work product and undertakes to maintain the confidentiality of our proprietary information and materials.

INTELLECTUAL PROPERTY

Our intellectual property is fundamental to our continued success and competitive advantage. Our ability to commercially thrive depends on securing and maintaining robust patents and other intellectual property protections for our key technologies and know-how. Equally critical is our commitment to vigorously defending our intellectual property rights, safeguarding our trade secrets and diligently ensuring we do not infringe upon the intellectual property rights of others.

To protect our intellectual property rights, we have implemented the Internal Management Measures on Trade Secrets (《關於公司商業秘密的內部管理辦法》) (the "Trade Secrets Measures") and appointed dedicated personnel to oversee our daily management of intellectual property. Under the Trade Secrets Measures, (i) our intellectual property is classified into detailed confidentiality levels; (ii) the creation, storage and transfer of documents are regulated according to their confidentiality levels, and our R&D equipment involving confidential information is encrypted; (iii) we have a specialized IT team responsible for maintaining backend data security, preventing leaks and monitoring and addressing abnormal system operations; (iv) we grant our employees document access rights strictly based on their job requirements; and (v) a comprehensive protocol is in place to respond to potential breach incidents. These measures are integral to our compliance program, ensuring the effective protection of all the data that we collect and store.

As of June 30, 2026, we had 175 granted patents globally, including (i) 51 invention patents, 97 utility model patents and 23 appearance design patents in China, and (ii) 4 patents overseas, and we had filed 29 patent applications globally. In addition, we had 27 trademarks and 31 software copyrights globally. The following table demonstrates examples of patents in connection with our core technologies that we developed in-house and solely own, which we consider material to our business:

Product	Patent	Patent Type	Patent Jurisdiction	Patent Status	Main Function
Parallel Robots	Four-Degree-of-Freedom Parallel Mechanism (四自由度並聯機構)	Invention Patent	China	Valid	This four-degree-of-freedom parallel mechanism utilizes a bevel gear transmission between primary and secondary platforms, achieving high-speed, wide-angle motion through a large transmission ratio

Product	Patent	Patent Type	Patent Jurisdiction	Patent Status	Main Function
Parallel Robots	Multi-Thread Controller for Parallel Robots (並聯機器人的多線程控制器)	Invention Patent	China & USA	Valid	The system manages tasks using a four-layer thread architecture and thread-safe queues, prioritizing motion real-time performance and ensuring secure inter-thread communication
High-speed SCARA Robots	A Speed-Increasing Mechanism for SCARA Robots and SCARA Robots Having the Same (一種SCARA機器人的增速機構及具有該增速機構的SCARA機器人)	Invention Patent	China	Valid	Two reducers are connected via gear transmission to improve the working efficiency of the SCARA robot
High-speed SCARA Robots	A Variable-Gain Vibration Suppression Control Method for High-Speed SCARA Robots (一種高速SCARA機器人的變增益抑振控制方法)	Invention Patent	China	Valid	Automatically adjusts control parameters to minimize end-effector vibration, enabling stable high-speed operation
Parallel Robots, High-speed SCARA Robots and High-payload Cobots	A Robot Control System Combining Soft PLC and Motion Control (一種軟PLC和運動控制相結合的機器人控制系統)	Invention Patent	China	Valid	Achieves high real-time performance for complex tasks by integrating logic and motion control via shared memory
Parallel Robots, High-speed SCARA Robots and High-payload Cobots	An Integrated Drive-and-Control Robot System Based on the ZYNQ Platform (一種基於ZYNQ平台的驅控一體機器人系統)	Invention Patent	China	Valid	Combines control and drive functions into a single, stable and compact hardware-software architecture

Our Directors confirm that we had not been involved in any material disputes or other material legal proceedings relating to intellectual property rights with third parties during the Track Record Period and up to the Latest Practicable Date.

SALES

We serve a broad and geographically diverse customer base spanning more than 30 countries and regions. During the Track Record Period, we primarily derived our revenue from China with a growing global presence. The following table sets forth our revenue by geographic regions during the Track Record Period:

	For the years ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB'000, except for percentages)						*(unaudited)*			
China	**90,139**	**96.4**	**123,476**	**91.3**	**226,151**	**89.5**	**92,356**	**97.6**	**126,476**	**93.6**
Overseas	**3,352**	**3.6**	**11,784**	**8.7**	**26,502**	**10.5**	**2,251**	**2.4**	**8,610**	**6.4**
– East Asia	461	0.5	5,409	4.0	3,532	1.4	706	0.7	885	0.7
– Southeast Asia	258	0.3	2,937	2.2	4,205	1.7	578	0.6	2,161	1.6
– Middle East	–	–	221	0.2	11,121	4.4	–	–	–	–
– Europe	958	1.0	1,466	1.1	2,706	1.1	678	0.7	2,817	2.1
– North America	–	–	823	0.6	469	0.2	45	0.0	35	0.0
– Others[(1)]	1,675	1.8	928	0.6	4,469	1.7	244	0.4	2,712	2.0
Total	**93,491**	**100.0**	**135,260**	**100.0**	**252,653**	**100.0**	**94,607**	**100.0**	**135,086**	**100.0**

Note:

(1) Mainly include South Asia, Oceania, South America and Africa.

Our robots and robotics solutions are sold through both direct sales and distributorship, depending on the type of product and region: (i) our parallel robots are sold through direct sales in China and through both direct sales and our distributor in overseas markets; and (ii) our high-speed SCARA robots and high-payload cobots are sold primarily through our distributors in both China and overseas markets. Nonetheless, there's no substantive difference between the robots that we sell directly or through our distributors.

Our sales team is instrumental in building our brand. Equipped with in-depth understanding of our products and our customers' needs, our sales team not only directly engages with our customers to demonstrate product features and articulate the value of our solutions, but also maintains frequent communication with them to gather critical feedback on product quality, market preferences and potential improvements. This frontline intelligence directly shapes our marketing strategy and product development.

We typically evaluate our sales team's performance on an annual basis and reward our sales staff with sales-based bonuses.

Direct Sales

In 2023, 2024 and 2025 and the six months ended June 30, 2026, we served 363, 475, 674 and 493 direct sales customers, respectively. Our direct sales customers mainly comprise enterprise customers and system integrators in the food and beverage, consumer goods, pharmaceutical, renewable energy and consumer electronics industries.

The following table sets forth the key metrics of our direct sale customers for the periods indicated:

	For the year ended December 31,			For the six months ended June 30, 2026
	2023	2024	2025	
Number of direct sales customers	363	475	674	493
Number of new direct sales customers	231	297	383	222
Average direct sales customer value[(1)] *(RMB'000)*	257	279	356	267
Net dollar retention rate of direct sales customers[(2)] (%)	–	49.0	113.2	66.8

Notes:

(1) Calculated by dividing the revenue generated from our direct sales customers in a given period by the number of direct sales customers who purchased our products in the same period.

(2) Calculated by dividing the revenue of the current period from direct sales customers of both current and previous periods by the revenue of the previous period of such direct sales customers, multiplied by 100.0%.

Salient terms of direct sales agreements

We typically enter into direct sales agreements with our direct sales customers, the salient terms of which are as follow:

- ***Duration.*** Our direct sales agreements typically do not contain a fixed term or an automatic renewal mechanism. Generally, they become effective upon signing and continuing until our customers and we have fulfilled our respective obligations.

- ***Product Specification.*** We typically specify the type, model, quantity and unit price of the products as well as any value-added services such as debugging and training in our direct sales agreements.

- ***Return and Exchange.*** We typically do not accept returns or exchanges from our customers. In certain circumstances, such as when our product has a quality defect or is damaged during shipping, we may allow for returns or exchanges within a specified number of days following delivery, which, according to Frost & Sullivan, is the industry norm.

- ***Payment and Credit Terms.*** We typically require our customers to prepay a certain percentage of the full contract price within certain business days of signing the direct sales agreements. We typically grant differentiated credit periods to customers based on their business nature and industry standing.

- ***Termination.*** We reserve the right to terminate our direct sales agreements if our customers delay their payments by more than ten days.

Distribution

We typically sell robots with relatively mature sales channels through our distributors. By leveraging our distributors' experience and knowledge of local markets as well as their established sales networks and local resources, we can expand our market coverage to broader regions and achieve deeper market penetration. We began building our distributor network in 2024, and strategically engaged eight, 15 and 25 distributors, respectively, in 2024, 2025 and the six months ended June 30, 2026 to broaden our customer reach and amplify our market presence. We primarily engage distributors to sell our high-speed SCARA robots and high-payload cobots. Our engagement of distributors not only optimizes our sales and marketing expenditure but also creates valuable synergies, enhances brand recognition and generates cross-selling opportunities for our full suite of products and solutions. During the Track Record Period, all our distributors were independent third parties.

Distributor Management

Our relationship with our distributors is a buyer and seller relationship. We generally stipulate in our distribution agreements that our distributors are prohibited from appointing sub-distributors or unauthorized resellers. During the Track Record Period, we had no secondary distributors. Revenue from sales to distributors is recognized upon the transfer of control of our products to the respective distributors. To prevent cannibalization and channel stuffing, we designate pre-determined distribution areas for our distributors as defined in the distribution agreements.

Our distributors are required to establish and maintain a professional team with sufficient product knowledge within their designated distribution area. We generally provide our distributors with suggested retail prices for our products, and our distributors may adjust their selling prices within a reasonable range, taking into account their understanding of the local competitive landscape and specific sales conditions. Typically, our distributors are responsible for providing after-sales services, including installation and commissioning, after-sales support, technical assistance and customer training, to end customers within their designated distribution area. During the Track Record Period, we did not set a minimal purchase amount for our distributors.

Distributor Selection

To uphold our high standards, we select our distributors based on rigorous criteria. Our key evaluation factors include (i) whether a distributor has a proven track record and relevant experience in handling robots; (ii) the composition and capability of a distributor's sales and technical support teams; (iii) a distributor's financial stability and health; (iv) a distributor's annual procurement amount; and (v) a distributor's reputation, market presence and level of penetration within our end-users' industries.

The following table sets forth the movement of our distributors for the periods indicated:

	As of/for the year ended December 31,			As of/for the six months ended June 30,
	2023	2024	2025	2026
Number of distributors at the beginning of the period	–	–	8	15
Number of new distributors	–	8	7	12
Number of distributors we ceased cooperation with	–	–	–	(2)
Number of distributors at the end of the period	**–**	**8**	**15**	**25**

We increased the number of distributors that we engaged from eight as of December 31, 2024 to 25 as of June 30, 2026, primarily to support the launch of our SCARA robots and the strong sales momentum of our high-payload cobots.

One of our distributors was founded by our former employee. In 2024, 2025 and the six months ended June 30, 2026, it purchased high-payload cobots from us and contributed RMB0.3 million, RMB1.7 million and RMB0.4 million, respectively, to our revenue. There is no material difference between the distributor agreements that we entered into with the distributor founded by our former employee and our other distributors.

Salient terms of distribution agreements

We typically enter into distribution agreements with our distributors, the salient terms of which are as follows:

- ***Duration***. The duration of our distribution agreements is typically one year.
- ***Product Specification***. We typically specify the type of products to be distributed by our distributors.
- ***Designated Distribution Area***. We typically specify a distributor's designated distribution area. Our distributors shall not promote or sell our products or solicit customers outside their designated distribution area.
- ***Sub-distribution***. We typically prohibit our distributors from appointing sub-distributors or unauthorized resellers.
- ***Return and Exchange***. We typically do not accept returns or exchanges from our distributors. In certain circumstances, such as when our product has a quality defect or is damaged during shipping, we may allow for returns or exchanges within a specified number of days following delivery, which, according to Frost & Sullivan, is the industry norm.
- ***Payment and Credit Terms***. We typically require our distributors to make prepayments for the products they purchase, but may grant a credit period of 30 to 90 days to certain distributors. Our distributors typically make payments via bank transfer and bank acceptance bills.
- ***Termination***. We reserve the right to terminate our distribution agreements unilaterally by written notice in the event of our distributors' material breach.

In the domestic market, our parallel robots are primarily sold through a direct sales model. Our sales team engages directly with our end customers or system integrators in industries such as food and beverage, consumer goods, pharmaceuticals and renewable energy, enabling us to gain an in-depth understanding of customer needs and provide tailored solutions. Our high-speed SCARA robots and high-payload cobots, on the other hand, have been sold through both direct sales and distributorship models, allowing us to leverage our distributors' regional coverage and customer resources to rapidly expand into the small and medium enterprise customer segment as well as emerging application scenarios.

In the overseas markets, we had one exclusive distributor in South Korea as of the Latest Practicable Date, which handles sales of all our products. In other overseas markets, we sell our products to customers directly through our sales team.

Given that we had only one exclusive distributor overseas with no geographic overlap with our sales team in other overseas markets, and that our domestic distributors generally operate under region-exclusive authorizations or product-line segmentation, no cannibalization has occurred among our distributors. Although our current sales channel arrangements are clear, we have implemented the following measures to address potential cannibalization that may arise as our business expands: (i) in the domestic market, we are committed to maintaining direct sales for our parallel robots and selling our high-speed SCARA robots and high-payload cobots through

distributors unless there are high-volume purchase or customization requirements; and (ii) when introducing distributors into new overseas markets in the future, we plan to prioritize region-exclusive authorizations and clearly define authorized products to avoid overlap with our direct sales channels. For our existing distributor in South Korea, we will maintain a good cooperative relationship through regular communication.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material disputes with, or encounter any material return or exchange of products from, our distributors that had a material and adverse impact on our business operation, financial performance and prospects.

PRICING AND MARKETING

Pricing

Our product pricing strategy is primarily determined by (i) the prevailing market prices of competing products; (ii) the labor costs associated with different application scenarios; and (iii) our internal production and operational expenses.

Marketing

Our marketing team coordinates our marketing activities and sources our customers. As of June 30, 2026, we had 66 marketing staff. To maximize our brand visibility and customer recognition, we employ a multi-channel marketing approach, including our official website, social media platforms such as TikTok, global industry exhibitions and product demonstration programs. These initiatives not only enhance our market awareness but also drive lead generation and sales conversions.

OUR CUSTOMERS

We have a broad and growing global customer base, which covered over 30 overseas countries and regions as of the Latest Practicable Date. Our customers primarily include food and beverage companies, pharmaceutical companies, automotive component manufacturers as well as system integrators in the food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive industries. Our revenue from the five largest customers in each period during the Track Record Period was RMB19.1 million, RMB29.6 million, RMB36.5 million and RMB34.4 million, respectively, accounting for 20.5%, 21.9%, 14.4% and 25.5% of our total revenue, respectively. Our revenue from the largest customer in each period during the Track Record Period was RMB5.5 million, RMB8.2 million, RMB10.1 million and RMB13.4 million, respectively, accounting for 5.8%, 6.1%, 4.0% and 9.9% of our total revenue, respectively.

The following tables set forth the details of our five largest customers in each period during the Track Record Period:

For the six months ended June 30, 2026

Customer	Background	Transaction amount	Percentage of revenue	Commencement of collaboration	Payment method	Credit period	Products/ solutions purchased
		(RMB'000)	*(%)*			*(days)*	
Customer P . .	Established in 2011 and dual-listed on the Shenzhen Stock Exchange and the Hong Kong Stock Exchange, Customer P is a power battery manufacturer with a registered capital of RMB4.6 billion.	13,353	9.9	2025	Bank transfer and bank acceptance bills	N/A	Parallel robots

Customer	Background	Transaction amount	Percentage of revenue	Commencement of collaboration	Payment method	Credit period	Products/ solutions purchased
		(RMB'000)	*(%)*			*(days)*	
Customer Q	Established in 2021, Customer Q is a Shandong-based company that focuses on the development of biological feed with a registered capital of RMB5.0 million.	9,558	7.1	2026	Bank transfer	N/A	Robotics solutions
Customer R	Established in 2007, Customer R is a Liaoning-based company that focuses on the production of seasonings with a registered capital of RMB150.0 million.	4,425	3.3	2025	Bank transfer and bank acceptance bills	N/A	Robotics solutions
Customer S	Established in 2002, Customer S primarily engages in professional technical services with a registered capital of RMB585.6 million.	3,568	2.6	2026	Bank transfer and bank acceptance bills	30	Robotics solutions
Customer T	Established in 2024, Customer T is a Jiangsu-based company that primarily engages in the manufacturing of computers, communications and other electronic devices with a registered capital of RMB10.0 million.	3,514	2.6	2025	Bank transfer and bank acceptance bills	180	High-payload cobots and parallel robots
Total		**34,418**	**25.5**				

For the year ended December 31, 2025

Customer	Background	Transaction amount	Percentage of revenue	Commencement of collaboration	Payment method	Credit period	Products/ solutions purchased
		(RMB'000)	*(%)*			*(days)*	
Customer A	Established in 1955, Customer A is a Dubai-based company that focuses on food manufacturing, trading, distribution and retail services.	10,136	4.0	2025	Bank transfer	N/A	Robotics solutions
Customer B	A Guangzhou-based automated equipment manufacturing enterprise that primarily focuses on the R&D, manufacturing and sales of lithium battery production equipment with a registered capital of RMB5.0 million.	7,231	2.8	2024	Bank transfer and bank acceptance bills	90	Parallel robots

Customer	Background	Transaction amount	Percentage of revenue	Commencement of collaboration	Payment method	Credit period	Products/ solutions purchased
		(RMB'000)	*(%)*			*(days)*	
Customer C	A Jiangsu-based manufacturing company that primarily focuses on the R&D, production and sales of intelligent equipment, electromechanical devices and machinery with a registered capital of RMB25.0 million.	7,150	2.8	2020	Bank transfer	15	Robotics solutions
Customer D	A Zhuhai-based manufacturing company that primarily focuses on the research, production and sales of electronic atomization devices with a registered capital of RMB50.0 million.	6,004	2.4	2024	Bank transfer	60	Parallel robots
Customer E	Established in 2018, Customer E is a Shandong-based company that focuses on the wholesale of edible agricultural products and food sales with a registered capital of RMB10.0 million.	5,953	2.4	2025	Bank transfer	N/A	Robotics solutions
Total		**36,474**	**14.4**				

For the year ended December 31, 2024

Customer	Background	Transaction amount	Percentage of revenue	Commencement of collaboration	Payment method	Credit period	Products/ solutions purchased
		(RMB'000)	*(%)*			*(days)*	
Customer F	A Jiangsu-based company that specializes in research and development, technology transfer, technical consulting and related technical services in the field of machinery with registered capital of RMB10.0 million.	8,230	6.1	2022	Bank transfer	N/A	Robotics solutions
Customer G	A company listed on the Hong Kong Stock Exchange that specializes in the production of fruit snacks, with a registered capital of RMB67.35 million.	7,626	5.6	2023	Bank transfer	10	Robotics solutions
Customer H	A Korean company focusing on industrial robots and robotics solutions.	5,409	4.0	2024	Bank transfer	N/A	High-payload cobots and parallel robots
Customer I	A Shandong-based R&D manufacturer focusing on intelligent equipment for packaging automation with registered capital of RMB20.0 million.	4,381	3.2	2020	Bank transfer	N/A	Parallel robots

Customer	Background	Transaction amount	Percentage of revenue	Commencement of collaboration	Payment method	Credit period	Products/ solutions purchased
		(RMB'000)	*(%)*			*(days)*	
Customer J	A Changsha-based public company listed on the Shenzhen Stock Exchange that specializes in the production and sales of snack food with registered capital of RMB272.71 million.	3,967	2.9	2023	Bank transfer	5	Robotics solutions
Total		**29,612**	**21.9**				

For the year ended December 31, 2023

Customer	Background	Transaction amount	Percentage of revenue	Commencement of collaboration	Payment method	Credit period	Products/ solutions purchased
		(RMB'000)	*(%)*			*(days)*	
Customer K	A Chengdu-based company that specializes in the provision of automated and intelligent equipment for the traditional food industry and the Chinese herbal medicine slices industry with registered capital of RMB39.2 million.	5,466	5.8	2022	Bank transfer	7	Robotics solutions
Customer L	A Beijing-based company that specializes in the development and production of talent training and teaching training equipment in the fields of intelligent manufacturing with registered capital of RMB20.0 million.	4,308	4.6	2022	Bank transfer	N/A	Robotics solutions
Customer M . . .	A Hangzhou-based company that specializes in the sales of electrical machinery equipment and software with registered capital of RMB2.0 million.	3,770	4.0	2022	Bank transfer	N/A	Parallel robots
Customer N	A Jiangxi-based company that specializes in the manufacturing and sales of daily-use ceramic products with registered capital of RMB20.0 million.	3,054	3.3	2022	Bank transfer	N/A	Robotics solutions
Customer O	A Foshan-based company that specializes in the production and sales of packaging machinery and related equipment with registered capital of RMB10.0 million.	2,542	2.7	2021	Bank transfer	60	Parallel robots
Total		**19,140**	**20.5**				

To our best knowledge, all of our five largest customers in each period during the Track Record Period were independent third parties. As of the Latest Practicable Date, none of our Directors, their associates or any of our Shareholders (who or which, to the best knowledge of our Directors owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each period during the Track Record Period.

OUR SUPPLIERS

Our suppliers primarily consist of vendors of (i) components, such as reducers, motors, carbon fiber tubes and aluminum shafts; and (ii) equipment, such as computer numerical control machine tools, sheet metal cutting equipment and bending machines. Prior to engaging a new supplier, we typically evaluate a variety of factors, including the supplier's pricing, payment terms, variety of supplied materials, regulatory compliance, relevant business certifications and overall financial health. We then conduct a rigorous supplier evaluation that includes (i) deploying a cross-functional team of three specialists from our procurement and quality control departments to perform an on-site audit of the supplier's facilities, assessing factors such as its size and capacity, equipment condition, staff competency and overall operational management; (ii) testing product samples for quality and performance; and (iii) carrying out a trial small-batch procurement phase that typically lasts three to five months to evaluate reliability and consistency. In addition, we review our suppliers' performance at least annually based on their quality management systems, relevant product quality and certifications, the timeliness and accuracy of their deliveries, their ability to handle spot or urgent orders, price competitiveness and after-sales service support.

To mitigate the impact of price fluctuations in components, equipment and raw materials, we not only closely monitor market trends and maintain proactive communication with our suppliers, but also leverage our substantial purchasing volume to strengthen our negotiating power and conduct structured price reviews with key suppliers once to twice annually, adjusting terms in line with prevailing market conditions. Our Directors confirm that, during the Track Record Period, there were no material price fluctuations in the components, equipment or raw materials that we procured from our suppliers, any material breaches of our procurement agreements with our suppliers or any material delays in our suppliers' delivery. During the Track Record Period and up to the Latest Practicable Date, we did not have any difficulty in obtaining adequate components, equipment and raw materials for our production, and we do not anticipate significant difficulties in obtaining alternative sources of supply if necessary.

Our purchases from our five largest suppliers in each period during the Track Record Period were RMB23.6 million, RMB30.1 million, RMB28.5 million and RMB29.2 million, respectively, representing 24.4%, 22.0%, 23.3% and 28.2% of our total purchases, respectively. The purchases from our largest supplier in each period during the Track Record Period were RMB6.5 million, RMB8.1 million, RMB6.6 million and RMB12.1 million, respectively, representing 6.7%, 5.9%, 5.4% and 11.6% of our total purchases, respectively.

The following tables set forth the details of our five largest suppliers during the Track Record Period:

For the six months ended June 30, 2026

Supplier	Background	Transaction amount	Percentage of total purchases	Commencement of collaboration	Payment method	Credit period	Products/ services provided
		(RMB'000)	*(%)*				
Supplier G . .	A Shandong-based company that specializes in the production and sales of industrial automation control systems and machinery equipment with registered capital of RMB100.0 million.	12,066	11.6	2023	Bank transfer and bank acceptance bills	60	Drive modules, transmission modules and customized functional components

Supplier	Background	Transaction amount	Percentage of total purchases	Commencement of collaboration	Payment method	Credit period	Products/ services provided
		(RMB'000)	*(%)*				
Supplier D . .	A Shanghai-based company that specializes in machinery parts and component processing and machinery equipment manufacturing with registered capital of RMB5.0 million	5,162	5.0	2022	Bank transfer	30	Non-standard parts and conveyor lines
Supplier C . .	A Suzhou-based company that primarily provides intelligent testing equipment and technical services for the food, consumer goods and pharmaceutical industries.	4,460	4.3	2021	Bank transfer	N/A	Intelligent testing equipment
Supplier J . .	A Shandong-based company that primarily specializes in the manufacturing of transmission equipment and automation components.	4,101	4.0	2021	Bank transfer and bank acceptance bills	60	Transmission equipment and automation components
Supplier B . .	A Tianjin-based company that specializes in hydraulic power machinery and component manufacturing.	3,404	3.3	2015	Bank transfer and bank acceptance bills	90	Machinery parts and machined parts
Total		**29,193**	**28.2**				

For the year ended December 31, 2025

Supplier	Background	Transaction amount	Percentage of total purchases	Commencement of collaboration	Payment method	Credit period	Products/ services provided
		(RMB'000)	*(%)*				
Supplier D	A Shanghai-based company that specializes in machinery parts and component processing and machinery equipment manufacturing with registered capital of RMB5.0 million.	6,605	5.4	2022	Bank transfer	30	Non-standard parts and conveyor lines
Supplier A	A Shanghai-based company, which is a wholly-owned subsidiary of a public company listed on the Shenzhen Stock Exchange and specializes in automatic control systems and instrumentation, with registered capital of RMB100.0 million.	6,581	5.4	2019	Bank transfer and bank acceptance bills	30	Motor, drive
Supplier B	A Tianjin-based company that specializes in hydraulic power machinery and component manufacturing.	6,072	5.0	2015	Bank transfer and bank acceptance bills	90	Machinery parts and machined parts

Supplier	Background	Transaction amount	Percentage of total purchases	Commencement of collaboration	Payment method	Credit period	Products/ services provided
		(RMB'000)	*(%)*				
Supplier C	A Suzhou-based company that primarily provides intelligent testing equipment and technical services for the food, consumer goods and pharmaceutical industries.	5,629	4.6	2021	Bank transfer	N/A	Intelligent testing equipment
Supplier E	A Xi'an-based company focusing on the R&D and production of carbon fiber and composite technology equipment with registered capital of RMB555.18 million.	3,593	2.9	2018	Bank transfer and bank acceptance bills	60	Filter or Carbon fiber product
Total		**28,480**	**23.3**				

For the year ended December 31, 2024

Supplier	Background	Transaction amount	Percentage of total purchases	Commencement of collaboration	Payment method	Credit period	Products/ services provided
		(RMB'000)	*(%)*				
Supplier F	A Shanghai-based public company listed on Shenzhen Stock Exchange that specializes in application development in the field of electrical drives and motion control technology with registered capital of RMB663.06 million.	8,110	5.9	2015	Bank transfer and bank acceptance bills	60	Motor
Supplier B	A Tianjin-based company that specializes in hydraulic power machinery and component manufacturing.	7,171	5.2	2015	Bank transfer and bank acceptance bills	90	Machinery parts and machined parts
Supplier G	A Shandong-based company that specializes in the production and sales of industrial automation control systems and machinery equipment with registered capital of RMB100.0 million.	6,415	4.7	2023	Bank transfer and bank acceptance bills	60	Motor, drive
Supplier A	A Shanghai-based company, which is a wholly-owned subsidiary of a public company listed on the Shenzhen Stock Exchange and specializes in automatic control systems and instrumentation, with registered capital of RMB100.0 million.	4,327	3.2	2019	Bank transfer and bank acceptance bills	30	Motor, drive

Supplier	Background	Transaction amount	Percentage of total purchases	Commencement of collaboration	Payment method	Credit period	Products/ services provided
		(RMB'000)	*(%)*				
Supplier H	A Wuxi-based company that specializes in the research and production of precision planetary gearboxes with registered capital of RMB12.63 million.	4,056	3.0	2022	Bank transfer and bank acceptance bills	60	Gear reducers
Total		**30,079**	**22.0**				

For the year ended December 31, 2023

Supplier	Background	Transaction amount	Percentage of total purchases	Commencement of collaboration	Payment method	Credit period	Products/ services provided
		(RMB'000)	*(%)*				
Supplier F	A Shanghai-based public company listed on Shenzhen Stock Exchange that specializes in application development in the field of electrical drives and motion control technology with registered capital of RMB663.06 million.	6,504	6.7	2015	Bank transfer and bank acceptance bills	60	Gear reducer
Supplier D	A Shanghai-based company that specializes in machinery parts and component processing and machinery equipment manufacturing with registered capital of RMB5.0 million.	5,176	5.3	2022	Bank transfer	30	Non-standard parts and conveyor lines
Supplier B	A Tianjin-based company that specializes in hydraulic power machinery and component manufacturing.	5,095	5.3	2015	Bank transfer and bank acceptance bills	90	Machinery parts and machined parts
Supplier A	A Shanghai-based company, which is a wholly-owned subsidiary of a public company listed on the Shenzhen Stock Exchange and specializes in automatic control systems and instrumentation, with registered capital of RMB100.0 million.	3,692	3.8	2019	Bank transfer and bank acceptance bills	30	Motor, drive
Supplier I	A company that specializes in the production and sales of metal materials with registered capital of RMB3.0 million.	3,126	3.2	2021	Bank transfer	30	Non-standard parts
Total		**23,593**	**24.4**				

We typically issue purchase orders to our suppliers. The salient terms of our purchase orders are set forth below:

- ***Payment***. We typically stipulate the specific payment terms based on the type of components or equipment we procure.

- ***Quality Assurance and Warranty***. We typically require that the components or equipment we procure meet our quality standards. Should we identify any defects, our suppliers are typically responsible for arranging returns and/or replacements.

- ***Delivery***. Our suppliers are typically responsible for delivering the components or equipment to our designated location.

As of the Latest Practicable Date, to our best knowledge, none of our Directors, their associates or any of our Shareholders (who or which, to the best knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers.

OVERLAPPING CUSTOMERS AND SUPPLIERS

According to Frost & Sullivan, the industrial robotics industry comprises multiple segments, including component design and manufacturing, robotics design and development, manufacturing, assembly and integration, and algorithm and software development. To satisfy the evolving demands of customers, market players in the industry often procure products or services from peers to deliver comprehensive products or solutions. As a result, it is common for upstream and downstream enterprises within the industry to engage in transactions with each other as both suppliers and customers.

Customer I, one of our five largest customers in 2024, was also our supplier. Customer I primarily purchased parallel robots from us and sold material handling systems to us. In 2023, 2024 and 2025 and the six months ended June 30, 2026, the revenue that we generated from Customer I amounted to RMB0.9 million, RMB4.4 million, RMB5.7 million and RMB3.1 million, respectively, accounting for 1.0%, 3.2%, 2.3% and 2.3% of our total revenue, respectively. In 2023, 2024 and 2025 and the six months ended June 30, 2026, our purchase from Customer I amounted to nil, RMB0.5 million, RMB0.6 million and RMB0.9 million, respectively, accounting for nil, 0.4%, 0.5% and 0.8% of our total purchase, respectively.

Customer O, one of our five largest customers in 2023, was also our supplier. Customer O primarily purchased parallel robots from us and sold packaging machines, discharging machines and case packing workstations to us. In 2023, 2024 and 2025 and the six months ended June 30, 2026, the revenue that we generated from Customer O amounted to RMB2.5 million, RMB2.0 million, RMB1.7 million and RMB0.4 million, respectively, accounting for 2.7%, 1.5%, 0.7% and 0.3% of our total revenue, respectively. In 2023, 2024 and 2025 and the six months ended June 30, 2026, our purchase from Customer O amounted to RMB1.2 million, RMB0.5 million, RMB0.2 million and RMB0.1 million, respectively, accounting for 1.2%, 0.3%, 0.2% and 0.1% of our total purchase, respectively.

Supplier C, one of our five largest suppliers in 2025 and the six months ended June 30, 2026, was also our customer. Supplier C primarily purchased parallel robots from us and sold intelligent testing equipment to us. In 2023, 2024, 2025 and the six months ended June 30, 2026, our purchase from Supplier C amounted to nil, RMB0.1 million, RMB5.6 million and RMB4.5 million, respectively, accounting for nil, 0.1%, 4.6% and 4.3% of our total purchase, respectively. In 2023, 2024, 2025 and the six months ended June 30, 2026, the revenue that we generated from Supplier C amounted to nil, RMB0.1 million, RMB2.2 million and RMB0.7 million, respectively, accounting for nil, 0.1%, 0.9% and 0.5% of our total revenue, respectively.

Supplier D, one of our five largest suppliers in 2023, 2025 and the six months ended June 30, 2026, was also our customer. Supplier D primarily purchased parallel robots from us and sold non-standard parts and conveyor lines to us. In 2023, 2024, 2025 and the six months ended June 30, 2026, our purchase from Supplier D amounted to RMB5.2 million, RMB3.5 million, RMB6.6 million and RMB5.2 million, respectively, accounting for 5.3%, 2.6%, 5.4% and 5.0% of our total purchase, respectively. In 2023, 2024, 2025 and the six months ended June 30, 2026, the revenue that we generated from Supplier D amounted to nil, nil, RMB0.3 million and RMB0.5 million, respectively, accounting for nil, nil, 0.1% and 0.4% of our total revenue, respectively.

Negotiations of the terms of our purchases from and sales to our overlapping customers and suppliers were conducted on an individual basis and such purchases and sales were neither inter-connected nor inter-conditional with each other. As such, our Directors are of the view that all of our purchases from and sales to our overlapping customers and suppliers were conducted in the ordinary course of business under normal commercial terms, based on our genuine business needs and in arm's length transactions.

OUR PRODUCTION

During the Track Record Period, we manufactured and delivered our robots and robotics solutions to customers through our production facilities.

We formulate our production plans based on customer demand while also taking into account our inventory levels and production facility utilization rates. We have implemented a rigorous set of production and operational policies to ensure our compliance with applicable national and international industry standards. We conduct regular inspections to assess the condition of our production facilities and perform necessary repairs and maintenance accordingly. Furthermore, we have established and enforce a strict reporting system to document all equipment incidents and malfunctions, maintaining comprehensive records of all related events.

Our Production Processes

We arrange our production primarily based on the orders we receive and the inventory level of our standardized robots. Production of our standardized robots typically commences when our inventory falls below our safety stock level, whereas production of our customized robots and robotics solutions typically commences upon our entering into a sales agreement with a customer and receipt of the corresponding customer's down payment. Our production process follows five major steps: (i) requirement confirmation; (ii) material preparation; (iii) production and assembly; (iv) performance testing; and (v) inspection and warehousing. The following diagram illustrates the major steps of our production process:

Production process

- ***Requirement confirmation.*** For non-standard products or solutions, our sales and production departments take the lead in finalizing production requirements through a technical protocol and subsequently form a dedicated project team. For standard products, our production department directly formulates production plans based on sales forecasts from our sales department and our safety stock level.

- ***Material preparation***. We prepare materials for our production using our ERP system. For standard products, we create a bill of materials (BOM) and generate a material requirement planning (MRP) schedule by taking into account our inventory level. For

non-standard products or solutions, we initiate specialized procurement based on a customized BOM, manage materials with long lead time and coordinate with our suppliers. We examine all materials before proceeding to production to ensure quality and traceability.

- ***Production & assembly***. All activities during production and assembly follow a quality management system. We manufacture standard products via modular assembly lines, adhering to standard operating procedures to ensure quality consistency through process specifications and inspection records. We manufacture and tune non-standard robots via modular assembly lines according to specialized drawings and processes. We manufacture robotics solutions according to our production plans, starting with the manufacturing and tuning of individual parts, followed by final assembly and integration.

- ***Performance testing***. All products must pass tests covering performance, safety and reliability, the focus and methods of which differ by product type. Our standard products undergo a standardized inspection process to ensure each unit meets our quality standard. We test our non-standard robots by verifying whether their customized functions and performance meet their design requirements. We test our nonstandard robotics solutions by conducting system integration debugging and trial runs to validate if the system meets customer requirements in terms of production capacity, cycle time and long-term operational stability.

- ***Inspection & Warehousing***. Standard products that pass the performance tests undergo standardized operations, such as cleaning, labeling, packaging and warehousing, before they are shipped. Non-standard robots must pass their customized performance tests before entering the shipment preparation process. Non-standard robotics solutions are required to undergo a simulation under real-world operating conditions to ensure that all indicators meet the specifications outlined in the technical protocol. Upon successful simulation, the robotics solutions transition to the delivery preparation phase.

Our Production Facilities

As of June 30, 2026, we had five production facilities in Tianjin, Wuxi, Suzhou and Xinxiang. The following table sets forth the details of our production facilities:

Location	Gross Floor Area	Main Function
	(sq.m.)	
Tianjin	5,808	Production of parallel robots
Wuxi	9,676	Production of high-payload cobots
Suzhou (Kunshan)	3,653	Production of high-speed SCARA robots
Suzhou (Wujiang)	4,089	Assembly of robotics solutions
Xinxiang	1,355	Machining operation

The following table sets forth the designed production capacities, actual production and utilization rates of our production facilities[(1)] in Tianjin, Wuxi and Kunshan during the Track Record Period:

	For the years ended December 31,									For the six months ended June 30,					
	2023			2024			2025			2025			2026		
	Designed production capacity[(2)]	Actual production	Utilization rate[(3)]	Designed production capacity[(2)]	Actual production	Utilization rate[(3)]	Designed production capacity[(2)]	Actual production	Utilization rate[(3)]	Designed production capacity[(2)]	Actual production	Utilization rate[(3)]	Designed production capacity[(2)]	Actual production	Utilization rate[(3)]
Tianjin production facility	800	754	94.3	1,200	1,107	92.3	1,500	1,429	95.3	650	621	95.5	1,150	1,116	97.0
Wuxi production facility	–	–	–	–	–	–	600	526	87.7	100	62	62.0	450	397	88.2
Suzhou (Kunshan) production facility	–	–	–	400	345	86.3	250	231	92.4	150	129	86.0	150	118	78.7

Notes:

(1) Since our Wujiang and Xinxiang production facilities primarily focused on the assembly of robotics solutions and machining operations, respectively, during the Track Record Period and did not produce standardized robots, their designed production capacity cannot be readily measured by a quantifiable output, such as the number of robots manufactured. Instead, to measure the capacity and utilization of our Suzhou and Xinxiang production facilities, the alternative metrics that we use internally are (i) personnel man-hour utilization rate, which is calculated by dividing the actual working hours of our production personnel by their standard working hours for our Suzhou production facility; and (ii) average core equipment load rate, which is measured by dividing the actual operating hours of our core equipment by their maximum operating hours for our Xinxiang production facility.

(2) Designed production capacity of a production facility for a given year is calculated by multiplying the number of production lines in that production facility by the number of robots each production line can produce per day, and then multiplying that result by the number of working days in that year.

(3) Utilization rate is calculated by dividing our actual production capacity in a given year by the designed production capacity in the same year.

Our Tianjin production facility primarily manufactures parallel robots. Its designed production capacity increased from 800 units in 2023 to 1,200 units in 2024 and further to 1,500 units in 2025, and increased from 650 units in the six months ended June 30, 2025 to 1,150 units in the six months ended June 30, 2026, primarily because (i) to meet the rapid growth in downstream market demand, we began engaging outsourced labor in 2023 to supplement manpower for the key processes in our production, such as assembly and wiring harnesses, while also adjusting the workload of existing production personnel to improve equipment utilization and output capacity; (ii) we consolidated and optimized our suppliers for core materials such as servo motors and reducers, shortening procurement cycles and effectively supporting the sustained release of production capacity; and (iii) leveraging our MES and ERP systems, we monitor production bottlenecks in real time and dynamically allocate resources, while strengthening front-end and back-end coordination to improve supply chain responsiveness; in addition, through a pre-communication for large orders from key customers, we have enhanced the accuracy of capacity planning and overall production efficiency.

The designed production capacity of our Suzhou (Kunshan) production facility decreased from 400 robots in 2024 to 250 in 2025, primarily because a portion of the production capacity of our Suzhou (Kunshan) production facility was transferred to our Wuxi production facility following its commencement of operation in 2025. Our Suzhou (Kunshan) production facility was originally responsible for the R&D of new products as well as the assembly and testing of high-payload cobots and high-speed SCARA robots. However, (i) due to space constraints at the facility and the risk of production management conflicts, and (ii) given that our Wuxi production facility with larger floor space and more comprehensive supporting infrastructure commenced operations in early 2025, making it better suited for the scaled production of high-payload cobots, we proceeded to dismantle certain production equipment from our Suzhou (Kunshan) production facility, including the dedicated assembly lines and test benches for high-payload cobots, in the first quarter of 2025, and transported them to our Wuxi production facility for reinstallation and commissioning. We also relocated key personnel responsible for the production of high-payload cobots, including production supervisors and engineers, and transferred all work-in-process inventory and dedicated materials, from our Suzhou (Kunshan) production facility to our Wuxi production facility, ensuring a seamless transfer of technical expertise and management experience without any disruption to production. Following the transfer, our Wuxi production facility handles the production of all of our high-payload cobots. Benefiting from its larger floor space and more efficient layout, our designed production capacity for high-payload cobots has increased from 200 units to 600 units per year.

The following table sets forth the designed production capacities, actual production and utilization rates of our production facilities by type of products during the Track Record Period:

	For the years ended December 31,									For the six months ended June 30,					
	2023			2024			2025			2025			2026		
	Designed production capacity	Actual production	Utilization rate	Designed production capacity	Actual production	Utilization rate	Designed production capacity	Actual production	Utilization rate	Designed production capacity	Actual production	Utilization rate	Designed production capacity	Actual production	Utilization rate
Parallel robot	800	754	94.3	1,200	1,107	92.3	1,500	1,429	95.3	650	621	95.5	1,300	1,244	95.7
High-speed SCARA robots	–	–	–	200	161	80.5	250	180	72.0	100	78	78.0	150	118	78.7
High-payload cobots .	–	–	–	200	184	92.0	600	577	96.2	150	113	75.3	300	269	89.7

Outsourced Production

During the Track Record Period, we outsourced the processing of selected components, such as wire harnesses, to third-party manufacturers in situations involving urgent timelines or internal production capacity constraints. Typically, under outsourced production arrangements, we supply raw materials to the third-party manufacturers, which process them and return to us the finished products, at which point we pay the corresponding processing fee. When selecting third-party manufacturers, we primarily consider their qualifications, production capacity, location, outsourced manufacturing costs and delivery timeframes.

Our outsourced production is limited to the assembly processes and does not involve the transfer or authorization of our proprietary technologies. In 2023, 2024 and 2025 and the six months ended June 30, 2026, the cost of our outsourced production was RMB0.2 million, RMB0.4 million, RMB0.6 million and RMB0.7 million, respectively.

INVENTORY MANAGEMENT AND LOGISTICS

Our successful business operation is reinforced by our comprehensive inventory management and logistics systems.

Inventory Management

Our inventories primarily include raw materials, work-in-progress and finished goods. As of December 31, 2023, 2024 and 2025 and June 30, 2026, our inventories were RMB58.4 million, RMB70.8 million, RMB42.6 million and RMB54.1 million, respectively. See "Financial Information—Discussion of Certain Balance Sheet Items—Inventories." To effectively balance inventory and production, we have implemented the following inventory management policies: (i) for core components such as reducers and motors, we maintain strategic stockpiles with safety stock levels, and when our core component inventory falls below the safety stock levels, our system automatically alerts us and prompts replenishment; (ii) for standard, low-cost materials such as screws, we maintain relatively low inventory levels, while for higher-priced materials with longer lead times, we strategically stock more when the market prices are favorable; (iii) for non-standard components and equipment, our procurement and production volumes are determined by our sales volume; and (iv) our logistics department holds weekly meetings with our sales department to gather demand forecasts for the upcoming week, month and quarter, based on which our logistics department aggregates material requirements for each product and shares them with our suppliers to facilitate proactive stocking. Our inventory control policies enable us to maintain high standards in inventory performance and rapid responsiveness to market demands. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material delay in product delivery as a result of a shortfall in our inventory.

Logistics

Typically, we store our raw materials and finished products in the designated areas of the factories that we rent, and we engage third-party logistics service providers to deliver the products that pass our quality inspection to our customers. We generally enter into logistics agreements with our logistics service providers, and our logistics service providers are required to pick up and deliver our products at and to the designated locations as specified in the logistics agreements.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material disruptions or damage in relation to product delivery.

QUALITY CONTROL AND AFTER-SALES SERVICES

Quality Control

We are committed to maintaining a high level of quality and safety for our products and solutions. We have designed and implemented stringent monitoring and quality control protocols across the procurement and production stages to ensure our product integrity. Our product quality department holds full authority over the inspections of all incoming materials, including raw materials and components, which are conducted through standardized procedures using regularly

calibrated measuring instruments. Incoming materials that pass our inspections are formally documented and stored, while non-conforming materials are separately stored and subject to a cross-functional review for disposition. This process extends to a rigorous final pre-shipment audit, where each product undergoes a multi-dimensional defect screening across mechanical and electrical design, component quality and assembly integrity, with only fully compliant products approved for customer release.

As advised by our PRC Legal Advisors, in the event of an accident, personal injury or property damage caused by the defect or malfunction of our products, we might be subject to civil, administrative and criminal penalties under the relevant provisions of the Product Quality Law of the PRC, the Civil Code of the PRC and the Criminal Law of the PRC, respectively. Nonetheless, as a result of our commitment to quality control, we did not experience any material sales returns or any material legal claims due to product liability and quality control issues, and we did not recall any products during the Track Record Period and up to the Latest Practicable Date. See "Risk Factors — Risks Relating to Our General Operations and Industry — We may be subject to product liability claims if our products or solutions contain defects, and we could incur significant expenses to remediate such defects. As a result, our reputation could be damaged and we could lose market shares, and our business, results of operations and financial condition may be adversely affected."

After-sales Services

We value user experience and are committed to delivering attentive user services. We believe that our reputation is built upon our ability to provide quality and effective after-sales and technical support to our users to their satisfaction.

We typically provide twelve-month warranties as stated in our sales agreement with our customers. Our warranty covers defects in materials, workmanship and performance against agreed specifications. During the warranty period, we will repair or replace any non-conforming product or service at no additional cost. Following the warranty period, maintenance and repair services are available at the customer's expense. As of December 31, 2023, 2024 and 2025 and June 30, 2026, our provision for product warranties was RMB1.5 million, RMB2.0 million, RMB2.3 million and RMB2.8 million, respectively.

COMPETITION

We operate in the global industrial robot market and primarily compete with a number of domestic and international industrial robot manufacturers. The market in which we operate is highly competitive and characterized by high entry barriers in technical expertise, industry know-how, manufacturing capacity, brand recognition and regulatory compliance. Driven by factors such as supportive national policies, labor shortages, increasing demand for responsive and efficient production lines as well as technological advancement in AI, both the market size and penetration rate of industrial robots are expected to grow rapidly. According to Frost & Sullivan, (i) the size of the global parallel robot market is projected to reach RMB9.7 billion by 2030, representing a CAGR of 11.4% between 2025 and 2030; (ii) the size of the global SCARA robot market is projected to reach RMB25.1 billion by 2030, representing a CAGR of 12.0% between 2025 and 2030; (iii) the size of the global cobot market is projected to reach RMB32.3 billion by 2030, representing a CAGR of 28.6% between 2025 and 2030; and (iv) the size of the global high-speed industrial robot market is projected to reach RMB14.7 billion by 2030, representing a CAGR of 12.2% between 2025 and 2030. See "Industry Overview."

According to Frost & Sullivan, in 2025 we ranked second among global parallel robot manufacturers in terms of global shipment volume with a market share of 7.7%, and first among parallel robot manufacturers in China in terms of shipment volume in China with a market share of 20.4%. In addition, we ranked first among high-speed industrial robot manufacturers in China in terms of shipment volume in China with a market share of 13.4%. We believe that we are well prepared to excel in industry competition. However, we operate in a highly competitive industry. Failure to compete effectively could adversely affect our market share, growth and profitability. See "Risk Factors — Risks Relating to Our General Operations and Industry — Our business, results of operations and financial condition could be adversely affected if we fail to compete with our competitors in the highly competitive robotics industry."

EMPLOYEES

As of June 30, 2026, we had 390 employees. All of our employees are based in China. The following table sets forth a breakdown of our employees by function as of June 30, 2026:

Function	Number of Employees	%
Production	115	29.5
R&D	99	25.4
Commissioning	82	21.0
Sales and Marketing	66	16.9
Finance and Administrative	28	7.2
Total	**390**	**100.0**

We consider our talent pool to be a primary source of our competitive advantage. Our success is directly linked to our ability to attract, retain and motivate qualified professionals. To this end, we recruit talent from various channels, including on-campus job fairs and online recruitment platforms, selecting the best-fit candidates for every role. Once on board, we are committed to our employees' continuous growth. Our investment in our employees' career development includes (i) onboarding training on job skills, business awareness and corporate culture; and (ii) on-the-job training provided by industry experts. These initiatives are designed to enhance our employees' professional knowledge, polish their skillsets and foster a deep connection with our company culture. To recognize and reward our employees' contribution, we offer a competitive remuneration package based on qualifications, experience and role. We conduct regular performance reviews, linking rewards such as bonuses and promotions directly to individual achievement and performance.

We maintain positive and cooperative relationships with our employees. During the Track Record Period and up to the Latest Practicable Date, we did not experience any labor disputes or strikes that had a material adverse impact on our business operation and financial performance.

Social Insurance and Housing Provident Funds

We are required by PRC laws and regulations to make contributions for our employees' social insurance and housing provident funds. During the Track Record Period, we did not make adequate contributions to certain of our employees' social insurance and housing provident funds (the "Shortfall"), which amounted to RMB3.7 million, RMB5.1 million, RMB5.1 million and RMB2.7 million, respectively. See "Risk Factors — Risks Relating to Doing Business in the Jurisdictions Where We Operate — We face certain legal and regulatory risks relating to social insurance and house provident fund." Nevertheless, as advised by our PRC Legal Advisors, the possibility that the relevant competent authorities will (i) impose on us any administrative penalties or late fees for the Shortfall, or (ii) the centralized collection of the Shortfall is remote, provided that (i) there are no material changes to the current PRC applicable laws, regulations, policies and their enforcement, (ii) we and our holding subsidiaries have not received any material complaints or reports from any employees, and (iii) we fulfill our commitment to pay any arrears within the time limit required by the relevant administrative authorities when so requested.

With respect to administrative penalties or late fees for the Shortfall, we were advised by our PRC Legal Advisors that the Interpretation II of the Supreme People's Court of the PRC on Certain Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《關於審理勞動爭議案件適用法律問題的解釋(二)》) (the "Interpretation") may subject us to the risk of being ordered by a court to pay the Shortfall. Pursuant to the Interpretation, in a dispute between a company and its employees regarding social insurance funds, if the court finds that the company has failed to make full contributions for its employees, the company would be subject to the risk of being ordered by the court to pay the outstanding amounts, but no administrative penalty would be imposed on the company. As advised by our PRC Legal Advisors, considering that, as of the Latest Practicable Date, (i) we had contributed to all of our employees' social insurance funds, with the only non-compliance being our failure to contribute in full based on certain employees' actual

wages; (ii) we had not been involved in any material employee complaints or any material labor disputes concerning employment or social insurance matters; and (iii) there had not been any unresolved social insurance complaints against us, our Directors are of the view that the Shortfall is not a material or systematic non-compliance. Based on the advice of the PRC Legal Advisors above, nothing has come to the attention of the Sole Sponsor to cast doubt on the Directors' view and basis above. In addition, (a) we had undertaken that if any of our employees files a claim with a court for the payment of outstanding social insurance contributions and such claim is upheld in a final judgment, we will comply with the relevant judgment in accordance with law; and (b) Mr. Liu had undertaken that if the relevant competent authorities require us or our subsidiaries to pay any outstanding amounts, administrative penalties or late fees relating to our contribution to our employees' social insurance and housing provident funds, they will bear such amounts, administrative penalties or late fees in full. Based on the foregoing, our Directors are of the view that the Shortfall will not have a material adverse impact on our operation or financial performance.

With respect to centralized collection of the Shortfall, we were advised by our PRC Legal Advisors that the risk of centralized collection of the Shortfall is low. According to the Group's Credit Report (Certificate of No Violation) (《信用報告(無違法違規證明版)》), neither we nor our subsidiaries have any record of violations in the areas of human resources and social security, social insurance or social security. Furthermore, pursuant to the Notice on Steadily and Orderly Carrying Out the Work Related to the Collection and Administration of Social Insurance Premiums (No. 142 [2018] of the General Office of the State Administration of Taxation) (《關於穩妥有序做好社會保險費徵管有關工作的通知》(税總辦發[2018]142號)) promulgated by the State Administration of Taxation on September 13, 2018, relevant competent authorities would not initiate a centralized collection the Shortfall against us, and so long as we complete the required rectification within the prescribed timeline upon receiving their notice, they would not impose administrative penalties on us either. Considering that, as of the Latest Practicable Date, (i) neither we nor our subsidiaries had received any material complaints or reports from our employees; and (ii) we and Mr. Liu have each undertaken to pay the Shortfall within the prescribed timeline when requested by the relevant government authorities, our PRC Legal Advisors are of the view that the risk of the Shortfall being subject to centralized collection or of we being subject to administrative penalties by the competent authorities is remote, and we did not make any provisions for the Shortfall.

INSURANCE

During the Track Record Period, we purchased property all risks and employees' accident insurance, which we believe was adequate and, according to Frost & Sullivan, was consistent with industry norm.

As of the Latest Practicable Date, we had not purchased product liability insurance, primarily because (i) our products are mainly used in the food and beverage, consumer goods, pharmaceuticals, renewable energy, consumer electronics and automotive industries, where safety and stability requirements for robots are extremely high; accordingly, we have incorporated ample safety redundancy, such as multiple protection mechanisms, into our product designs to ensure our robots' reliability during high-speed, high-precision operation; (ii) we have implemented end-to-end quality control through the ISO 9001 quality management system, covering raw material procurement, production processes and outgoing testing, to ensure that every robot meets safety standards; (iii) since our inception, we had served over 1,000 customers without ever experiencing any material safety incident or customer claim arising from product defects; and (iv) while our property all-risks insurance primarily covers our own assets, in the event of a product liability incident, our property all-risks insurance can partially cover property losses incurred by us, and any loss of customer property would be covered by our customers' own property insurance or resolved through mutual agreement. During the Track Record Period and up to the Latest Practicable Date, save for an insurance claim of RMB0.5 million in 2024 for damages to our inventory as well as plant, property and equipment caused by a storm flood in Kunshan, we did not make any material insurance claim in relation to our business.

PROPERTIES

Land Use Rights

As of the Latest Practicable Date, we owned the land use rights of two land parcels. We have obtained the land ownership certificate of one land parcel with a GFA of approximately 1,500 sq.m. and another land parcel with a GFA of approximately 22,000 sq.m., on which we plan to construct a production facility for high-speed industrial robots.

Property Owned

As of June 30, 2026, we owned one property with a GFA of approximately 1,200 sq.m. in China. We leased part of it to a third party for office use. As of June 30, 2026, we had obtained the title certificate for such property. As of June 30, 2026, we did not have any single property with a book value accounting for 15% or more of our total assets, no single property interest that forms part of our property activities had a carrying amount representing 1% or more of our consolidated total assets, and the total carrying amount of property interests not valued did not exceed 10% of our consolidated total assets. According to Chapter 5 of the Hong Kong Listing Rules and section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report as described under paragraph 34(2) of the Third Schedule of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Leased Properties

As of June 30, 2026, we leased eight properties from third parties with an aggregate GFA of approximately 25,900 sq.m. in China. We leased these properties primarily for office, R&D and production purposes. As of June 30, 2026, we had not completed the registration of three lease agreements (the "Lease Agreements") for our leased properties (the "Unregistered Leased Properties") with an aggregate GFA of approximately 15,000 sq.m. with the relevant government authorities in China, primarily due to the lessors' failure to provide valid property ownership certificates. These leased properties are primarily used for production and office purposes. According to PRC laws and regulations, we might be ordered by the relevant government authorities to register the Lease Agreements within a prescribed period, and we might be subject to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease if we fail to comply. As of the Latest Practicable Date, we had not received any notice requiring us to vacate such premises due to any third-party challenge to the lessors' leasehold right, nor were we aware of any ongoing disputes in respect of such leases. As advised by our PRC Legal Advisors, the validity and enforceability of the Lease Agreements are not affected. See "Risk Factors — Risks Relating to Our General Operations and Industry — We may face risks and uncertainties associated with our existing properties and the future construction and expansion of production and operational facilities."

Considering that (i) (a) the GFA of the Unregistered Leased Property in Xinxiang accounted for only 5.2% of the total GFA of our leased properties, and the production equipment installed therein can be readily dismantled, transported and reinstalled within a week at relatively low cost; (b) the GFA of the Unregistered Leased Property in Shenzhen accounted for only 3.3% of the total GFA of our leased properties and it is used exclusively for office and R&D purposes with numerous alternatives of comparable size and rent in the vicinity; and (c) regarding the Unregistered Leased Property in Wuxi, we have obtained written confirmation from the relevant competent authority, confirming that there is no expropriation plan for the land on which the Unregistered Leased Property sits, and therefore there is no risk of relocation or demolition; (ii) even if we were subject to fines for leasing the Unregistered Leased Properties, the statutory amount of such fines is low; (iii) as advised by our PRC Legal Advisors, if the defective titles of the Unregistered Leased Properties cause losses to us, the landlords are liable for such losses; (iv) Mr. Liu has undertaken to indemnity us for all losses arising from any defects in the leased properties, our Directors are of the view, nothing has come to the attention of the Sole Sponsor to cast doubt on such Directors' view, that our business operations and financial performance would not be materially and adversely affected even if we are required to vacate the Unregistered Leased Properties.

LICENSES, APPROVALS AND PERMITS

We are obligated to maintain numerous licenses, permits and approvals to operate legally. We actively monitor our compliance status to ensure all requisite authorizations are in place. As confirmed by our PRC Legal Advisors, during the Track Record Period and up to the Latest Practicable Date, we possessed all such licenses, permits and approvals material to our existing business operations in China.

LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time become a party to legal, arbitral or administrative proceedings arising in the ordinary course of our business. As advised by our PRC Legal Advisors, during the Track Record Period and up to the Latest Practicable Date, we complied with the applicable laws and regulations in relation to our business operations in all material respects, had not been and were not a party to any material legal, arbitral or administrative proceedings, and were not aware of any pending or threatened legal, arbitral or administrative proceedings against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

DATA SECURITY AND PRIVACY

During the Track Record Period and up to the Latest Practicable Date, we did not collect any personal data from our customers other than their basic information, such as their business registration details, contact persons and addresses, as necessary and strictly in accordance with applicable PRC laws and regulations on data privacy and security with our customers' prior consent. We have no access to the data captured by the robots sold to and controlled by our customers. All data that we collected in the PRC were stored in the PRC.

To protect data privacy and security in full compliance with relevant PRC laws and regulations, we have implemented the following measures:

- ***Confidential System***. We operate and maintain a suite of dedicated, access-controlled systems, including our R&D data management system, ERP system, CRM system, internal file storage (NAS) system and enterprise communication system, to protect the security of the data we collect.

- ***Strict Access Control and Authorization***. Permissions to access our systems are strictly based on our employees' job requirements. For instance, typically, our engineers could only access data relevant to their specific projects and our sales personnel could only access their assigned customer accounts. Any request for system access or modification must be submitted through a formal, centralized approval process, and a dedicated register is maintained to track all permissions, ensuring timely updates for any changes or revocations.

- ***Secure Endpoint Device Management***. We enforce rigorous controls on endpoint devices and prohibit computers that handle sensitive data from connecting to public networks or non-approved external storage devices. Our dedicated security team also conducts regular, quarterly security inspections of our employees' endpoint devices to ensure ongoing compliance and identify potential vulnerabilities.

These measures are integral to our compliance program, ensuring the effective protection of all the data that we collect and store. As advised by our PRC Legal Advisors, considering that (i) we primarily engaged in the production of hardware, such as robots, core components and complete machine assembly, as well as the R&D of embedded software, such as robot control systems and vision systems, and were not involved in data-related businesses, such as robot cloud services, data collection, storage or analysis; (ii) in our daily operations, other than processing a limited amount of basic customer information, such as business registration details, contact persons and addresses, necessary for contract performance and routine business operations, we did not process any important data including user data, operational data or industrial data; and (iii) as of the Latest Practicable Date, we had not been imposed any penalties from regulatory authorities in relation to data privacy or security, although there were cross-border data transmission during the Track

Record Period, the information involved was non-sensitive, non-personal and non-important data. Accordingly, such data does not constitute "important data" under the Data Security Law of the People's Republic of China or other relevant laws and regulations, nor does it fall within the scope of data transfers requiring security assessment under the Measures for Security Assessment of Cross-Border Data Transfers. As such, our Directors are of the view that we complied with the applicable data privacy and security laws and regulations during the Track Record Period and up to the Latest Practicable Date.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material data leakage or data loss, nor did we experience any material unauthorized use of customers' or distributors' information.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are committed to being a responsible corporate citizen by complying with applicable laws, regulations and recognized market practices while fully integrating environmental, social and governance ("ESG") considerations into our daily operations. We have established an ESG governance framework led by our Board of Directors (the "Board"), extending to key areas such as green operations, sustainable supply chain development and fostering a diverse and inclusive workplace, with the objective of driving long-term sustainable development.

During the Track Record Period and up to the Latest Practicable Date, we have complied in all material respects with all applicable environmental, occupational health and safety and other relevant laws and regulations in China.

Governance

To achieve coordinated and sustainable development in the economic, social and environmental dimensions and to actively fulfill our corporate social responsibilities, our Board has authorized the establishment of a three-tier ESG management structure, comprising the ESG Management Committee and the ESG Working Group.

The Board, as the highest decision-making and governance body for ESG-related matters, is responsible for leading and assuming ultimate accountability for our ESG governance. It supervises and reviews our ESG-related development strategies, objectives, plans and other matters that may have a significant impact, assesses and determines ESG-related risks and opportunities and ensures that our Group maintains an effective ESG risk management and internal control system.

The ESG Management Committee, consisting of members from our senior management, serves as the executive body responsible for ESG management. Its main duties include (i) monitoring and analyzing laws, regulations and policies in the ESG field; (ii) identifying and managing ESG-related risks and opportunities that may have a material impact on the business; and (iii) evaluating our overall ESG performance and proposing corresponding recommendations.

The ESG Working Group operates under the ESG Management Committee as the implementation body for ESG initiatives. It is primarily responsible for (i) promoting the execution of ESG topics; (ii) monitoring their progress; and (iii) regularly collecting, consolidating and reporting on the performance and case studies managed by respective responsible departments. Responsibility for each ESG topic is assigned to a group of department heads.

Environment

We actively implement the concept of sustainable development, integrating ecological and environmental protection requirements into our development strategy and corporate governance. We proactively participate in ecological civilization construction and related work concerning pollution prevention and control, resource conservation, ecological protection and climate change response, ensuring that environmental impacts are minimized throughout our entire production and operation process.

Greenhouse Gas (GHG) Emissions

During the Track Record Period, our GHG emissions primarily originated from Scope 1 direct emissions generated from the vehicles we own and Scope 2 indirect GHG emissions associated with our consumption of purchased electricity. Our Scope 3 GHG emissions mainly include category 5, associated with waste generated in operations, and 6, associated with business travel. The following table sets forth our GHG emissions for the years indicated:

GHG Emissions	Unit	For the year ended December 31, 2023	2024	2025	For the six months ended June 30, 2026
Scope 1: Direct GHG Emissions	t CO2e	27	27	13	5
Scope 2: Indirect GHG Emissions	t CO2e	511	667	639	380
Scope 3: Other GHG Emissions	t CO2e	129	162	150	75
Total GHG Emissions	t CO2e	667	855	801	459
Total GHG Emission Intensity	t CO2e/RMB million revenue	7.13	6.32	3.17	3.40

Our total GHG emissions increased from 667 t CO2e in 2023 to 801 t CO2e in 2025 in tandem with our business growth as our revenue increased from RMB93.5 million in 2023 to RMB252.7 million in 2025. Specifically, such increase was primarily attributable to (i) an increase in our Scope 2 GHG emissions, which mainly came from the electricity that we purchased, from 511 t CO2e in 2023 to 639 t CO2e in 2025, reflecting the operation of additional assembly lines that supported the production of our robots and assembling of our robotics solutions; and (ii) an increase in our Scope 3 GHG emissions, which were mainly associated with emissions from business travels, from 129 t CO2e in 2023 to 150 t CO2e in 2025, as partially offset by a decrease in our Scope 1 GHG emissions from 27 t CO2e in 2023 to 13 t CO2e in 2025 due to the phase-out of our fossil-fuel vehicles, lower utilization of our remaining fossil-fuel fleet and increased mileage of electric vehicles.

Energy Consumption

To improve our energy utilization efficiency and reduce energy consumption, we have implemented internally the Energy Consumption Management Regulation, which primarily includes the following:

- *Air conditioning operating management*: air conditioning is activated and deactivated based on seasonal temperature changes; and
- *Electrical equipment and power usage management*: implement daytime shutdown and nighttime patrol mechanism to strictly regulate electricity usage.

The following table sets forth our electricity consumption for the years indicated:

Electricity Consumption	Unit	For the year ended December 31, 2023	2024	2025	For the six months ended June 30, 2026
Total Electricity Consumption	MWh	810	1,085	1,059	642
Total Electricity Consumption Intensity	MWh/RMB million revenue	8.66	8.02	4.19	4.75

Our total electricity consumption increased from 810MWh in 2023 to 1,085MWh in 2024, which was commensurate with our overall business expansion. As we enhanced our energy efficiency management in our production process, our total electricity consumption remained relatively stable between 2024 and 2025 despite our continuous business expansion.

Hazardous and Non-Hazardous Waste

Our operations produce both hazardous and non-hazardous waste. We have implemented Waste Management Regulations to standardize the classification, collection and disposal of waste generated during our production and business operations to reduce environmental pollution, ensure production safety and comply with national environmental protection regulations.

Our core competencies reside in robotic system integration, AI algorithm development and high-precision calibration. By procuring main parts and components from suppliers, we avoid the substantial environmental footprint associated with traditional heavy manufacturing operations. Since we did not perform casting, welding, chemical coating or other processes that typically generate industrial hazardous waste, our production line produced no hazardous waste attributable to manufacturing activities. All hazardous waste generated by us during the Track Record Period consisted solely of (i) office consumables, such as used batteries, discarded inkjet and toner cartridges, and obsolete computer parts; and (ii) small quantities of non-hazardous packaging materials used to protect incoming components, which were disposed of through recycling or municipal waste management channels. Our non-hazardous waste mainly consists of wastepaper, waste plastics and domestic waste. Domestic waste is typically handed over to our property management for centralized disposal.

The following table sets forth the amount of non-hazardous waste that we generated for the years indicated:

Non-Hazardous Waste	Unit	Year ended December 31,			For the six months ended June 30,
		2023	2024	2025	2026
Total Non-Hazardous Waste	tonnes	4	6	8	4
Total Non-Hazardous Waste Intensity	tonnes/RMB million revenue	0.05	0.04	0.03	0.03
Recycled Non-Hazardous Waste (from the above total)	tonnes	–	–	0.003	–

Our total non-hazardous waste increased from 4 tonnes in 2023 to 8 tonnes in 2025, primarily because as our production output increased, we used more packaging materials prior to the shipment and delivery of our robots and robotics solutions to our customers, which was commensurate with our overall business expansion.

Recycled non-hazardous waste represented the packaging materials, waste plastics and general domestic waste that we recycled.

Water Consumption

Municipal water supply is the primary source of our water supply and we have no issues in securing suitable water sources. Our water consumption increased during the Track Record Period, mainly due to the growth of our business. The following table sets forth our water consumption for the years indicated:

Water Consumption	Unit	Year ended December 31,			For the six months ended June 30,
		2023	2024	2025	2026
Total Water Consumption	m^3	2,765	3,184	3,832	1,650

Water Consumption	Unit	Year ended December 31, 2023	2024	2025	For the six months ended June 30, 2026
Total Water Consumption Intensity	m^3/RMB million revenue	29.57	23.54	15.15	12.22

Our total water consumption increased from 2,765 cubic meters in 2023 to 3,832 cubic meters in 2025, which was commensurate with our overall business expansion.

Environmental Targets

To better control our energy consumption and monitor our emissions, we have set the following quantitative targets based on our energy consumption and GHG emissions in 2023. We will also establish more comprehensive internal measures after the [**REDACTED**] with the assistance of external ESG consultants.

Strategy theme	Reduction targets by 2030
GHG Emission reduction	35% reduction in GHG emission intensity
Electricity consumption reduction	35% reduction in electricity consumption intensity
Water consumption	25% reduction in water consumption intensity
Hazardous waste discharge	15% reduction in hazardous waste intensity
Non-hazardous waste discharge	15% reduction in non-hazardous waste intensity

Climate Change Risks and Opportunities

We recognize that climate-related issues pose varying degrees of threats to our operations while simultaneously presenting new opportunities. The climate-related risks that we have identified can be categorized into two primary types: physical risks and transition risks.

Physical risks refer to the risks related to the physical impacts of climate change, including acute risks and chronic risks. In terms of acute risks, our operations are confronted with risks brought about by extreme weather events such as heavy rain and floods. These incidents have a particularly severe impact on facilities and may lead to power outages and work stoppages. In terms of chronic risks, we are confronted with the long-term risk of climate change. The continuous high temperatures caused by global warming may increase the energy consumption of our cooling equipment, thereby raising operating costs.

Transition risks refer to medium and long-term financial risks related to the shift towards a lower-carbon economy, for example, changes in climate-related policies and regulations, technological changes or changes in market sentiment. If we fail to meet the market's demand for high-efficiency and low-carbon products in a timely manner, it may lead to customer loss and a decline in operating performance.

We also recognize that climate change may create opportunities for our business operations and financial performance when we endeavor to mitigate and adapt to it. Specifically, these opportunities cover these dimensions: resource efficiency, product and service innovation and market expansion. To seize such opportunities, we leverage our products and technologies to advance technology for sustainability, addressing environmental and social pain points through technological applications.

Social

Employee Rights and Welfare

We consider our talent pool to be a primary source of our competitive advantage. We adhere to all applicable labor laws and regulations in China in all material respects, including the Labor Law of the PRC, the Labor Contract Law of the PRC and the Implementing Regulations of the Labor Contract Law. We strictly prohibit the use of child labor and any form of forced labor, ensure that all employment is voluntary and are committed to safeguarding the lawful rights and interests of our employees.

Occupational Health and Safety

We prioritize the health and safety of our employees. Through the safety education module in our Employee Handbook, we systematically disseminate knowledge on workplace safety, traffic safety, electrical safety and fire safety. We also provide annual health check-ups for our employees, striving to maintain a safe, orderly and healthy working environment.

During the Track Record Period and up to the Latest Practicable Date, we have complied in all material respects with all applicable labor, employment and occupational health and safety laws and regulations in China, and no material work-related injuries, safety incidents or corresponding penalties had occurred.

Supplier Management

We are committed to integrating sustainable governance practices into our overall operations, particularly within supply chain management. Suppliers of core components or those engaging in operations with environmental implications are required to provide environmental compliance certificates or commitment letters.

We have established internal regulations, including the Supplier Management Regulations and Supplier Evaluation and Grading Management Regulations, which systematically govern supplier onboarding, performance assessment and dynamic grading. Our suppliers are required to comply with specified standards covering safety, environmental protection and quality management systems prior to onboarding. Our procurement and relevant departments conduct regular dynamic reviews of suppliers and address any identified issues promptly. Suppliers that fail to meet the evaluation standards will have their cooperation terminated and onboarding qualifications revoked. Furthermore, we conduct annual comprehensive evaluations of suppliers and implement a tiered management system based on the results.

PATH TO PROFITABILITY

We operate in a rapidly growing robot industry and have demonstrated a clear path towards sustainable profitability as a commercially established company. During the Track Record Period, we achieved significant financial improvement. We recorded net losses of RMB39.3 million and RMB47.1 million, respectively, in 2023 and 2024, but in 2025, we turned profitable and recorded a net profit of RMB0.7 million, maintaining a strong growth momentum, which marked a milestone on our path to sustainable profitability. We recorded net losses of RMB28.8 million in the six months ended June 30, 2026, primarily attributable to our [**REDACTED**] and increased R&D expenses. Our [**REDACTED**] are one-off expenditures and do not impact our underlying profitability. In addition, we stepped up our R&D expenses primarily to capture market demand and growth opportunities presented by emerging products, such as embodied intelligent robots and space robotic arms. In light of the foregoing, our Directors are of the view that the short-term net loss will not alter our profitability or underlying earnings capacity.

We believe that our path to sustainable profitability is clearly defined and will be continuously driven by (i) the rapid growth of our revenue; (ii) our ongoing cost optimization; and (iii) our continuous improvements in operational efficiency.

Rapid Revenue Growth

Rapid Growth in the Global Industrial Robot Market

Between 2021 and 2025, the combined market for parallel, SCARA and cobots expanded steadily, with the global market increasing from approximately RMB19.2 billion to approximately RMB29.0 billion, while China's market grew from approximately RMB5.1 billion to approximately RMB8.7 billion. Driven by the accelerating adoption of intelligent manufacturing, this segment is expected to maintain strong momentum, with the global and China's markets projected to reach roughly RMB67.1 billion and RMB25.2 billion by 2030, representing CAGRs of approximately 18.2% and 23.6%, respectively, from 2025 to 2030.

Furthermore, the continued advancement of AI and embodied intelligence is expected to further expand the addressable market for industrial robots. Enhancements in perception, control and autonomous decision-making capabilities are likely to broaden the application scenarios and unlock additional long-term growth potential for the industrial robot market.

Continuous Technological Advancement and Product Iteration

We have established a core strategic focus on high-speed industrial robots. Leveraging parallel robots as our core products, the shared underlying technologies and synergistic product development, we have built a comprehensive product portfolio that consists of parallel robots, high-speed SCARA robots, high-payload cobots and embodied intelligent robots. According to Frost & Sullivan, (i) in terms of shipment volume in 2025, we ranked first among parallel robot companies in China and second among global parallel robot companies; and (ii) in terms of shipment volume of high-speed industrial robots in 2025, we ranked first in the high-speed industrial robot market in China and fourth in the global high-speed industrial robot market. We plan to solidify our leadership in the high-speed industrial robot industry while consistently pursuing technological advancement and product iteration to increase the penetration rate of our products and solutions across downstream industries. We plan to continually enrich our new product portfolio in alignment with industry trends and customer demands, introducing products such as smart cleaning robots, space robotic arms and force-controlled humanoid arms, thereby further broadening the scope of our business. The following table sets forth our specific plans for upgrading and iterating the products we sold during the Track Record Period, including the planned enhancements, respective development timelines and expected outcomes:

Product	Upgrade	Target by 2026	Target by 2027	Expected Results
Parallel robots & high-speed SCARA robots . .	Motion control algorithm optimization	Enhance operational intelligence and ease-of-use: – Based on the integrated drive-control architecture, develop adaptive parameter tuning functionality to reduce on-site commissioning time – Optimize interface by introducing graphical programming and a task template library to lower the entry barrier for users – Improve dynamic trajectory tracking accuracy and enhance adaptive picking capability under complex incoming material conditions	Comprehensive robot performance upgrades – Achieve deep iteration of motion control algorithms, raising the standard cycle time of key models by 5%–8%. – Leverage the real-time advantages of the integrated drive-control architecture to further optimize vibration suppression during high-speed start/stop operations – Enhance repeat positioning accuracy to meet the demands of application scenarios that demand high precision	– Further improve market share in traditional industries, such as food and beverage and pharmaceuticals – Expand into other application scenarios that require high precision, such as semiconductors

Product	Upgrade	Target by 2026	Target by 2027	Expected Results
High-payload cobots	– Upgrade cobots with payload of 35kg and 40kg – Develop cobots with payload of 50kg	– Launch cobots with payload of 35kg for medium-payload palletizing – Launch cobots with payload of 40kg for increased working height and expanded working space to accommodate diverse application scenarios – Develop the engineering prototype for cobots with payload of 50kg	– Continue to optimize cobots with payloads of 35kg and 40kg based on customer feedbacks to enhance their operational stability under complex working conditions – Develop a high-reliability version of cobots with payload of 50kg and achieve small-batch sales	Expand product matrix of high-payload cobots by offering more payload options
Embodied intelligent robots	– Optimize multi-modal perception and navigation systems – Enhance autonomous decision-making capabilities	– Complete perception system upgrade to enable environmental modeling and dynamic target tracking in more complex scenarios – Partner with AI large model providers to complete foundational technology selection and initiate engineering integration of decision-layer algorithms – Complete delivery under the letter of intent with the education institute to validate product reliability in university and laboratory settings – Pursue pilot applications in industrial scenarios such as material handling and sorting	– Complete deep optimization of the perception-decision-execution closed loop to enhance adaptive capabilities and task success rates in dynamic environments – Continuously iterate based on scenario-specific data to develop replicable industry-specific solution – Iterate and enhance products to expand their presence across a broader range of academic institutions – Develop replicable, industry-specific solutions for industrial applications and scale up their deployment	– Develop embodied intelligent robots with capabilities for environmental understanding, autonomous decision-making and task generalization – Penetrate high-value markets such as industrial automation, education, commercial services and special operations

The following table sets out our specific plans for developing new products, including the planned iterations, respective development timelines and expected outcomes:

Product	Target by 2026	Target by 2027	Expected Results
Space robotic arm . .	Complete conceptual design, prototype production, prototype testing, flight model production and verification testing	– Conduct joint integration and testing with the host satellite – Perform the first in-orbit operation, collect extraterrestrial operational data and implement the product iteration based on on-orbit performance feedback	Commercialize space robotic arms to target the aerospace sector
Smart cleaning robots	Complete the development of an engineering prototype for a toilet cleaning robot that integrates a collaborative arm and cleaning system	Commence commercialization	Commercialize smart cleaning robots to target the consumer service sector

Broadening Customer Base and Strong Customer Loyalty

As a driving force behind the adoption of high-speed industrial robots, we have cultivated a diversified customer base that spans multiple industries, including food and beverage, consumer goods, pharmaceutical, renewable energy, consumer electronics and automotive. As of the Latest Practicable Date, we had offered our robotics products and solutions to over 1,000 customers, providing a broad and solid foundation for our future business growth. While our customer base continues to expand, we have also maintained strong customer loyalty. During the Track Record Period, over half of our parallel robot customers were repeat buyers. Leveraging established trust with our customers and product synergies, as of June 30, 2026, approximately 49% of the customers of our high-payload cobots were existing customers of our parallel robots. Strong customer loyalty not only reduces our customer acquisition costs but also provides clear growth expectations for our high-payload cobot products, creating a growth flywheel powered by increasing market penetration as well as high repurchase and demand conversion rates.

To broaden our customer base, we plan to (i) deepen our market presence in the food and beverage, consumer goods and pharmaceutical industries by leveraging our leading market position to capture new demand from our existing customers, including the deployment of our solutions across their additional production lines or new facilities; (ii) focus on high-growth sectors such as consumer electronics, automotive and renewable energy by developing customized solutions to increase our penetration in advanced manufacturing; (iii) accelerate our overseas expansion to develop a second growth curve, targeting key regions such as East Asia, Southeast Asia, the Middle East, Europe and North America through localized services and a demonstrative flagship project; during the Track Record Period, our revenue from overseas markets grew from RMB3.4 million in 2023 to RMB26.5 million in 2025, with its revenue contribution increasing from 3.6% in 2023 to 10.5% in 2025, and our revenue from overseas markets grew from RMB2.3 million in the six months ended June 30, 2025 to RMB8.6 million in the six months ended June 30, 2026, with its revenue contribution increasing from 2.4% in the six months ended June 30, 2025 to 6.4% in the six months ended June 30, 2026, and our products were showcased at international exhibitions such as the Hannover Messe; and (iv) continue to expand our product matrix to meet various customer needs across different industries and application scenarios.

To strengthen customer loyalty, we plan to focus on building a full-lifecycle service system to enhance customer experience. Supported by a dedicated service team of nearly 100 professionals as of June 30, 2026, we are committed to ensuring rapid response, efficient delivery and continuous support. Our service standards include a one-hour response time, on-site arrival within 24 hours and issue resolution within 72 hours, with commissioning typically completed in three to five days for

standard scenarios and within 10 to 15 days for complex projects. We will also promote cross-selling and repeat purchases by enhancing product synergy across our portfolio. Our parallel robots have achieved a repeat purchase rate of over 50% and approximately 49% of our high-payload cobot customers had previously purchased our parallel robots. Furthermore, our forward design methodology enables us to quickly respond to customer-specific application needs with customized solutions, deepening customer reliance on our technology. As of the Latest Practicable Date, we had accumulated over 1,000 use cases across niche scenarios and all of our core technologies were developed in-house, giving us the agility to deliver rapid customization. Lastly, we plan to continue to strengthen our brand image through high-profile industry benchmark projects, participation in international exhibitions as well as authoritative certifications and awards.

Continuous Expansion in Overseas Markets

The demand for parallel robots, high-speed SCARA robots, high-payload cobots and embodied intelligent robots in the overseas markets remains strong. In particular, the overseas high-speed industrial robot market is several times larger than the domestic market. During the Track Record Period, the shipment volume of our robots in overseas markets remained below that in the domestic market. As our products continue to be validated across diverse application scenarios within China, we anticipate growing interest and demand from international customers. Moving forward, we plan to substantially increase our investment in overseas markets, accelerating the deployment of sales channels and technical support teams in key regions, such as East Asia, Southeast Asia, the Middle East, Europe and North America. Such focused expansion is designed to elevate our overseas sales scale and cultivate new avenues for business growth.

Our overseas expansion is driven by a combination of market opportunity, strategic necessity and operational momentum. Domestically, the industrial robot market has become increasingly competitive, with leading players facing pronounced product homogenization. In contrast, the overseas industrial robot market continues to expand, with an estimated market size of US$10.6 billion in 2026, according to Frost & Sullivan, offering substantial headroom for growth. Notably, our overseas operation has already demonstrated strong momentum, with revenue from overseas markets growing from RMB3.4 million in 2023 to RMB26.5 million in 2025, and from RMB2.3 million in the six months ended June 30, 2025 to RMB8.6 million in the six months ended June 30, 2026, providing a solid foundation for further expansion.

Regionally, we are targeting both established and emerging high-growth markets. Established markets, such as East Asia (particularly Japan and South Korea), Europe (particularly Germany and Italy) and North America have high levels of automation and stable demand for high-speed, high-precision industrial robots. Meanwhile, emerging high-growth markets such as Southeast Asia and the Middle East are driven by rapid manufacturing upgrades and rising labor costs. Key application sectors in these regions, including food and beverage, consumer goods, pharmaceutical and renewable energy, align closely with the core positioning of our parallel robots and high-speed SCARA robots, creating strong product-market fit.

Expanding our global footprint also serves as a critical risk mitigation strategy. Reliance on a single market exposes us to cyclical fluctuations in domestic manufacturing and macroeconomic policies. By diversifying our revenue base across multiple regions, we can better absorb the impact of industry cycles, regulatory changes and geopolitical uncertainties. Geographic diversification also allows us to optimize our global production capacity allocation, enhancing our overall resilience and long-term sustainability.

Finally, overseas expansion is integral to strengthening our brand presence and technological competitiveness. Entering overseas markets elevates the global profile of our brand and supports the broader mission of advancing Chinese industrial robot on the world stage. Moreover, exposure to diverse regional technical standards and customer requirements will in turn drive our R&D capabilities forward, enabling us to continuously refine and iterate our technologies to meet evolving global market needs.

Our overseas expansion strategy is structured across five key regions, each with a tailored approach designed to leverage market opportunities, build on existing strengths and ensure long-term growth.

East Asia

In East Asia, we plan to focus on Japan, South Korea and Taiwan, China, where we will promote our parallel robots and high-speed SCARA robots, targeting applications in food processing, electronics manufacturing and pharmaceutical packaging. We intend to steadily advance our development of distribution channels and customer acquisition between 2026 and 2028 to progressively increase market penetration.

Such approach is highly feasible given the strong alignment between our product offerings and regional market demand. Japan and South Korea are traditional powerhouses in industrial robots, with new installations reaching 47,600 units in Japan and 33,400 units in South Korea in 2025, driven largely by electronics and automotive manufacturing, sectors that closely match our application strengths. Technically, our products have already obtained key international certifications such as CE and KCS, meeting regional standards and our technological edge in high-speed, high-precision applications addresses niche gaps in the local market. During the Track Record Period, we already had a distributor in South Korea that has generated a consistent stream of orders, providing a strong foundation to expand further in the country, while our existing overseas customer base will help facilitate entry into Japan and Taiwan, China, reducing the barriers to market entry.

The sustainability of our expansion in East Asia is underpinned by strong customer stickiness. Manufacturers in this region place a premium on equipment stability and precision and our products, which have already been proven across over 1,000 customers in China, deliver the reliability required to build lasting relationships. Our continued R&D investment will enable us to further optimize our products for regional needs, developing customized solutions for electronics manufacturing and automotive component processing while staying abreast of emerging trends such as humanoid robots and cobots. In addition, the high degree of trade facilitation and low tariff barriers in East Asia, together with local government support for manufacturing automation upgrades, provide a favorable policy environment for sustained growth.

Southeast Asia

In Southeast Asia, we plan to concentrate on Thailand, Singapore and Indonesia and gradually expand to Vietnam and Malaysia. Our focus will be on promoting cost-competitive parallel robots and high-payload cobots, targeting applications in food and beverage, textiles and apparel and electronics assembly. Between 2026 and 2028, we plan to deepen our partnership with local distributors and enhance our localized service capabilities to steadily expand our market share.

As manufacturing continues to shift into the region, demand for automation is set to accelerate. Our cost competitiveness is another key advantage. With our manufacturing base in China, we benefit from economies of scale that allow us to offer products at prices 20% to 30% lower than leading international brands, aligning well with the cost-sensitivity of Southeast Asian enterprises. We also plan to optimize logistics through our core distribution partners to further reduce operational costs.

The sustainability of our expansion in Southeast Asia will be driven by policy tailwinds, as many Southeast Asian governments have introduced manufacturing upgrade initiatives that include tax incentives and subsidies for automation adoption. By investing in localized services, such as establishing technical support points and training local personnel, we plan to enhance customer experience and steadily grow our customer base. Looking ahead, we intend to set up regional warehousing hubs in key Southeast Asian locations within the next three years to shorten delivery lead times and enhance supply chain responsiveness, creating a durable foundation for continued expansion.

Middle East

In the Middle East, our focus will be on the UAE, Saudi Arabia and Turkey, where we will emphasize high-payload cobots and parallel robots for applications in food processing, petrochemicals and building materials. Our goal is to establish a comprehensive channel and service network between 2026 and 2028, enabling rapid market entry and enhanced brand recognition.

The region's thriving petrochemical sector generates significant demand for high-payload, high-precision automation equipment, while government-led economic diversification efforts are accelerating manufacturing growth. Turkey, as an emerging manufacturing hub, is experiencing rapid development in automotive and electronics assembly, with automation needs rising accordingly. We have already secured partnerships with two major trading companies in the region, leveraging their existing channel resources to accelerate market entry and we are actively participating in regional industrial automation exhibitions to build brand visibility in Dubai and beyond. Our high-payload cobots are well-suited to hazardous environments such as petrochemical facilities, addressing local demand for safe and efficient operations, while our parallel robots offer a differentiated solution for automotive and electronics assembly applications in Turkey.

The sustainability of our expansion in the Middle East will be reinforced by the nature of customer relationships in the region, where our customers, often large state-owned or multinational enterprises, tend to engage in long-term partnerships characterized by stable order volumes. To support these relationships, we plan to establish a service center in the UAE staffed with dedicated technical personnel to provide round-the-clock after-sales support, ensuring high customer satisfaction. We also plan to closely monitor regional trade and foreign exchange policies, collaborating with local partners to navigate regulatory developments and maintain business continuity.

Europe

Europe represents an important market for high-end industrial robots. We plan to focus initially on Germany and Italy and gradually expand into Spain, the UK, France and the Netherlands. Our parallel robots and high-speed SCARA robots are well positioned for automotive manufacturing, machinery and electronics applications. We plan to accelerate certification processes, deepen partnerships with local distributors and advance localized operations between 2026 and 2028 to increase our presence in the premium segment and contribute meaningfully to our overall overseas revenue targets.

Europe is a traditional stronghold for industrial robots, with new installations reaching 74,500 units in 2025. Germany alone accounted for 33% of this total with 24,600 units, while Italy ranked the second-largest market in the region. Demand for high-end robots remains robust and customers in Europe are generally willing to pay a premium for superior technology. Our products feature differentiated strengths in high-speed sorting and precision assembly that align well with the needs of European advanced manufacturing. With CE certification already in place, we have cleared a critical regulatory hurdle and we are currently in discussions with established distributors who bring extensive local customer networks and service capabilities. We are also progressing toward establishing a subsidiary in Germany in 2026, which will provide a localized operational base for further expansion.

The sustainability of our expansion in Europe will be driven by our deliberate brand-building efforts, including participation in leading trade fairs such as Hannover Messe and the Italian Packaging Exhibition, as well as collaborative research partnerships with local universities and research institutions to integrate into the regional innovation ecosystem. We will maintain strict compliance with EU regulations, including GDPR and environmental standards, while continuously refining our product designs to align with local technical and sustainability requirements.

North America

In North America, we will focus on the United States and Canada, promoting our high-precision parallel robots and embodied intelligent robots for applications in food processing, electronics manufacturing and automotive components. Between 2026 and 2028, we plan to advance product certifications, establish channel partnerships, build localized service capabilities and cultivate core customer accounts to support our broader overseas growth objectives.

North America is a key global market for industrial robots, with an installed base of 47,000 units in 2025, representing approximately 8% of the global total. Demand is strong for high-precision and intelligent automation solutions, particularly in electronics manufacturing and automotive components which align well with our product strengths. Moreover, North American customers are highly receptive to emerging technologies such as embodied intelligent robots and cobots, creating a favorable environment for introducing our newer product lines. Technically, we have initiated UL and FDA certifications for our products, which are essential for market access in

food and pharmaceutical applications and expect to complete the process by the end of 2027. To accelerate market entry, we are already engaging with local equipment distributors who can leverage their established channel networks to help us gain initial traction.

The sustainability of our expansion in North America will be supported by a phased localization strategy, beginning with the establishment of sales and technical service points staffed by locally hired personnel to ensure rapid response times and meet the service expectations of North American customers. Over the longer term, we plan to establish a local R&D presence to better tailor our products to regional market needs. We are also proactively addressing potential risks by closely monitoring trade policy developments, collaborating with local partners to mitigate tariff impacts and building a robust intellectual property framework to protect our innovations. We also expect that the consistent investment in brand promotion through participation in North American automation trade shows will help us cultivate core customers and steadily build market share over time, laying a solid foundation for sustained long-term growth.

The policies and legal systems across these regions vary significantly, exposing us to potential risks such as trade barriers, tariff adjustments, foreign exchange controls and changes in industry regulatory policies. See "Risk Factors — Risks Relating to Our General Operations and Industry — We are subject to risks associated with international trade policies, geopolitics and trade protection measures, tariffs, rising political tensions and our business, financial condition and results of operations could be adversely affected. To that end, we plan to (i) establish a dedicated compliance team to conduct in-depth research into the policies, laws and regulations of each jurisdiction, ensuring that our operations remain compliant and that we complete necessary certifications and filings in advance; (ii) closely monitor policy developments across regions and put in place an early-warning mechanism to enable timely adjustments to our business strategy in response to policy changes; for instance, we plan to optimize our supply chain layout to mitigate the impact of tariff fluctuations; (iii) strengthen intellectual property protection by pursuing patents and trademark registrations in target regions and establishing mechanisms to safeguard our intellectual property rights against infringement; and (iv) maintain close communication with local partners and industry associations to stay informed of policy updates and seek to gain policy support where possible.

Benefiting from the abovementioned factors, our revenue exhibited consistent growth during the Track Record Period, increasing by 44.7% from RMB93.5 million in 2023 to RMB135.3 million in 2024, then 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. Our steady and rapid revenue growth provides a robust foundation and a clear pathway for achieving sustainable profitability.

Ongoing Cost Optimization

It has been our strategic focus to develop proprietary and controllable technologies. We have built a comprehensive technology ecosystem, covering foundational theory, underlying algorithms, core components and complete robotic systems. We ensure that all key technologies remain proprietary, providing our products with difficult-to-replicate technical barriers and continuously leading performance indicators. In our production, we plan to continuously increase the proportion of core components that we manufacture in-house. By manufacturing critical parts in-house and pursuing vertical supply chain integration, we aim to ensure stable production capacity and cost controllability. Such approach provides essential support for the scaled deployment of our multi-category products, which in turn is expected to further dilute our R&D expenses and production costs, leading to the ongoing optimization of our overall cost structure.

Continuous Improvement in Operational Efficiency

During the Track Record Period, our costs were continuously optimized, demonstrating a degree of economies of scale. Our gross profit steadily increased by 94.4% from RMB15.9 million in 2023 to RMB30.9 million in 2024, then by 149.3% to RMB76.9 million in 2025. Our gross profit also 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. We anticipate that, as our revenue continues to grow rapidly and we continue to optimize our costs, we will realize greater economies of scale and our operational efficiency will be further enhanced.

Furthermore, the ratio of our sales and marketing expenses as well as administrative expenses to revenue decreased from 44.3% in 2023 to 40.8% in 2024, and further to 23.7% in 2025. Such ratio increased from 19.6% in the six months ended June 30, 2025 to 28.4% in the six months ended June 30, 2026, primarily attributable to the [**REDACTED**] that we incurred.

SEASONALITY

Our business is subject to seasonal fluctuations. In particular, our revenue in the second half of a calendar year typically accounted for over 50% of our total revenue, which is mainly attributable to the procurement and financial management practices of our customers.

The primary reason for such seasonality is the standard corporate budgeting and capital expenditure cycle. A majority of our customers formulate their annual budgets and capital investment plans in the first half of a calendar year, and the subsequent approval, vendor selection and procurement processes typically lead to purchase orders, deliveries and installations being concentrated in the second half of the calendar year. Such practice generally aligns with our customers' objective of deploying new capacity and technology in time for the following year's production cycles. See "Risk Factors — Risks Relating to Our General Operations and Industry — Our business is subject to seasonal fluctuations."

RISK MANAGEMENT AND INTERNAL CONTROL

We have put in place a set of risk management and internal control procedures to address various potential operational, financial, legal and market risks identified in relation to our operations. We also periodically review these procedures to ensure their effectiveness.

To monitor the ongoing implementation of our risk management policies and corporate governance measures after the [**REDACTED**], we have implemented, or will continue to implement, among other things, the following risk management measures:

- Establish an Audit Committee to review and supervise our financial reporting process and internal control system. For the qualifications and experience of the committee members, see "Directors and Senior Management;"
- Adopt various policies to ensure compliance with the Listing Rules, including, but not limited to, aspects related to risk management and connected transactions;
- Provide anti-corruption and anti-bribery compliance training periodically to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations, and include relevant policies against noncompliance in employee handbooks;
- Organize training sessions for our Directors and senior management in respect of the relevant requirements of the Listing Rules and duties of Directors of companies listed in Hong Kong;
- Enhance our reporting and records system for production facilities, including centralizing their quality assurance and safety management systems and conducting regular inspections of the facilities;
- Establish a set of emergency procedures in the event of major production safety-related issues;
- Provide enhanced training programs on quality assurance and production safety procedures;
- Strengthen fund management to prevent the misappropriation of funds, and enhance the efficiency of fund utilization; and
- Periodically review access to our IT systems.

We have engaged an internal control consultant to conduct a general internal control review, which is associated with our major business processes, identifies deficiencies and areas for improvement, provides recommendations and reviews the implementation status of these remedial actions. As advised by our internal control consultant, no key issues or major deficiencies were identified during its internal control review. To ensure that the above compliance culture is embedded into our everyday workflow and sets clear expectations for individual behavior across our Group, we will regularly review our risk management policies and internal management procedures, adopt strict accountability internally and conduct compliance training. Our Directors are of the view that our enhanced internal control system is adequate and effective for our current operations.

AWARDS AND RECOGNITION

During the Track Record Period and up to the Latest Practicable Date, we received awards and recognition in connection with our business and products. The following table sets forth our selected awards and recognition:

Awarding Year	Award/Recognition	Awarding Entity
2023	National Specialized, Sophisticated, Differential and Innovative Small- and Mid-sized Enterprises ("SMEs") (國家級"專精特新"小巨人)	Ministry of Industry and Information Technology
2023	Tianjin Specialized, Sophisticated, Differential and Innovative SMEs (天津市"專精特新"中小企業)	Tianjin Industry and Information Technology Bureau & Tianjin Finance Bureau
2023	National Intellectual Property Advantage Enterprise (國家知識產權優勢企業)	China National Intellectual Property Administration (CNIPA)
2023	Tianjin Technology-based SMEs (天津市科技型中小型企業)	Tianjin Science and Technology Commission
2024	National High-Tech Enterprise (Re-certification) (國家高新技術企業)	Office of the National Leading Group for the Identification and Administration of High-Tech Enterprises
2024	Gaogong Golden Globe Annual Enterprise Award (高工金球獎年度企业獎)	Shenzhen Gaogong Consulting Co., Ltd.
2025	Tianjin Patent Excellence Award (天津市專利優秀獎)	Tianjin Municipal People's Government
2025	Tianjin Science and Technology Progress First Prize (天津市科學技術進步一等獎)	Tianjin Science and Technology Bureau
2025	Tianjin Enterprise Technology Center (天津市企業技術中心)	Tianjin Industry and Information Technology Bureau, Tianjin Municipal Development and Reform Commission, Tianjin Science and Technology Commission & Tianjin Finance Bureau
2025	Industrial Robot High-End Application Award (工業機器人高端應用獎)	6th China Robot Industry Annual Conference

OVERVIEW

Our Board consists of seven Directors, comprising two executive Directors, two non-executive Directors and three independent non-executive Directors. All Directors are elected by the general meeting for a term of three years which is renewable upon re-election. The major powers and functions of the Board include, but are not limited to, convening the general meetings, presenting reports to the general meetings, implementing the resolutions passed at the general meetings, determining the operational plans and investment plans of the Group, determining the annual financial budgets and final accounts of the Group, determining the fundamental management systems of the Group, formulating profit distribution plans and loss recovery plans of the Group, and exercising other powers and functions as conferred by the Articles of Association.

Our senior management is responsible for the management of day-to-day operations of the Group.

DIRECTORS

The following table sets forth certain information of our Directors:

Name	Age	Position(s)	Roles and responsibilities	Date of joining our Group	Date of appointment as a Director	Relationship with other Directors and senior management
Mr. Liu Songtao (劉松濤)	38	Chairman, Executive Director and Chief Technology Officer	Overall strategic planning, operational and managerial decision-making and technology innovation	January 28, 2013	December 30, 2015	–
Mr. Song Tao (宋濤)	38	Executive Director and General Manager	Overall strategic planning, business direction, management and capital operations	January 28, 2013	December 30, 2015	–
Mr. Huang Tian (黃田)	73	Non-executive Director	Provision of guidance for the overall development of our Company	December 30, 2025	December 30, 2025	–
Mr. Wang Tianmiao (王田苗)	66	Non-executive Director	Provision of guidance for the overall development of our Company	December 30, 2025	December 30, 2025	–
Mr. Wang Gang (王剛)	45	Independent Non-executive Director	Provision of independent advice to the Board	December 30, 2025	December 30, 2025[(1)]	–
Mr. Xiao Shilian (肖世練)	55	Independent Non-executive Director	Provision of independent advice to the Board	December 30, 2025	December 30, 2025[(1)]	–
Ms. Wang Anqi (王安琪)	37	Independent Non-executive Director	Provision of independent advice to the Board	December 30, 2025	December 30, 2025[(1)]	–

Note:

(1) Such appointment will take effect from the [**REDACTED**].

Executive Directors

Mr. Liu Songtao (劉松濤), aged 38, joined the Group in January 2013 as the general manager. He has been serving as the chief technology officer of the Company since January 2013 and the Director and chairman of the Board since December 2015. Mr. Liu was re-designated as an executive Director in December 2025. He is primarily responsible for the overall strategic planning, operational and managerial decision-making and technology innovation of the Group. Mr. Liu also holds various positions in our subsidiaries, including the executive director of Chenxing (Nanjing), the executive director and manager of Jiangsu Xiaoye and the manager of Wuxi Chenxing.

Mr. Liu has been serving as (i) the external mentor in Mechatronics and Control Engineering School of Shenzhen University (深圳大學機電與控制工程學院) since May 2024; (ii) the vice chairman and secretary-general of Tianjin Robotics Association (天津市機器人學會) since January 2025; (iii) the deputy chairman of Tianjin Robot Industry Association (天津市機器人產業協會) since June 2025; and (iv) the co-chairman of the Alumni Entrepreneurs Association Youth Innovation Council of Tianjin University (天津大學校友企業家聯合會青創共同會長) since September 2025.

Mr. Liu obtained a bachelor's degree in mechanical design, manufacturing and automation from Tianjin University (天津大學) and a bachelor's degree in finance from Nankai University (南開大學) in July 2010, and a master's degree in mechanical engineering from Tianjin University (天津大學) in January 2013. He was granted the title of vice senior engineer and senior engineer by Tianjin Municipal Human Resources and Social Security Bureau in December 2022 and December 2025. Mr. Liu has won numerous awards and honors, including (i) he was awarded the First Prize of Tianjin Technology Invention (天津市技術發明一等獎) by Tianjin Municipal People's Government in January 2015; (ii) his work "atom-high-speed handling robot" (《atom－高速搬運機器人》) as one of the finishers won the gold medal in the 4th China "Internet +" College Students Innovation and Entrepreneurship Competition (第四屆中國"互聯網+"大學生創新創業大賽金獎) in October 2018; (iii) he was awarded the title of Outstanding Young Entrepreneur of Tianjin Economic-Technological Development Area for 2021 (2021年度天津經開區優秀青年企業家) by the Communist Youth League Committee of Tianjin Economic-Technological Development Area (共青團天津經濟技術開發區委員會) in March 2022; (iv) his work "R&D and Industrialization of High-Speed High-Payload SCARA Robot" (《高速重載SCARA機器人研發及產業化》) as one of the team members won the Excellence Award of the 2nd Intelligent Manufacturing Innovation Competition (第二屆智能製造創新大賽優秀獎) in November 2022; (v) he was awarded the 2023 Tianjin Robotics Outstanding Entrepreneur (2023年度天津市機器人優秀企業家) by the 4th Tianjin Robotics Conference (第四屆天津機器人大會); and (vi) he was selected as one of the first batch of Tianjin Excellent Manufacturing Talents (第一批天津市卓越製造人才) by the Talent Work Leading Group Office of the CPC Tianjin Municipal Committee (中共天津市委人才工作領導小組辦公室) in September 2024.

Mr. Song Tao (宋濤), aged 38, joined the Group in January 2013 as the deputy general manager. He has been serving as the Director and general manager of the Company since December 2015. Mr. Song was re-designated as an executive Director in December 2025. He is primarily responsible for the overall strategic planning, business direction, management and capital operations of the Group. Mr. Song also holds various positions in our subsidiaries, including the executive director of Wuxi Chenxing and Beijing Xiaohe.

Mr. Song obtained a bachelor's degree in mechanical design, manufacturing and automation from Tianjin University (天津大學) and a bachelor's degree in finance from Nankai University (南開大學) in July 2010, and a master's degree in mechanical engineering from Beihang University (北京航空航天大學) in June 2013.

Non-executive Directors

Mr. Huang Tian (黃田), aged 73, was appointed as a non-executive Director in December 2025, responsible for provision of guidance for the overall development of our Company.

Mr. Huang held several positions at Tianjin University (天津大學) including professor and doctoral supervisor from February 1985 to September 2024, and was accredited by the Ministry of Education of the PRC as a Cheung Kong Scholar.

Mr. Huang obtained a bachelor's degree in mechanical manufacturing technology, equipment and automation from Tianjin University (天津大學) in May 1982, a master's degree in mechanical manufacturing from Tianjin University (天津大學) in December 1984, and a doctoral degree in mechanical manufacturing from Tianjin University (天津大學) in April 1991. Mr. Huang has won numerous awards and honors, including the First Prize of Tianjin Technological Invention Award (天津市技術發明一等獎) awarded by the Tianjin Municipal People's Government in January 2007 and January 2015, the First Prize of the Natural Science Award (自然科學獎一等獎) by the Ministry of Education of the PRC in February 2012, the First Prize of the China Machinery Industry Science and Technology Award (中國機械工業科學技術一等獎) by the China Machinery Industry Federation (中國機械工業聯合會) and the Chinese Mechanical Engineering Society (中國機械工程學會) in October 2013, the Second Prize of the National Technological Invention Award (國家技術發明二等獎) by the State Council of the PRC in December 2015, the Science and Technology Achievement Award (科技成就獎) by the Chinese Mechanical Engineering Society (中國機械工程學會) in November 2017, and the honorary membership by the International Federation for Promotion of Mechanism and Machine Science in November 2023.

Mr. Wang Tianmiao (王田苗), aged 66, was appointed as a non-executive Director in December 2025, responsible for provision of guidance for the overall development of our Company.

Mr. Wang served as a postdoctoral researcher at the Computer Science and Technology Postdoctoral Research Center of Tsinghua University (清華大學計算機科學與技術博士後科研流動站) from September 1990 to August 1992 and at the Italian National Laboratory of Bionic Mechanics from December 1992 to December 1994. He served as an associate professor, professor and doctoral supervisor at Beihang University (北京航空航天大學) from June 1995 to 2025, and currently he serves as the honorary director at Robotics Institute of Beihang University (北京航空航天大學機器人研究所). He served as an independent director of Goertek Inc. (歌爾股份有限公司) (listed on the Shenzhen Stock Exchange, Stock Code: 002241) from October 2016 to November 2022, an independent non-executive director of SIM Technology Group Limited (listed on the Stock Exchange, Stock Code: 2000) from April 2017 to February 2021, and an independent director of Shanghai STEP Electric Corporation (上海新時達電氣股份有限公司) (listed on the Shenzhen Stock Exchange, Stock Code: 002527) from July 2017 to June 2023. Mr. Wang was accredited by the Ministry of Education of the PRC as a Cheung Kong Scholar and was appointed as the chair of the Institute of Electrical and Electronics Engineers (IEEE) Beijing Section Robotics and Automation Society Chapter in March 2014.

Mr. Wang has been serving as a director of Zhongguancun Zhiyou Angel AI and Robotics Research Institute (中關村智友天使人工智能與機器人研究院) since July 2020.

Mr. Wang obtained a bachelor's degree in computer science from Xi'an Jiaotong University (西安交通大學) in July 1982, a master's degree in industrial electronics from Northwestern Polytechnical University (西北工業大學) in April 1987, and a doctoral degree in underwater signal processing and recognition from Northwestern Polytechnical University (西北工業大學) in June 1990. Mr. Wang has won numerous awards and honors, including the First Prize for Scientific and Technological Progress awarded by the Ministry of Electronics Industry of the PRC in December 1993, the Second Prize for Scientific and Technological Progress awarded by the Aviation Industry Corporation of China (中國航空工業總公司) in April 1999, and the Second Prize for the State Scientific and Technological Progress Award (國家科學技術進步二等獎) awarded by the State Council of the PRC in December 2008.

Independent Non-executive Directors

Mr. Wang Gang (王剛), aged 45, was appointed as an independent non-executive Director in December 2025, responsible for the provision of independent advice to the Board.

Mr. Wang has been serving as the deputy professor at the School of Intelligent Engineering and Automation, Beijing University of Posts and Telecommunications (北京郵電大學) since July 2016.

Mr. Wang obtained a bachelor's degree in mechanical design, manufacturing and automation from Shandong University of Science and Technology (山東科技大學) in June 2006 and a master's degree in mining equipment and control engineering from Shandong University of Science and Technology (山東科技大學) in June 2009. He further obtained a doctoral degree in mechanical design and theory from Beihang University (北京航空航天大學) in July 2016.

Mr. Xiao Shilian (肖世練), aged 55, was appointed as an independent non-executive Director in December 2025, responsible for the provision of independent advice to the Board.

From July 2008 to November 2010, Mr. Xiao was a senior manager at Ernst & Young (China) Advisory Limited Guangzhou Branch. From December 2010 to June 2018, he held several positions including supervisor and general manager of the finance and performance management department at Guangzhou Rural Commercial Bank Co., Ltd. (廣州農村商業銀行股份有限公司) (listed on the Stock Exchange, stock code: 1551). From May 2018 to December 2021, he was the chief financial officer at Guangdong-Hong Kong-Macau Greater Bay Area Industry and Finance Investment Co., Ltd. (粵港澳大灣區產融投資有限公司). From February 2022 to March 2025, he was a partner at Guangzhou Jianbo Enterprise Services Co., Ltd. (廣州健博企業服務有限公司).

Mr. Xiao has been serving (i) as a director at Shenzhen Hao Ji Da Electronic Technology Co., Ltd. (深圳市皓吉達電子科技股份有限公司) since January 2022; (ii) as a director at Shenzhen Xintao New Materials Co., Ltd. (深圳市新濤新材料股份有限公司) since December 2022; (iii) as an independent director at Infund Holding Co., Ltd. (賢豐控股股份有限公司) (listed on the Shenzhen Stock Exchange, stock code: 002141) since October 2023; (iv) as an independent director at Shenzhen Jasic Technology Co., Ltd. (深圳市佳士科技股份有限公司) (listed on the Shenzhen Stock Exchange, stock code: 300193) since January 2025; (v) as an advisory partner at Beijing Xinghua (Hong Kong) Advisory Limited (北京興華(香港)諮詢服務有限公司) since April 2025; and (vi) as a director at Jianbo Technology Investment Co. Limited (健博科技投資有限公司) since March 2025.

Mr. Xiao obtained a master's degree in statistics from Hunan College of Finance and Economics (湖南財經學院) in June 1999, and a doctoral degree in management from Sun Yat-sen University (中山大學) in June 2004. He obtained the qualification of accountant accredited by CPA Examination Committee of the Ministry of Finance of the PRC in December 2000.

Ms. Wang Anqi (王安琪), aged 37, was appointed as an independent non-executive Director in December 2025, responsible for the provision of independent advice to the Board.

From June 2016 to October 2019, Ms. Wang served as a manager at Shanghai Huasheng Youge Equity Investment Management Co., Ltd. (上海華晟優格股權投資管理有限公司). From October 2019 to October 2020, she served as a director at Beijing Lishe Dachuan Consulting Management Co., Ltd. (北京利涉大川諮詢管理有限公司). From November 2020 to April 2021, she served as a vice investment president at Beijing Innovation Workshop Private Fund Management Co., Ltd. (北京創新工場私募基金管理有限公司). From May 2021 to November 2022, she served as the secretary to the chairman of the Board at Xiamen Shitoucheng Group Co., Ltd. (廈門市石頭城集團有限公司). From November 2022 to July 2026, she served as the investment director at Deeprock (Beijing) Private Fund Management Co., Ltd. (深石(北京)私募基金管理有限公司). Since August 2026, she has been serving as the investment director at Beijing Shenghui Private Equity Fund Management Co., Ltd.(北京生輝私募基金管理有限公司).

Ms. Wang obtained a bachelor's degree in English from Tianjin University (天津大學) and a bachelor's degree in finance from Nankai University (南開大學) in June 2012. She further obtained a master's degree in finance from Peking University (北京大學) in July 2015.

SENIOR MANAGEMENT

The following table sets forth certain information of the senior management of the Group:

Name	Age	Position(s)	Roles and responsibilities	Date of joining our Group	Date of appointment as a senior management	Relationship with other Directors and senior management
Mr. Song Tao (宋濤)	38	Executive Director and General Manager	Overall strategic planning, business direction, management and capital operations	January 28, 2013	January 28, 2013	–

Name	Age	Position(s)	Roles and responsibilities	Date of joining our Group	Date of appointment as a senior management	Relationship with other Directors and senior management
Mr. Liu Songtao (劉松濤)	38	Chairman, Executive Director and Chief Technology Officer	Overall strategic planning, operational and managerial decision-making, and technology innovation	January 28, 2013	January 28, 2013	–
Mr. Li Yanhua (李艷華)	34	Deputy General Manager and R&D Head	Product research and development	March 2, 2016	February 1, 2019	–
Mr. Su Zhe (蘇哲)	36	Chief Financial Officer	Financial management	December 4, 2020	December 4, 2020	–
Mr. Li Jigang (李季剛)	31	Secretary to the Board and Joint Company Secretary	Corporate governance and capital markets	September 1, 2025	September 1, 2025	–

Mr. Song Tao (宋濤), aged 38, joined the Group in January 2013 as the deputy general manager. For details of his biography, please see the sub-section headed "— Directors — Executive Directors" in this section.

Mr. Liu Songtao (劉松濤), aged 38, joined the Group in January 2013 as the general manager. For details of his biography, please see the sub-section headed "— Directors — Executive Directors" in this section.

Mr. Li Yanhua (李艷華), aged 34, joined the Group in March 2016 as the research and development engineer, and was appointed as the head of research and development of the Company in February 2019 and as the deputy general manager of the Company in December 2025, responsible for the product research and development of the Group.

Mr. Li obtained a bachelor's degree in communications engineering from Central South University of Forestry and Technology (中南林業科技大學) in June 2013, and a master's degree in computer application technology from Central South University of Forestry and Technology (中南林業科技大學) in June 2015.

Mr. Su Zhe (蘇哲), aged 36, joined the Group in December 2020 as the chief financial officer of the Company, responsible for the financial management of the Group. Mr. Su is the executive director, manager and chief financial officer of Xinxiang Chenxing.

From September 2013 to July 2014, Mr. Su worked at Beijing Zhong'anxing Project Data Analyst Firm Co., Ltd. (北京中安興項目數據分析師事務所有限責任公司). From January 2015 to August 2016, he worked at Beijing Lansheng Certified Public Accountants LLP (北京朗盛會計師事務所(特殊普通合夥)). From December 2016 to December 2017, he worked at Ruihua Certified Public Accountants LLP (瑞華會計師事務所(特殊普通合夥)). From January 2018 to July 2018, he worked at Grant Thornton Certified Public Accountants LLP (致同會計師事務所(特殊普通合夥)). From August 2018 to November 2020, he acted as a risk control manager at Tianjin Haida Venture Capital Management Co., Ltd. (天津海達創業投資管理有限公司).

Mr. Su obtained a bachelor's degree in finance from the Institute of Disaster Prevention Science and Technology (防災科技學院) (currently known as University of Emergency Management (應急管理大學)) in June 2013.

Mr. Li Jigang (李季剛) (former name: Li Zi'ang (李子昂)), aged 31, joined the Group in September 2025 as the secretary to the Board of the Company, responsible for the corporate governance and capital markets of the Group.

Mr. Li consecutively served as a manager, senior manager, vice president and senior vice president at the investment banking department of China Securities Co., Ltd. (中信建投證券股份有限公司) (listed on the Stock Exchange, stock code: 6066 and the Shanghai Stock Exchange, stock code: 601066) from July 2017 to March 2025.

Mr. Li obtained a bachelor's degree in finance from Harbin University of Commerce (哈爾濱商業大學) in June 2015 and a master's degree in applied economics from Harbin Institute of Technology (哈爾濱工業大學) in July 2017.

INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT

Save as disclosed above, none of our Directors and senior management had been a director of any public company the securities of which were listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this document. Save as disclosed herein, to the best knowledge, information and belief of the Directors having made all reasonable inquiries, there are no other matters with respect to the appointment of our Directors and senior management that need to be brought to the attention of the Shareholders, nor is there any information relating to our Directors and senior management that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

JOINT COMPANY SECRETARIES

Mr. Li Jigang (李季剛), aged 31, was appointed as one of our joint company secretaries in December 2025. For details of his biography, please see the sub-section headed "—Senior Management" in this section.

Ms. Wong Nga Sim (**黃雅嬋**), was appointed as one of our joint company secretaries in December 2025. Ms. Wong has over 8 years of experience in the corporate secretarial field. She currently serves as a manager of Company Secretarial Services of Tricor Services Limited. She has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. Wong obtained a bachelor's degree in business administration (hons.) from Hong Kong Baptist University in 2015. She is a Chartered Secretary, a Chartered Governance Professional and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

CONFIRMATION FROM OUR DIRECTORS

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in December 2025; and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors confirms (i) his or her independence as regards each of the factors referred to in Rule 3.13(1) to (8) of the Listing Rules; (ii) that he or she has no past or present financial or other interest in the business of our Company or our subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date; and (iii) that there are no other factors that may affect his or her independence at the time of his or her appointment.

Rule 8.10 of the Listing Rules

As of the Latest Practicable Date, none of our Directors (other than our independent non-executive Directors) had interests in any business, which competes or is likely to compete, either directly or indirectly, with our business that would require disclosure under Rule 8.10 of the Listing Rules.

BOARD COMMITTEES

Our Company has established three Board Committees in accordance with the relevant PRC laws and regulations, the Articles of Association and the corporate governance practice under the Listing Rules, namely the Audit Committee, the Remuneration Committee and the Nomination Committee.

Audit Committee

We have established the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Audit Committee consists of three Directors, namely Mr. Xiao Shilian, Mr. Wang Gang and Ms. Wang Anqi. Mr. Xiao Shilian currently serves as the chairman of the Audit Committee and is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee are as follows:

(i) to make recommendations to the Board on the appointment, replacement and removal of an external auditor, consider and approve the remuneration and terms of engagement of an external auditor and any questions of its resignation or dismissal;

(ii) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee shall discuss with the external auditor the nature and scope of the audit and reporting obligations before the audit commences;

(iii) to develop and implement policies on engaging an external auditor to provide non-audit services;

(iv) to review and supervise the truthfulness, completeness and correctness of financial statement, annual report and accounts and semi-annual report;

(v) to review the financial policy, risk management and internal control evaluation system of the Company;

(vi) to facilitate communications between the internal audit department and the external auditor; and

(vii) other matters required by laws, regulations, regulatory documents, the rules of the securities regulatory authority of the place where the Shares of the Company are listed and the requirements of the Articles of Association, and as authorized by the Board.

Remuneration Committee

We have established the Remuneration Committee in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Remuneration Committee consists of three Directors, namely Mr. Wang Gang, Mr. Song Tao and Ms. Wang Anqi. Mr. Wang Gang currently serves as the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are as follows:

(i) to organize and formulate the remuneration policy and plan of Directors and senior management with reference to their main duties, scope, importance, time commitment and salary level of relevant positions. The remuneration plan and policy mainly include but are not limited to performance evaluation standards, procedures and main evaluation systems, and main plans for rewards and punishments, and shall include benefits in kind, pension rights and compensation payments (including compensation for loss or termination of their office or appointment);

(ii) to make recommendations to the Board on the remuneration packages of the executive Directors and senior management;

(iii) to make recommendations to the Board on the remuneration of non-executive Directors;

(iv) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in our Group;

(v) to study and make recommendations to the Board on the appraisal criteria for Directors and senior management, review the performance of Directors (excluding independent non-executive Directors) and senior management and conduct annual performance appraisals;

(vi) to review and approve the compensation payable to the executive Directors and senior management for their loss or termination of office or appointment to ensure that such compensation is consistent with the contractual terms and is otherwise fair and not excessive;

(vii) to review and approve the compensation arrangements relating to dismissal or removal of the Directors for misconduct to ensure that such compensation is consistent with the contractual terms and is otherwise fair and not excessive;

(viii) to ensure that no Director or any of his associates is involved in deciding his own remuneration;

(ix) to supervise the implementation of the remuneration procedures and review the relevant remuneration policies on a regular basis; and

(x) to review and/or approve relevant share schemes as set out in Chapter 17 of the Listing Rules.

Nomination Committee

We have established the Nomination Committee in compliance with Rule 3.27A of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The Nomination Committee consists of three Directors, namely Mr. Liu Songtao, Mr. Wang Gang and Ms. Wang Anqi. Mr. Liu Songtao currently serves as the chairman of the Nomination Committee. The primary duties of the Nomination Committee are as follows:

(i) to review the size and composition of the Board (including the skills, knowledge and experience) at least annually and make recommendations on any proposed changes to the Board to complement our Company's corporate strategy;

(ii) to formulate the corporate governance policies and standards, monitor the implementation, and make recommendations to the Board;

(iii) to examine the select standards and procedures of directors and senior management and make recommendation to the Board, and supervise the training and development plan of Directors and senior management;

(iv) to identify individuals suitably qualified to become board members and select and make recommendations to the Board on the selection of individuals nominated for directorships;

(v) to assess the independence of the independent non-executive Directors;

(vi) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors (in particular the chairman of the Board and the chief executive officer); and

(vii) other matters required by laws, regulations, regulatory documents, the rules of the securities regulatory authority of the place where the Shares of the Company are listed and the requirements of the Articles of Association, and as authorized by the Board.

BOARD DIVERSITY POLICY

We have adopted a board diversity policy which sets out the approach to achieve diversity of the Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level, including gender diversity, as an essential element in maintaining the Company's competitive advantage and enhancing its ability to attract, retain and motivate employees from the widest possible pool of available talent.

Pursuant to our board diversity policy, selection of Board candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical capabilities, professional qualifications and skills, knowledge, length of service and other related factors. We will also consider our own business model and special needs. The ultimate selection of Director candidates will be based on merits of the candidates and contribution that the candidates will bring to our Board.

Our Board currently consists of one female Director and six male Directors with a balanced mix of knowledge and skills, including but not limited to overall management and strategic development, finance, accounting and risk management. The Company is of the view that the Board satisfies our board diversity policy. Our Nomination Committee is responsible for the implementation of our board diversity policy. Upon completion of the [**REDACTED**], our Nomination Committee will review our board diversity policy from time to time to ensure its continued effectiveness and we will disclose the implementation of our board diversity policy in our corporate governance report on an annual basis.

We will continue to take steps to promote gender diversity at all levels of our Company, including but not limited to our Board and the senior management levels. We will have at least one female Director at all times, and we will ensure that a female Director serves on the Nomination Committee at all times. We will encourage our incumbent Board members to recommend female candidate Directors. We will also continue to ensure that there is gender diversity when recruiting staff at mid to senior level so that we will have a pipeline of female senior management and potential successors to our Board in due time to ensure gender diversity of our Board. Our Group will continue to emphasize training of female talent and providing long-term development opportunities for our female staff including but not limited to business operation, management, accounting and finance, legal and compliance. As such, we are of the view that our Board will be offered chances to identify competent female staff at mid to senior level to be nominated as a Director in future with a pipeline of female candidates.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

We offer our executive Directors and senior management members, who are also the Company's employees, remuneration in the form of salaries, allowances and benefits in kind, performance related bonuses and pension scheme contributions. Our independent non-executive Directors receive remuneration with reference to their respective positions and duties, including being a member or the chairperson of Board committees.

For the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, the aggregate amount of remuneration paid or payable to our Directors amounted to approximately RMB0.65 million, RMB0.63 million, RMB0.86 million, and RMB0.75 million, respectively. Under the arrangement currently in force, we estimate the total remuneration before taxation, including estimated share-based remuneration, to be accrued to our Directors for the year ending December 31, 2026 to be approximately RMB0.57 million. The actual remuneration of Directors for the year ending on December 31, 2026 may be different from the expected remuneration.

The five highest paid employees in the Group included nil, nil, nil, and nil Director, for the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively.

See "Statutory and General Information — 5. Employee Incentive Scheme" in Appendix V to this document for details on the incentive schemes for our Directors and senior management.

During the Track Record Period, no remuneration was paid to our Directors or any of the five highest paid individuals as an inducement to join, or upon joining, our Group. During the Track Record Period, no compensation was paid to, or receivable by, any of our Directors, former directors or the five highest paid individuals for the loss of office as director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of our Directors waived any emoluments during the Track Record Period. Save as disclosed above, no other payments have been paid, or are payable, by our Company or any of our subsidiaries to our Directors or the five highest paid individuals during the Track Record Period.

Our Board will review and determine the remuneration and compensation packages of our Directors and senior management and will, following the [**REDACTED**], receive recommendations from our Remuneration Committee which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors and senior management and the performance of our Group.

COMPLIANCE ADVISOR

We have appointed Altus Capital Limited as our Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will advise our Company in certain circumstances including:

(1) before the publication of any regulatory announcement, circular or financial report;

(2) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;

(3) where we propose to use the [**REDACTED**] of the [**REDACTED**] in a manner different from that detailed in this document or where our business activities, developments or results deviate from any forecast, estimate or other information in this document; and

(4) where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the [**REDACTED**] or [**REDACTED**] of its [**REDACTED**] or any other matters in accordance with Rule 13.10 of the Listing Rules.

The term of the appointment will commence on the [**REDACTED**] and is expected to end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [**REDACTED**].

CORE R&D TEAM MEMBERS

For further details of the experience of our core R&D team members, see "Business — Research and Development — Our R&D Team."

OUR SINGLE LARGEST SHAREHOLDERS

As of the Latest Practicable Date, Mr. Liu, Mr. Song, Ms. Yang Junwen, Chenxing Friends, Chenxing Brothers and Chenxing Partners held approximately 11.11%, 9.20%, 3.94%, 3.82%, 3.25% and 2.66% of the issued share capital of our Company, respectively.

Pursuant to the Concert Party Agreement, Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen agreed to, among others, act in concert with Mr. Liu and follow his decisions in exercising their vote at the shareholders' meeting of our Company. The Concert Party Agreement will remain effective after the proposed [**REDACTED**].

Accordingly, as of the Latest Practicable Date and under the Concert Party Agreement, Mr. Liu is entitled to exercise approximately 33.99% voting rights of our Company. Immediately following the completion of the [**REDACTED**], in light of the Concert Party Agreement, Mr. Liu will be entitled to exercise [**REDACTED**]% of the voting rights of our Company, comprising: (i) [**REDACTED**]% of our voting rights through Shares directly held by him, (ii) [**REDACTED**]% of our voting rights through Shares directly held by Mr. Song, (iii) [**REDACTED**]% of our voting rights through Shares held by Chenxing Partners, Chenxing Friends and Chenxing Brothers, and (iv) [**REDACTED**]% of our voting rights through Shares held by Ms. Yang Junwen. Therefore, Mr. Liu, Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen will constitute a group of Single Largest Shareholders of our Company upon completion of the [**REDACTED**].

NO COMPETITION AND CLEAR BUSINESS DELINEATION

Each of our Single Largest Shareholders confirms that, as of the Latest Practicable Date, he/she/it did not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business that would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR SINGLE LARGEST SHAREHOLDERS

Management Independence

We are able to carry on our business independently from the Single Largest Shareholders from management perspective. Our Board consists of seven Directors, including two executive Directors, two non-executive Directors and three independent non-executive Directors. Mr. Liu and Mr. Song, who are members of the Single Largest Shareholders, also serve as our executive Directors.

Our Directors are of the view that our Company is able to function independently from the Single Largest Shareholders for the following reasons:

(a) our daily management and operations are carried out by our executive Directors and the senior management with assistance from our core technical staff, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Group. For details of the industry experience of our executive Directors and the senior management, see "Directors and Senior Management";

(b) each Director is aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests;

(c) we have three independent non-executive Directors who (i) account for not less than one-third of the Board, (ii) do not and will not hold any directorships or management positions in our Single Largest Shareholders, (iii) possess the requisite industry knowledge and experience and are qualified to provide independent, sound and professional advice to our Company, and (iv) will be responsible for deciding certain matters of our Company which must always be referred to the independent non-executive Directors for review;

(d) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Directors or their respective associates, any interested Director is required to declare the nature of such interest and shall abstain from voting at the relevant Board meetings of our Company in respect of such transactions and shall not be counted in the quorum; and

(e) to support our management independence, we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and the Single Largest Shareholders which would support our independent management. See "— Corporate Governance."

Based on the above, our Directors believe that our Board as a whole and together with our senior management are able to perform the managerial role in our Group independently from the Single Largest Shareholders and their respective close associates upon [**REDACTED**].

Operational Independence

Our Group does not rely on Single Largest Shareholders and their respective close associates for our business development, staffing, administration, finance, internal audit, information technology, sales and marketing, or company secretarial functions. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from our Single Largest Shareholders and their respective close associates. In addition, we have our own headcount of employees for our operations and management for human resources.

Our Group has independent access to suppliers and customers and an independent management team to handle our day-to-day operations. We are also in possession of all relevant licenses, certificates, facilities and intellectual property rights necessary to carry on and operate our principal businesses and we have sufficient operational capacity in terms of capital and employees to operate independently.

Based on the above, our Directors believe that we are able to operate independently of our Single Largest Shareholders and their respective close associates upon [**REDACTED**].

Financial Independence

Our Group has an independent financial system and make financial decisions according to our Group's own business needs. We have internal control and accounting systems and an independent finance department in charge of our treasury function. We do not expect to rely on our Single Largest Shareholders and their respective close associates for financing after [**REDACTED**] as we expect that our working capital will be funded by cash, cash equivalent on hand as well as the net [**REDACTED**] from the [**REDACTED**]. As such, our Company's financial functions, such as cash and accounting management, invoices and bills, operate independently of members of our Single Largest Shareholders and their respective close associates.

We are capable of obtaining financing from Independent Third Parties without relying on any guarantee or security provided by our Single Largest Shareholders and their respective close associates. As of the Latest Practicable Date, we confirm that there is no financial assistance provided by our Single Largest Shareholders to our Group and *vice versa*.

Based on the above, our Directors believe that we are capable of carrying on our business independently of, and do not place undue reliance on our Single Largest Shareholders and their respective close associates upon [**REDACTED**].

CORPORATE GOVERNANCE

Our Company will comply with the provisions of the Corporate Governance Code in Appendix C1 to the Listing Rules (the "**Corporate Governance Code**"), which sets out principles of good corporate governance.

Our Directors recognize the importance of protecting the rights and interests of all Shareholders, including the rights and interests of our minority Shareholders. We will adopt the following measures to ensure good corporate governance standards and avoid potential conflicts of interest between our Group and our Single Largest Shareholders:

(a) where a Shareholders' meeting is held for considering proposed transactions in which any of our Single Largest Shareholders has a material interest, he/she/it shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;

(b) where a Board meeting is held for the matters in which a Director has a material interest, such Director shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;

(c) in the event that our independent non-executive Directors are requested to review any conflict of interest between our Group and our Single Largest Shareholders, our Single Largest Shareholders shall provide the independent non-executive Directors with all necessary information and our Company shall disclose the decisions of the independent non-executive Directors either in its annual reports or by way of announcements;

(d) our Directors (including the independent non-executive Directors) will seek independent and professional opinions from external advisors at our Company's cost as and when appropriate in accordance with the Corporate Governance Code;

(e) any transactions between our Company and its connected persons shall be in compliance with the relevant requirements of Chapter 14A of the Listing Rules, including the announcement, annual reporting and independent shareholders' approval requirements (if applicable) under the Listing Rules; and

(f) we have appointed Altus Capital Limited as our Compliance Advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules, including various requirements relating to directors' duties and corporate governance.

Based on the above, our Directors are satisfied that the corporate governance measures are sufficient to manage conflicts of interest that may arise between our Group and our Single Largest Shareholders, and to protect our minority Shareholders' interests after the [**REDACTED**].

So far as our Directors are aware, immediately following the completion of the Share Subdivision, the [**REDACTED**] and the Conversion of Unlisted Shares into H Shares, the following persons are expected to have an interest in the Shares or underlying Shares of our Company which would fall to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are, directly or indirectly, interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company:

		As of the Latest Practicable Date		Immediately following the completion of the Share Subdivision, the [REDACTED] and the Conversion of Unlisted Shares into H Shares (assuming the [REDACTED] is not exercised)[2]		
Name of shareholder	Nature of interest	Number of Unlisted Shares Held[7]	Approximate percentage of interest in our Company as of the Latest Practicable Date	Number of H Shares	Approximate percentage of shareholding in H Shares	Approximate percentage of shareholding in our total share capital
Mr. Liu[3][4]	Beneficial owner	2,253,500	11.11%	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
	Interest in controlled corporation	540,000	2.66%	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
	Interest held jointly with other person	4,099,861	20.22%	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Mr. Song[4]	Beneficial owner	1,866,500	9.20%	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
	Interest in controlled corporation	1,975,361	9.74%	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Mr. Yang Haoyong	Beneficial owner	1,805,000	8.90%	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Guozhong Private Equity[5]	Beneficial owner	1,635,001	8.06%	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Ningbo Haida[6]	Beneficial owner	1,532,098	7.55%	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
TEDA Haihe IM Fund[7]	Beneficial owner	1,291,564	6.37%	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Qingchuan Private Equity Fund Management (Wuxi) Co., Ltd.[8]	Interest in controlled corporations	1,220,008	6.02%	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]

Notes:

(1) All interests stated are long position.

(2) The calculation is based on the total number of [**REDACTED**] H Shares to be converted from Unlisted Shares in issue pursuant to the Conversion of Unlisted Shares into H Shares and [**REDACTED**] H Shares to be issued pursuant to the [**REDACTED**].

(3) As of the Latest Practicable Date, Mr. Liu directly held 2,253,500 Shares of the Company and Chenxing Partners held 540,000 Shares of the Company, accounting for approximately 11.11% and 2.66% of the equity interests in the Company. The general partner of Chenxing Partners is Mr. Liu, and each of Mr. Song and Mr. Liu holds 90% and 10% of its partnership interests. Under the SFO, Mr. Liu is deemed to be interested in the Shares held by Chenxing Partners.

(4) As of the Latest Practicable Date, Mr. Song directly held 1,866,500 Shares of the Company, Chenxing Friends held 775,361 Shares of the Company, Chenxing Brothers held 660,000 Shares of the Company, and Chenxing Partners held 540,000 Shares of the Company, accounting for approximately 9.20%, 3.82%, 3.25% and 2.66% of the equity interests in the Company. The general partner of Chenxing Friends and Chenxing Brothers is Mr. Song, and none of their limited partners hold 30% or more of their partnership interests. Mr. Song holds 90% partnership interests of Chenxing Partners as a limited partner. Under the SFO, Mr. Song is deemed to be interested in the Shares held by Chenxing Friends, Chenxing Brothers and Chenxing Partners.

As of the Latest Practicable Date, Ms. Yang Junwen directly held 798,000 Shares of the Company, accounting for approximately 3.94% of the equity interests in the Company. Pursuant to the Concert Party Agreement, Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen agreed to, among others, act in concert with Mr. Liu and follow his decisions in exercising his vote at the shareholders' meeting of our Company. The Concert Party Agreement will remain effective after the proposed [**REDACTED**]. Under the SFO, Mr. Liu is deemed to be interested in the Shares held by Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen.

(5) Under the SFO, each of Dr. Shi Anping, Guozhong Changrong and China SME Development Fund Co., Ltd. is deemed to be interested in the Shares held by Guozhong Private Equity. For details of the relationship among them, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments — Information relating to our Key Pre-[**REDACTED**] Investors".

(6) Under the SFO, each of Ningbo Haida Ruiying Equity Investment Management Co., Ltd., Tianjin Haida Venture Capital Management Co., Ltd., Tianjin Xinhua Enterprise Management Consulting Co., Ltd., Hangzhou Yiheng Equity Investment Partnership (Limited Partnership), Mr. Wang Wengang, Mr. Hu Deyuan and Mr. Jiang Huiming is deemed to be interested in the Shares held by Ningbo Haida. For details of the relationship among them, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments — Information relating to our Key Pre-[**REDACTED**] Investors".

(7) Under the SFO, each of Tianjin TEDA Haihe Private Equity Fund Management Co., Ltd., Tianjin TEDA Industrial Development Group Co., Ltd., Tianjin Economic Technological Development Area State-Owned Assets Management Co., Ltd., Tianjin TEDA Industrial Investment Guidance Fund Co., Ltd., Tianjin Haihe Industry Fund Partnership (Limited Partnership) and Tianjin Haihe Industry Fund Management Co., Ltd. is deemed to be interested in the Shares held by TEDA Haihe IM Fund. For details of the relationship among them, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments — Information relating to our Key Pre-[**REDACTED**] Investors".

(8) Qingchuan Private Equity Fund Management (Wuxi) Co., Ltd. is the general partner of Saitian Industrial Development and Yixing Saitian. As of the Latest Practicable Date, each of Saitian Industrial Development and Yixing Saitian held 976,006 and 244,002 Shares of the Company, representing approximately 4.81% and 1.20% of the equity interests in the Company. Under the SFO, each of Qingchuan Private Equity Fund Management (Wuxi) Co., Ltd., Wuxi Jingshuihu Enterprise Management Co., Ltd. and Zhang Yi is deemed to be interested in the Shares held by Saitian Industrial Development and Yixing Saitian. For details of the relationship among them, see "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments — Information relating to our Key Pre-[**REDACTED**] Investors".

Save as disclosed herein, the Directors are not aware of any other person who will, immediately following the Share Subdivision, the [**REDACTED**] and the Conversion of Unlisted Shares into H Shares, have an interest or short position in Shares or underlying Shares of the Company, which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company.

OUR SHARE CAPITAL

Immediately before the [REDACTED]

As of the Latest Practicable Date, the registered share capital of our Company was RMB20,279,430, comprising 20,279,430 Unlisted Shares with a nominal value of RMB1.00 each.

Immediately prior to the [**REDACTED**], the ordinary shares of our Company will be split on a one for ten basis, and the registered share capital of our Company will be RMB20,279,430, comprising 202,794,300 Unlisted Shares with a nominal value of RMB0.10 each.

Upon Completion of the [REDACTED]

Immediately after the Share Subdivision, the [**REDACTED**] and the Conversion of Unlisted Shares into H Shares, assuming the [**REDACTED**] is not exercised, the share capital of the Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the enlarged issued share capital after the [REDACTED]
Unlisted Shares	[**REDACTED**]	[**REDACTED**]
H Shares converted from Unlisted Shares	[**REDACTED**]	[**REDACTED**]
H Shares to be issued pursuant to the [**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Total	[**REDACTED**]	**100.00%**

Note: See "Capitalization of Our Company" in the section headed "History, Development and Corporate Structure" for details of the identities of our Shareholders whose Shares will remain as Unlisted Shares and whose Shares will be converted into H Shares upon [**REDACTED**].

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

If any of the Unlisted Shares are to be converted, [**REDACTED**] and [**REDACTED**] as H Shares on the Stock Exchange, such conversion, [**REDACTED**] and [**REDACTED**] will need the filing of the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange.

Filing with the CSRC for Full Circulation

In accordance with the Overseas Listing Trial Measures and related guidelines, H-share listed companies shall file with the CSRC for the conversion of unlisted shares into H shares for listing and circulation on the Stock Exchange. An unlisted domestic joint stock company may file for "full circulation" when applying for an overseas initial public offering.

We have filed with the CSRC an application for the conversion of [**REDACTED**] Unlisted Shares into H Shares on a one-for-one basis upon the completion of the [**REDACTED**] on [●], and CSRC issued the filing notice in respect of the [**REDACTED**] dated [●].

The Conversion of Unlisted Shares into H Shares will involve an aggregate of [**REDACTED**] Unlisted Shares held by our existing Shareholders (the "**Full Circulation Participating Shareholders**") as of the Latest Practicable Date. See "Capitalization of Our Company" in the section headed "History, Development and Corporate Structure" for details of the identities of our Shareholders whose Shares will remain as Unlisted Shares and whose Shares will be converted into H Shares upon [**REDACTED**].

[REDACTED] Approval by the Stock Exchange

We have applied to the [**REDACTED**] of the Stock Exchange for the granting of [**REDACTED**] of, and permission to [**REDACTED**], our H Shares to be [**REDACTED**] pursuant to the [**REDACTED**], and the H Shares to be converted from 197,990,430 Unlisted Shares on the Stock Exchange, which is subject to the approval by the Stock Exchange.

We will perform the following procedures for the Conversion of Unlisted Shares into H Shares after receiving the approval of the Stock Exchange: (1) giving instructions to our [**REDACTED**] regarding relevant share certificates of the converted H Shares; and (2) enabling the converted H Shares to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in [**REDACTED**].

Domestic Procedures

The Full Circulation Participating Shareholders may only deal the Shares upon completion of the below arrangement procedures for the registration, deposit and transaction settlement in relation to the conversion and [**REDACTED**]:

(i) We will appoint China Securities Depository and Clearing Corporation Limited ("CSDC") as the nominal holder to deposit the relevant securities at CSDC (Hong Kong), which will then deposit the securities at HKSCC in its own name. CSDC, as the nominal holder of the Full Circulation Participating Shareholders, shall handle all custody, maintenance of detailed records, cross-border settlement and corporate actions, etc. relating to the converted H Shares for the Full Circulation Participating Shareholders;

(ii) According to the Notice of SAFE on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》), the Full Circulation Participating Shareholders shall complete the overseas shareholding registration with the local foreign exchange administration bureau before the Shares are sold, and after the overseas shareholding registration, open a specified bank account for the holding of overseas shares by domestic investors at a domestic bank with relevant qualifications and open a fund account for the H Share "Full circulation" at the Domestic Securities Company. The Domestic Securities Company shall open a securities trading account for the H Share "Full circulation" at the Hong Kong Securities Company; and

(iii) The Full Circulation Participating Shareholders shall submit trading orders of the converted H Shares through the Domestic Securities Company. Trading orders of the Full Circulation Participating Shareholders for the relevant Shares will be submitted to the Stock Exchange through the securities trading account opened by the Domestic Securities Company at the Hong Kong Securities Company. Upon completion of the transaction, settlements between each of the Hong Kong Securities Company and CSDC (Hong Kong), CSDC (Hong Kong) and CSDC, CSDC and the Domestic Securities Company, and the Domestic Securities Company and the Full Circulation Participating Shareholders, will all be conducted separately.

As a result of the Conversion of Unlisted Shares into H Shares, the shareholding of the relevant Full Circulation Participating Shareholders in our Unlisted Shares shall be reduced by the number of the Unlisted Shares converted and the number of H Shares shall be increased by the number of converted H Shares.

OUR SHARES

Upon the completion of the [**REDACTED**] and the Conversion of Unlisted Shares into H Shares, the Shares will consist of Unlisted Shares and H Shares. The H Shares in issue following the completion of the [**REDACTED**] and the Unlisted Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares. However, apart from certain qualified domestic institutional investors in the PRC, qualified PRC investors under the Shanghai-Hong Kong stock exchanges connectivity mechanism (Shanghai-Hong Kong Stock Connect) and the Shenzhen-Hong Kong stock exchanges connectivity mechanism (Shenzhen-Hong Kong Stock Connect) and other persons entitled to hold H Shares pursuant to the relevant PRC laws and

regulations or upon approval by any competent authorities, H Shares generally may not be subscribed for by, or traded between, legal or natural persons of the PRC. On the other hand, Unlisted Shares may only be subscribed for by, and traded between, legal persons of the PRC, certain qualified foreign institution investors and qualified foreign strategic investors. H Shares may only be subscribed for and traded in Hong Kong dollars. Unlisted Shares, on the other hand, may only be subscribed for and transferred in Renminbi.

RANKING

Unlisted Shares and H Shares are regarded as one class of Shares under our Articles of Association and will rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this document. All dividends for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars or Renminbi, whereas all dividends for Unlisted Shares will be paid in Renminbi. Other than cash, dividends could also be paid in the form of shares.

RESTRICTION ON TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

In accordance with Article 160 of the PRC Company Law, the shares issued prior to any public offering of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. As such, the Shares [**REDACTED**] by the Company prior to the [**REDACTED**] will be subject to such statutory restriction on transfer within a period of one year from the [**REDACTED**].

Shares transferred by our Directors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company unless otherwise permitted by applicable laws and regulations. The Shares that the aforementioned persons hold in our Company cannot be transferred within six months after they leave their positions as Directors and members of the senior management in our Company.

CIRCUMSTANCES UNDER WHICH SHAREHOLDERS' MEETINGS ARE REQUIRED

Pursuant to the PRC Company Law and the terms of the Articles of Association, our Company may from time to time by special resolution of shareholders, among others, increase its capital or decrease its capital or repurchase of shares. See "Appendix IV — Summary of the Articles of Association" in this document.

SHAREHOLDERS' APPROVAL FOR THE [REDACTED]

Approval from holders of the Shares is required for the Company to [**REDACTED**] H Shares and seek the [**REDACTED**] of H Shares on the Stock Exchange. The Company has obtained such approval at the Shareholders' general meeting held on December 30, 2025 and August 14, 2026.

GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

Subject to the [**REDACTED**] becoming unconditional, our Directors will be granted general unconditional mandates to issue our Shares and repurchase our Shares. See "Appendix V — Statutory and General Information — 1. Further Information about our Company — C. Resolutions Passed by Our Shareholders' General Meeting in relation to the [**REDACTED**]" for further details.

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.

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.

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

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.

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)**

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.

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**

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**

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*

	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.

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.

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

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

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 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% 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 month ended June 30, 2026, primarily due to the increased employee compensation driven by the expansion of our sales team to support our business growth.

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.

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.

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.

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,
	2023	2024	2025	2026
	(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**

	As of December 31,			As of June 30,
	2023	2024	2025	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 June 30,
	2023	2024	2025	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.

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 June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
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.

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 June 30,
	2023	2024	2025	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 June 30,
	2023	2024	2025	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.

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,
	2023	2024	2025	2026
	(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,
	2023	2024	2025	2026
	(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.

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,
	2023	2024	2025	2026
	(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,
	2023	2024	2025	2026
	(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	**8,719**	**10,398**	**51,721**	**66,143**

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.

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,
	2023	2024	2025	2026
	(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,
	2023	2024	2025	2026
	(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.

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,
	2023	2024	2025	2026
	(RMB in thousands)			
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,
	2023	2024	2025	2026
	(RMB in thousands)			
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.

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 June 30,
	2023	2024	2025	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

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
	(RMB in thousands)				
				(unaudited)	
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

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.

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.

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,
	2023	2024	2025	2026
	(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.

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,
	2023	2024	2025	2026
	(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,
	2023	2024	2025	2026
	(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**

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
	(RMB in thousands)				
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**

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

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,
	2023	2024	2025	2026
Gross profit margin (%)[(1)]	17.0	22.8	30.5	27.1
Current ratio *(times)*[(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.

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,
	2023	2024	2025	2026
	(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,
	2023	2024	2025	2026
	(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,
	2023	2024	2025	2026
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.

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.

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.

FUTURE PLANS

See "Business — Our Strategies" for a detailed description of our future plans.

[**REDACTED**]

After deducting the [**REDACTED**] commissions and other estimated [**REDACTED**] expenses payable by us in connection with the [**REDACTED**], and assuming an [**REDACTED**] of HK$[**REDACTED**] per H [**REDACTED**] (being the mid-point of the indicative [**REDACTED**] of HK$[**REDACTED**] and HK$[**REDACTED**]), we estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**]. We intend to use the net [**REDACTED**] from the [**REDACTED**] for the purposes and in the amounts set forth below:

- approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for continuous R&D to solidify and further advance our leading positions in robotics technologies by enhancing our in-house manufacturing capabilities of core components used in our robots and robotics solutions, integrating our products into high-value-added robotics solutions and seizing growing market opportunities arising from embodied intelligent robot technologies. The [**REDACTED**] will be used to support our sustainable growth and profitability through focusing R&D efforts on high-value scenarios and strengthening supply chain self-sufficiency. Specifically:
  - approximately [**REDACTED**] of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the R&D of AI and embodied intelligent robot technologies to enhance the autonomy, lower deployment barriers and improve the interaction and decision-making capabilities for our robots, while exploring next-generation robotics platforms. The next-generation robotics platform is a robotics system that continuously integrates the latest AI advancements to overcome current limitations in spatial cognition and process control, evolving from a specialized device into a general-purpose intelligent platform. More specifically:
    (1) approximately [**REDACTED**] of the net [**REDACTED**], or HK$[**REDACTED**], will be used to develop smart robot programming platforms that integrate natural language interaction, vision-based demonstration and digital twins. We plan to integrate the alignment of large language models with robotic tasks, construction of scenario-based datasets, algorithm training and development of an open developer ecosystem, with a goal to reduce deployment cost and time of our automation solutions.

    (2) approximately [**REDACTED**] of the net [**REDACTED**], or HK$[**REDACTED**], will be used to develop the multi-modal perception and navigation system for embodied intelligent robot, featuring perception systems that fuse visual, LiDAR and inertial sensor data to enable robust localization, mapping, obstacle avoidance and path planning in complex and dynamic environments. The need to develop the multi-modal perception and navigation system is to continuously integrate the latest breakthroughs in Vision-Language-Action and embodied AI, such as spatial cognition and dynamic control, beyond our current version, enabling the transition from basic multimodal features to true environmental understanding and autonomous decision-making. We plan to allocate more resources to multi-sensor fusion algorithm development, large-scale real-world data collection and simulation-based training as well as decision models for dynamic obstacle prediction and interaction.

    (3) approximately [**REDACTED**] of the net [**REDACTED**], or HK$[**REDACTED**], will be used to support the development and commercialization of high-speed and high-payload embodied intelligent robot, creating an integrated platform capable of large-scale autonomous mobility, dexterous manipulation and strong task-level decision-making. Such platform will integrate the above perception and navigation systems and embed advanced AI-based task understanding and real-time planning algorithms, enabling autonomous execution of tasks across diverse and complex application scenarios. We plan to further increase our investment in lightweight high-strength body development, validation of high power-density joint modules, embedded deployment and optimization of AI algorithms, full-system integration and large-scale real-world data collection

and closed-loop training, with a view to progressing from high-performance prototypes toward scalable application, while driving greater market penetration within the embodied intelligent robot hardware and data ecosystems.

- approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the optimization and expansion of our robots and solutions. Our goal is to translate our key technologies into commercially competitive product and solution [**REDACTED**] by developing highly reliable, high-precision robots and robotics solutions tailored for extreme environments and high-value application scenarios. More specifically:

  (1) approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the development of next-generation fully redundant drive-and-control integrated platforms. The next-generation fully redundant drive-and-control integrated platform refers to a controller platform that upgrades existing drive-and-control integration with hardware redundancy and software fault-tolerance to achieve functional safety certification, enabling safe and continuous operation even under single-point failures. These platforms will feature full hardware-level redundancy across power supply, communication and computing units, combined with software fault-tolerant architectures and advanced motion control algorithms, enabling fault self-diagnosis, isolation and recovery. It combines the "brain" and "muscle driver" into one unit for faster response, while building in backup hardware and self-checking software so the system keeps running safely even if a component fails. We plan to direct efforts toward redundancy structural design verification, functional safety certification (including SIL and PL standards) and development of industry-specific software libraries using the [**REDACTED**], with a view to enhancing applicability in mission-critical scenarios. The platform enables entry into high-reliability markets such as semiconductor manufacturing, medical equipment, and aerospace, where safety failures are unacceptable. It also provides the functional safety certifications required for European and North American markets, creating a technological advantage that few domestic competitors can match.

  (2) approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to support the research and commercialization of space robotic arm designed for operation in extreme space environments, including vacuum, radiation and extreme temperature conditions. We plan to invest in and further enhance our R&D capabilities for environmental adaptability design, space-environment simulation testing, prototype assembly and integration as well as comprehensive ground-based validation, with a goal to completing technical feasibility verification and system-level validation for future applications in space servicing and exploration.

  (3) approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the development of specialized robots for semiconductor front-end and back-end manufacturing processes, specifically for wafer handling, packaging and testing applications that demand stringent standards for cleanliness, micro-vibration, cycle time and positioning accuracy. We plan to primarily focus on high-stiffness lightweight robot structures, active and passive vibration suppression and vision-based high-precision trajectory control, and plan to use the net [**REDACTED**] for cleanroom performance testing and calibration, joint debugging with semiconductor equipment manufacturers and development of mass-production processes, so as to provide high-precision and high-reliability robots for the semiconductor industry.

- approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the R&D of key technologies and manufacturing processes of core components of robots to enhance product performance, ensure supply chain security and optimize our cost structure, with a goal to gradually enhance the independent development capability of core components and setting industry benchmarks. Specifically, we plan to primarily focus on the next-generation (i) high speed and high-power-density servo motors designed to address the core challenge of robotic power systems, (ii) reducers featuring high torque, high stiffness and wide transmission ratio range, and (iii) high-load, high-stiffness, high-response and lightweight integrated joint modules.

- approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the construction of a multifunctional headquarters and the enhancement of our production capacity. The [**REDACTED**] will be used to comprehensively empower our overall business operations by consolidating our leading position in the high-speed industrial robot industry and deepening downstream penetration, which is aimed at supporting our sustainable growth and enhanced profitability. Specifically:

  - approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the construction of a multifunctional headquarters in Tianjin, China. We plan to integrate R&D, advanced manufacturing, testing and validation, supply chain coordination, and corporate operation and management functions in our multifunctional headquarters. We believe that consolidating all core functions within a facility will improve our operational efficiency, enhance our cross-functional collaboration and support the commercialization of our R&D outcomes.

    The following table sets forth the specific timeline for construction of our multifunctional headquarters.

Time	Allocation of Net [REDACTED]	Specific Construction Scale and Corresponding Facilities
2026	HK$[**REDACTED**]	Preliminary design, consulting, construction application and approval
2027	HK$[**REDACTED**]	Main building construction
2028	HK$[**REDACTED**]	Main building construction, as well as commencement of installation works, equipment procurement and assembly, and decoration works
2029	HK$[**REDACTED**]	Main building construction entering the final acceptance phase; installation works, equipment procurement and assembly, and decoration works in progress
2030	HK$[**REDACTED**]	Entering the final completion phase, reaching a usable state

  - approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the upgrade of our existing production lines at Tianjin, Wuxi, Suzhou (Kunshan) and Suzhou (Wujiang). See "Business — Our Production — Our Production Facilities." We plan to focus on improving automation, flexibility and consistency across our manufacturing processes by procuring new production equipment, testing facilities, supporting systems and related supporting facilities. Through production line upgrades, the facilities in Tianjin, Wuxi, and Kunshan are each expected to achieve an annual capacity of 5,000 units, while the Wujiang facility is expected to reach an annual output value of RMB 300 million, all with an anticipated capacity utilization rate of over 80%. Our goal is to improve our production efficiency, quality control and capacity utilization, enabling us to meet our customers' demand for reliable and scalable delivery.

- approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for overseas business expansion and brand development to advance our global footprint. The [**REDACTED**] will be used to support our sustainable growth and profitability through accelerating overseas market expansion to cultivate new growth drivers.

  - approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to establish and expand our overseas sales networks and business channels. We intend to strengthen our presence in selected overseas markets by building localized sales, technical support and service capabilities by cooperating with qualified local partners and distributors. Specifically, we plan to partner with core agents (leveraging their local sales and service networks), large trading companies in the Middle East (utilizing their existing channel resources), and professional industrial robot agents in Europe (who possess extensive local customer bases and established service networks). Our goal is to enhance our responsiveness to overseas customers' demands, support product sales, project delivery and after-sales service, and facilitate the expansion of our international customer base.

The following table sets forth detailed locations, business prospects, detailed strategies, marketing plan and timeline on how we would like to advance our overseas sales networks and business channel.

Time	Location	Detailed Strategies	Marketing Plan
2026-2027 .	East Asia, Southeast Asia, Middle East, Europe, North America	• Select and sign distributors in core locations • Establish cooperation mechanisms for key agents, focusing on Europe service support • Obtain product certifications in East Asia • Set up overseas subsidiaries and initial teams • Establish service center in Europe • Build initial sales and service networks, prioritizing Europe	• Participate in key trade fairs • Launch multilingual website and social media • Target SME customers to expand client base • Promote standardized products in food & beverage, electronics assembly, packaging • Increase marketing spend on trade shows and online campaigns, focusing on Europe
2028-2029 .	East Asia, Southeast Asia, Middle East, Europe, North America	• Expand to new locations and add distributors • Pursue Underwriters Laboratories/Food and Drug Administration certifications in North America • Strengthen service centers in Middle East and Southeast Asia with technical staff • Build local direct sales teams to target key clients	• Attend major trade shows and recurring shows • Increase online presence with localized search engine advertisements • Host technical seminars • Target key clients to expand customer base • Promote customized products for automotive, petrochemical, packaging • Improve customer repurchase rates

Time	Location	Detailed Strategies	Marketing Plan
2030	Europe, North America	• Complete full channel coverage in core and satellite locations • Obtain Underwriters Laboratories/Food and Drug Administration and all East Asia product certifications • Establish service centers in Middle East and North America • Expand profitability scale • Complete localization with local staff in key positions	• Continue participating in key trade fairs • Optimize case studies with multilingual brochures and videos • Partner with local industry associations and universities to enhance brand recognition • Expand both key and SME customer bases, improve repurchase rates • Promote new technologies and products in high-end niche segments

  - approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for global branding, promotion and marketing activities. In particular, we plan to conduct customer relationship and brand-building initiatives in overseas markets, including brand promotion and advertising campaigns, participation in industry exhibitions, hosting new product launching events and strengthening direct customer engagement, to enhance our brand visibility and recognition globally.

- approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for working capital and other general corporate purposes. The [**REDACTED**] will be used to support our sustainable growth and profitability through attracting and developing top talent to build a world-class management and R&D team.

The above allocation of the [**REDACTED**] will be adjusted on a pro rata basis in the event that the [**REDACTED**] is fixed below or above the mid-point of the indicative [**REDACTED**]. If the [**REDACTED**] is set at HK$[**REDACTED**] per [**REDACTED**], which is the high end of our indicative [**REDACTED**], the net [**REDACTED**] from the [**REDACTED**] will increase by approximately HK$[**REDACTED**]. If the [**REDACTED**] is set at HK$[**REDACTED**] per [**REDACTED**], which is the low end of our indicative [**REDACTED**], the net [**REDACTED**] from the [**REDACTED**] will decrease by approximately HK$[**REDACTED**]. Any additional [**REDACTED**] received from the exercise of the [**REDACTED**] will also be allocated to the above purposes on a pro rata basis. In the event that the [**REDACTED**] is exercised in full, we will receive net [**REDACTED**] of HK$[**REDACTED**] (after deducting the estimated [**REDACTED**] commissions and other fees and expenses paid and payable by us in connection with the [**REDACTED**] and assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], being the mid-point of our indicative [**REDACTED**]).

To the extent that the net [**REDACTED**] are not immediately applied to the above purposes, we will only deposit the net [**REDACTED**] into short-term interest-bearing accounts with licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

[**REDACTED**]

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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF TIANJIN CHENXING TECHNOLOGY CO., LTD. AND HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Tianjin Chenxing Technology Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-4 to I-79, which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026 (the "Relevant Periods"), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026 and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-4 to I-79 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated August 18, 2026 (the "Document") in connection with the initial [**REDACTED**] of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order

to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at December 31, 2023, 2024 and 2025 and June 30, 2026 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Review of interim comparative financial information

We have reviewed the interim comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months ended June 30, 2025 (the "Interim Comparative Financial Information").

The directors of the Company are responsible for the preparation of the Interim Comparative Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 Review of Interim Comparative Financial Information Performed by the Independent Auditor of the Entity issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

Certified Public Accountants
Hong Kong
[Date]

I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

The Historical Financial Information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended December 31,			Six months ended June 30,	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
REVENUE	*5*	93,491	135,260	252,653	94,607	135,086
Cost of sales		(77,612)	(104,399)	(175,720)	(71,054)	(98,430)
Gross profit		15,879	30,861	76,933	23,553	36,656
Other income and gains	*5*	8,314	8,964	12,542	5,094	1,798
Selling and marketing expenses		(24,749)	(34,465)	(34,368)	(10,895)	(12,518)
Administrative expenses		(16,631)	(20,752)	(25,499)	(7,709)	(25,816)
Research and development expenses		(19,364)	(29,799)	(21,387)	(9,746)	(24,015)
Impairment losses on financial assets and contract assets		(1,032)	(694)	(6,534)	(4,403)	(4,235)
Other expenses		(1,290)	(175)	(119)	(207)	(357)
Finance costs	*7*	(380)	(1,008)	(829)	(437)	(315)
PROFIT/(LOSS) BEFORE TAX	*6*	(39,253)	(47,068)	739	(4,750)	(28,802)
Income tax expenses	*10*	–	–	–	–	–
PROFIT/(LOSS) FOR THE YEAR/PERIOD		(39,253)	(47,068)	739	(4,750)	(28,802)
Attributable to:						
Owners of the parent		(39,253)	(47,068)	739	(4,750)	(28,802)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted *(RMB)*	*12*	(2.22)	(2.60)	0.04	(0.25)	(1.42)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR/PERIOD		(39,253)	(47,068)	739	(4,750)	(28,802)

For the details of pre-[**REDACTED**] investments, please refer to Note 31 to this report.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at December 31, 2023	As at December 31, 2024	As at December 31, 2025	As at June 30, 2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	*13*	12,772	16,146	20,862	17,600
Investment properties	*14*	1,125	1,025	925	875
Right-of-use assets	*15*	12,616	27,253	21,103	22,702
Other intangible assets	*16*	287	120	847	961
Contract assets	*21*	70	329	822	1,498
Prepayments, other receivables and other assets	*22*	–	2,977	1,057	707
Total non-current assets		26,870	47,850	45,616	44,343
CURRENT ASSETS					
Inventories	*19*	58,381	70,807	42,567	54,068
Trade and bills receivables	*20*	12,312	13,376	58,738	71,707
Contract assets	*21*	2,558	5,006	4,957	3,248
Prepayments, other receivables and other assets	*22*	6,553	10,135	10,344	16,514
Financial assets at fair value through profit or loss	*23*	116,924	151,987	122,210	94,356
Financial assets at fair value through other comprehensive income	*24*	1,534	540	1,927	1,238
Restricted cash	*25*	3,281	3,056	4,033	400
Cash and cash equivalents	*25*	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	*26*	53,162	80,082	76,486	79,142
Other payables and accruals	*27*	13,557	22,394	32,673	41,786
Interest-bearing bank and other borrowings	*29*	7,610	8,949	11,590	3,170
Lease liabilities	*15*	3,970	5,702	4,057	5,014
Contract liabilities	*28*	39,770	41,910	16,357	17,922
Provision	*30*	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
NON-CURRENT LIABILITIES					
Lease liabilities	*15*	8,307	7,605	3,548	4,362
Provision	*30*	133	339	629	369
Total non-current liabilities		8,440	7,944	4,177	4,731
Net assets		128,024	151,578	257,535	231,606
EQUITY					
Equity attributable to owners of the parent					
Paid-in capital/Share capital	*31*	17,766	18,693	20,279	20,279
Reserves	*33*	110,258	132,885	237,256	211,327
Total equity		128,024	151,578	257,535	231,606

For the details of pre-[**REDACTED**] investments, please refer to Note 31 to this report.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended December 31, 2023

	Attributable to owners of the parent				
	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total equity
	RMB'000 (Note 31)	*RMB'000 (Note 33)*	*RMB'000 (Note 32)*	*RMB'000 (Note 33)*	*RMB'000*
As at January 1, 2023	16,755	186,746	23,431	(104,655)	122,277
Total comprehensive loss for the year	–	–	–	(39,253)	(39,253)
Capital injection by shareholders	1,011	43,989	–	–	45,000
As at December 31, 2023	17,766	230,735	23,431	(143,908)	128,024

Year ended December 31, 2024

	Attributable to owners of the parent				
	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total equity
	RMB'000 (Note 31)	*RMB'000 (Note 33)*	*RMB'000 (Note 32)*	*RMB'000 (Note 33)*	*RMB'000*
As at January 1, 2024	17,766	230,735	23,431	(143,908)	128,024
Total comprehensive loss for the year	–	–	–	(47,068)	(47,068)
Share-based payments *(note 32)*	–	–	10,622	–	10,622
Capital injection by shareholders	927	59,073	–	–	60,000
As at December 31, 2024	18,693	289,808	34,053	(190,976)	151,578

Year ended December 31, 2025

	Attributable to owners of the parent					
	Share capital	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total equity
	RMB'000 (Note 31)	*RMB'000 (Note 31)*	*RMB'000 (Note 33)*	*RMB'000 (Note 32)*	*RMB'000 (Note 33)*	*RMB'000*
As at January 1, 2025	–	18,693	289,808	34,053	(190,976)	151,578
Total comprehensive income for the year	–	–	–	–	739	739
Share-based payments *(note 32)*	–	–	–	4,443	–	4,443
Capital injection by shareholders	811	775	99,189	–	–	100,775
Conversion into a joint stock company	19,468	(19,468)	(103,336)	–	103,336	–
As at December 31, 2025	20,279	–	285,661	38,496	(86,901)	257,535

Six months ended 30 June, 2025 (Unaudited)

	Attributable to owners of the parent				
	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total equity
	RMB'000 (Note 31)	*RMB'000 (Note 33)*	*RMB'000 (Note 32)*	*RMB'000 (Note 33)*	*RMB'000*
As at January 1, 2025	18,693	289,808	34,053	(190,976)	151,578
Total comprehensive income for the period	–	–	–	(4,750)	(4,750)
Share-based payments *(note 32)*	–	–	1,987	–	1,987
As at June 30, 2025	18,693	289,808	36,040	(195,726)	148,815

Six months ended 30 June, 2026

	Attributable to owners of the parent				
	Share capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total equity
	RMB'000 (*Note 31*)	*RMB'000* (*Note 33*)	*RMB'000* (*Note 32*)	*RMB'000* (*Note 33*)	*RMB'000*
As at January 1, 2026	20,279	285,661	38,496	(86,901)	257,535
Total comprehensive income for the period	–	–	–	(28,802)	(28,802)
Share-based payments *(note 32)*	–	–	2,873	–	2,873
As at June 30, 2026	20,279	285,661	41,369	(115,703)	231,606

* These reserve accounts represent the total consolidated reserves of RMB110,258,000, RMB132,885,000, RMB237,256,000, and RMB211,327,000 in the consolidated statements of financial position as at December 31, 2023, 2024 and 2025 and June 30, 2026, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended December 31,			Six months ended June 30,	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit/(Loss) before tax		(39,253)	(47,068)	739	(4,750)	(28,802)
Adjustments for:						
Finance costs	7	380	1,008	829	437	315
Loss on disposal of items of property, plant and equipment	6	1,379	318	938	191	953
Loss on disposal of right-of-use assets	6,15	–	–	–	–	33
Fair value gain on financial assets at fair value through profit or loss	5	(1,924)	(2,064)	(2,231)	(1,341)	(761)
Foreign exchange differences, net	5	(50)	(29)	(140)	(211)	154
Bank interest income	5	(114)	(85)	(71)	(37)	(36)
Depreciation of property, plant and equipment	6,13	3,205	4,610	4,947	2,410	2,801
Depreciation of investment property	6,14	100	100	100	50	50
Depreciation of right-of-use assets	6,15	3,747	4,908	6,150	3,423	3,110
Amortisation of other intangible assets	6,16	139	167	153	73	166
Share-based payment expenses	32	–	10,622	4,443	1,987	2,873
Impairment losses on financial assets and contract assets	6,20,21	1,032	694	6,534	4,403	4,235
Impairment of inventories to net realisable value	6	925	1,081	(970)	(874)	345
		(30,434)	(25,738)	21,421	5,761	(14,564)
Decrease/(increase) in inventories		(11,677)	(13,507)	29,210	14,956	(11,846)
Decrease/(increase) in restricted cash		(3,281)	225	(977)	(1,996)	3,633
Decrease/(increase) in trade receivables and bills		9,499	(521)	(52,401)	(80,441)	(17,109)
(Increase)/decrease in contract assets		(983)	(2,950)	(1,326)	4,516	1,977
(Increase)/decrease in prepayments, other receivables and other assets		34,924	(2,582)	(685)	(16,663)	(4,281)
(Decrease)/increase in trade payables and bills		1,151	26,920	(3,596)	56,229	2,656
Increase/(decrease) in other payables and accruals		(54,873)	8,837	10,279	7,739	8,935
Increase/(decrease) in contract liabilities		39,770	2,140	(25,553)	(11,449)	1,565
Increase in provision		928	499	365	1,034	470
Cash used in operations		(14,976)	(6,677)	(23,263)	(20,314)	(28,564)
Interest received		114	85	71	37	36
Income tax paid /(refunded)		–	–	36	36	(36)
Net cash flows used in operating activities		(14,862)	(6,592)	(23,156)	(20,241)	(28,564)

	Notes	Year ended December 31,			Six months ended June 30,	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
CASH FLOWS FROM INVESTING ACTIVITIES						
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)
Purchase of financial assets at fair value through profit or loss		(95,000)	(50,000)	(228,000)	(138,000)	(160,000)
Proceeds from maturity of financial assets at fair value through profit or loss		45,000	17,000	260,009	164,575	188,615
Collection/(Advance) to a third party		–	(1,000)	1,000	800	–
Net cash flows from/(used in) investing activities		(57,497)	(59,698)	23,448	24,495	27,902
CASH FLOWS FROM FINANCING ACTIVITIES						
Repayment of interest-bearing bank borrowings		(5,000)	(13,300)	(7,700)	(5,700)	(14,000)
New bank loans and other borrowings		7,610	14,639	10,341	4,751	5,580
Capital contribution by shareholders		45,000	60,000	100,775	–	–
Lease payments	*15*	(4,287)	(4,635)	(6,159)	(3,315)	(3,190)
Interest paid		(179)	(468)	(372)	(122)	(48)
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net cash flows from/(used in) 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 year /period		56,633	27,468	17,443	17,443	114,200
Effect of foreign exchange rate changes, net		50	29	140	211	(154)
Cash and cash equivalents at end of year /period		27,468	17,443	114,200	17,522	99,944
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances	*25*	27,468	17,443	114,200	17,522	99,944
Cash and cash equivalents as stated in the statements of cash flows and statements of financial position		27,468	17,443	114,200	17,522	99,944

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at December 31,			As at June 30,
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	*13*	5,154	5,070	6,215	5,378
Investment properties	*14*	1,125	1,025	925	875
Right-of-use assets	*15*	3,825	16,686	15,007	14,168
Other intangible assets	*16*	38	28	757	876
Investments in subsidiaries	*17*	50,000	110,000	110,000	120,000
Contract assets	*21*	–	53	518	126
Total non-current assets		60,142	132,862	133,422	141,423
CURRENT ASSETS					
Inventories	*19*	36,077	37,001	15,771	17,181
Trade and bills receivables	*20*	16,624	11,421	56,764	69,315
Contract assets	*21*	1,359	2,168	101	74
Prepayments, other receivables and other assets		2,779	4,176	5,468	9,645
Financial assets at fair value through profit or loss	*23*	71,239	57,322	33,150	–
Financial assets at fair value through other comprehensive income	*24*	1,484	324	391	942
Restricted cash	*25*	3,281	2,859	4,032	–
Cash and cash equivalents	*25*	16,040	11,094	95,588	90,334
Total current assets		148,883	126,365	211,265	187,491
CURRENT LIABILITIES					
Trade and bills payables	*26*	49,451	52,852	53,610	56,429
Other payables and accruals	*27*	11,429	13,565	19,952	28,183
Interest-bearing bank and other borrowings	*29*	600	634	1,590	170
Lease liabilities	*15*	1,348	1,402	1,089	366
Contract liabilities	*28*	13,482	12,043	6,207	2,971
Provision	*30*	1,014	999	910	1,364
Total current liabilities		77,324	81,495	83,358	89,483
NET CURRENT ASSETS		71,559	44,870	127,907	98,008
TOTAL ASSETS LESS CURRENT LIABILITIES		131,701	177,732	261,329	239,431
NON-CURRENT LIABILITIES					
Lease liabilities	*15*	2,494	1,089	–	–
Provision	*30*	32	195	298	184
Total non-current liabilities		2,526	1,284	298	184
Net assets		129,175	176,448	261,031	239,247
EQUITY					
Paid-in capital/Share capital	*31*	17,766	18,693	20,279	20,279
Reserves	*33*	111,409	157,755	240,752	218,968
Total equity		129,175	176,448	261,031	239,247

For the details of pre-[**REDACTED**] investments, please refer to Note 31 to this report.

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company was incorporated in the People's Republic of China ("**PRC**") on January 28, 2013 as a limited liability company under the PRC laws. On September 30, 2025, the Company was converted to a joint stock company with limited liability, and a total of 19,468,253 shares with a par value of RMB1.00 each were issued and allotted to the respective shareholders of the Company according to the paid-in capital registered under the names of these shareholders on September 30, 2025. On June 25, 2026, the name of the Company was changed from Tianjin Atomrobot Co.,Ltd. to Tianjin Chenxing Technology Co., Ltd. The registered office of the Company is located at No.1, Building 29, Tongchang, No. 156 Nanhai Road, Tianjin Economic and Technological Development Zone.

The Group was principally engaged in the design, development, and commercialization of industrial robots and offering of integrated robotics solutions.

As at the date of this report, the Company had direct interests in its subsidiaries, all of which are private limited liability companies, the particulars of the subsidiaries are set out below:

Name	Place of registration and business	Registered share capital	Percentage of equity attributable to the Company	Principal activities
			Direct	
Chenxing (Nanjing) Automation Equipment Co., Ltd. *(a) (b)* ("辰星(南京)自動化設備有限公司")	PRC/Chinese Mainland October 31, 2021	RMB45,000,000	100%	Sales of the robotics products and robotics solutions
Chenxing (Suzhou) Automation Equipment Co., Ltd. *(a) (b)* ("辰星(蘇州)自動化設備有限公司")	PRC/Chinese Mainland November 29, 2019	RMB20,000,000	100%	Robotics solutions
Xinxiang Chenxing Xinsong Robot Co., Ltd. *(a) (b)* ("新鄉辰星新松機器人有限公司")	PRC/Chinese Mainland May 7, 2021	RMB10,000,000	100%	Manufacture of components
Shenzhen Xiaobai Automation Technology Co., Ltd. *(a) (b)* ("深圳小百自動化科技有限公司")	PRC/Chinese Mainland June 3, 2021	RMB10,000,000	100%	R&D and sale and service center for south China region
Wuxi Chenxing Times Technology Co., Ltd. *(a) (b)* ("無錫辰星時代技術有限公司")	PRC/Chinese Mainland July 29, 2024	RMB10,000,000	100%	Production and sale of high-payload cobots
Beijing Xiaohe Robot Technology Co., Ltd. *(a) (b)* ("北京小合機器人科技有限公司")	PRC/Chinese Mainland January 25, 2024	RMB10,000,000	100%	No substantial activities
Jiangsu Xiaoye Intelligent Equipment Co., Ltd. *(a) (b)* ("江蘇小野智能裝備有限公司")	PRC/Chinese Mainland November 19, 2019	RMB10,000,000	100%	Production and sale of High-speed SCARA Robots

Notes:

(a) The English name of the entity represents the best effort made by the directors of the Company in translating the Chinese name as it does not have English name and the English name is for reference only. The entity is registered as domestic limited liability company under PRC law.

(b) As at the date of this report, no audited financial statements have been prepared for the entities for the years ended December 31, 2023, 2024 and 2025 as the entities were not subject to any statutory audit requirements under the relevant rules and regulations in the jurisdictions of incorporation.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

For shares issued to pre-[**REDACTED**] investors (the "**Investors**"), pursuant to the termination agreement dated August 6, 2025 entered into between the Company and the Investors in relation to the termination of certain of special rights granted by the Company, including redemption rights, which are *void ab initio* as described in note 31 to this report, having taking into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the supplementary agreements, the directors considered that it is appropriate to present the pre-[**REDACTED**] Investments as equity throughout the Relevant Periods and the six months ended June 30, 2025. For the details of financial impacts, see note 31 of this report.

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**"). All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2026, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods and the six months ended June 30, 2025.

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 Historical Financial Information are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The Historical Financial Information includes the financial statements of the Company and its subsidiaries. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill) and liabilities; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Issued But Not Yet Effective IFRS Accounting Standards

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective.

Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
IFRS 18	Presentation and Disclosure in Financial Statements[2]
IFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[2]
IFRS 20	Regulatory Assets and Regulatory Liabilities[3]

1 No mandatory effective date yet determined but available for adoption

2 Effective for annual/reporting periods beginning on or after January 1, 2027

3 Effective for annual/reporting periods beginning on or after January 1, 2029

The Group is in the process of making an assessment of the impact of these new and revised IFRS Accounting Standards upon initial application. So far, the Group considers that these new and revised IFRS Accounting Standards, except for IFRS 18, may result in changes in accounting policies but are unlikely to have a significant impact on the Group's financial performance and financial position in the period of initial application. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The application of IFRS 18 is not expected to have a material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and additional disclosures will be included in the Historical Financial Information.

2.3 Material Accounting Policies

Fair value measurement

The Group measures its financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment 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 recognised 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.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

  (i) has control or joint control over the Group;

  (ii) has significant influence over the Group; or

  (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

  (i) the entity and the Group are members of the same group;

  (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal estimated useful lives and residual value used for this purpose are as follows:

	Estimated useful lives	Residual value (%)
Leasehold improvements	Shorter of lease term and estimated useful life	–
Machineries	3-5 years	5%
Vehicles	4 years	5%
Electronic and office equipment	3-5 years	5%
Buildings	20 years	5%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation. Such properties are measured at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of each investment property to its residual value over its estimated useful life. The estimated useful lives are as follows:

Buildings	20 years

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Patents and licences

Purchased patents and licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 10 years.

Software

Software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 7 to 10 years.

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Plant and properties	12 to 60 months
Land use right	50 years
Equipment	36 months

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of property and plant (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Classification as equity and financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

A financial liability is any liability that is (a) a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity's own equity instruments and is: (i) a non derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, interest-bearing bank and lease liabilities.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

The Group provides for warranties in relation to the sale of certain products for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(a) Sales of robotic solutions

Robotic solutions involve design, production, implement and commissioning of customised robotic systems, which can complete required tasks in specified scenarios as indicated in the sales contract. The Group determines that the promised goods and services in robotic solutions represent one performance obligation, because these promises are highly interdependent, and the customer is unable to derive significant benefits from the access to an individual promise for the intended purposes without receipt of the other goods or services.

Revenue from the sale of robotic solutions is recognised at point in time when the robotic solutions are accepted by the customers.

(b) Sales of robotics

Domestic revenue from the sale of robotics is recognised at the point in time when control of the product is transferred to the customer, generally on delivery or acceptance of the products as agreed in the sales contracts.

(c) Provision of maintenance services

Revenue from the provision of maintenance services is recognised at the point in time when the maintenance service is completed and accepted by the customers.

(d) Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Rental income

Rental income is recognised on a time proportion basis over the lease terms.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Group operates share award scheme, under which the group granted restricted shares to employees and directors via shareholding platform for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value of restricted shares is determined by an external valuer using the market method. Further details are included in note 32 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period. Service and non-market performance conditions are not taken into account when determining the grant date fair value of restricted shares, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where restricted shares include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled restricted shares are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the restricted shares are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled restricted shares is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the restricted shares is recognised immediately.

Other employee benefits

Pension scheme

The employees of the Group's subsidiaries which operate in the Chinese Mainland are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain proportion of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Housing fund and other social insurances

The Group has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include a housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes monthly contributions to the housing fund and other social insurances. The contributions are charged to profit or loss on an accrual basis.

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

The Historical Financial Information are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the Relevant Periods, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Provision for expected credit losses on trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on ageing for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in note 20 and note 21 to the Historical Financial Information, respectively.

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("**IBR**") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Share-based payments

At the end of each Relevant Periods and the six months ended June 30, 2025, the Group estimates the number of share awards expected to vest, and will revise the estimate, if necessary, if subsequent information indicates that the number of share awards expected to vest differs from previous estimates, based on the estimation of satisfaction of vesting conditions. The fair value of the share awards to employees is determined by a third-party valuer using market method at the date they are granted. Further details are included in note 32 to the Historical Financial Information.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Recognition of income taxes and deferred tax assets

Determining income tax provision involves judgement on the future tax treatment of certain transactions and when certain matters relating to the income taxes have not been confirmed by the local tax bureau. Management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislation.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Impairment of inventories

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. Management estimates the net realisable 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.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their services and products and only has one reportable operating segment.

The information reported to the board of directors, who are the chief operating decision makers, for the purpose of resource allocation and performance assessment does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

(a) Revenue from external customers

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Chinese Mainland*	90,139	123,476	226,151	92,356	126,476
Other countries/regions	3,352	11,784	26,502	2,251	8,610
	93,491	135,260	252,653	94,607	135,086

* Chinese Mainland means the People's Republic of China excluding Hong Kong, Macau and Taiwan.

The revenue information above is based on the locations of the customers.

(b) Non-current assets

All of the Group's non-current assets as at December 31, 2023, 2024, 2025 and June 30, 2026 are located in the Chinese Mainland. Accordingly, no geographical information of segment assets is presented.

Information about major customers

There are no customers (aggregated if under common control) which amounted to 10% or more of the Group's revenue.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Revenue from contracts with customers	93,491	135,260	252,653	94,607	135,086

Revenue from contracts with customers

(a) Disaggregated revenue information

Timing of revenue recognition	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Goods transferred at a point in time	92,797	133,797	250,034	93,551	133,852
Services transferred at a point in time	694	1,463	2,619	1,056	1,234
	93,491	135,260	252,653	94,607	135,086

Types of goods or services	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Sales of robotics	64,966	89,382	163,315	65,526	86,915
Sales of robotic solutions	27,831	44,415	86,719	28,025	46,937
Rendering of services	694	1,463	2,619	1,056	1,234
	93,491	135,260	252,653	94,607	135,086

The following table shows the amounts of revenue recognised in the Relevant Periods and the six months ended June 30, 2025 that were included in the contract liabilities at the beginning of each of the Relevant Periods and the six months ended June 30, 2025:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting year/period	21,567	37,445	41,806	34,237	13,333

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of robotics

Revenue from the sales of robotics is recognised at the point in time when control of the products are transferred to the customer, generally on delivery or acceptance of the products as agreed in the sales contracts.

Sales of robotic solutions

Revenue from the sales of robotic solutions is recognised at the point in time when the robotic solutions are accepted by the customers.

Provision of maintenance services

Revenue from the provision of maintenance services is recognised at the point in time when the maintenance service is completed and accepted by the customers.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) at the end of each of the Relevant Periods and as at June 30, 2025 were expected to be recognised as revenue almost within one year. The portion of the transaction price not recognized as revenue within one year were immaterial.

An analysis of other income and gains is as follows:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Other income					
Government grants	5,317	5,030	8,884	2,800	425
Income from selling scrap materials	328	452	504	303	478
Rental income from investment properties	148	148	148	74	74
Bank interest income	114	85	71	37	36
Others	433	1,156	564	328	178
	6,340	6,871	10,171	3,542	1,191
Gains					
Fair value gain on financial assets at fair value through profit or loss, net	1,924	2,064	2,231	1,341	761
Foreign exchange differences, net	50	29	140	211	(154)
	1,974	2,093	2,371	1,552	607
	8,314	8,964	12,542	5,094	1,798

Certain government grants related to the Group's ongoing operations have been received, primarily comprising value-added tax (VAT) returns and compensation for expenses or losses already incurred. These grants are recognized in profit or loss on a systematic and rational basis, and there are no material conditions or contingencies attached.

6. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	Notes	Year ended December 31,			Six months ended June 30,	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Cost of sales*		77,612	104,399	175,720	71,054	98,430
Employee welfare (including directors' and chief executive's remuneration *(note 8)*):						
Salaries, allowances and benefits in kind		38,215	45,350	53,284	24,510	26,483
Share-based payment expenses	*32*	–	10,622	4,443	1,987	2,873
Pension scheme contributions****		2,275	3,003	3,154	1,580	1,730
		40,490	58,975	60,881	28,077	31,086
Depreciation of property, plant and equipment	*13*	3,205	4,610	4,947	2,410	2,801
Depreciation of Investment properties	*14*	100	100	100	50	50
Loss on disposal of items of property, plant and equipment		1,379	318	938	191	953

	Notes	Year ended December 31,			Six months ended June 30,	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Amortisation of other intangible assets	16	139	167	153	73	166
Lease payments not included in the measurement of lease liabilities	15	1,840	3,025	885	439	328
Depreciation of right-of-use assets	15	3,747	4,908	6,150	3,423	3,110
Loss on disposal of right-of-use assets	15	–	–	–	–	33
[**REDACTED**]		[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Impairment losses on financial assets and contract assets	20,21	1,032	694	6,534	4,403	4,235
(Reversal)/Impairment of inventories to net realisable value**		925	1,081	(970)	(874)	345
Research and development expenses***		19,364	29,799	21,387	9,746	24,015
Foreign exchange gains, net	5	(50)	(29)	(140)	(211)	154
Fair value gain on financial assets at fair value through profit or loss, net	5	(1,924)	(2,064)	(2,231)	(1,341)	(761)

* The cost of sales includes employee benefit expenses, depreciation and amortisation, which are also included in the respective total amounts disclosed below for each type of expense.

** The impairment of inventories to net realisable value is recorded to cost of sales.

*** The research and development expenses include employee benefit expenses, depreciation and amortisation, which are also included in the respective total amounts disclosed above for each type of expense.

**** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interest on lease liabilities *(note 15)*	201	540	457	269	219
Interest on interest-bearing bank borrowings	168	339	275	122	48
Others	11	129	97	46	48
	380	1,008	829	437	315

For the details of pre-[**REDACTED**] investments, please refer to Note 31 to this report.

8. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION

The remuneration of each of the Company's directors, chief executive and supervisor is set out below:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Fees	–	–	–	–	–
Other emoluments:					
Salaries, allowances and benefits in kind	494	473	566	236	461
Performance related bonuses	134	137	213	94	152
Share-based payment expenses	–	–	56	–	112
Pension scheme contributions	20	20	26	10	25
	648	630	861	340	750

(a) Independent non-executive directors

The Company appointed three independent non-executive directors on December 30, 2025.

There were no emoluments payable to the independent non-executive directors during the Relevant Periods.

(b) Executive directors and chief executives

The names of the directors and their remuneration during the Relevant Periods and the six months ended June 30, 2025 are as follows:

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2023				
Executive directors and chief executives:				
Mr. Liu Songtao (i)	259	69	10	338
Mr. Song Tao (ii)	235	65	10	310
Total	494	134	20	648

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2024				
Executive directors and chief executives:				
Mr. Liu Songtao (i)	243	66	10	319
Mr. Song Tao (ii)	230	71	10	311
Total	473	137	20	630

	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2025					
Executive directors and chief executives:					
Mr. Liu Songtao (i)	244	118	–	10	372
Mr. Song Tao (ii)	230	71	–	10	311
	474	189	–	20	683
Supervisor:					
Ms. Wang Ping (iii)	36	6	–	2	44
Ms. Shao Lingxuan (iv)	30	10	50	2	92
Ms. Yang Qian (v)	26	8	6	2	42
	92	24	56	6	178
Total	566	213	56	26	861

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Six months ended June 30, 2025 (Unaudited)				
Executive directors and chief executives:				
Mr. Liu Songtao (i)	121	59	5	185
Mr. Song Tao (ii)	115	35	5	155
Total	236	94	10	340

	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Six months ended June 30, 2026					
Executive directors and chief executives:					
Mr. Liu Songtao (i)	124	60	–	5	189
Mr. Song Tao (ii)	115	35	–	5	155
	239	95	–	10	344
Supervisor:					
Ms. Wang Ping (iii)	57	12	–	5	74
Ms. Shao Lingxuan (iv)	78	28	100	5	211
Ms. Yang Qian (v)	87	17	12	5	121
	222	57	112	15	406
Total	461	152	112	25	750

Notes:

(i) Mr. Liu Songtao was appointed as an executive director of the Company from December 30, 2015.

(ii) Mr. Song Tao was appointed as an executive director and chief executive officer of the Company from December 30, 2015.

(iii) Ms. Wang Ping was appointed as a supervisor of the Company from October 1, 2025.

(iv) Ms. Shao Lingxuan was appointed as a supervisor of the Company from October 1, 2025.

(v) Ms. Yang Qian was appointed as a supervisor of the Company from October 1, 2025.

During the Relevant Periods and the six months ended June 30, 2025, restricted shares were granted to certain supervisors, further details of which are included in the disclosures in note 32 to the Historical Financial Information.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Relevant Periods and the six months ended June 30, 2025.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods and the six months ended June 30, 2025 included nil, nil, nil, nil and nil director, respectively, details of whose remuneration are set out in note 8 above. Details of the remuneration for the remaining five, five, five, five and five highest paid employees who are neither a director nor chief executive of the Company during the Relevant Periods and the six months ended June 30, 2025 are as follows:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Salaries, bonuses, allowances and benefits in kind	1,752	1,750	1,991	800	806
Performance related bonuses	314	387	352	202	216
Share-based payment expenses	–	2,729	1,496	748	1,591
Pension scheme contributions	44	43	48	24	23
Total	2,110	4,909	3,887	1,774	2,636

The numbers of non-director, non-chief executive and non-supervisor highest paid employees whose remuneration fell within the following band are as follows:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
				(Unaudited)	
Nil to HKD1,000,000	5	3	5	5	4
HKD1,000,001 to HKD1,500,000	–	2	–	–	1
Total	5	5	5	5	5

During the Relevant Periods, the employees were granted share awards, in respect of his services to the Group, further details of which are set out in note 32 to the Historical Financial Information. The fair value of such awards, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the Historical Financial Information for each of the Relevant Periods is included in the above employees' remuneration disclosures.

During the Relevant Periods and the six months ended June 30, 2025, no highest paid employees waived or agreed to waive any remuneration, and no remuneration was paid by the Group to any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

10. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdiction in which members of the Group are domiciled and operated.

Chinese Mainland

The provision for corporate income tax in Chinese Mainland is based on the statutory rate of 25% on the taxable profits determined in accordance with the PRC Corporate Income Tax Law which became effective on January 1, 2008, except for the entities which are subject to preferential tax set out below:

The Company was qualified as a high and new technology enterprise ("**HNTE**") under relevant tax regulations in October 2021 and renewed in December 2024. Jiangsu Xiaoye Intelligent Equipment Co., Ltd. was qualified as a HNTE in December 2022, and renewed in November 2025. They were qualified for a preferential corporate income tax rate of 15% during the Relevant Periods and the six months ended June 30, 2025. This qualification is subject to triennial review by the Chinese Mainland tax authorities.

Certain subsidiaries of the Group have applied the Small-Scaled Minimal Profit Corporate Income Tax Preferential Policy announced by the PRC's State Administration of Taxation. Pursuant to the policy announced by the PRC's State Administration of Taxation, during the period from January 1, 2022 to December 31, 2027 the portion of annual taxable income amount of a Small-Scaled Minimal Profit Corporate which exceeds RMB1,000,000 but does not exceed RMB3,000,000 shall be computed at a reduced rate of 25% as taxable income amount, and levied at a reduced tax rate of 20%.

A reconciliation of the tax credit applicable to profit/(loss) before tax at the statutory rate for the jurisdiction in which the Group is domiciled and operated to the tax expense at the Group's effective tax rate, is as follows:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Profit/(loss) before tax	(39,253)	(47,068)	739	(4,750)	(28,802)
Tax at the statutory tax rate	(9,813)	(11,767)	185	(1,188)	(7,201)
Effect of different tax rates	6,480	7,904	(684)	1,019	3,466
Expenses not deductible for tax	173	116	437	387	252
Additional deductible allowance for research and development expenses *(a)*	(1,801)	(2,637)	(2,130)	(920)	(3,071)
Temporary differences and tax losses not recognised	4,961	6,384	2,192	702	6,554
Tax expense at the Group's effective tax rate	–	–	–	–	–

(a) According to the Law of the PRC on Enterprise Income Tax, the Group are entitled to additional deduction of qualified research and development costs from the taxable income. The additional deduction percentage was 100%. The Group has claimed such additional deduction for the Relevant Periods and the six months ended June 30, 2025.

11. DIVIDENDS

No dividends have been paid or declared by the Company during the Relevant Periods and the six months ended June 30, 2025.

12. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares outstanding during the Relevant Periods and the six months ended June 30, 2025. The Company was converted into a joint stock limited liability company and issued 19,468,253 shares with the par value of RMB1 each on September 30, 2025. For the purpose of calculating basic earnings/(loss) per share amounts, the weighted average number of ordinary shares deemed to be outstanding before the Company's conversion into a joint stock limited liability company was determined assuming the conversion into joint stock limited liability company had occurred on January 1, 2023, at the conversion ratio established in the conversion on September 30, 2025.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the Relevant Periods and the six months ended June 30, 2025 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue.

The calculation of basic earnings/(loss) per share is based on:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Profit/(loss)					
Profit/(loss) attributable to ordinary equity holders of the parent (RMB'000)	(39,253)	(47,068)	739	(4,750)	(28,802)
Shares					
Weighted average number ('000) of ordinary shares outstanding during the year/period	17,659	18,075	19,048	18,693	20,279
Earnings/(loss) per share					
Basic (RMB)	(2.22)	(2.60)	0.04	(0.25)	(1.42)
Diluted (RMB)	(2.22)	(2.60)	0.04	(0.25)	(1.42)

For the details of pre-[**REDACTED**] investments, please refer to Note 31 to this report.

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
December 31, 2023						
At January 1, 2023						
Cost	4,271	7,589	1,492	1,526	65	14,943
Accumulated depreciation	(1,535)	(2,063)	(406)	(796)	–	(4,800)
Net carrying amount	2,736	5,526	1,086	730	65	10,143
At January 1, 2023, net of accumulated depreciation	2,736	5,526	1,086	730	65	10,143
Additions	837	633	166	443	5,134	7,213
Internal transfer	–	2,355	–	–	(2,355)	–
Disposals	–	(1,225)	(141)	(13)	–	(1,379)
Depreciation provided during the year	(1,668)	(972)	(261)	(304)	–	(3,205)
At December 31, 2023, net of accumulated depreciation	1,905	6,317	850	856	2,844	12,772
At December 31, 2023						
Cost	5,108	9,352	1,517	1,956	2,844	20,777
Accumulated depreciation	(3,203)	(3,035)	(667)	(1,100)	–	(8,005)
Net carrying amount	1,905	6,317	850	856	2,844	12,772

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
December 31, 2024						
At January 1, 2024						
Cost	5,108	9,352	1,517	1,956	2,844	20,777
Accumulated depreciation	(3,203)	(3,035)	(667)	(1,100)	–	(8,005)
Net carrying amount	1,905	6,317	850	856	2,844	12,772
At January 1, 2024, net of accumulated depreciation	1,905	6,317	850	856	2,844	12,772
Additions	1,941	3,394	796	489	1,682	8,302
Internal transfer	–	3,916	–	–	(3,916)	–
Disposals	–	(314)	–	(4)	–	(318)
Depreciation provided during the year	(1,545)	(2,217)	(377)	(471)	–	(4,610)
At December 31, 2024, net of accumulated depreciation	2,301	11,096	1,269	870	610	16,146
At December 31, 2024						
Cost	7,049	16,348	2,313	2,441	610	28,761
Accumulated depreciation	(4,748)	(5,252)	(1,044)	(1,571)	–	(12,615)
Net carrying amount	2,301	11,096	1,269	870	610	16,146

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
December 31, 2025						
At January 1, 2025						
Cost	7,049	16,348	2,313	2,441	610	28,761
Accumulated depreciation	(4,748)	(5,252)	(1,044)	(1,571)	–	(12,615)
Net carrying amount	2,301	11,096	1,269	870	610	16,146
At January 1, 2025, net of accumulated depreciation	2,301	11,096	1,269	870	610	16,146
Additions	2,133	5,292	517	214	2,445	10,601
Internal transfer	–	2,656	–	338	(2,994)	–
Disposals	–	(476)	(398)	(64)	–	(938)
Depreciation provided during the year	(929)	(3,411)	(148)	(459)	–	(4,947)
At December 31, 2025, net of accumulated depreciation	3,505	15,157	1,240	899	61	20,862
At December 31, 2025						
Cost	9,182	23,820	2,432	2,929	61	38,424
Accumulated depreciation	(5,677)	(8,663)	(1,192)	(2,030)	–	(17,562)
Net carrying amount	3,505	15,157	1,240	899	61	20,862

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
June 30, 2026						
At January 1, 2026						
Cost	9,182	23,820	2,432	2,929	61	38,424
Accumulated depreciation	(5,677)	(8,663)	(1,192)	(2,030)	–	(17,562)
Net carrying amount	3,505	15,157	1,240	899	61	20,862
At January 1, 2026, net of accumulated depreciation	3,505	15,157	1,240	899	61	20,862
Additions	–	417	3	72	–	492
Disposals	(766)	(135)	(2)	(50)	–	(953)
Depreciation provided during the period	(344)	(2,062)	(234)	(161)	–	(2,801)
At June 30, 2026, net of accumulated depreciation	2,395	13,377	1,007	760	61	17,600
At June 30, 2026						
Cost	8,416	24,102	2,433	2,951	61	37,963
Accumulated depreciation	(6,021)	(10,725)	(1,426)	(2,191)	–	(20,363)
Net carrying amount	2,395	13,377	1,007	760	61	17,600

The Company

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
December 31, 2023						
At January 1, 2023						
Cost	630	6,943	597	966	–	9,136
Accumulated depreciation	(144)	(1,904)	(332)	(603)	–	(2,983)
Net carrying amount	486	5,039	265	363	–	6,153
At January 1, 2023, net of accumulated depreciation	486	5,039	265	363	–	6,153
Additions	–	439	–	109	889	1,437
Internal transfer	–	858	–	–	(858)	–
Disposals	–	(1,192)	(91)	(1)	–	(1,284)
Depreciation provided during the year	(269)	(735)	(35)	(113)	–	(1,152)
At December 31, 2023, net of accumulated depreciation	217	4,409	139	358	31	5,154
At December 31, 2023						
Cost	630	7,048	506	1,074	31	9,289
Accumulated depreciation	(413)	(2,639)	(367)	(716)	–	(4,135)
Net carrying amount	217	4,409	139	358	31	5,154

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
December 31, 2024						
At January 1, 2024						
Cost	630	7,048	506	1,074	31	9,289
Accumulated depreciation	(413)	(2,639)	(367)	(716)	–	(4,135)
Net carrying amount	217	4,409	139	358	31	5,154
At January 1, 2024, net of accumulated depreciation	217	4,409	139	358	31	5,154
Additions	–	1,511	–	103	180	1,794
Internal transfer	–	81	–	–	(81)	–
Disposals	–	(217)	–	(3)	–	(220)
Depreciation provided during the year	(173)	(1,222)	(58)	(205)	–	(1,658)
At December 31, 2024, net of accumulated depreciation	44	4,562	81	253	130	5,070
At December 31, 2024						
Cost	630	8,423	506	1,174	130	10,863
Accumulated depreciation	(586)	(3,861)	(425)	(921)	–	(5,793)
Net carrying amount	44	4,562	81	253	130	5,070

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
December 31, 2025						
At January 1, 2025						
Cost	630	8,423	506	1,174	130	10,863
Accumulated depreciation	(586)	(3,861)	(425)	(921)	–	(5,793)
Net carrying amount	44	4,562	81	253	130	5,070
At January 1, 2025, net of accumulated depreciation	44	4,562	81	253	130	5,070
Additions	–	775	–	55	2,296	3,126
Internal transfer	–	2,365	–	–	(2,365)	–
Disposals	–	(288)	(12)	(6)	–	(306)
Depreciation provided during the year	(44)	(1,433)	(57)	(141)	–	(1,675)
At December 31, 2025, net of accumulated depreciation	–	5,981	12	161	61	6,215
At December 31, 2025						
Cost	630	11,275	494	1,223	61	13,683
Accumulated depreciation	(630)	(5,294)	(482)	(1,062)	–	(7,468)
Net carrying amount	–	5,981	12	161	61	6,215

	Leasehold improvements	Machineries	Vehicles	Electronic and office equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
June 30, 2026						
At January 1, 2026						
Cost	630	11,275	494	1,223	61	13,683
Accumulated depreciation	(630)	(5,294)	(482)	(1,062)	–	(7,468)
Net carrying amount	–	5,981	12	161	61	6,215
At January 1, 2026, net of accumulated depreciation	–	5,981	12	161	61	6,215
Additions	–	191	–	2	–	193
Disposals	–	(135)	–	(29)	–	(164)
Depreciation provided during the period	–	(853)	–	(13)	–	(866)
At June 30, 2026, net of accumulated depreciation	–	5,184	12	121	61	5,378
At June 30, 2026						
Cost	630	11,331	494	1,196	61	13,712
Accumulated depreciation	(630)	(6,147)	(482)	(1,075)	–	(8,334)
Net carrying amount	–	5,184	12	121	61	5,378

For other non-financial assets, the Company has analysed the indicators of impairment in combination with the paragraph 12 of IAS 36 Impairment of Assets and concluded that no indications of the impairment for other non-financial assets were identified during the Relevant Periods.

14. INVESTMENT PROPERTIES

The Group and The Company

	Total
	RMB'000
December 31, 2023	
At January 1, 2023	
Cost	2,095
Accumulated depreciation	(870)
Net carrying amount	1,225
At January 1, 2023, net of accumulated depreciation	1,225
Depreciation provided during the year	(100)
At December 31, 2023, net of accumulated depreciation	1,125
At December 31, 2023	
Cost	2,095
Accumulated depreciation	(970)
Net carrying amount	1,125

	Total
	RMB'000
December 31, 2024	
At January 1, 2024	
Cost	2,095
Accumulated depreciation	(970)
Net carrying amount	1,125
At January 1, 2024, net of accumulated depreciation	1,125
Depreciation provided during the year	(100)
At December 31, 2024, net of accumulated depreciation	1,025
At December 31, 2024	
Cost	2,095
Accumulated depreciation	(1,070)
Net carrying amount	1,025

	Total
	RMB'000
December 31, 2025	
At January 1, 2025	
Cost	2,095
Accumulated depreciation	(1,070)
Net carrying amount	1,025
At January 1, 2025, net of accumulated depreciation	1,025
Depreciation provided during the year	(100)
At December 31, 2025, net of accumulated depreciation	925
At December 31, 2025	
Cost	2,095
Accumulated depreciation	(1,170)
Net carrying amount	925

	Total
	RMB'000
June 30, 2026	
At January 1, 2026	
Cost	2,095
Accumulated depreciation	(1,170)
Net carrying amount	925
At January 1, 2026, net of accumulated depreciation	925
Depreciation provided during the period	(50)
At June 30, 2026, net of accumulated depreciation	875
At June 30, 2026	
Cost	2,095
Accumulated depreciation	(1,220)
Net carrying amount	875

15. LEASES

The Group as a lessee

The Group has lease contracts for various items of plant and properties, and machineries used in its operations. Leases of plant and properties, and machineries generally have lease terms between 13 and 60 months. Lump sum payments were made up front to acquire the leased land from the owner with the lease period of 50 years. Leases of other property and plant and leases of laptop computers generally have lease terms of 12 months or less or are individually of low value.

(a) Right-of-use assets

The carrying amounts of right-of-use assets and the movements during the Relevant Periods are as follows:

The Group

	Land use right	Plant and properties	Equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	–	1,587	–	1,587
Additions	–	14,776	–	14,776
Depreciation charge	–	(3,747)	–	(3,747)
Net carrying amount	–	12,616	–	12,616
As at December 31, 2023 and January 1, 2024	–	12,616	–	12,616
Additions	14,420	4,489	636	19,545
Depreciation charge	(168)	(4,616)	(124)	(4,908)
Net carrying amount	14,252	12,489	512	27,253
As at December 31, 2024 and January 1, 2025	14,252	12,489	512	27,253
Depreciation charge	(288)	(5,650)	(212)	(6,150)
Net carrying amount	13,964	6,839	300	21,103
As at December 31, 2025 and January 1, 2026	13,964	6,839	300	21,103
Additions	–	5,009	–	5,009
Termination	–	–	(300)	(300)
Depreciation charge	(144)	(2,966)	–	(3,110)
As at June 30, 2026	13,820	8,882	–	22,702

The Company

	Land use right	Plant and properties	Total
	RMB'000	*RMB'000*	*RMB'000*
As at January 1, 2023	–	156	156
Additions	–	4,172	4,172
Depreciation charge	–	(503)	(503)
Net carrying amount	–	3,825	3,825
As at December 31, 2023 and January 1, 2024	–	3,825	3,825
Additions	14,420	–	14,420
Depreciation charge	(168)	(1,391)	(1,559)
Net carrying amount	14,252	2,434	16,686
As at December 31, 2024 and January 1, 2025	14,252	2,434	16,686
Depreciation charge	(288)	(1,391)	(1,679)
Net carrying amount	13,964	1,043	15,007
As at December 31, 2025 and January 1, 2026	13,964	1,043	15,007
Depreciation charge	(144)	(695)	(839)
Net carrying amount	13,820	348	14,168

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

The Group

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount at beginning of year/period	1,587	12,277	13,307	7,605
New leases	14,776	5,125	–	5,009
Accretion of interest recognised during the year/period	201	540	457	219
Decrease arising from lease term termination	–	–	–	(267)
Payments	(4,287)	(4,635)	(6,159)	(3,190)
Carrying amount at end of year/period	12,277	13,307	7,605	9,376
Analysed into:				
Current portion	3,970	5,702	4,057	5,014
Non-current portion	8,307	7,605	3,548	4,362

The Company

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount at beginning of year/period	1,070	3,842	2,491	1,089
New leases	4,172	–	–	–
Accretion of interest recognised during the year/period	38	119	68	13
Payments	(1,438)	(1,470)	(1,470)	(736)
Carrying amount at end of year/period	3,842	2,491	1,089	366
Analysed into:				
Current portion	1,348	1,402	1,089	366
Non-current portion	2,494	1,089	–	–

The maturity analysis of lease liabilities is disclosed in note 39.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

The Group

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Interest on lease liabilities *(note 7)*	201	540	457	269	219
Depreciation charge of right-of-use assets *(note 6)*	3,747	4,908	6,150	3,423	3,110
Expenses relating to short-term leases *(note 6)*	1,840	3,025	885	439	328
Loss on termination of lease contract as lessee *(note 6)*	–	–	–	–	33
Total amount recognised in profit or loss	5,788	8,473	7,492	4,131	3,690

16. OTHER INTANGIBLE ASSETS

The Group

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
December 31, 2023			
At January 1, 2023			
Cost	30	411	441
Accumulated amortisation	(30)	(271)	(301)
Net carrying amount	–	140	140
At January 1, 2023, net of accumulated amortisation	–	140	140
Additions	286	–	286
Amortisation provided during the year	(51)	(88)	(139)
At December 31, 2023, net of accumulated amortisation	235	52	287
At December 31, 2023			
Cost	316	411	727
Accumulated amortisation	(81)	(359)	(440)
Net carrying amount	235	52	287

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
December 31, 2024			
At January 1, 2024			
Cost	316	411	727
Accumulated amortisation	(81)	(359)	(440)
Net carrying amount	235	52	287
At January 1, 2024, net of accumulated amortisation	235	52	287
Additions	–	–	–
Amortisation provided during the year	(143)	(24)	(167)
At December 31, 2024, net of accumulated amortisation	92	28	120
At December 31, 2024			
Cost	316	411	727
Accumulated amortisation	(224)	(383)	(607)
Net carrying amount	92	28	120

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
December 31, 2025			
At January 1, 2025			
Cost	316	411	727
Accumulated amortisation	(224)	(383)	(607)
Net carrying amount	92	28	120
At January 1, 2025, net of accumulated amortisation	92	28	120
Additions	103	777	880
Amortisation provided during the year	(99)	(54)	(153)
At December 31, 2025, net of accumulated amortisation	96	751	847
At December 31, 2025			
Cost	419	1,188	1,607
Accumulated amortisation	(323)	(437)	(760)
Net carrying amount	96	751	847

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
June 30, 2026			
At January 1, 2026			
Cost	419	1,188	1,607
Accumulated amortisation	(323)	(437)	(760)
Net carrying amount	96	751	847
At January 1, 2026, net of accumulated amortisation	96	751	847
Additions	280	–	280
Amortisation provided during the period	(31)	(135)	(166)
At June 30, 2026, net of accumulated amortisation	345	616	961
At June 30, 2026			
Cost	699	1,188	1,887
Accumulated amortisation	(354)	(572)	(926)
Net carrying amount	345	616	961

The Company

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
December 31, 2023			
At January 1, 2023			
Cost	30	256	286
Accumulated amortisation	(30)	(208)	(238)
Net carrying amount	–	48	48
At January 1, 2023, net of accumulated amortisation	–	48	48
Additions	–	–	–
Amortisation provided during the year	–	(10)	(10)
At December 31, 2023, net of accumulated amortisation	–	38	38
At December 31, 2023			
Cost	30	256	286
Accumulated amortisation	(30)	(218)	(248)
Net carrying amount	–	38	38

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
December 31, 2024			
At January 1, 2024			
Cost	30	256	286
Accumulated amortisation	(30)	(218)	(248)
Net carrying amount	–	38	38
At January 1, 2024, net of accumulated amortisation	–	38	38
Additions	–	–	–
Amortisation provided during the year	–	(10)	(10)
At December 31, 2024, net of accumulated amortisation	–	28	28
At December 31, 2024			
Cost	30	256	286
Accumulated amortisation	(30)	(228)	(258)
Net carrying amount	–	28	28

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
December 31, 2025			
At January 1, 2025			
Cost	30	256	286
Accumulated amortisation	(30)	(228)	(258)
Net carrying amount	–	28	28
At January 1, 2025, net of accumulated amortisation	–	28	28
Additions	9	777	786
Amortisation provided during the year	(3)	(54)	(57)
At December 31, 2025, net of accumulated amortisation	6	751	757
At December 31, 2025			
Cost	39	1,033	1,072
Accumulated amortisation	(33)	(282)	(315)
Net carrying amount	6	751	757

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
June 30, 2026			
At January 1, 2026			
Cost	39	1,033	1,072
Accumulated amortisation	(33)	(282)	(315)
Net carrying amount	6	751	757
At January 1, 2026, net of accumulated amortisation	6	751	757
Additions	280	–	280
Amortisation provided during the period	(26)	(135)	(161)
At June 30, 2026, net of accumulated amortisation	260	616	876
At June 30, 2026			
Cost	319	1,033	1,352
Accumulated amortisation	(59)	(417)	(476)
Net carrying amount	260	616	876

17. INVESTMENTS IN SUBSIDIARIES

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Investments, at cost	73,115	133,598	133,598	143,598
Less: provision for impairment losses*	(23,115)	(23,598)	(23,598)	(23,598)
Total	50,000	110,000	110,000	120,000

* Some subsidiaries incurred losses or only carried out limited operational activities. The Company has recognised an impairment loss on investment in subsidiaries amounted to RMB9,780,000, RMB483,000, nil and nil for the year ended 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively.

18. DEFERRED TAX

The Group

The movements in deferred tax assets/liabilities of the Group during the Relevant Periods are as follows:

	Financial assets at fair value through profit or loss	Right-of-use assets	Lease liabilities	Tax losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2023	–	(186)	186	–	–
Deferred tax charged/(credited) to profit or loss during the year	(220)	(827)	757	290	–
At December 31, 2023	(220)	(1,013)	943	290	–
At January 1, 2024	(220)	(1,013)	943	290	–
Deferred tax charged/(credited) to profit or loss during the year	(475)	(694)	863	306	–
At December 31, 2024	(695)	(1,707)	1,806	596	–
At January 1, 2025	(695)	(1,707)	1,806	596	–
Deferred tax charged/(credited) to profit or loss during the year	(590)	703	(710)	597	–
At December 31, 2025	(1,285)	(1,004)	1,096	1,193	–
At January 1, 2026	(1,285)	(1,004)	1,096	1,193	–
Deferred tax charged/(credited) to profit or loss during the period	(145)	118	(131)	158	–
At June 30, 2026	(1,430)	(886)	965	1,351	–

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statements of financial position.

The Group has accumulated tax losses of RMB145,096,000, RMB200,725,000, RMB217,127,000 and RMB240,773,000 in aggregate as at December 31, 2023, 2024 and 2025 and June 30, 2026, respectively, which will expire in one to ten years to offset against future taxable profits of the companies in the Chinese Mainland. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

The Company

The movements in deferred tax assets/liabilities of the Company during the Relevant Periods are as follows:

	Financial assets at fair value through profit or loss	Right-of-use assets	Lease liabilities	Tax losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2023	–	(160)	160	–	–
Deferred tax charged/(credited) to profit or loss during the year	(186)	(414)	361	239	–
At December 31, 2023	(186)	(574)	521	239	–
At January 1, 2024	(186)	(574)	521	239	–
Deferred tax charged/(credited) to profit or loss during the year	(348)	209	(147)	286	–
At December 31, 2024	(534)	(365)	374	525	–
At January 1, 2025	(534)	(365)	374	525	–
Deferred tax charged/(credited) to profit or loss during the year	(473)	208	(211)	476	–
At December 31, 2025	(1,007)	(157)	163	1,001	–
At January 1, 2026	(1,007)	(157)	163	1,001	–
Deferred tax charged/(credited) to profit or loss during the period	(26)	105	(108)	29	–
At June 30, 2026	(1,033)	(52)	55	1,030	–

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statements of financial position.

The Company has accumulated tax losses of RMB108,602,000, RMB120,540,000, RMB113,266,000 and RMB128,661,000 in aggregate as at December 31, 2023, 2024 and 2025 and June 30, 2026, respectively, which will expire in one to ten years to offset against future taxable profits of the companies in the Chinese Mainland. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

19. INVENTORIES

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
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
	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

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	13,085	14,263	8,664	11,666
Work in progress	227	3,491	5,715	4,412
Finished goods	23,396	20,557	2,190	2,147
	36,708	38,311	16,569	18,225
Less: provision for impairment loss	(631)	(1,310)	(798)	(1,044)
Total	36,077	37,001	15,771	17,181

20. TRADE AND BILLS RECEIVABLES

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
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
Net carrying amount	12,312	13,376	58,738	71,707

The Group generally requires its customers to make payments at different stages of the sales transactions, however, the Group grants certain credit periods to customers with a good payment history. The credit periods of individual customers are considered on a case-by-case basis and are set out in the sales contracts, as appropriate. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at December 31, 2023, 2024 and 2025 and June 30, 2026, based on the invoice date and net of loss allowance, is as follows:

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
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	8,719	10,398	51,721	66,143

The movements in the loss allowance for impairment of trade receivables are as follows:

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period	3,128	4,097	4,548	10,200
Impairment	969	451	5,652	4,829
At end of year/period	4,097	4,548	10,200	15,029

An impairment analysis is performed at December 31, 2023, 2024 and 2025 and June 30, 2026 using a provision matrix to measure expected credit losses. The provision rates are based on ageing for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The bills receivable held by the Group were mostly issued by reputable banks and had short-term maturities. Therefore, the impairment loss for bills receivable was immaterial as at the end of each of the Relevant Periods.

Set out below is the information about the collective assessment by credit risk exposure on trade receivables:

	Book balance		Expected credit losses		Carrying amount
	Amount	Percentage	Amount	Rate	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at December 31, 2023					
Impairment based on individual assessment	3,676	28.7	2,905	79.0	771
Impairment based on collective assessment by credit risk portfolio	9,140	71.3	1,192	13.0	7,948
	12,816	100.0	4,097	32.0	8,719

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at December 31, 2023					
On a collective basis:					
Gross carrying amount (RMB'000)	6,370	2,019	526	225	9,140
Expected credit loss rate	3.7%	24.5%	44.7%	100.0%	13.0%
Expected credit losses (RMB'000)	238	494	235	225	1,192

	Book balance		Expected credit losses		Carrying amount
	Amount	Percentage	Amount	Rate	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at December 31, 2024					
Impairment based on individual assessment	3,935	26.3	3,164	80.4	771
Impairment based on collective assessment by credit risk portfolio	11,011	73.7	1,384	12.6	9,627
	14,946	100.0	4,548	30.4	10,398

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at December 31, 2024					
On a collective basis:					
Gross carrying amount (RMB'000)	9,004	1,342	194	471	11,011
Expected credit loss rate	5.0%	25.4%	60.8%	100.0%	12.6%
Expected credit losses (RMB'000)	454	341	118	471	1,384

	Book balance		Expected credit losses		Carrying amount
	Amount	Percentage	Amount	Rate	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at December 31, 2025					
Impairment based on individual assessment	2,447	4.0	2,447	100.0	–
Impairment based on collective assessment by credit risk portfolio	59,474	96.0	7,753	13.0	51,721
	61,921	100.0	10,200	16.5	51,721

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at December 31, 2025					
On a collective basis:					
Gross carrying amount (RMB'000)	54,815	2,489	1,145	1,025	59,474
Expected credit loss rate	9.0%	35.4%	81.1%	100.0%	13.0%
Expected credit losses (RMB'000)	4,917	882	929	1,025	7,753

	Book balance		Expected credit losses		
	Amount	Percentage	Amount	Rate	Carrying amount
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at June 30, 2026					
Impairment based on individual assessment	1,923	2.4	1,923	100.0	–
Impairment based on collective assessment by credit risk portfolio	79,249	97.6	13,106	16.5	66,143
	81,172	100.0	15,029	18.5	66,143

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at June 30, 2026					
On a collective basis:					
Gross carrying amount (RMB'000)	69,180	7,795	944	1,330	79,249
Expected credit loss rate	11.4%	39.3%	90.9%	100.0%	16.5%
Expected credit losses (RMB'000)	7,853	3,065	858	1,330	13,106

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables due from third parties	7,458	8,290	16,200	29,059
Trade receivables due from subsidiaries	22,604	21,234	76,695	82,400
Less: impairment	(16,607)	(19,255)	(39,233)	(44,991)
Trade receivables, net	13,455	10,269	53,662	66,468
Bills receivable	3,169	1,152	3,102	2,847
Net carrying amount	16,624	11,421	56,764	69,315

An ageing analysis of the trade receivables as at December 31, 2023, 2024 and 2025 and June 30, 2026, based on the invoice date and net of loss allowance, is as follows:

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 12 months	12,353	9,223	52,620	65,150
13 to 24 months	983	1,042	952	1,257
25 to 36 months	119	4	90	61
Total	13,455	10,269	53,662	66,468

The movement in the loss allowance for impairment of trade receivables are as follows:

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period	2,229	16,607	19,255	39,233
Impairment	14,378	2,648	19,978	5,758
At end of year/period	16,607	19,255	39,233	44,991

Set out below is the information about the collective assessment by credit risk exposure on trade receivables:

	Book balance		Expected credit losses		Carrying amount
	Amount	Percentage	Amount	Provision rate	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at December 31, 2023					
Impairment based on individual assessment					
Due from third parties	3,132	10.4	2,361	75.4	771
Due from subsidiaries	22,604	75.2	13,510	59.8	9,094
Impairment based on collective assessment by credit risk portfolio	4,326	14.4	736	17.0	3,590
	30,062	100.0	16,607	55.2	13,455

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at December 31, 2023					
On a collective basis:					
Gross carrying amount (RMB'000)	2,583	1,303	215	225	4,326
Expected credit loss rate	3.7%	24.6%	44.7%	100.0%	17.0%
Expected credit losses (RMB'000)	95	320	96	225	736

	Book balance		Expected credit losses		Carrying amount
	Amount	Percentage	Amount	Provision rate	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at December 31, 2024					
Impairment based on individual assessment					
Due from third parties	2,746	9.3	1,975	71.9	771
Due from subsidiaries	21,234	71.9	16,666	78.5	4,568
Impairment based on collective assessment by credit risk portfolio	5,544	18.8	614	11.1	4,930
	29,524	100.0	19,255	65.2	10,269

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at December 31, 2024					
On a collective basis:					
Gross carrying amount (RMB'000)	4,888	364	12	280	5,544
Expected credit loss rate	4.8%	25.5%	66.7%	100.0%	11.1%
Expected credit losses (RMB'000)	233	93	8	280	614

	Book balance		Expected credit losses		
	Amount	Percentage	Amount	Provision rate	Carrying amount
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at December 31, 2025					
Impairment based on individual assessment					
Due from third parties	1,985	2.1	1,985	100.0	–
Due from subsidiaries	76,695	82.6	34,733	45.3	41,962
Impairment based on collective assessment by credit risk portfolio	14,215	15.3	2,515	17.7	11,700
	92,895	100.0	39,233	42.2	53,662

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at December 31, 2025					
On a collective basis:					
Gross carrying amount (RMB'000)	11,653	1,475	473	614	14,215
Expected credit loss rate	8.5%	35.5%	81.2%	100.0%	17.7%
Expected credit losses (RMB'000)	994	523	384	614	2,515

	Book balance		Expected credit losses		
	Amount	Percentage	Amount	Provision rate	Carrying amount
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at June 30, 2026					
Impairment based on individual assessment					
Due from third parties	1,786	1.6	1,786	100.0	–
Due from subsidiaries	82,400	73.9	38,585	46.8	43,815
Impairment based on collective assessment by credit risk portfolio	27,273	24.5	4,620	16.9	22,653
	111,459	100.0	44,991	40.4	66,468

	Within 12 months	13 to 24 months	25 to 36 months	Over 36 months	Total
As at June 30, 2026					
On a collective basis:					
Gross carrying amount (RMB'000)	24,066	2,072	682	453	27,273
Expected credit loss rate	11.3%	39.3%	91.1%	100.0%	16.9%
Expected credit losses (RMB'000)	2,731	815	621	453	4,620

21. CONTRACT ASSETS

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contract assets arising from:				
Warranty retention	2,705	5,655	6,981	5,354
Less: Impairment of contract assets	(77)	(320)	(1,202)	(608)
Total	2,628	5,335	5,779	4,746
Analysed into:				
Current portion	2,558	5,006	4,957	3,248
Non-current portion	70	329	822	1,498

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contract assets arising from:				
Warranty retention	1,395	2,339	993	226
Less: Impairment of contract assets	(36)	(118)	(374)	(26)
Total	1,359	2,221	619	200
Analysed into:				
Current portion	1,359	2,168	101	74
Non-current portion	–	53	518	126

Contract assets are initially recognized for the revenue from sales of products and the receipt of retention consideration is conditional on expiration of the warranty period. Upon expiration of the warranty period, the amounts recognized as contract assets are reclassified as trade receivables.

The movements in the loss allowance for impairment of contract assets are as follows:

The Group

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period	14	77	320	1,202
Impairment on contract assets *(note 6)*	63	243	882	(594)
At end of year/period	77	320	1,202	608

The Company

	Year ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period	–	36	118	374
Impairment on contract assets	36	82	256	(348)
At end of year/period	36	118	374	26

An impairment analysis is performed at December 31, 2023, 2024 and 2025 and June 30, 2026 using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are based on those of the trade receivables as the contract assets and the trade receivables are from the same customer bases. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

22. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Prepayments	3,647	7,947	5,383	8,543
Deposits	1,541	1,383	2,574	1,922
Other receivables	1,365	3,782	2,059	2,222
[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
	6,553	13,112	11,401	17,221
Impairment allowance	–	–	–	–
Total	6,553	13,112	11,401	17,221
Analysed into:				
Current portion	6,553	10,135	10,344	16,514
Non-current portion	–	2,977	1,057	707

As at December 31, 2023, 2024 and 2025 and June 30, 2026, impairment of other receivable was measured based on 12-month expected credit losses if they were not past due and there was no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, they were measured based on lifetime expected credit losses.

The financial assets included in the above balances have no recent history of default and past due amounts. In addition, there was no significant change in the economic factors based on the assessment of the forward-looking information, so the ECLs in respect of these balances are minimal.

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Prepayments	1,112	1,776	1,749	3,505
Deposits	765	865	1,404	1,043
Other receivables	902	1,525	885	553
[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Due from subsidiaries	15	3,622	16,790	18,947
	2,794	7,788	22,213	28,582
Impairment allowance	(15)	(3,612)	(16,745)	(18,937)
Total	2,779	4,176	5,468	9,645
Analysed into:				
Current portion	2,779	4,176	5,468	9,645
Non-current portion	–	–	–	–

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Structured deposits	–	–	45,072	50,137
Wealth management products	116,924	151,987	77,138	44,219
	116,924	151,987	122,210	94,356

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Wealth management products	71,239	57,322	33,150	–
	71,239	57,322	33,150	–

As at December 31, 2023, 2024 and 2025 and June 30, 2026, the financial assets at fair value through profit or loss represented wealth management products and structured deposits issued by certain banks in the Chinese Mainland, with expected return rates ranging from 0.5% to 2.56% per annum. They were classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bills receivable, at fair value	1,534	540	1,927	1,238
	1,534	540	1,927	1,238

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bills receivable, at fair value	1,484	324	391	942
	1,484	324	391	942

25. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	27,468	17,443	114,200	99,944
Restricted cash	3,281	3,056	4,033	400
	30,749	20,499	118,233	100,344

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Denominated in				
RMB	30,471	19,128	113,994	94,742
USD	278	1,371	3,971	5,344
EUR	–	–	268	258
	30,749	20,499	118,233	100,344

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	16,040	11,094	95,588	90,334
Restricted cash	3,281	2,859	4,032	–
	19,321	13,953	99,620	90,334

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Denominated in				
RMB	19,043	12,582	97,158	86,058
USD	278	1,371	2,194	4,018
EUR	–	–	268	258
	19,321	13,953	99,620	90,334

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

As at December 31, 2023, 2024 and 2025 and June 30, 2026, the Group and the Company have assessed the credit risk of cash and cash equivalents and restricted cash to be minimal as they were placed in reputable financial institutions.

The RMB is not freely convertible into other currencies, however, under the Chinese Mainland's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

As at December 31, 2023, 2024 and 2025 and June 30, 2026, the Group's and the Company's restricted cash represented bank deposits pledged to issue the bank acceptance notes.

26. TRADE AND BILLS PAYABLES

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	43,753	70,356	63,045	79,142
Bills payables	9,409	9,726	13,441	–
	53,162	80,082	76,486	79,142

An ageing analysis of the trade payables as at December 31, 2023, 2024 and 2025 and June 30, 2026, based on the invoice date, is as follows:

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	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
	43,753	70,356	63,045	79,142

The trade payables are non-interest-bearing and are normally settled within 30 to 90 days upon receipt of the VAT invoice from suppliers.

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	39,992	43,324	40,169	56,429
Bills payables	9,459	9,528	13,441	–
	49,451	52,852	53,610	56,429

An ageing analysis of trade payables as at December 31, 2023, 2024 and 2025 and June 30, 2026, based on the invoice date, is as follows:

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	31,015	34,498	35,581	51,785
13 to 24 months	7,091	3,572	2,598	2,095
25 to 36 months	1,215	4,821	763	1,298
Over 36 months	671	433	1,227	1,251
	39,992	43,324	40,169	56,429

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables due to subsidiaries	16,329	7,633	9,427	13,297
Trade payables due to third parties	23,663	35,691	30,742	43,132
	39,992	43,324	40,169	56,429

27. OTHER PAYABLES AND ACCRUALS

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payroll and welfare payable	3,832	6,157	5,653	5,782
Deposits	30	1,373	288	268
Other payable	7,034	11,992	16,267	21,054
Other tax payable	2,661	2,872	10,465	14,682
	13,557	22,394	32,673	41,786

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payroll and welfare payable	2,104	2,217	1,840	2,309
Other payable	4,154	5,943	10,276	16,340
Due to subsidiaries	3,934	4,010	4,000	4,184
Other tax payable	1,237	1,395	3,836	5,350
	11,429	13,565	19,952	28,183

Other payables are non-interest-bearing, unsecured and repayable on demand.

28. CONTRACT LIABILITIES

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advance receipts from sales contract	39,770	41,910	16,357	17,922

Contract liabilities represented advances received to deliver robot bodies and robotics solutions.

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advance receipts from sales contract:				
Due to third parties	13,482	12,043	5,327	2,971
Due to subsidiaries	–	–	880	–
	13,482	12,043	6,207	2,971

29. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group

	As at December 31, 2023		
	Effective interest rate	Maturity	
	(%)		*RMB'000*
Current			
Bank loans*	3.15-4	2024	7,000
Other borrowings**	0.55	2024	610
Total			7,610

	As at December 31, 2024		
	Effective interest rate	Maturity	
	(%)		*RMB'000*
Current			
Bank loans*	2.9-3.65	2025	7,700
Other borrowings**	0.93	2025	1,249
Total			8,949

	As at December 31, 2025		
	Effective interest rate	Maturity	
	(%)		*RMB'000*
Current			
Bank loans*	2.88-3.5	2026	10,000
Other borrowings**	1	2026	1,590
Total			11,590

	As at June 30, 2026		
	Effective interest rate	Maturity	
	(%)		*RMB'000*
Current			
Bank loans*	2.7-2.9	2027	3,000
Other borrowings**	1.25	2027	170
Total			3,170

* As at December 31, 2023, 2024 and 2025, Mr. Song Tao, a shareholder of the company, jointly guaranteed portions of these bank loans with other two persons amounting to RMB4,000,000, RMB7,000,000 and RMB10,000,000, respectively. The remaining portions of the bank loans were solely guaranteed by Mr. Liu Songtao, another shareholder of the Company. The guarantees provided by Mr. Song Tao and Mr. Liu Songtao have been released in January 2026.

The Company

	As at December 31, 2023		
	Effective interest rate	Maturity	
	(%)		*RMB'000*
Current			
Other borrowings**	0.55	2024	600

	As at December 31, 2024		
	Effective interest rate	Maturity	
	(%)		*RMB'000*
Current			
Other borrowings**	0.93	2025	634

	As at December 31, 2025		
	Effective interest rate	Maturity	
	(%)		*RMB'000*
Current			
Other borrowings**	0.96	2026	1,590

	As at June 30, 2026		
	Effective interest rate	Maturity	
	(%)		*RMB'000*
Current			
Other borrowings**	1.25	2027	170

** Other borrowings represents proceeds received from notes receivable with recourse to banks before their maturity. As the Group retains the obligation to repay the bank in the event of default by the original obligors, the proceeds are classified as secured short-term borrowings rather than being derecognized.

30. PROVISION

The Group

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Analysed into:				
Current portion	1,348	1,641	1,717	2,447
Non-current portion	133	339	629	369
Total	1,481	1,980	2,346	2,816

	Warranties
At January 1, 2023	552
Additional	1,467
Utilised	(538)
At December 31, 2023 and January 1, 2024	1,481
At January 1, 2024	1,481
Additional	1,862
Utilised	(1,363)
At December 31, 2024 and January 1, 2025	1,980
At January 1, 2025	1,980
Additional	2,007
Utilised	(1,641)
At December 31, 2025 and January 1, 2026	2,346
At January 1, 2026	2,346
Additional	1,248
Utilised	(778)
At June 30, 2026	2,816

The Company

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Analysed into:				
Current portion	1,014	999	910	1,364
Non-current portion	32	195	298	184
Total	1,046	1,194	1,208	1,548

	Warranties
	RMB'000
At January 1, 2023	381
Additional	1,046
Utilised	(381)
At December 31, 2023 and January 1, 2024	1,046

	Warranties
	RMB'000
At January 1, 2024	1,046
Additional	1,162
Utilised	(1,014)
At December 31, 2024 and January 1, 2025	1,194
At January 1, 2025	1,194
Additional	1,013
Utilised	(999)
At December 31, 2025 and January 1, 2026	1,208
At January 1, 2026	1,208
Additional	831
Utilised	(491)
At June 30, 2026	1,548

31. SHARE CAPITAL/PAID-IN CAPITAL

A summary of movements in the Company's paid-in capital/share capital is as follows:

Paid-in capital

	RMB'000
At January 1, 2023	16,755
Capital injection by shareholders*	1,011
At December 31, 2023	17,766

	RMB'000
At January 1, 2024	17,766
Capital injection by shareholders*	927
At December 31, 2024	18,693

	RMB'000
At January 1, 2025	18,693
Capital injection by shareholders*	775
Conversion into a joint stock company**	(19,468)
As at December 31, 2025 and June 30, 2026	–

Share capital

	Number of shares	Share capital
	(in thousand)	*RMB'000*
At January 1, 2025	–	–
Conversion into a joint stock company**	19,468	19,468
Capital injection by shareholders***	811	811
As at December 31, 2025 and June 30, 2026	20,279	20,279

* During the years ended December 31, 2023, 2024 and 2025, paid-in capital increased by RMB1,011,000, RMB927,000 and RMB775,000, respectively, with the capital injection by shareholders.

** Pursuant to the shareholders' resolution dated September 28, 2025, shareholders of the Company agreed to convert the 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).

*** After the conversion into a joint stock company, share capital increased by RMB811,177 with the capital injection by shareholder on October 20, 2025.

Pursuant to the shareholders agreements entered into between the Company and the Investors (collectively, the "Agreements"), the Company issued 12,574,892 shares to the Investors for a total net cash proceed of approximately RMB307,000,000 (collectively the "Investments"). Pursuant to the Agreements, the Investors were granted by the Company with special rights which included redemption rights. There was no exercise of redemption rights granted by the Company throughout the Relevant Periods.

On August 6, 2025, the Company and the Investors entered into a termination agreement, agreeing that the redemption rights granted by the Company to the Investors have been irrecoverably terminated on September 9, 2025 and shall be *void ab initio*. Taking into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the termination agreement, the directors considered that it is appropriate to present the Investments as equity throughout the Relevant Periods and the six months ended June 30, 2025.

Had the redemption rights granted by the Company to the 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 at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
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 year 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'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
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

For the details of the redemption rights granted by Mr. Liu Songtao, Mr. Song Tao, Chenxing Partners, Chenxing Brothers and Chenxing Friends, please refer to Note 36(d) for details.

32. SHARE-BASED PAYMENTS

The Company operates a restricted share incentive scheme (the "**Scheme**") through certain shareholding platforms for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the directors, senior management, and other employees of the Group.

In order to implement the Scheme, Tianjin Chenxing Brothers Partnership Enterprise (Limited Partnership) and Tianjin Chenxing Friends Enterprise Management Partnership Enterprise (Limited Partnership), (collectively, "**Shareholding Platform**") were designated as employee shareholding platform to hold the shares of the Company awarded to the eligible participants as the ultimate beneficial owners. Under the Scheme, employees directly hold the restricted shares of the Shareholding Platform, and indirectly hold the shares of the Company. No cash settlement alternative was provided under the Scheme and the Group has no control over the Shareholding Platform.

Based on the service requirements of the Scheme, the restricted Shares of the Shareholding Platform will be vested in three tranches, with 40%, 30% and 30% of the total number of shares granted vested in the first, second and third years after the Company's successful [**REDACTED**], respectively.

The fair value of the restricted shares as at the grant date were determined with reference to the fair value of shares less the subscription price. The fair value of the shares is measured as the market value at the grant date, which is determined by an external valuer using the marketing method, taking into account the latest transaction price and the terms and conditions upon which the restricted shares were granted.

The movements of the outstanding restricted shares granted under the Scheme during the Relevant Periods were as follows:

	Number of restricted shares	Weighted average subscription price per share
		RMB
At January 1, 2023	965,900	4.28
Granted during the year	150,000	13.50
At December 31, 2023	1,115,900	5.52
At January 1, 2024	1,115,900	5.52
Granted during the year	79,000	20.00
At December 31, 2024	1,194,900	6.48
At January 1, 2025	1,194,900	6.48
Granted during the year	110,000	20.00
As at December 31, 2025	1,304,900	7.62
As at January 1, 2026 and June 30, 2026	1,304,900	7.62

The aforesaid transactions have been accounted for as share-based payment transactions. During the Relevant Periods and the six months ended June 30, 2025, the Group recognised share award expenses of nil, RMB10,622,000, RMB4,443,000, RMB2,873,000 and RMB1,987,000, respectively.

33. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods and the six months ended June 30, 2025 are presented in the consolidated statements of changes in equity of the Historical Financial Information.

(i) Capital reserve

The Capital reserve of the Group mainly represents the premium in issuing shares.

(ii) Share-based payment reserve

The share-based payment reserve represents the equity-settled share scheme as set out in note 32 to the Historical Financial Information.

The Company

The amounts of the Company's reserves and the movements therein for the Relevant Periods and the six months ended June 30, 2025 are presented as follows:

	Capital reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	186,746	23,431	(89,619)	120,558
Total comprehensive loss for the year	–	–	(53,138)	(53,138)
Shareholders' capital injection	43,989	–	–	43,989
As at December 31, 2023	230,735	23,431	(142,757)	111,409

	Capital reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2024	230,735	23,431	(142,757)	111,409
Total comprehensive loss for the year	–	–	(20,103)	(20,103)
Share-based payments	–	7,376	–	7,376
Shareholders' capital injection	59,073	–	–	59,073
As at December 31, 2024	289,808	30,807	(162,860)	157,755

	Capital reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2025	289,808	30,807	(162,860)	157,755
Total comprehensive loss for the year	–	–	(18,890)	(18,890)
Conversion into a joint stock company	(103,336)	–	103,336	–
Share-based payments	–	2,698	–	2,698
Shareholders' capital injection	99,189	–	–	99,189
As at December 31, 2025	285,661	33,505	(78,414)	240,752

	Capital reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2026	285,661	33,505	(78,414)	240,752
Total comprehensive loss for the period	–	–	(23,742)	(23,742)
Share-based payments	–	1,958	–	1,958
As at June 30, 2026	285,661	35,463	(102,156)	218,968

34. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB14,776,000, RMB5,125,000, nil and RMB5,009,000, respectively, in respect of lease arrangements for plant and properties and equipment.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank and other borrowings	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2023	5,000	1,587	6,587
New leases	–	14,776	14,776
Lease payment	–	(4,287)	(4,287)
New bank loans and other borrowings	7,610	–	7,610
Repayment of bank borrowings and interest paid	(5,168)	–	(5,168)
Accretion of interest recognised during the year	168	201	369
At December 31, 2023	7,610	12,277	19,887
At January 1, 2024	7,610	12,277	19,887
New leases	–	5,125	5,125
Lease payment	–	(4,635)	(4,635)
New bank loans and other borrowings	14,639	–	14,639
Repayment of bank borrowings and interest paid	(13,639)	–	(13,639)
Accretion of interest recognised during the year	339	540	879
At December 31, 2024	8,949	13,307	22,256
At January 1, 2025	8,949	13,307	22,256
Lease payment	–	(6,159)	(6,159)
New bank loans and other borrowings	10,341	–	10,341
Repayment of bank borrowings and interest paid	(7,975)	–	(7,975)
Accretion of interest recognised during the year	275	457	732
At December 31, 2025	11,590	7,605	19,195
At January 1, 2026	11,590	7,605	19,195
New leases	–	5,009	5,009
Lease payment	–	(3,190)	(3,190)
New bank loans and other borrowings	5,580	–	5,580
Repayment of bank borrowings and interest paid	(14,048)	–	(14,048)
Accretion of interest recognised during the period	48	219	267
Termination of lease contracts	–	(267)	(267)
At June 30, 2026	3,170	9,376	12,546

(c) Total cash outflow for leases

The total cash outflow for leases included in the statements of cash flows is as follows:

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Within operating activities	1,840	3,025	885	439	328
Within financing activities	4,287	4,635	6,159	3,315	3,190
Total	6,127	7,660	7,044	3,754	3,518

35. COMMITMENTS

The Group had no commitments at the end of each of the Relevant Periods.

36. RELATED PARTY TRANSACTIONS

The Directors are of the view that the following companies are related parties that have material transactions or balances with the Group during the Relevant Periods.

(a) Related parties:

The following individuals are related parties of the Group:

Name of related parties	Relationship with the Group
Mr. Liu Songtao	Shareholder, Chairman of the board of directors, Executive Directors, and Chief Technology Officer
Mr. Song Tao	Shareholder, Executive Director and General Manager

(b) Transactions with related parties:

As at December 31, 2023, 2024 and 2025, Mr. Song Tao with other two persons jointly guaranteed certain bank loans amounting to RMB4,000,000, RMB7,000,000 and RMB10,000,000, respectively.

As at December 31, 2023, 2024, Mr. Liu Songtao solely guaranteed certain bank loans amounting to RMB3,000,000, RMB700,000, respectively.

As at December 31, 2024 and 2025, Mr. Liu Songtao solely guaranteed certain lease liabilities amounting to RMB267,000 and RMB267,000 respectively.

These guarantees have been released in January 2026.

(c) Compensation of key management personnel of the Group

	Year ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Salaries, allowances and benefits in kind	606	569	628	277	382
Performance related bonuses	121	119	166	60	133
Share-based payment expenses	–	1,936	929	262	1,073
Pension scheme contributions	17	19	22	10	14
Total	744	2,643	1,745	609	1,602

Further details of directors' and the chief executive's remuneration are included in note 8 to the Historical Financial Information.

(d) Guarantee provided by related parties:

Pursuant to the shareholders agreements entered into among the Company, shareholders and the Pre-[**REDACTED**] Investors, the Investors were granted by Mr. Liu Songtao, Mr. Song Tao, Chenxing Partners, Chenxing Brothers and Chenxing Friends (collectively, "the shareholders") with special rights which included redemption rights. The Company has not provided any form of guarantee in connection with any potential failure of the shareholders to fulfill their obligations relating to the redemption rights granted by the shareholders.

With respect to the redemption rights granted by the shareholders, as agreed by the shareholders and the investor shareholders in the agreement, the Company is not a party to the agreement and has no corresponding obligations, therefore no financial liability has been recognised for the redemption rights during the Relevant Periods.

37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at December 31, 2023, 2024 and 2025 and June 30, 2026 are as follows:

As at December 31, 2023

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	116,924	–	–	116,924
Trade and bills receivables	–	1,534	12,312	13,846
Financial assets included in other receivables and other assets	–	–	2,906	2,906
Restricted cash	–	–	3,281	3,281
Cash and cash equivalents	–	–	27,468	27,468
Total	116,924	1,534	45,967	164,425

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Lease liabilities	12,277
Trade and bills payables	53,162
Financial liabilities included in other payables and accruals	7,064
Interest-bearing bank and other borrowings	7,610
	80,113

As at December 31, 2024

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	151,987	–	–	151,987
Trade and bills receivables	–	540	13,376	13,916
Financial assets included in other receivables and other assets	–	–	5,165	5,165
Restricted cash	–	–	3,056	3,056
Cash and cash equivalents	–	–	17,443	17,443
Total	151,987	540	39,040	191,567

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Lease liabilities	13,307
Trade and bills payables	80,082
Financial liabilities included in other payables and accruals	13,365
Interest-bearing bank and other borrowings	8,949
	115,703

As at December 31, 2025

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	122,210	–	–	122,210
Trade and bills receivables	–	1,927	58,738	60,665
Financial assets included in prepayments, other receivables and other assets	–	–	4,633	4,633
Restricted cash	–	–	4,033	4,033
Cash and cash equivalents	–	–	114,200	114,200
Total	122,210	1,927	181,604	305,741

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Lease liabilities	7,605
Trade and bills payables	76,486
Financial liabilities included in other payables and accruals	16,555
Interest-bearing bank and other borrowings	11,590
Total	112,236

As at June 30, 2026

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	94,356	–	–	94,356
Trade and bills receivables	–	1,238	71,707	72,945
Financial assets included in prepayments, other receivables and other assets	–	–	4,144	4,144
Restricted cash	–	–	400	400
Cash and cash equivalents	–	–	99,944	99,944
Total	94,356	1,238	176,195	271,789

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Lease liabilities	9,376
Trade and bills payables	79,142
Financial liabilities included in other payables and accruals	21,322
Interest-bearing bank and other borrowings	3,170
Total	113,010

For the details of pre-[**REDACTED**] investments, please refer to Note 31 to this report.

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, restricted cash, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, trade and bills payables, financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings during each of the Relevant Periods were assessed to be insignificant.

The Group has estimated the fair value of these unlisted investments, such as structured deposits and wealth management products (financial assets at fair value through profit or loss) and bills receivable (financial assets at fair value through other comprehensive income) using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at December 31, 2023

	Fair value measurement using			
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	–	116,924	–	116,924
Financial assets at fair value through other comprehensive income	–	1,534	–	1,534
Total	–	118,458	–	118,458

As at December 31, 2024

	Fair value measurement using			
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	–	151,987	–	151,987
Financial assets at fair value through other comprehensive income	–	540	–	540
Total	–	152,527	–	152,527

As at December 31, 2025

	Fair value measurement using			
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	–	122,210	–	122,210
Financial assets at fair value through other comprehensive income	–	1,927	–	1,927
Total	–	124,137	–	124,137

As at 30 June 2026

	Fair value measurement using			
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	–	94,356	–	94,356
Financial assets at fair value through other comprehensive income	–	1,238	–	1,238
Total	–	95,594	–	95,594

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's 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 the Group's operations. The Group has 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 its operations.

The main risks arising from the Group's financial instruments are credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's 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.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification. The amounts presented are gross carrying amounts for financial assets.

As at December 31, 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables*	–	–	–	16,409	16,409
Financial assets included in prepayments, other receivables and other assets					
– Normal**	2,906	–	–	–	2,906
Restricted cash					
– Not yet past due	3,281	–	–	–	3,281
Cash and cash equivalents					
– Not yet past due	27,468	–	–	–	27,468
	33,655	–	–	16,409	50,064

As at December 31, 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables*	–	–	–	17,924	17,924
Financial assets included in prepayments, other receivables and other assets					
– Normal**	5,165	–	–	–	5,165
Restricted cash					
– Not yet past due	3,056	–	–	–	3,056
Cash and cash equivalents					
– Not yet past due	17,443	–	–	–	17,443
	25,664	–	–	17,924	43,588

As at December 31, 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables*	–	–	–	68,938	68,938
Financial assets included in prepayments, other receivables and other assets					
– Normal**	4,633	–	–	–	4,633
Restricted cash					
– Not yet past due	4,033	–	–	–	4,033
Cash and cash equivalents					
– Not yet past due	114,200	–	–	–	114,200
	122,866	–	–	68,938	191,804

As at 30 June 2026

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables*	–	–	–	86,736	86,736
Financial assets included in prepayments, other receivables and other assets					
– Normal**	4,144	–	–	–	4,144
Restricted cash					
– Not yet past due	400	–	–	–	400
Cash and cash equivalents					
– Not yet past due	99,944	–	–	–	99,944
	104,488	–	–	86,736	191,224

* For trade and bills receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in notes 20.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations of cash flows.

The Group's 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.

The maturity profile of the Group's financial liabilities as at December 31, 2023, 2024 and 2025 and June 30, 2026, based on the contractual undiscounted payments, is as follows:

	On demand or Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
December 31, 2023					
Interest-bearing bank and other borrowings	7,716	–	–	–	7,716
Lease liabilities	4,396	4,580	2,502	2,064	13,542
Trade and bills payables	53,162	–	–	–	53,162
Financial liabilities included in other payables and accruals	7,064	–	–	–	7,064
	72,338	4,580	2,502	2,064	81,484

	On demand or Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
December 31, 2024					
Interest-bearing bank and other borrowings	9,067	–	–	–	9,067
Lease liabilities	6,455	4,315	2,951	688	14,409
Trade and bills payables	80,082	–	–	–	80,082
Financial liabilities included in other payables and accruals	13,365	–	–	–	13,365
	108,969	4,315	2,951	688	116,923

	On demand or Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
December 31, 2025					
Interest-bearing bank and other borrowings	11,698	–	–	–	11,698
Lease liabilities	4,315	2,951	688	–	7,954
Trade and bills payables	76,486	–	–	–	76,486
Financial liabilities included in other payables	16,555	–	–	–	16,555
	109,054	2,951	688	–	112,693

	On demand or Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
June 30, 2026					
Interest-bearing bank and other borrowings	3,224	–	–	–	3,224
Lease liabilities	5,268	3,814	616	–	9,698
Trade and bills payables	79,142	–	–	–	79,142
Financial liabilities included in other payables	21,322	–	–	–	21,322
	108,956	3,814	616	–	113,386

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its 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, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The asset-liability ratios as at December 31, 2023, 2024 and 2025 and June 30, 2026 are as follows:

	As at December 31,			As at June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total assets	255,881	320,200	404,592	385,818
Total liabilities	127,857	168,622	147,057	154,212
Asset-liability ratio*	50%	53%	36%	40%

* The asset-liability ratio is calculated by dividing total liabilities by total assets.

40. EVENTS AFTER THE RELEVANT PERIODS

No significant event has occurred in respect of any period subsequent to June 30, 2026.

41. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any year subsequent to June 30, 2026.

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

PRC TAXATION

Taxes for Securities Holders

The taxation of the income and capital gains of the holders of the H Shares is subject to the laws and practices of the PRC and the jurisdictions in which the holders of the H Shares are residents or are otherwise subject to taxation. The following summary of certain relevant tax provisions is based on laws and practices currently in force. We do not make any predictions regarding changes or adjustments to relevant laws or policies, nor will we issue any opinions or suggestions based on them. The discussion is not intended to cover all the possible tax consequences of the [**REDACTED**] in H Shares, nor does it take into account the particular circumstances of any individual [**REDACTED**], some of which may be subject to special rules. Therefore, [**REDACTED**] should consult tax advisors for advice on the tax issues of the [**REDACTED**] in H Shares. The discussion is based on the laws and related interpretations in force as of the signing date of this Document, which are subject to change or adjustment and may have retroactive effect.

The following discussion does not address any PRC or Hong Kong tax issues other than income tax, capital gains tax, stamp duty and estate duty. Prospective [**REDACTED**] are advised to consult their financial advisers in respect of PRC, Hong Kong and other tax matters relating to the holding and disposal of H Shares.

Taxes in Chinese Mainland

Tax on Dividends

Individual Investors

Pursuant to the Individual Income Tax Law of the People's Republic of China (the "Individual Income Tax Law"), which was latest amended by the Standing Committee of the National People's Congress on August 31, 2018 and entered into force on January 1, 2019, as well as the Regulations for the Implementation of the Individual Income Tax Law of the People's Republic of China, which was amended by the State Council on December 18, 2018 and entered into force on January 1, 2019, dividend paid by PRC companies to individual investors are generally subject to tax withholding at a flat rate of 20%. Meanwhile, pursuant to the Circular of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on Issues Relating to the Differentiated Individual Income Tax Policy on Dividends of Listed Companies issued by the MOF, the SAT and the CSRC on September 7, 2015 and effective as of September 8, 2015, individuals are temporarily exempted from individual income tax on dividends from shares of listed companies acquired from the public offering and transfer market and held for a period of more than one year. For the shares of listed companies acquired from the public offering and transfer market and held for less than one month (inclusive), all of the dividend income should be included in the computation of taxable income; whereas for shares held for above one month to one year (inclusive), 50% of the dividend income should be included in the computation of taxable income. The above income shall be subject to individual income tax at a uniform rate of 20%.

Pursuant to the Arrangement between Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income signed on August 21, 2006 (the "Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion"), the Chinese government may impose a tax on dividends payable by a Chinese company to a Hong Kong resident, but such tax shall not exceed 10% of the total dividends payable. However, if a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, the tax levied shall not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol on the Arrangement between the Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the "Fifth Protocol"), which was promulgated by the State Administration of Taxation and became effective on December 6, 2019, provides that the relevant provisions of the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion shall not apply to any arrangement or transaction for which the main purpose is to obtain such tax benefits.

Enterprise Investors

Pursuant to the Enterprise Income Tax Law of the People's Republic of China (the "Enterprise Income Tax Law"), adopted by the Standing Committee of the National People's Congress and last amended and effective as of December 29, 2018, and the Implementing Regulations of the Enterprise Income Tax Law of the People's Republic of China, promulgated by the State Council and last amended on December 6, 2024 and effective as of January 20, 2025, a non-resident enterprise is subject to enterprise income tax at the rate of 10% on PRC-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, if such non-resident enterprise does not have an establishment or place of business in the PRC or has an establishment or place of business in the PRC but the PRC-sourced income is not actually connected with such establishment or place of business in the PRC. The aforesaid income tax payable by non-resident enterprises shall be withheld at source, and the payer shall be the withholding agent, and the tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

According to the Circular on Issues Related to the Withholding of the Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to H-share Non- Resident Enterprises issued by the State Administration of Taxation and effective as of November 6, 2008, when Chinese resident enterprises pay dividends derived from profits generated from 2008 onwards to non-resident enterprises H-share holders, enterprise income tax shall be withheld at a rate of 10%.

Under the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion, the Chinese government may impose a tax on dividends paid by Chinese companies to Hong Kong residents, provided that such tax shall not exceed 10% of the total amount of dividends payable by the Chinese company. However, if a Hong Kong resident

directly holds 25% or more of the equity interest in a Chinese company, and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, the tax levied shall not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol provides that such provisions shall not apply to any arrangement or transaction for which the main purpose is to obtain such tax benefits.

Tax Treaties

Non-resident investors who reside in jurisdictions that have entered into treaties with China on the avoidance of double taxation or have made relevant adjustments shall be entitled to relief from the enterprise income tax on dividends received from Chinese companies. Non-resident enterprises entitled to preferential tax rates under the relevant tax treaties or arrangements shall apply to the Chinese tax authorities for a refund of the enterprise income tax in excess of the agreed rate, and the refund application shall be approved by the Chinese tax authorities.

According to the "Administrative Measures for Non-Resident Taxpayers to Enjoy Tax Treaty Benefits" promulgated by the State Taxation Administration on October 14, 2019, and effective as of January 1, 2020, non-resident taxpayers shall enjoy tax benefits under tax treaties through self-assessment, self-declaration, and retention of relevant documentation for inspection. Non-resident taxpayers who independently determine that they meet the conditions for enjoying treaty benefits may claim such benefits either when filing their tax returns or through the withholding agent when filing the withholding declaration. They must concurrently collect and retain relevant documentation for future reference as required, and accept subsequent management by the tax authorities.

Taxes on Income from Share Transfer

Value-Added Tax and Local Surcharges

Pursuant to the Circular of the Ministry of Finance and the State Administration of Taxation on Comprehensively Implementing the Pilot Program for Changing Business Tax to VAT (the "Circular No. 36"), effective as of May 1, 2016, entities and individuals engaged in the sale of services within the territory of China are required to pay value-added tax. "Engaged in the sale of services within China" refers to situations where either the seller or the buyer of taxable services is located within China. Circular 36 also provides that, for general or foreign VAT payers, transfers of financial products (including transfers of ownership of marketable securities) are subject to 6% VAT on the taxable income (i.e., the balance of the sale price less the purchase price). However, the transfer of financial products by individuals is exempt from VAT. Pursuant to the provisions above, if the holder is a non-resident individual, they are exempt from Chinese VAT when selling or disposing of H-shares. If the holder is a non-resident enterprise and the buyer of the H-shares is an individual or entity located outside China, the holder is not required to pay Chinese VAT. However, if the buyer of the H-shares is an individual or entity located within China, the holder may be required to pay Chinese VAT.

Income Tax

Individual Investors

Pursuant to the Individual Income Tax Law and its implementing regulations, individuals shall pay a 20% individual income tax on gains derived from the sale of equity interests in Chinese resident enterprises. Pursuant to the Circular of the Ministry of Finance and the State Administration of Taxation on Continued Temporary Exemption of Individual Income Tax on the Proceeds from Transfer of Shares (Cai Shui Zi [1998] No. 61) ("Circular No. 61") jointly issued by the MOF and the SAT on March 30, 1998, since January 1, 1997, the income from the transfer of shares in listed companies by individuals continues to be subject to temporary exemption of individual income tax. Pursuant to the Announcement of the Ministry of Finance and the State Administration of Taxation on the Catalog of Individual Income Tax Preferential Policies Remaining in Force, which was issued by the MOF and the SAT on December 29, 2018, Circular No. 61 will remain in force.

Enterprise Investors

Pursuant to the Enterprise Income Tax Law and its implementing regulations, non-resident enterprises that have not established an institution or place of business within China, or that have established such an institution or place of business but whose income derived from within China has no real connection with that institution or place of business, shall pay a 10% enterprise income tax on their income derived from within China (including gains from the sale of equity interests in Chinese resident enterprises). The enterprise income tax payable by a non-resident enterprise shall be withheld at source, and the payer of the income shall withhold the income tax from the amount to be paid to the non-resident enterprise. The tax may be reduced or exempted under tax treaties or arrangements for the avoidance of double taxation.

Tax Policies of Shanghai-Hong Kong Stock Connect

Pursuant to the Notice of the Ministry of Finance, the State Administration of Taxation, and the China Securities Regulatory Commission on Tax Policies Concerning the Pilot Program for the Shanghai-Hong Kong Stock Connect Mechanism (Cai Shui [2014] No. 81), issued on October 31, 2014, and effective on November 17, 2014, regarding dividends earned by Mainland individual investors through the Shanghai-Hong Kong Stock Connect program on H-shares listed on the Hong Kong Stock Exchange, H-share companies shall apply to China Securities Depository and Clearing Corporation Limited ("CSDC"). CSDC shall provide the H-share companies with a register of Chinese Mainland individual investors, and the H-share companies shall withhold individual income tax at a rate of 20%. Dividend income earned by Chinese Mainland enterprise investors through the Shanghai-Hong Kong Stock Connect program on stocks listed on the Hong Kong Stock Exchange shall be included in their total income and subject to enterprise income tax in accordance with the law. Dividend income earned by Chinese Mainland resident enterprises from H-shares held continuously for 12 months or more is exempt from enterprise income tax in accordance with the law. H-share companies do not withhold income tax on dividends for their Chinese Mainland enterprise

investors. The tax liability must be declared and paid by the enterprise investors themselves. Pursuant to the Announcement on the Continuation of Individual Income Tax Policies Concerning the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect Mechanisms and the Mutual Recognition of Funds between the Mainland and Hong Kong, promulgated and implemented on August 21, 2023, capital gains derived by Mainland individual investors from the transfer of stocks listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect will continue to be temporarily exempt from individual income tax until December 31, 2027.

STAMP DUTY

According to the Stamp Duty Law of the People's Republic of China promulgated on June 10, 2021 and effective from July 1, 2022, PRC stamp duty applies only to entities and individuals that execute taxable certificates or conduct securities transactions within the territory of the PRC, or entities and individuals that execute taxable certificates outside the PRC to be used within the PRC. Therefore, the provisions regarding the levy of stamp duty on the transfer of shares of PRC listed companies do not apply to the purchase and disposal of H Shares by non-PRC investors outside the PRC.

ESTATE DUTY

As of the date of this document, no estate duty has been levied under PRC laws.

MAJOR TAXES OF THE COMPANY IN THE PRC

Enterprise Income Tax

According to the Enterprise Income Tax Law of the People's Republic of China (the "EIT Law") approved by the National People's Congress on March 16, 2007, last amended on December 29, 2018 and effective from the same date, and the Implementation Regulations of the Enterprise Income Tax Law of the People's Republic of China (the "Implementation Regulations") promulgated by the State Council on December 6, 2007, last amended on December 6, 2024 and effective from January 20, 2025, enterprises legally established in the PRC or established in accordance with the laws of foreign countries (regions) but whose de facto management bodies are located within the PRC are considered resident enterprises. Resident enterprises shall pay enterprise income tax at a rate of 25% on their income derived from both within and outside the PRC. Qualified small and micro-profit enterprises are subject to a reduced enterprise income tax rate of 20%, and high and new technology enterprises supported by the state are subject to a reduced enterprise income tax rate of 15%.

Value-Added Tax

According to the Provisional Regulations on Value-Added Tax of the People's Republic of China promulgated by the State Council on December 13, 1993, last amended and implemented on November 19, 2017 and to be repealed as of January 1, 2026, entities and individuals engaged in the sale of goods, provision of processing, repair and replacement services, sale of services, intangible assets and real estate, and the importation of goods within the territory of the PRC are taxpayers of value-added tax ("VAT"). Unless otherwise provided by law, the tax rate is 17% for taxpayers selling goods, services, tangible movable property leasing services or importing goods; 11% for taxpayers selling transportation, postal, basic telecommunications, construction, real estate leasing services, selling real estate, transferring land use rights, or selling or importing specific goods; and 6% for taxpayers selling services or intangible assets unless otherwise provided by law. For domestic entities and individuals selling services and intangible assets across borders within the scope prescribed by the State Council, the tax rate is 0%. For the export of goods, the tax rate is 0% unless otherwise provided by the State Council.

According to the Value-Added Tax Law of the People's Republic of China approved by the Standing Committee of the National People's Congress on December 25, 2024 and effective from January 1, 2026, entities and individuals (including individual industrial and commercial households) selling goods, services, intangible assets and real estate, and importing goods within the territory of the PRC are taxpayers of VAT and shall pay VAT in accordance with the law. Unless otherwise provided by law, the tax rate is 13% for taxpayers selling goods, processing, repair and replacement services, tangible movable property leasing services, and importing goods; 9% for taxpayers selling transportation, postal, basic telecommunications, construction, real estate leasing services, selling real estate, transferring land use rights, or selling or importing specific goods; and 6% for taxpayers selling services or intangible assets. For the export of goods by taxpayers, the tax rate is 0% unless otherwise provided by the State Council. For domestic entities and individuals selling services and intangible assets across borders within the scope prescribed by the State Council, the tax rate is 0%.

According to the Notice on Comprehensively Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax jointly issued by the Ministry of Finance and the State Taxation Administration on March 23, 2016, the pilot program of replacing business tax with VAT is implemented nationwide effective from May 1, 2016. All business tax taxpayers in industries such as construction, real estate, finance, and consumer services are included in the scope of the pilot program and are subject to VAT instead of business tax.

According to the Notice on Policies Regarding Simplifying and Consolidating Value-Added Tax Rates jointly issued by the Ministry of Finance and the State Taxation Administration on April 28, 2017, the structure of VAT rates is simplified and consolidated effective from July 1, 2017, the 13% VAT rate is removed, and the scope of goods applicable to the 11% VAT rate and the provisions on input tax credit are clarified.

According to the Notice on Adjusting Value-Added Tax Rates jointly issued by the Ministry of Finance and the State Taxation Administration on April 4, 2018, effective from May 1, 2018, for taxpayers engaged in VAT taxable sales activities or importation of goods, the original tax rates of 17% and 11% are adjusted to 16% and 10%, respectively.

According to the Announcement on Policies for Deepening the Value-Added Tax Reform jointly issued by the Ministry of Finance, the State Taxation Administration and the General Administration of Customs on March 20, 2019 and effective from April 1, 2019, for VAT general taxpayers engaged in VAT taxable sales activities or importation of goods, the original tax rate of 16% is adjusted to 13%, and the original tax rate of 10% is adjusted to 9%.

According to the Announcement on Further Increasing the Implementation of the Policy for the Refund of End-of-Period Excess Input VAT Credits jointly issued by the Ministry of Finance and the State Taxation Administration on March 21, 2022, effective from April 1, 2022 and to be repealed as of September 1, 2025, qualified enterprises in manufacturing and other industries may apply to the competent tax authorities for the refund of incremental excess input VAT credits starting from the tax declaration period in April 2022. Taxpayers who have enjoyed VAT refund policies such as "refund upon collection" or "refund after collection" since April 2019 may apply for the refund of end-of-period excess input VAT credits, provided that such taxpayers must return all VAT refunds received since April 2019 to the relevant tax authorities in a lump sum before October 31, 2022.

According to the Announcement on Improving the Policy for the Refund of End-of-Period Excess Input VAT Credits jointly issued by the Ministry of Finance and the State Taxation Administration on August 22, 2025 and effective from September 1, 2025, qualified VAT general taxpayers may apply to the competent tax authorities for the refund of end-of-period excess input VAT credits in accordance with regulations starting from the VAT declaration period in September 2025.

Transfer Pricing

According to the Tax Collection and Administration Law of the People's Republic of China approved by the Standing Committee of the National People's Congress on September 4, 1992 and last amended on April 24, 2015, and its implementation rules, as well as the EIT Law and its Implementation Regulations, related party transactions shall comply with the arm's length principle. If a related party transaction fails to comply with the arm's length principle and results in a reduction of the enterprise's taxable income, the tax authorities have the right to make reasonable adjustments within ten years from the tax year in which the non-compliant related party transaction occurred.

According to the Announcement of the State Taxation Administration on Matters Relating to Improving the Administration for Reporting of Related Party Transactions and Submission of Contemporaneous Documentation promulgated on June 29, 2016, enterprises whose related party transaction amounts exceed the prescribed thresholds shall prepare contemporaneous documentation for their related party transactions for each tax year and submit it to the tax authorities as required.

PRC FOREIGN EXCHANGE CONTROL

Renminbi is the lawful currency of the PRC. The State Administration of Foreign Exchange ("SAFE") is a state bureau managed by the People's Bank of China and is responsible for managing matters related to foreign exchange, including the implementation of foreign exchange management under the capital account in accordance with the law.

According to the Regulations of the People's Republic of China on Foreign Exchange Control amended by the State Council and effective from August 5, 2008, all international payments and transfers are classified into the current account and the capital account. The PRC does not impose restrictions on international payments and transfers under the current account. Foreign exchange income under the current account of PRC enterprises may be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange in accordance with relevant state regulations. Foreign exchange income under the capital account shall be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange upon the approval of the foreign exchange administrative authorities, unless no approval is required under state regulations.

According to relevant PRC laws and regulations, when PRC enterprises (including foreign-invested enterprises) require foreign exchange for transactions under the current account, they may pay with their own foreign exchange or purchase foreign exchange from financial institutions engaged in the settlement and sale of foreign exchange by presenting valid documents, without the approval of SAFE. Foreign-invested enterprises that need to distribute profits to their shareholders in foreign exchange and PRC enterprises that are required to pay dividends in foreign exchange according to regulations may make such payments from their foreign exchange accounts or at designated foreign exchange banks pursuant to board resolutions on profit distribution.

According to the Decision of the State Council on Canceling and Adjusting a Batch of Administrative Examination and Approval Items and Other Matters promulgated and by the State Council on and effective from October 23, 2014, the administrative approval by SAFE and its branches for the repatriation and settlement of foreign exchange of funds raised overseas by companies listed overseas has been canceled.

According to the Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Overseas Listing promulgated by SAFE on December 26, 2014 and to be repealed on April 1, 2026, a domestic company shall complete the registration procedures for overseas listing with the local branch of SAFE at its place of registration within 15 business days after the completion of its overseas offering. Funds raised by a domestic company from overseas listing may be repatriated to the PRC or deposited overseas, and the use of such funds shall be consistent with the contents disclosed in the prospectus, bond offering circular, shareholder circular, or resolutions of the board of directors or general meetings.

According to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating the Management Policies for the Settlement of Foreign Exchange under the Capital Account promulgated by SAFE on June 9, 2016, domestic institutions are entitled to settle their foreign exchange income under the capital account (including funds repatriated from overseas listing) based on actual business needs and may handle the settlement with banks at their discretion in accordance with relevant policies. The ratio of voluntary settlement of foreign exchange income under the capital account for domestic institutions is temporarily set at 100%. SAFE may adjust the aforementioned ratio in due course based on the balance of payments situation.

According to the Notice of the People's Bank of China and the State Administration of Foreign Exchange on Issues Concerning the Management of Funds for Overseas Listing by Domestic Enterprises issued by the People's Bank of China and SAFE on December 24, 2025 and to be effective from April 1, 2026, after the implementation of the notice, the People's Bank of China, SAFE, and their branches shall implement supervision, management, and inspection of business registration, account opening and use, cross-border payments and receipts, and currency exchange involved in the overseas listing of domestic enterprises. A domestic enterprise listing overseas shall, within 30 business days after the first trading day of its overseas listing or the completion of over-allotment, apply to a bank within the provincial/municipality with independent planning status of its place of registration to handle overseas listing registration with the required materials.

HONG KONG TAXATION

Dividend Taxation

Under the current practice of the Inland Revenue Department of Hong Kong, no tax is payable in Hong Kong in respect of dividends paid by us.

Capital Gains and Profits Tax

No tax is imposed in Hong Kong in respect of capital gains from the sale of H Shares effected on the Stock Exchange.

Capital gains from the sale of H Shares that are derived from outside Hong Kong but received in Hong Kong by a member of a MNE Group (as defined under the Inland Revenue Ordinance (Cap. 112) ("**IRO**") carrying on a trade, profession or business in Hong Kong, may be chargeable to Hong Kong profits tax if the member does not carry on specified economic activities (as defined under the IRO) in Hong Kong. Tax exemption and relief for foreign tax imposed on the gain may apply where specific conditions are met.

Trading gains from the sale of the H Shares by persons carrying on a trade, profession or business in Hong Kong, where such gains are derived from or arise in Hong Kong from such trade, profession or business will be subject to Hong Kong profits tax, which is currently imposed at the maximum rate of 16.5% on corporations and at the maximum rate of 15% on

unincorporated businesses. A concessionary tax rate at half of the applicable tax rate may apply to the first HK$2 million of assessable profits of corporations or unincorporated businesses. Certain categories of taxpayers (for example, financial institutions, insurance companies and securities dealers) are likely to be regarded as deriving trading gains rather than capital gains unless these taxpayers can prove that the investment securities are held for long-term investment purposes.

Trading gains from sales of H Shares effected on the Stock Exchange will be considered to be derived from or arise in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from sales of H Shares effected on the Stock Exchange realized by persons carrying on a business of trading or dealing in securities in Hong Kong.

Hong Kong has also enacted the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 to implement a domestic minimum top-up tax at a minimum rate of tax of 15%. For all fiscal years commencing on or after 1 January 2025, income of a constituent entity of an in-scope MNE group that is located in Hong Kong may also be subject to top-up tax.

Stamp Duty

Hong Kong stamp duty, currently charged at the ad valorem rate of 0.10% on the higher of the consideration for or the market value of the H Shares, will be payable by the purchaser on every purchase and by the seller on every sale of the Hong Kong securities, including H Shares (in other words, a total of 0.20% is currently payable on a typical sale and purchase transaction involving H Shares). In addition, a fixed duty of HK$5.00 is currently payable on any instrument of transfer of H Shares. Where one of the parties is a resident outside Hong Kong and does not pay the ad valorem duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee. If no stamp duty is paid on or before the due date, a penalty of up to ten times the duty payable may be imposed.

Estate Duty

Pursuant to the Revenue (Abolition of Estate Duty) Ordinance 2005, estate duty ceased to be chargeable in Hong Kong in respect of the estates of persons dying on or after February 11, 2006.

This appendix contains a summary of the main provisions of the Articles of Association of the Company adopted on December 30, 2025, which will take effect from the date of [**REDACTED**] of H Shares on the Stock Exchange. The main purpose of this appendix is to provide potential [**REDACTED**] with an overview of the Articles of Association of the Company, so it may not contain all the information that is important to potential [**REDACTED**].

SHARES AND REGISTERED CAPITAL

Shares of the Company shall be in the form of share certificates, which shall be registered share certificates. Share certificates are physical certificates issued by the Company to prove the shares held by shareholders. Share certificates of the Company shall contain any items required by the Hong Kong Listing Rules and the regulatory rules of the place where the shares of the Company are listed in addition to those stipulated in the Company Law.

Shares of the Company shall be issued in accordance with the principles of openness, fairness and impartiality. Each share of the same class shall carry the same rights. Shares of the same class issued at the same time shall be issued under the same conditions and at the same price. The same price shall be paid for each of the shares subscribed for by all subscribers.

The shares issued by the Company shall be denominated in RMB with a par value of RMB0.1 per share, and shall all be ordinary shares.

Ordinary shares of each class issued by the Company (domestic unlisted shares and overseas [**REDACTED**] shares) shall carry the same rights in any distribution made in the form of dividends or other forms.

INCREASE, REDUCTION AND REPURCHASE OF SHARES

Increase and Reduction of Shares

The Company may increase capital based on the needs of operation and development and in accordance with the requirements of laws and regulations upon resolution of the shareholders' meeting, by any of the following ways:

(1) issuance of shares to unspecified parties;

(2) issuance of shares to specified parties;

(3) distribution of bonus shares to existing shareholders;

(4) conversion of reserve fund into share capital;

(5) other means as required by laws, administrative regulations, the CSRC and The Stock Exchange of Hong Kong Limited.

Subject to the provisions of laws, regulations and securities regulatory rules of the place where the shares of the Company are listed, the shareholders' meeting may authorize the Board to decide to issue no more than 50% of the issued shares within three years. If the Board decides to issue shares in accordance with the aforesaid provisions, resulting in changes to the registered capital and the number of the issued shares of the Company, any amendment to this item recorded in the Articles of Association shall no longer require a vote at the shareholders' meeting.

The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the procedures stipulated in the Company Law and other relevant regulations within China, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Repurchase of Shares

The Company shall not buy back its own shares, except in one of the following circumstances:

(1) reduction of the Company's registered capital;

(2) merger with another company holding shares of the Company;

(3) use of shares for employee stock ownership scheme or equity incentives;

(4) Shareholders who object to resolutions of the shareholders' meeting on merger or division of the Company requesting the Company to purchase their shares;

(5) use of shares for conversion of corporate bonds issued by the Company which are convertible into shares;

(6) where it is necessary for the Company to preserve its value and Shareholders' interest;

The Company may repurchase its shares through public centralised trading or other methods recognised by laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed and the CSRC (if required).

Where the Company repurchases its shares under the circumstances set forth in items (3), (5) and (6) mentioned above, the repurchase shall be made through public centralised trading subject to compliance with the requirements of the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed.

Where the Company repurchases its shares under the circumstances set forth above, the repurchase shall be resolved at a shareholders' meeting and be valid only if it is approved by more than two-thirds of the voting rights held by unconnected (unrelated) shareholders present at the shareholders' meeting. If there are any other provisions of the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed, such provisions shall prevail.

Upon the repurchase of its shares by the Company pursuant to the aforesaid provisions, under the circumstance set forth in item (1), such shares shall be cancelled within 10 days from the day of repurchase; under the circumstances set forth in items (2) and (4), such shares shall be transferred or cancelled within six months; under the circumstances set forth in items (3), (5) and (6), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within three years.

Transfer of Shares

Shares of the Company shall be transferred in accordance with the law.

The Company shall not accept its own shares as the subject matter of pledge.

Shares of the Company that were issued prior to a [**REDACTED**] shall not be transferred within one year from the date on which the shares of the Company are [**REDACTED**] and [**REDACTED**] on the stock exchange.

Directors and senior management of the Company shall report to the Company their holdings of shares of the Company (including preferred shares, if any) and the changes thereof. During their term of office confirmed at the assumption of their position, the shares transferred by any of them each year shall not exceed 25% of the total shares of the same class of the Company held by them; the shares of the Company held by them shall not be transferred within one year from the date on which the shares of the Company are [**REDACTED**] and [**REDACTED**]. The above persons shall not transfer the shares of the Company held by them within half a year after they leave the Company.

If the Company's shares are pledged during the period of restriction of transfer stipulated by laws and regulations, the pledgee shall not exercise his/her pledge rights during the period of restriction of transfer.

If there are any other provisions in laws, administrative regulations or relevant rules of the CSRC or the securities regulatory authority of the place where the shares of the Company are listed regarding the transfer of shares held by shareholders in the Company, such provisions shall prevail.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Shareholders

The Company shall establish a register of members based on the evidence provided by the securities registration and clearing authority. The register of members of the Company shall be sufficient evidence of the holding of the shares of the Company by shareholders. A shareholder shall enjoy rights and assume obligations according to the class of the shares he/she holds. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

Shareholders of the Company shall enjoy the following rights:

(1) to receive dividends and other distributions in proportion to the shares they hold;

(2) to request, convene, preside over, attend or appoint a proxy to attend shareholders' meetings and exercise corresponding rights to speak and vote in accordance with laws (unless required by the Hong Kong Listing Rules to abstain from voting in respect of individual matters);

(3) to supervise, present suggestions on or make inquiries about the operations of the Company;

(4) to transfer, gift or pledge the shares they hold in accordance with laws, administrative regulations and the Articles of Association;

(5) to access and copy the Articles of Association, register of members, minutes of shareholders' meetings, resolutions of Board meetings and financial accounting reports, and Shareholders in compliance with the requirements may access the accounting books and accounting evidence of the Company;

(6) in the event of termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the number of shares held by them;

(7) to require the Company to purchase their shares in the event of their objection to the resolutions of the shareholders' meeting on merger or division of the Company;

(8) Other rights stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

Shareholders who request to access or copy relevant materials of the Company shall comply with the provisions of laws and administrative regulations such as the Company Law, the Securities Law, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed. Where shareholders who individually or collectively hold more than 3% of the shares of the Company for more than 180 consecutive days access relevant materials of the Company, they shall submit a written request to the Company and explain their purpose. If the Company has reasonable grounds to believe that shareholders access accounting books and accounting evidence of the Company for improper purposes that may damage the legitimate interests of the Company, it may refuse to provide access, and shall respond in writing to shareholders and state reasons within fifteen days from the date of their written request. If the Company refuses to provide access, shareholders may file a lawsuit with the people's court. The access shall be conducted on site or through electronic devices designated by the Company, and the applicant shall only copy any parts directly related to their own rights and interests. When conducting on-site access, shareholders shall be required to bring written documents proving the class and number of shares they hold in the Company, such as securities accounts, share purchase certificates and valid identity documents, in order to verify their identity. To ensure that shareholders still have their shareholder status at the time of access, the Company shall have the right to verify their identity by requiring shareholders to log in to their own stock accounts at the access site or other means. Meanwhile, the Company's employees and accessing persons shall comply with confidentiality obligations, and the party who violates the regulations shall bear liability for breach of contract and compensate for any losses caused to the Company or other shareholders thereby.

Where the content of a resolution of the shareholders' meeting or a meeting of the Board violates laws or administrative regulations, shareholders shall have the right to request the people's court to determine it to be invalid.

Where the convening procedure or voting method of the shareholders' meeting or a meeting of the Board violates laws, administrative regulations or the Articles of Association, or if the content of a resolution violates the Articles of Association, shareholders shall have the right to request the people's court to revoke the resolution within sixty days from the date of passing the resolution, except where the convening procedure or voting method of the shareholders' meeting or the meeting of the Board are only slightly defective and have no substantial impact on the resolution.

If the Board, shareholders or other relevant parties dispute the effectiveness of a resolution of the shareholders' meeting, they shall promptly file a lawsuit with the people's court. Before the people's court makes a judgment or ruling to revoke the resolution, the relevant parties shall execute the resolution of the shareholders' meeting. The Company, directors and senior management shall earnestly fulfill their duties to ensure the normal operation of the Company.

Where the people's court makes a judgment or ruling on relevant matters, the Company shall, in accordance with laws, administrative regulations and the provisions of the CSRC and the stock exchange, fulfill its information disclosure obligations, fully state the impact and actively cooperate with the execution after the judgment or ruling takes effect. If any correction of previous matters is involved, the Company shall promptly handle it and fulfill its corresponding information disclosure obligations.

A resolution of the shareholders' meeting or a meeting of the Board shall not be valid in any of the following circumstances:

(1) The shareholders' meeting or the meeting of the Board is not convened to make the resolution;

(2) No vote on the resolution is made at the shareholders' meeting or the meeting of the Board;

(3) The number of persons present at the meeting or the number of voting rights held by them does not meet the requirements stipulated in the Company Law or the Articles of Association;

(4) The number of persons who agree to the resolution or the number of voting rights held by them does not meet the requirements stipulated in the Company Law or the Articles of Association.

Where directors or senior management other than members of the audit committee violate laws, administrative regulations or the Articles of Association while performing their duties, causing losses to the Company, shareholders who individually or collectively hold 1% or more of the shares of the Company for more than 180 consecutive days shall have the right to request in writing the audit committee to file a lawsuit with the people's court; where members of the audit committee violate laws, administrative regulations or the Articles of Association while performing their duties, causing losses to the Company, the aforementioned shareholders may request in writing the Board to file a lawsuit with the people's court.

Where the audit committee or the Board refuses to file a lawsuit after receiving a written request from the shareholders as stipulated in the preceding paragraph or fails to file a lawsuit within thirty days from the date of receiving the request, or where the situation is urgent and failure to file a lawsuit immediately will cause irreparable damage to the interests of the Company, the shareholders as stipulated in the preceding paragraph shall have the right to directly file a lawsuit with the people's court in their own name for the benefit of the Company.

Where another person infringes upon the legitimate rights and interests of the Company and causes losses to the Company, shareholders who individually or collectively hold 1% or more of the shares of the Company for more than 180 consecutive days may file a lawsuit with the people's court in accordance with the provisions of the preceding two paragraphs.

Where the Company incurs losses as a result of any directors, supervisors and senior management of a wholly-owned subsidiary of the Company having violated laws, administrative regulations or the Articles of Association in performing their duties, or if another person infringes upon the legitimate rights and interests of the wholly-owned subsidiary of the Company and causes losses, shareholders individually or collectively holding 1% or more of the shares of the Company for more than 180 consecutive days may request in writing the board of supervisors or board of directors of the wholly-owned subsidiary to file a lawsuit with the people's court or directly file a lawsuit with the people's court in their own name in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law.

Where directors or senior management violate laws, administrative regulations, or the Articles of Association and damage the interests of shareholders, shareholders may file a lawsuit with the people's court.

Where controlling shareholders or de facto controllers of the Company instruct directors or senior management to engage in any activities that damage the interests of the Company or shareholders, they shall bear joint and several liability with such directors or senior management.

Shareholders of the Company shall assume the following obligations:

(1) to comply with laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association;

(2) to pay subscription monies as per the shares subscribed for by them and the method of subscription;

(3) not to withdraw their share capital unless under circumstances required by laws and regulations;

(4) not to abuse Shareholders' rights to damage the interests of the Company or other Shareholders; not to abuse the Company's independent status of legal person or shareholders' limited liabilities to damage the interests of the creditors of the Company;

(5) to assume other obligations prescribed by laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Shareholders of the Company who abuse their shareholders' rights and thereby cause losses to the Company or other shareholders shall be liable for compensation according to the laws. Where shareholders of the Company abuse the Company's independent status of legal person or shareholders' limited liabilities for the purposes of evading repayment of debts, thereby materially damaging the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

Controlling Shareholders and De Facto Controllers

Controlling shareholders and de facto controllers of the Company shall exercise their rights, fulfill their obligations and safeguard the interests of the Company in accordance with the provisions of laws, administrative regulations, the CSRC and the stock exchange.

Controlling shareholders and de facto controllers of the Company shall comply with the following provisions:

(1) to exercise shareholders' rights in accordance with the law, and not to abuse control or use connected (related) relationships to impair the legitimate rights and interests of the Company or other shareholders;

(2) to strictly fulfill public statements and undertakings made, and not to change or waive them without authorization;

(3) to fulfil the obligation to disclose information in strict accordance with the relevant regulations, to actively cooperate with the Company in information disclosure and to inform the Company in a timely manner of major events that have occurred or are about to occur;

(4) not to appropriate the Company's funds in any way;

(5) not to order, instruct or require the Company and relevant personnel to provide guarantees in violation of laws and regulations;

(6) not to make use of the Company's undisclosed material information to gain benefits, not to divulge in any way any undisclosed material information relating to the Company, and not to engage in insider trading, short-swing trading, market manipulation and other acts in violation of laws and regulations;

(7) not to impair the legitimate rights and interests of the Company and other shareholders through unfair connected (related) transactions, profit distribution, asset restructuring, external investment or any other means;

(8) to ensure the integrity of the Company's assets and the independence of personnel, finance, organisation and business, and not to affect the independence of the Company in any way;

(9) other provisions of laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where controlling shareholders and de facto controllers of the Company do not act as directors of the Company but actually carry out the Company's affairs, the provisions of the Articles of Association on fiduciary and diligence obligations of directors shall apply.

Where a controlling shareholder or a de facto controller of the Company instructs a director or senior management to engage in an act that damages the interests of the Company or shareholders, he/she shall be jointly and severally liable with such director or senior management.

Where a controlling shareholder or a de facto controller pledges the shares of the Company he/she holds or actually controls, he/she shall maintain the control of the Company and stable production and operation.

Where a controlling shareholder or a de facto controller transfers the shares of the Company he/she holds, he/she shall comply with the restrictive provisions on the transfer of shares in laws, administrative regulations and the regulatory rules of the place where the shares of the Company are listed and the undertakings made by him/her regarding the transfer of restricted shares.

General Provisions for Shareholders' Meetings

The shareholders' meeting of the Company consists of all shareholders. The shareholders' meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws:

(1) to elect and replace directors who are not employee representatives and to determine matters relating to the remuneration of the directors;

(2) to consider and approve the reports of the Board;

(3) to consider and approve the profit distribution plans and loss recovery plans of the Company;

(4) to resolve on the increase or reduction of the registered capital of the Company;

(5) to resolve on the issue of corporate bonds;

(6) to resolve on the merger, division, dissolution, liquidation or change in corporate form of the Company;

(7) to amend the Articles of Association;

(8) to resolve on the appointment and dismissal of accounting firms undertaking the audit business of the Company by the Company;

(9) to consider and approve the guarantee matters specified in Article 50 of the Articles of Association;

(10) to consider matters relating to the purchase and sale by the Company within one year of material assets valued at more than 30% of the latest audited total assets of the Company;

(11) to consider and approve matters relating to changes in the use of proceeds;

(12) to consider and approve share incentive schemes and employee stock ownership schemes that are subject to consideration and approval by the shareholders' meeting as stipulated by the Hong Kong Listing Rules;

(13) to consider other matters to be resolved by the shareholders' meeting as required by laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

The shareholders' meeting may authorize the Board to make resolutions on the issuance of corporate bonds. The Company may issue shares or corporate bonds convertible into shares upon resolution of the shareholders' meeting or upon resolution of the Board authorized by the Articles of Association or the shareholders' meeting, and the specific implementation shall comply with laws, administrative regulations, regulations of the CSRC and securities regulatory rules of the place where the shares of the Company are listed.

Except as otherwise provided by laws, administrative regulations, regulations of the CSRC or securities regulatory rules of the place where the shares of the Company are listed, the aforesaid functions and powers of the shareholders' meeting shall not be exercised by the Board or other institutions or individuals through authorization.

The following external guarantees provided by the Company shall be considered and approved by the shareholders' meeting:

(1) any guarantee to be provided after the total amount of external guarantees by the Company and its holding subsidiaries exceeds 50% of the latest audited net assets of the Company;

(2) any guarantee to be provided after the total amount of external guarantees by the Company exceeds 30% of the latest audited total assets;

(3) any guarantee by the Company to others within one year with guaranteed amount in excess of 30% of the latest audited total assets of the Company;

(4) any guarantee to be provided to a recipient whose debt-to-asset ratio is over 70%;

(5) any single guarantee with an amount exceeding 10% of the latest audited net assets of the Company;

(6) any guarantee to be provided to shareholders, de facto controllers and their connected (related) parties.

When the shareholders' meeting considers the guarantee as set out in item (3) of the first paragraph, it shall be approved by more than two-thirds of the voting rights held by shareholders present at the meeting.

If the Company provides guarantees for its wholly-owned subsidiaries or provides guarantees for its holding subsidiaries and other shareholders of its holding subsidiaries provide an equal proportion of guarantees based on their respective interest without harming the interests of the Company, the application of the provisions of items (1), (4) and (5) of the first paragraph of this Article may be exempted.

Unless otherwise stipulated by other securities regulatory rules of the place where the shares of the Company are listed, the Board shall have the right to consider and approve external guarantees other than those that require approval from the shareholders' meeting.

When a proposal for providing guarantees for shareholders, de facto controllers and their connected (related) parties is considered at the shareholders' meeting, such shareholders or shareholders controlled by such de facto controllers shall not participate in the voting process, and the proposal shall be approved by more than half of the voting rights held by other shareholders present at the shareholders' meeting. Where the Company provides guarantees for connected (related) parties, the proposal shall have a reasonable business logic, and shall be submitted to the shareholders' meeting for review after being considered and approved by the Board.

Where the Company provides guarantees for controlling shareholders, de facto controllers and their connected (related) parties, such controlling shareholders, de facto controllers and their connected (related) parties shall provide counter guarantees.

Shareholders' meetings are classified into annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders' meetings shall be convened once a year and held within six months after the end of the previous fiscal year.

The Company shall convene an extraordinary shareholders' meeting within two months from the date of occurrence of any of the following circumstances:

(1) where the number of directors is less than five;

(2) when the uncovered loss of the Company reaches one-third of its total paid-in share capital;

(3) upon request by shareholders individually or collectively holding 10% or more of the voting shares of the Company (including preferred shares with voting rights restored);

(4) when the Board deems it necessary;

(5) when the audit committee proposes such a meeting be convened;

(6) other circumstances required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

The Company shall convene a shareholders' meeting at the place of domicile of the Company or at the place of the meeting as specified in the meeting notice. The shareholders' meeting shall set up a venue and be convened in the form of an on-site meeting or through electronic communication methods such as telephone and video. Where permitted by applicable laws, administrative regulations, departmental rules, normative documents and securities regulatory rules of the place where the shares of the Company are listed, the Company shall also provide online voting methods to facilitate shareholders. Shareholders who attend the shareholders' meeting through the aforesaid methods shall be deemed to have been present.

Convening of Shareholders' Meetings

The Board shall convene shareholders' meetings on time within the prescribed period.

Upon the approval of a majority of all independent non-executive directors, independent non-executive directors shall have the right to propose to the Board to convene an extraordinary shareholders' meeting. For the proposal requesting to convene an extraordinary shareholders' meeting by independent non-executive directors, the Board shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, provide written reply on whether they agree or disagree to convene the extraordinary shareholders' meeting within ten days after receipt of the proposal.

Where the Board agrees to convene the extraordinary shareholders' meeting, a notice of shareholders' meeting shall be issued within five days after such a Board resolution is made. If the Board does not agree to convene the extraordinary shareholders' meeting, it shall state reasons.

Where the audit committee proposes to the Board to convene an extraordinary shareholders' meeting, the proposal shall be presented to the Board in writing. The Board shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, provide written reply on whether they agree or disagree to convene the extraordinary shareholders' meeting within ten days after receipt of the proposal.

Where the Board agrees to convene the extraordinary shareholders' meeting, a notice of shareholders' meeting shall be issued within five days after such a Board resolution is made. Amendments to any original proposal to be stated in the notice shall be agreed by the audit committee.

Where the Board does not agree to convene the extraordinary shareholders' meeting or does not reply within ten days after receipt of the proposal, the Board shall be deemed to be unable or have refused to fulfill the obligation to convene shareholders' meetings, and the audit committee may convene and preside over the meeting by itself.

Shareholders who individually or collectively hold 10% or more of the voting shares of the Company (including preferred shares with voting rights restored) shall have the right to request the Board to convene an extraordinary shareholders' meeting, and the request shall be presented in writing. The Board shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, provide written reply on whether they agree or disagree to convene the extraordinary shareholders' meeting within ten days after receipt of the request.

Where the Board agrees to convene the extraordinary shareholders' meeting, a notice of shareholders' meeting shall be issued within five days after such a Board resolution is made. Amendments to any original request to be stated in the notice shall be agreed by relevant shareholders.

Where the Board does not agree to convene the extraordinary shareholders' meeting or does not reply within ten days after receipt of the request, shareholders who individually or collectively hold 10% or more of the voting shares of the Company (including preferred shares with voting rights restored) shall have the right to request the audit committee to convene the extraordinary shareholders' meeting, and the request shall be presented to the audit committee in writing.

Where the audit committee agrees to convene the extraordinary shareholders' meeting, a notice of shareholders' meeting shall be issued within five days after receipt of the request. Amendments to any original request to be stated in the notice shall be agreed by relevant shareholders.

Where the audit committee does not issue a notice of shareholders' meeting within the prescribed time limit, the audit committee shall be deemed to have refused to convene and preside over the shareholders' meeting. Shareholders who individually or collectively hold 10% or more of the voting shares of the Company (including preferred shares with voting rights restored) for more than 90 consecutive days may convene and preside over the meeting on their own.

Where the audit committee or shareholders decide to convene a shareholders' meeting on their own, the audit committee or shareholders shall notify the Board in writing. Before the announcement of a resolution of the shareholders' meeting, the proportion of the voting shares of the Company (including preferred shares with voting rights restored) held by the convening shareholders shall not be less than 10%.

For the shareholders' meeting convened by the audit committee or shareholders, the Board and the Board secretary shall cooperate. The Board shall provide the register of members on the record date of equity interests.

Any necessary expenses for shareholders' meetings convened by the audit committee or shareholders shall be borne by the Company.

Proposals and Notices of Shareholders' Meetings

When the Company convenes a shareholders' meeting, the Board, the audit committee, and shareholders individually or collectively holding 1% or more of the shares of the Company (including preferred shares with voting rights restored) shall have the right to submit proposals to the Company.

Shareholders individually or collectively holding more than 1% or more of the shares of the Company (including preferred shares with voting rights restored) may offer a temporary proposal and submit it in writing to the convener ten days before the shareholders' meeting. The temporary proposal shall contain clear agenda items and specific matters to be resolved. The convener shall issue a supplementary notice of the shareholders' meeting within two days after receiving the proposal, announce the content of the temporary proposal, and submit the temporary proposal to the shareholders' meeting for review; however, any temporary proposals that violate laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association or do not fall within the scope of authority of the shareholders' meeting shall be excluded.

Except for the circumstances as stipulated in the preceding paragraph, the convener shall not modify the proposals already listed in the notice of the shareholders' meeting or add new proposals after issuing the announcement of such notice. Any proposals that are not listed in the notice of shareholders' meeting or fail to comply with the provisions of Article 62 of the Articles of Association shall not be voted on or resolved at the shareholders' meeting.

The convener of an annual shareholders' meeting shall notify all shareholders in writing twenty-one days before the meeting, and the convener of an extraordinary shareholders' meeting shall notify all shareholders in writing fifteen days before the meeting. The aforesaid time limits counted by the Company shall not include the day on which the meeting is convened. If there are other provisions of laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed, such provisions shall prevail.

A notice of shareholders' meeting shall include the following:

(1) the time, venue and duration of the meeting;

(2) matters and proposals submitted to the meeting for consideration;

(3) a prominent written statement that all shareholders holding ordinary shares (including preferred shares with voting rights restored), shareholders holding special voting rights and other shareholders are entitled to attend the shareholders' meeting and may appoint in writing a proxy to attend and vote at the meeting and that such proxy shall not be required to be a shareholder of the Company;

(4) the record date of equity interests of shareholders entitled to attend the shareholders' meeting;

(5) the name and telephone number of the regular contact person for the meeting;

(6) voting time and voting procedures online or by other means.

A notice or supplementary notice of the shareholders' meeting shall fully and completely disclose all specific contents of all proposals and all information or explanations necessary to enable shareholders to make reasonable judgments on the matters to be discussed. If the matters to be discussed at the shareholders' meeting require independent non-executive directors to express their opinions, the opinions and reasons of independent non-executive directors shall be disclosed at the same time when the notice or supplementary notice of the shareholders' meeting is issued.

After a notice of the shareholders' meeting is issued, the shareholders' meeting shall not be postponed or cancelled without justifiable reasons, and the proposals listed in the notice of the shareholders' meeting shall not be cancelled. Once there is a postponement or cancellation, the convener shall issue a supplementary notice and state reasons at least two working days before the originally scheduled meeting date.

Convening of Shareholders' Meetings

All shareholders holding ordinary shares (including preferred shares with voting rights restored), shareholders holding special voting rights and other shareholders registered on the record date of equity interests or their proxies shall be entitled to attend the shareholders' meetings and exercise voting rights in accordance with relevant laws, regulations, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

A shareholder may attend a shareholders' meeting in person or appoint a proxy to attend and vote on behalf of such shareholder, and such proxy shall not be required to be a shareholder of the Company. The proxy of such shareholder may exercise the following rights pursuant to the authorization from such shareholder:

(1) such shareholder's right to speak at the shareholders' meeting;

(2) the right to demand a vote by poll, either alone or jointly with others;

(3) the right to exercise voting rights by show of hands or by ballot unless otherwise stipulated by relevant laws, administrative regulations, listing rules of the stock exchange of the place where the shares of the Company are listed or other securities laws and regulations.

Where the shareholders' meeting requires directors or senior management to attend the meeting as non-voting attendees, such directors or senior management shall be present and accept inquiries from shareholders.

A shareholders' meeting shall be presided over by the Board chairman. In the event that the Board chairman is unable or fails to perform his/her duties, the meeting shall be presided over by a director jointly elected by a majority of the directors.

A shareholders' meeting convened by the audit committee on its own shall be presided over by the convener of the audit committee. If the convener of the audit committee is unable or fails to perform his/her duties, the meeting shall be presided over by a member of the audit committee jointly elected by a majority of the members of the audit committee.

A shareholders' meeting convened by shareholders on their own shall be presided over by the convener or a representative elected by them.

When holding a shareholders' meeting, if the person presiding over the meeting violates the rules of procedure and makes it impossible for the shareholders' meeting to continue, with the consent of a majority of the shareholders with voting rights present at the meeting, the shareholders' meeting may be continued by electing one person to serve as the person presiding over the meeting.

The Company shall formulate the rules of procedure for shareholders' meetings, stipulating in detail the procedures for convening a shareholders' meeting and voting thereat, which shall include, among others, the notice, registration, consideration of proposals, voting, vote counting, announcement of voting results, formation of resolutions of the meeting, minutes of the meeting and signing thereof and announcements, as well as the principles of authorization from the shareholders' meeting to the Board. The content of authorization shall be clear and specific. The rules of procedure for shareholders' meetings, as an appendix to the Articles of Association, shall be drafted by the Board and approved by the shareholders' meeting.

Minutes of meetings shall be maintained for shareholders' meetings, which shall be the responsibility of the Board secretary. The minutes of meetings shall contain the following:

(1) the date and venue of and the agenda for the meeting, as well as the name or title of its convener;

(2) the name of the chairman of the meeting as well as the names of directors and senior management present or present at the meeting as non-voting attendees;

(3) the number of shareholders and proxies present at the meeting, the total number of voting shares held by them and its proportion to the total number of the shares of the Company;

(4) the consideration process, the main points of speeches for and the voting results of each proposal;

(5) the inquiries, comments or suggestions from shareholders and the corresponding responses or explanations;

(6) the names of lawyers (if any), vote counters and scrutineers;

(7) other contents which shall be recorded in the minutes as required by the Articles of Association.

Voting and Resolutions of Shareholders' Meetings

Resolutions of a shareholders' meeting are divided into ordinary resolutions and special resolutions. Ordinary resolutions of a shareholders' meeting shall be passed by votes representing more than half of the voting rights held by shareholders (including their proxies) present at the shareholders' meeting. Special resolutions of a shareholders' meeting shall be passed by votes representing more than two-thirds of the voting rights held by shareholders (including their proxies) present at the shareholders' meeting.

The following shall be approved by the shareholders' meeting by ordinary resolutions:

(1) the work reports of the Board;

(2) the profit distribution plans and loss recovery plans formulated by the Board;

(3) the appointment or dismissal of Board members and their remunerations and payment methods;

(4) the resolutions on the engagement or dismissal of accounting firms that undertake the Company's audit services by the Company;

(5) the consideration and approval of the transactions as specified in Article 48, the financial assistance as specified in Article 49 and the guarantees as specified in Article 50 (except for item (3));

(6) the change of the composition of the Board;

(7) Other matters other than those required to be approved by special resolutions by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

The following shall be approved by the shareholders' meeting by special resolutions:

(1) the increase or reduction of the registered capital of the Company or the grant of equity-based interest such as options or warrants convertible into equity ownership of the group companies;

(2) the division, split, merger, acquisition, restructuring, dissolution and liquidation, and change in corporate form of the Company;

(3) the liquidation, dissolution, reorganization, bankruptcy, cessation of business or initiation of any similar proceedings in respect of any group company;

(4) any material change to the principal business of the group companies;

(5) the amendments to the Articles of Association;

(6) the share incentive schemes and employee stock ownership schemes that are subject to consideration and approval by the shareholders' meeting as stipulated by the Hong Kong Listing Rules;

(7) the purchase and sale by the Company within one year of material assets or the provision of guarantees valued at more than 30% of the latest audited total assets of the Company;

(8) Other matters stipulated by laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association that are determined by the shareholders' meeting by ordinary resolutions to have a significant impact on the Company and are required to be approved by special resolutions.

When any matters related to connected (related) transactions are considered at the shareholders' meeting, the connected (related) shareholders shall not participate in the voting process, and the number of voting shares represented by them shall not be counted in the total number of valid voting shares. The resolution of the shareholders' meeting shall fully disclose the voting situation of the unconnected (unrelated) shareholders.

The procedures for abstention and voting by connected (related) shareholders are as follows:

(1) A shareholder who is connected with (related to) a certain matter to be discussed at a shareholders' meeting shall, prior to the date of the shareholders' meeting, disclose his/her connected (related) relationship to the Board or other conveners and apply for abstention on his/her own initiative;

(2) When a connected (related) transaction is considered at the shareholders' meeting, the person presiding over the meeting shall announce the connected (related) shareholders and give explanations and clarifications on the connected (related) relationship between the connected (related) shareholders and the connected (related) transaction;

(3) The person presiding over the meeting shall announce the abstention of the connected (related) shareholders, and the connected (related) transaction shall be considered and voted on by the unconnected (unrelated) shareholders; the procedures for abstention and voting by connected (related) shareholders shall be recorded in the minutes of the meeting;

(4) No resolution made by the shareholders' meeting on the connected (related) transaction shall be valid unless it is adopted by more than half of the voting rights held by the unconnected (unrelated) shareholders present at the meeting. However, when the connected (related) transaction involves matters that are subject to approval by special resolution as stipulated in the Articles of Association, the resolution of the shareholders' meeting shall not be valid unless it is adopted by more than two-thirds of the voting rights held by the unconnected (unrelated) shareholders present at the meeting;

(5) If a connected (related) shareholder fails to disclose his/her connected (related) relationship or abstains in respect of the connected (related) transaction according to the aforesaid procedures, the resolution on the connected (related) transaction shall be invalid.

If a connected (related) shareholder fails to apply for abstention on his/her own initiative, other shareholders or their proxies present at the shareholders' meeting shall have the right to request the connected (related) shareholder to abstain; if other shareholders or their proxies make a request for abstention, and the shareholder who is requested to abstain believes that he/she does not fall within the scope of abstention, the person presiding over the shareholders' meeting shall discuss with the on-site directors, members of the audit committee and relevant shareholders based on the situation and make a decision on whether or not the shareholder should abstain.

The connected (related) shareholder who should abstain may participate in the consideration of the connected (related) transaction connected with (related to) him/her, and may give explanations and clarifications to the shareholders' meeting regarding whether the connected (related) transaction is fair and legal and the reasons therefor, etc., provided that such shareholder shall have no right to participate in voting on the matter.

BOARD OF DIRECTORS

Directors

Directors of the Company shall be natural persons, and shall be elected by the shareholders' meeting. A person who falls under any of the following circumstances shall not serve as a director of the Company:

(1) the person has no capacity for civil conducts or has limited capacity for civil conducts;

(2) the person has committed an offence of corruption, bribery, encroachment of property, misappropriation of property or disrupting the order of socialist market economy and has been punished therefor, or has been deprived of his/her political rights due to a crime, in each case where less than five (5) years have elapsed since the date of the completion of execution of such punishment or deprivation, or has been sentenced to probation, and less than two (2) years have elapsed since the expiration of the probation period;

(3) the person who is a former director, factory director or manager of a company or enterprise which is insolvent and under liquidation is personally liable for the insolvency of such company or enterprise, where less than three (3) years have elapsed since the date of the completion of such insolvency and liquidation of such company or enterprise;

(4) the person who is a former legal representative of a company or enterprise which had its business licence revoked or was ordered to close down due to any violation of the law and who incurred personal liability, where less than three (3) years have elapsed since the date when such company or enterprise had its business licence revoked or was ordered to close down;

(5) the person has been identified as a subject of enforcement for breach of trust by the people's court for failure to repay a relatively large amount of matured debts;

(6) the person has been subject to a ban from accessing to the securities market imposed by the CSRC, and the term of prohibition has not expired;

(7) the person has been publicly determined to be unsuitable to serve as a director or senior management member of listed companies by the stock exchange, and the term has not expired;

(8) other circumstances stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed.

If a director is elected, appointed or engaged in violation of the provisions of this Article, such election, appointment or engagement shall be deemed to be invalid. If any of the circumstances as set out in this Article occurs to a director during his/her term of office, the Company shall remove the director from office and stop him/her from performing his/her duties.

Directors shall be elected or replaced by the shareholders' meeting, and may be removed from their office by the shareholders' meeting prior to the expiration of their term of office. Directors shall have a term of three years, and may be reelected and serve another term upon the expiration of their term of office.

A director's term of office shall commence from the date when he/she takes office and end upon expiration of the term of the current Board. If no re-election is held in time upon the expiration of the director's term of office, the former director shall continue to perform the duties of a director in accordance with laws, administrative regulations, departmental rules and the Articles of Association before a newly elected director assumes office. Any person appointed as a director by the Board to fill a temporary vacancy or increase the number of seats on the Board shall accept the election by shareholders at the first annual shareholders' meeting after accepting the appointment, and shall only hold office until the first annual shareholders' meeting of the company after his/her appointment, and shall be eligible for re-election at that time.

The general manager or other senior management members may serve as directors concurrently, provided that the aggregate number of directors serving as senior management concurrently and directors who are employee representatives shall not exceed half of the total number of directors of the Company.

Directors shall comply with laws, administrative regulations, departmental rules, other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association and owe the fiduciary duties to the Company, and shall take measures to avoid conflicts between their personal interests and those of the Company, and shall not use their powers and duties to seek illegitimate benefits.

Directors shall owe the following fiduciary duties to the Company:

(1) shall not misappropriate the Company's property or embezzle the Company's funds;

(2) shall not deposit the Company's funds into accounts opened in their own name or in the name of any other individuals;

(3) shall not take advantage of their power to solicit or accept bribes or other unlawful income;

(4) shall not directly or indirectly enter into contracts or conduct transactions with the Company if such matter is not reported to the Board or the shareholders' meeting and approved by a resolution of the Board or the shareholders' meeting in accordance with the Articles of Association;

(5) shall not take advantage of their position to seek business opportunities belonging to the Company for themselves or for others, except where such matter has been reported to the Board or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or where the Company is unable to take advantage of such business opportunities in accordance with laws, administrative regulations or the Articles of Association;

(6) shall not operate by themselves or for others any business of the same kind as that of the Company, unless such operation has been reported to the Board or the shareholders' meeting and approved by a resolution of the shareholders' meeting;

(7) shall not accept commissions from transactions between others and the Company for personal gains;

(8) shall not disclose any secrets of the Company without authorization;

(9) shall not take advantage of their connected (related) relationship to harm the interests of the Company;

Other fiduciary duties stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Any income obtained by a director in violation of this Article shall belong to the Company; if such violation causes losses to the Company, the director shall be liable for compensation.

The provisions of item (4) as mentioned above shall apply to contracts or transactions between any close relatives of directors or senior management, enterprises directly or indirectly controlled by directors, senior management or their respective close relatives, and connected (related) persons who have other connected (related) relationships with directors or senior management and the Company.

Directors shall comply with laws, administrative regulations and other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, owe a duty of diligence to the Company and perform their duties with a reasonable degree of care that a manager should have normally for the best interests of the Company.

Directors shall owe the following diligence duties to the Company:

(1) to exercise the rights granted by the Company in a prudent, conscientious and diligent manner to ensure that the Company's business activities comply with the national laws, administrative regulations and requirements of various national economic policies and do not fall outside the scope of business as specified in the business license;

(2) to treat all shareholders fairly;

(3) to understand the business operation and management of the Company in a timely manner;

(4) to sign written confirmation opinions on the Company's regular reports and to ensure the authenticity, accuracy and completeness of the information disclosed by the Company;

(5) to truthfully provide relevant information and materials to the audit committee, and not to obstruct the audit committee from exercising its powers;

(6) to perform other diligence duties as stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Board of Directors

The Company shall have a Board, which is composed of seven directors, including two executive directors, two non-executive directors, and three independent non-executive directors, and shall have one chairman elected by more than half of all the directors of the Board.

The Board shall exercise the following functions and powers:

(1) to convene shareholders' meetings, and submit work reports to the shareholders' meetings;

(2) to implement the resolutions of shareholders' meetings;

(3) to resolve on the Company's business plans and investment plans;

(4) to formulate the Company's profit distribution plans and loss recovery plans;

(5) to formulate the Company's plans for increase or reduction of registered capital, issuance of bonds or other securities and listing plans;

(6) to formulate the Company's plans for significant acquisition, acquisition of shares or merger, division, dissolution and change in corporate form of the Company;

(7) to decide, within the scope of the authorization by the shareholders' meeting, on the Company's external investments, acquisition and disposal of assets, mortgage of assets, external guarantees, entrusted financial management, connected (related) transactions and charitable donation etc.;

(8) to decide on the establishment of the Company's internal management organizations;

(9) to decide on the appointment or dismissal of the general manager, the Board secretary and other senior management members of the Company, and to decide on their remunerations, incentives and penalties; to decide on the appointment or dismissal of senior management members such as deputy general managers and financial controller of the Company based on the nominations by the general manager, and to decide on their remunerations, incentives and penalties;

(10) to formulate the basic management system of the Company;

(11) to formulate the proposals for amendments to the Articles of Association;

(12) to manage the information disclosures of the Company;

(13) to propose to the shareholders' meeting the engagement or change of accounting firms that provide audit services to the Company;

(14) to listen to work reports of the general manager of the Company and inspect his/her work;

(15) to decide on the establishment of special committees of the Board;

(16) other functions and powers granted by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

Any matters that fall outside the scope of authorization by the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

The chairman of the Board shall exercise the following functions and powers:

(1) to preside over shareholders' meetings and convene and preside over meetings of the Board;

(2) to supervise and inspect the implementation of the resolutions of the Board;

(3) other functions and powers granted by the Board.

If the Board chairman is unable or fails to perform his/her duties, another executive director shall perform the duties of the Board chairman. If two executive directors are unable or fail to perform the duties of the Board chairman, a director elected jointly by more than half of the directors shall perform the duties of the Board chairman.

The Board shall hold at least four meetings each year, approximately once every quarter. A meeting of the Board shall be convened and presided over by the Board chairman. Each meeting of the Board shall be notified to all directors in writing (by personal delivery, mail, fax, email or announcement) at least fourteen (14) days prior to the meeting. With the unanimous consent of all directors of the Company, the time limit for notification in respect of the convening of regular Board meetings as mentioned above may be shortened or waived.

Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors or the audit committee may propose to convene an ad hoc meeting of the Board. The Board chairman shall convene and preside over the Board meeting within ten days after receipt of the proposal.

A Board meeting shall be held only when more than half of the directors are present. Resolutions of the Board meeting shall be passed by a majority vote of all directors. Each director shall have one vote on Board resolutions.

If directors are connected with (related to) the enterprises involved in the matters resolved at the Board meeting, such directors shall promptly report in writing to the Board. The directors with the connected (related) relationship shall not exercise voting rights on the resolution, nor shall they exercise voting rights on behalf of other directors. The Board meeting may be held if more than half of the directors with no connected (related) relationship are present, and resolutions made at the Board meeting shall be passed by more than half of the directors with no connected (related) relationship. If the number of directors with no connected (related) relationship present at the Board meeting is less than three (3), the matter shall be submitted to the shareholders' meeting for consideration.

A Board meeting shall be attended by the directors themselves; if a director is unable to attend the meeting for any reason, he/she may, by a written power of attorney, appoint another director to attend the meeting on his/her behalf. The power of attorney shall specify the proxy's name, matters entrusted, scope of authority and validity period, and shall be signed or sealed by the appointing director. The director who attends the meeting on behalf of the appointing director shall exercise the rights of a director within the scope of authority. Where a director fails to attend a Board meeting or appoint a proxy to attend the meeting on his/her behalf, the director shall be deemed to have waived his/her right to vote at the meeting.

The Articles of Association do not specifically provide for the manner in which Directors may own or exercise borrowing rights, but in connection with issuance of corporate bonds, the Articles of Association contain an understanding that: (1) the Board of Directors will formulate a plan for the issuance of corporate bonds, and (2) the issuance of corporate bonds will be authorised by a resolution of the general meeting.

Special Committees of the Board

The Board of the Company shall establish an audit committee, which shall exercise the functions and powers of supervisors (the board of supervisors) as stipulated in the Company Law. The duties of the audit committee shall be prescribed by the regulations formulated by the Company separately.

The Board of the Company may establish special committees such as the Nomination Committee and the Remuneration Committee, which shall perform their duties in accordance with the Articles of Association and the authority granted by the Board and be accountable to the Board. The implementation rules of the special committees shall be formulated by the Board.

Senior Management Members

The Company shall have one general manager, several deputy general managers whose specific number shall be discussed and determined by the Board, one financial controller and one Board secretary. The aforesaid senior management members shall be appointed or dismissed by the Board.

The provisions of Article 103 of the Articles of Association regarding the circumstances where a person shall not serve as a director and the resignation management system shall also apply to senior management members.

The provisions of the Articles of Association regarding the fiduciary and diligence duties of directors shall also apply to senior management members.

The general manager shall be responsible to the Board, and exercise the following functions and powers:

(1) to take charge of the production operations and management tasks of the Company and organize the implementation of the Board's resolutions, and to report work to the Board;

(2) to organize the implementation of the Company's annual business plan and investment plan;

(3) to develop plans for the establishment of the Company's internal management organizations;

(4) to develop the basic management system of the Company;

(5) to formulate the specific rules and regulations of the Company;

(6) to propose the appointment or dismissal of deputy general managers and financial controllers of the Company;

(7) to decide on the appointment or dismissal of management officers other than those requiring the Board to decide on the appointment or dismissal;

(8) other functions and powers granted by the Articles of Association or the Board.

The general manager shall attend the Board meetings as a nonvoting delegate.

Senior management members of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders.

If senior management members of the Company fail to faithfully perform their duties or violate their fiduciary duty, causing damage to the interests of the Company and shareholders holding public shares, they shall be liable for compensation in accordance with the law.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial Accounting System

The Company shall formulate its financial accounting system in accordance with laws, administrative regulations and rules of relevant national departments. If there are other provisions in the Hong Kong Listing Rules or the securities regulatory authorities of the place where the shares of the Company are listed, such provisions shall prevail.

The Company shall prepare annual reports and other financial accounting reports in accordance with relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed.

The Company shall not set up separate accounting books other than its statutory accounting books. No funds of the Company shall be deposited into any account opened in the name of any individual.

Profit Distribution

When distributing the current year's after-tax profits, the Company shall allocate 10% of its profits to the Company's statutory common reserve fund. Where the cumulative amount of the statutory common reserve fund of the Company has reached not less than 50% of the Company's registered capital, it may no longer be allocated.

When the Company's statutory common reserve fund is not sufficient to make up for the Company's losses for the previous years, the current year's profits shall first be used to make up for the losses before allocations are made to the statutory common reserve fund in accordance with the provisions of the preceding paragraph.

After the Company has made allocations to the statutory common reserve fund from its after-tax profits, it may, upon resolution of the shareholders' meeting, make further allocations from its after-tax profits to the discretionary common reserve fund.

After the Company has made up for its losses and made allocations to its common reserve fund, the remaining after-tax profits shall be distributed to shareholders based on their shareholding ratio unless the Articles of Association stipulate that such distribution shall not be made based on their shareholding ratio.

Where the shareholders' meeting distributes profits to shareholders in violation of any provisions of the Company Law, shareholders shall refund to the Company the profits distributed in violation of such provisions; if any losses are caused to the Company, shareholders and responsible directors and senior management members shall be liable for compensation.

No profits shall be distributed in respect of the shares of the Company which are held by the Company.

Any premiums received from the issuance of shares by the Company at an issue price above the par value of shares, any amount of proceeds obtained from the issuance of non-par value shares that is not included in the registered capital, and any other income included in the capital reserve as required by the finance department under the State Council shall be classified as the capital reserve of the Company.

The common reserve fund of the Company shall be used to make up for the losses of the Company, expand the Company's production operations or be converted into the registered capital of the Company. When the common reserve fund is used to make up for the losses of the Company, the discretionary common reserve fund and statutory common reserve fund shall first be used; if there is still a shortfall, the capital reserve may be used in accordance with the regulations. When the statutory common reserve fund is converted into the registered capital, the retained portion of such common reserve fund shall not be less than 25% of the registered capital of the Company before the conversion.

The Company's profit distribution policy is:

(1) The Company implements a dividend policy of equal shares entitling to equal profits, under which dividends and other forms of benefit distributions are distributed to shareholders in proportion to the number of shares they hold.

(2) The Company implements a continuous and stable profit distribution policy, and the distribution of the Company's profits shall focus on providing reasonable investment returns to shareholders while taking into account the sustainable development of the Company.

(3) The Company may distribute profits by way of cash, shares or a combination of cash and shares. The Company shall first distribute profits in the form of cash dividends. If the Company distributes profits in the form of shares, the distribution shall be made under the premise of providing reasonable cash dividend returns to shareholders and maintaining an appropriate share capital size while comprehensively taking into account real and reasonable factors such as the Company's growth and the dilution of net assets per share.

(4) If any change in the external business environment of the Company has a significant impact on the Company's production and operation, or if there are significant changes in the Company's own operating situation, the Company may adjust its profit distribution policy. The adjusted profit distribution policy shall be based on the protection of the rights and interests of shareholders, and shall not violate the provisions of relevant laws, regulations and normative documents.

(5) If the Company needs to adjust its profit distribution policy based on its production and operation situation, investment planning, long-term development needs and other reasons, the Board of the Company shall offer a proposal for adjusting the profit distribution policy according to the actual situation, which shall be submitted to the shareholders' meeting for consideration and approval upon being considered and approved by the Board of the Company after the audit committee expresses its opinion thereon.

Internal Audit

The Company shall implement an internal audit system, clarifying the leadership system, responsibilities and authority, staffing, funding guarantee, application of audit results and accountability for internal audit work.

The internal audit organization shall be responsible to the Board.

In the process of supervising and inspecting the business activities, risk management, internal controls and financial information of the Company, the internal audit organization shall accept the supervision and guidance of the audit committee. If the internal audit organization discovers relevant major issues or clues, it shall immediately report them to the audit committee directly.

Appointment of Accounting Firm

The Company shall engage an accounting firm that complies with the Securities Law, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed to perform services such as the audit of financial statements, verification of net assets and other relevant consulting services. The engagement term shall be one year and may be renewed.

The appointment or dismissal of the accounting firm by the Company shall be decided by the shareholders' meeting. The Board shall not appoint an accounting firm before the shareholders' meeting makes a decision.

NOTICES AND ANNOUNCEMENTS

The Company's notices shall be given in the following forms:

(1) by personal delivery;

(2) by mail, fax or email;

(3) by announcement;

(4) in other forms as stipulated in the Articles of Association.

Announcements of the Company shall be published on the websites of The Stock Exchange of Hong Kong Limited and/or the Company in accordance with the relevant provisions of the Hong Kong Listing Rules. The Board shall have the right to decide on and adjust the media determined for disclosure of the Company's information, provided that it shall ensure that the relevant media for disclosure of information comply with the requirements of relevant laws and regulations and the listing rules of the place where the Company's shares are listed.

MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase and Capital Reduction

Merger of the Company may take the form of absorption or establishment of a new company.

A merger in which a company absorbs another company is known as merger by absorption, whereby the company being absorbed shall be dissolved. A merger of two or more companies by the establishment of a new company is known as merger by the establishment of a new company, whereby the merged companies shall be dissolved.

Where the Company is involved in a merger, the parties to the merger shall enter into a merger agreement, and a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within 10 days from the date of the merger resolution, and shall publish an announcement in newspapers or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. A creditor may, within 30 days from the date of receipt of the notice or, if he/she does not receive the notice, within 45 days from the date of the announcement, require the Company to pay off its debt or to provide corresponding guarantees.

Where there is a division of the Company, its assets shall be divided accordingly.

Where there is a division of the Company, a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within 10 days from the date of the division resolution, and shall publish an announcement in newspapers or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution.

The debts of the Company prior to the division shall be assumed jointly and severally by the companies which exist after the division, unless otherwise stipulated in a written agreement between the Company and its creditors in relation to the repayment of debts prior to the division.

DISSOLUTION AND LIQUIDATION

The Company shall be dissolved due to the following reasons:

(1) expiration of the business term as stipulated in the Articles of Association or any reasons for dissolution as stipulated in the Articles of Association arise;

(2) the shareholders' meeting resolves to dissolve the Company;

(3) the dissolution is necessary due to merger or division of the Company;

(4) the Company has had its business license revoked or has been ordered to close down or canceled in accordance with the law;

(5) where the Company encounters serious difficulties in its operations or management that will lead to significant losses to the benefits of shareholders if the Company continues its existence and the situation cannot be resolved by other means, the Company is dissolved by a people's court in response to the request of shareholders who hold 10% or more of the voting rights of the Company.

If the reasons for dissolution of the Company as stipulated in the preceding paragraph arise, they shall be announced through the National Enterprise Credit Information Publicity System within 10 days.

If the Company falls under the circumstances set out in items (1) and (2) as mentioned above and has not yet distributed its assets to shareholders, it may survive by amending the Articles of Association or by a resolution of the shareholders' meeting. Where the Company survives by amending the Articles of Association in accordance with the provisions of the preceding paragraph, the survival shall be approved by more than two-thirds of the voting rights held by the shareholders present at the shareholders' meeting.

Where the Company is dissolved under the circumstances set out in items (1), (2), (4) and (5) as mentioned above, the Company shall be liquidated. Directors shall be the liquidation obligors of the Company, and shall establish a liquidation group to commence liquidation within 15 days upon the occurrence of the reasons for dissolution. The liquidation group shall be composed of directors except as otherwise provided by the Articles of Association or by a resolution of the shareholders' meeting on the election of other persons. If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall bear liability for compensation.

The liquidation group shall exercise the following functions and powers during the liquidation:

(1) to liquidate the assets of the Company and prepare a balance sheet and an inventory of assets respectively;

(2) to inform creditors by a notice or public announcement;

(3) to dispose of and liquidate the unfinished business of the Company;

(4) to settle outstanding taxes and taxes incurred during the liquidation process;

(5) to settle claims and debts;

(6) to distribute the remaining assets of the Company after settling its debts;

(7) to participate in any civil litigation on behalf of the Company.

The liquidation group shall notify creditors within 10 days from the date of its establishment, and shall publish an announcement in newspapers or on the National Enterprise Credit Information Publicity System within 60 days. Creditors shall, within 30 days from the receipt of the notice or, if they do not receive the notice, within 45 days from the date of the announcement, declare their claims to the liquidation group. When declaring their claims, creditors shall state matters concerning their claims and provide supporting documents. The liquidation group shall register such claims. During the declaration of claims, the liquidation group shall not make any repayments to creditors.

After the liquidation group has liquidated the assets of the Company and has prepared a balance sheet and an inventory of assets, it shall formulate a liquidation plan and submit it to the shareholders' meeting or the people's court for confirmation. The remaining assets of the Company after paying liquidation expenses, wages of employees, social insurance premiums, statutory compensation and outstanding taxes and settling the Company's debts shall be distributed by the Company in proportion to the shares held by shareholders. During the liquidation, the Company shall continue to exist, but shall not carry out any business activities unrelated to the liquidation. The assets of the Company shall not be distributed to shareholders until all its debts are paid off in accordance with the provisions of the preceding paragraph.

After the liquidation of the Company is completed, the liquidation group shall prepare a liquidation report, submit it to the shareholders' meeting or the people's court for confirmation, and submit it to the company registration authority to apply for cancellation of the Company's registration.

Members of the liquidation group shall perform their liquidation duties and owe fiduciary and diligence duties. If a member of the liquidation group is negligent in performing his/her liquidation duties and causes losses to the Company, the member shall bear liability for compensation. If the member causes losses to creditors out of his/her intention or gross negligence, he/she shall bear liability for compensation.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In any of the following circumstances, the Company shall amend the Articles of Association:

(1) after amendments have been made to the Company Law or relevant laws, administrative regulations or the Hong Kong Listing Rules, the provisions of the Articles of Association conflict with the provisions of the amended laws, administrative regulations or the Hong Kong Listing Rules;

(2) there is a change in the situation of the Company, which is inconsistent with the matters recorded in the Articles of Association;

(3) the shareholders' meeting decides to amend the Articles of Association.

Any amendments to the Articles of Association approved by the resolution of the shareholders' meeting shall be submitted to the competent authorities for approval if they are subject to approval by the competent authorities; if such amendments involve the registered items of the Company, an application shall be made for the registration of change in accordance with the law.

The Board shall amend the Articles of Association in accordance with the resolution of the shareholders' meeting on the amendment of the Articles of Association and the approval opinions of the relevant competent authorities.

Any amendment to the Articles of Association shall constitute information required to be disclosed by laws and regulations, and shall be announced in accordance with regulations.

1. FURTHER INFORMATION ABOUT OUR COMPANY

A. Incorporation

Our Company was incorporated as a limited liability company under the laws of the PRC in January 2013 and was converted into a joint stock company with limited liability in September 2025. Our registered address and principal place of business is at Unit 01, No. 29 Tongchang, No. 156 Nanhai Road, Tianjin Economic-Technological Development Area, PRC.

We have established a place of business at Room 1916, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong and was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on January 27, 2026. Ms. Wong Nga Sim, our joint company secretary, is the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong under Part 16 of the Companies Ordinance. The address for service of process on our Company in Hong Kong is the same as its principal place of business in Hong Kong as set out above.

As our Company was established in the PRC, we are subject to the relevant laws and regulations of the PRC. An overview of the relevant aspects of laws and regulations of the PRC is set out in the section headed "Regulatory Overview" in this document. A summary of our Articles of Association is set out in Appendix IV to this document.

B. Changes in the Share Capital

On July 29, 2024, Wuxi Chenxing was established with a registered capital of RMB10 million.

On September 12, 2024, the registered capital of our Company increased from RMB18,541,193 to RMB19,468,253.

On September 30, 2025, our Company was converted into a joint stock company with limited liability under the PRC Company Law. Upon completion of such conversion, the share capital of our Company was RMB19,468,253 divided into 19,468,253 Shares with a nominal value of RMB1.00 each.

On November 4, 2025, the registered capital of our Company increased from RMB19,468,253 to RMB20,279,430.

On December 30, 2025 and August 14, 2026, our Shareholders resolved that each of our Share with nominal value of RMB1.00 will be subdivided into ten Shares with a nominal value of RMB0.10 each immediately prior to the [**REDACTED**]. Upon completion of such Share Subdivision, the registered capital of our Company, which is RMB20,279,430, will be divided into 202,794,300 Shares with a nominal value of RMB0.10 per Share.

Immediately following the completion of the Share Subdivision, the [**REDACTED**] and the Conversion of Unlisted Shares into H Shares, assuming that the [**REDACTED**] is not exercised, our registered share capital will be increased to RMB[**REDACTED**].

Save as disclosed above, there has been no alteration in the share capital of our Company and its subsidiaries within two years immediately preceding the date of this document.

C. Resolutions Passed by Our Shareholders' General Meeting in relation to the [REDACTED]

At the general meeting of the Shareholders held on August 14, 2026, the following resolutions, among others, were duly passed:

(1) the [**REDACTED**] by our Company of H Shares with a nominal value of RMB0.10 each and such H Shares be [**REDACTED**] on the Stock Exchange;

(2) the granting of the [**REDACTED**] in respect of not more than [**REDACTED**] of the total number of H Shares [**REDACTED**] as mentioned above;

(3) subject to the completion of the filing with the CSRC, upon completion of the [**REDACTED**], 197,990,430 Unlisted Shares held by existing Shareholders will be converted into H Shares on a one-for-one basis;

(4) subject to the completion of the [**REDACTED**], the Articles of Association have been approved and adopted which will become effective from the [**REDACTED**], and the Board and person(s) authorized by the Board have been authorized to amend the Articles of Association in accordance with any comments from the Stock Exchange and the relevant PRC regulatory authorities;

(5) upon completion of the [**REDACTED**], the granting of a general mandate to the Board to repurchase H Shares [**REDACTED**] on the Stock Exchange with an aggregate number of not exceeding 10% of the number of the total [**REDACTED**] H Shares (excluding any treasury shares) as at the [**REDACTED**];

(6) upon completion of the [**REDACTED**], the granting of a general mandate to the Board to (i) allot, issue and deal with Shares; and (ii) sell and/or transfer H Shares out of treasury that are held as treasury shares at any time within a period up to the date of the conclusion of the next annual general meeting of the Shareholders or the date on which the Shareholders pass a special resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes and to such persons as the Board in their absolute discretion deem fit, and to make necessary amendments to the Articles of Association, provided that, the number of Shares to be issued shall not exceed 20% of the number of the Shares in issue (excluding any treasury shares) as at the [**REDACTED**]; and

(7) approving the Board and person(s) authorized by the Board to handle all matters relating to, among other things, the [**REDACTED**] and the [**REDACTED**] of H Shares on the Stock Exchange.

D. Explanatory Statement on Repurchase of Our Own Securities

The following paragraphs include, among others, certain information required by the Stock Exchange to be included in this document concerning the repurchase of our own securities.

(a) Reasons for repurchase

The Board considered that the repurchase of the Shares would be beneficial to and in the best interests of the Company and its Shareholders as a whole. It can strengthen the investors' confidence in the Company and promote a positive effect on maintaining the Company's reputation in the capital market. Such repurchases will only be made when the Board believes that such repurchases will benefit the Company and its Shareholder as a whole.

Following a repurchase of Shares, our Company may cancel any repurchased Shares and/or hold them as treasury shares subject to, among others, market conditions and its capital management needs at the relevant time of the repurchases, which may change due to evolving circumstances.

(b) Exercise of the general mandate to repurchase Shares

Subject to the passing of the special resolution approving the grant of the general mandate to repurchase Shares at annual general meetings, the Board will be granted general mandate to repurchase Shares until the end of the relevant period. The general mandate to repurchase Shares would expire on the earlier of:

(i) the conclusion of the next annual general meeting of the Company of which time it shall lapse unless, by special resolutions passed at that meeting, the authority is renewed, either conditionally or subject to conditions; or

(ii) the revocation or variation of the mandate under the resolution by a special resolution at any general meeting of the Company.

Furthermore, we need to complete registration and approval procedures with relevant government authorities for the actual grant of the repurchase mandate to the Board, as applicable. The exercise in full of the general mandate to repurchase H Shares (on the basis of [**REDACTED**] Shares in [**REDACTED**] as of the [**REDACTED**] and no H Shares will be allotted and [**REDACTED**] or repurchased by the Company on or prior to the date of the next annual general meeting) would result in a maximum of [**REDACTED**] H Shares being repurchased by the Company during the relevant period, being the maximum of 10% of the H Shares in [**REDACTED**] (excluding any treasury shares) as of the [**REDACTED**].

(c) Source of funds

In repurchasing its Shares, the Company intends to apply funds from the Company's internal resources legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC.

The Company is empowered by its Articles of Association to repurchase its Shares. Any shares to be repurchased will be cancelled or kept as treasury shares if allowed by the Articles of Association and applicable laws and regulations. The Company may not purchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

(d) Suspension of repurchase

A listed company shall not repurchase its shares on the Stock Exchange at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of 30 days immediately preceding the earlier of: (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the issuer to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), until the date of the results announcement, the company may not repurchase its shares on the Stock Exchange unless there are exceptional circumstances.

(e) Close associates and core connected persons

None of our Directors or, to the best of their knowledge having made all reasonable inquiries, any of their close associates have a present intention, in the event the general mandate to repurchase Shares is approved, to sell any Shares to our Company.

No core connected person of our Company has notified our Company that they have a present intention to sell Shares to our Company, or have undertaken to do so, if the general mandate to repurchase Shares is approved.

A listed company shall not knowingly purchase its shares on the Stock Exchange from a core connected person (namely a director, supervisor, chief executive or substantial shareholder of the company or any of its subsidiaries, or a close associate of any of them), and a core connected person shall not knowingly sell their interest in shares of the company to it.

(f) Status of repurchased Shares

Subject to the Articles of Association, the Listing Rules and any other applicable laws and regulations, the Shares repurchased by the Company will be cancelled or hold them as treasury shares.

(g) Takeover implications

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the general mandate to repurchase Shares.

(h) Interim measures

For any treasury shares of the Company deposited with [**REDACTED**] pending resale on the Stock Exchange, the Company shall, upon approval by the Board, implement the below interim measures which include (without limitation):

(i) procuring its broker not to give any instructions to HKSCC to vote at general meetings for the treasury shares deposited with [**REDACTED**];

(ii) in the case of dividends or distributions (if any and where applicable), withdrawing the treasury shares from [**REDACTED**], and either re-register them in its own name as treasury shares or cancel them, in each case before the relevant record date for the dividend or distributions; or

(iii) taking any other measures to ensure that it will not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury shares.

(i) General

The Company did not hold any treasury shares as of the Latest Practicable Date and will not hold any treasury shares upon [**REDACTED**].

If the general mandate to repurchase Shares were to be carried out in full at any time, there may be a material and adverse impact on our working capital or gearing position (as compared with the position disclosed in our most recent published audited accounts). However, our Directors do not propose to exercise the general mandate to repurchase Shares to such an extent as would have a material and adverse effect on our working capital or gearing position.

Our Directors have undertaken to the Stock Exchange that they will exercise the general mandate to repurchase Shares in accordance with the Listing Rules and the applicable laws in the PRC. Neither the Explanatory Statement on Repurchase of Our Own Securities nor the proposed share repurchase has any unusual feature.

E. Restriction on Share Repurchases

For details of the restrictions on the share repurchase by our Company, please refer to the section headed "Appendix IV — Summary of Articles of Association" to this document.

2. FURTHER INFORMATION ABOUT OUR BUSINESS

A. Summary of Our Material Contract

We have entered into the following contract (not being contract entered into in the ordinary course of business) within the two years immediately preceding the date of this document that is or may be material:

(1) the [**REDACTED**].

B. Our Intellectual Property Rights

As of the Latest Practicable Date, our Company had registered, or has applied for the registration of the following intellectual property rights which were material to our Group's business.

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we considered to be material to our business:

No.	Trademark	Class	Owner	Place of Registration	Registration No.	Expiration Date
1.	atom	7	The Company	PRC	84115008	December 6, 2035
2.		7	The Company	PRC	84128943	November 13, 2035
3.	atomotor	7	The Company	PRC	84110184	November 13, 2035
4.		7	The Company	PRC	61872936	September 20, 2032
5.	MOVIBOT	7	The Company	PRC	61799023	June 27, 2032
6.	MECHANICAL ENTHUSIAST	7	The Company	PRC	61782653	June 27, 2032
7.	阿德拉机器人	7	The Company	PRC	59751907	April 6, 2032

No.	Trademark	Class	Owner	Place of Registration	Registration No.	Expiration Date
8.	atlaScara	7	The Company	PRC	59748265	April 6, 2032
9.	设纪元	41	The Company	PRC	57872429	April 6, 2032
10	设纪元	38	The Company	PRC	57870381	January 20, 2032
11	设纪元	16	The Company	PRC	57889528	January 20, 2032
12	设纪元	42	The Company	PRC	57867916	January 20, 2032
13	设纪元	9	The Company	PRC	57886160	January 20, 2032
14	atomneva 阿童木.青春版	7	The Company	PRC	57544684	January 27, 2032
15	AtomPad	7	The Company	PRC	48437926	April 6, 2031
16	AtomVision	7	The Company	PRC	48432920	April 6, 2031
17	AtomMotion	7	The Company	PRC	48406221	April 13, 2031
18	MATH MOTION	7	The Company	PRC	43623686	January 27, 2031
19	阿童木机器人	7	The Company	PRC	17286145	October 27, 2036
20	atomrobot	7	The Company	PRC	17286097	August 27, 2036
21		7	The Company	PRC	12598756	October 13, 2034
22	AtomBox	37	Shenzhen Xiaobai	PRC	72114468	February 13, 2034
23	AtomBox	9	Shenzhen Xiaobai	PRC	72112989	February 13, 2034
24.	AtomBox	7	Shenzhen Xiaobai	PRC	72093234	February 13, 2034
25	AtomBox	35	Shenzhen Xiaobai	PRC	72096439	December 13, 2033
26.	atomrobot	7, 9, 37, 42	The Company	Hong Kong	307166665	January 21, 2036
27.	atomrobot	7, 9, 37, 42	The Company	Hong Kong	307166700	January 21, 2036

Patents

As of the Latest Practicable Date, we had registered the following patents which we considered to be material to our business:

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
1	The Company	An Anti-shake Robotic Arm (一種防抖動機械臂)	2023107630275	Invention Patent	June 27, 2023	March 27, 2026
2	The Company	An Adaptive Control Method for Hand Joints of Embodied Intelligent Robot (一種人形機器人手部關節的自適應控制方法)	2024114144469	Invention Patent	October 11, 2024	August 26, 2025
3	The Company	A Multi-Level Allocation Processing Method and System for Multi-Manipulator Collaboration (一種多機械手協同多級分配處理方法及系統)	2024109613118	Invention Patent	July 18, 2024	December 20, 2024
4	The Company	An Industrial Robot Power Module Protection System (一種工業機器人功率模塊保護系統)	2023103680129	Invention Patent	April 8, 2023	August 18, 2023
5	The Company	Method, Apparatus, Multiplier and Medium for Converting Multiplication Operation Resources into Logic Resources (乘法運算資源轉換邏輯資源方法、裝置、乘法器及介質)	2023101331424	Invention Patent	February 20, 2023	May 30, 2023
6	The Company	Optimization Method, Apparatus, Divider and Medium for FPGA Division Operations (一種FPGA除法運算的優化方法、裝置、除法器和介質)	2023101331443	Invention Patent	February 20, 2023	July 4, 2023
7	The Company	An Integrated Drive-and-Control Robot System Based on the ZYNQ Platform (一種基於ZYNQ平台的驅控一體機器人系統)	2023100922234	Invention Patent	February 10, 2023	May 5, 2023
8	The Company	Data Synchronization Method for Robot Systems and Robot System (機器人系統的數據同步方法、及機器人系統)	2022106496734	Invention Patent	June 10, 2022	September 30, 2022

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
9 . . .	The Company	A Robot Control System Combining Soft PLC and Motion Control (一種軟PLC和運動控制相結合的機器人控制系統)	2022106189261	Invention Patent	June 2, 2022	August 23, 2022
10 . .	The Company	A Sorting Fixture, Sorting Robot and Sorting Method (一種分揀夾具、分揀機器人及分揀方法)	2022103101691	Invention Patent	March 28, 2022	May 16, 2025
11 . .	The Company	Multi-Thread Controller for Parallel Robots (並聯機器人的多線程控制器)	2021115843132	Invention Patent	December 23, 2021	April 1, 2022
12 . .	The Company	A Speed-Increasing Mechanism for SCARA Robots and SCARA Robots Having the Same (一種SCARA機器人的增速機構及具有該增速機構的SCARA機器人)	2021112966588	Invention Patent	November 4, 2021	January 25, 2022
13 . .	The Company	A Combination Auxiliary Device for Convenient Food and Tableware (一種方便食品餐具組合輔助裝置)	2020115291594	Invention Patent	December 22, 2020	August 30, 2024
14 . .	The Company	An Extensible Robot Unit and a Six-Arm Robot (一種可拓展機器人單元及六臂機器人)	2020115246870	Invention Patent	December 22, 2020	December 20, 2024
15 . .	The Company	Transfer Turning Transition Device and Conveyor Belt Thereof (傳送轉彎過渡裝置及其傳送帶)	2018113820524	Invention Patent	November 19, 2018	December 19, 2023
16 . .	The Company	A Seasoning Spreading Device (一種調料撒料裝置)	201711387276X	Invention Patent	December 20, 2017	July 14, 2020
17 . .	The Company	A Funnel Type Blanking Clamping Conveying Device for Stick Steamed Bread (一種簽子饅頭用漏斗式落料夾緊輸送裝置)	2016112498214	Invention Patent	December 29, 2016	January 8, 2019
18 . .	The Company	A Push-rod Type Material Receiving and Conveying Device for Stick Steamed Bread (一種推桿式簽子饅頭接料輸送裝置)	2016112485229	Invention Patent	December 29, 2016	January 8, 2019
19 . .	The Company	A Lifting Manipulator (一種升降機械手)	2015109307950	Invention Patent	December 11, 2015	September 26, 2017
20 . .	The Company	A Heavy Object Impact Device for Battery Detection (一種電池檢測用重物衝擊裝置)	2015106724891	Invention Patent	October 16, 2015	April 6, 2018

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
21 . .	The Company	Four-Degree-of Freedom Parallel Mechanism (四自由度並聯機構)	2014105707432	Invention Patent	October 23, 2014	April 28, 2020
22 . .	The Company	Four-legged Stair Climbing Robot Mechanism (一種四足爬樓梯機器人機構)	2013102443118	Invention Patent	June 18, 2013	July 8, 2015
23 . .	The Company	A Circular Groove Type Vacuum Suction Cup End Effector (一種環槽型真空吸盤末端執行器)	201310243297X	Invention Patent	June 18, 2013	June 10, 2015
24 . .	The Company	A Servo Drive Heat Dissipation Device for a Joint Module and a Robotic Joint Module (一種關節模組的伺服驅動散熱裝置及機器人關節模組)	2025216206633	Utility Model	July 31, 2025	May 8, 2026
25 . .	The Company	Circuit Board Shock-Absorbing and Anti-Vibration Device for a Joint Module and Robot Joint Module (一種關節模組的電路板減震防抖裝置及機器人關節模組)	2025216212282	Utility Model	July 31, 2025	May 5, 2026
26 . .	The Company	An Integrated Small Joint Module with Dual Motors (帶有雙電機的一體化小型關節模組)	202520924560X	Utility Model	May 12, 2025	January 30, 2026
27 . .	The Company	A Compact Integrated Joint Module (小型緊湊的一體化關節模組)	2025209245614	Utility Model	May 12, 2025	January 30, 2026
28 . .	The Company	Two-stage Planetary Gear Reducer of Joint Motor (關節電機的雙級行星齒輪減速器)	2025206293226	Utility Model	April 7, 2025	November 21, 2025
29 . .	The Company	Axial Compression Integrated Robot Joint Motor (軸向壓縮一體式的機器人關節電機)	2025206293531	Utility Model	April 7, 2025	December 12, 2025
30 . .	The Company	Toilet Cleaning Robot (馬桶清潔機器人)	2025204643367	Utility Model	March 17, 2025	December 23, 2025
31 . .	The Company	A Rope-Driven Humanoid Five-Fingered Manipulator with Adaptive Adhesion in the Palm (一種掌心具備自適應吸附的繩驅動仿人形五指機械手)	2024225758192	Utility Model	October 24, 2024	September 16, 2025
32 . .	The Company	An Integrated Sensing-Control System for the Hand Joints of Embodied Intelligent Robot (一種人形機器人手部關節的感控一體控制系統)	2024224537968	Utility Model	October 11, 2024	May 27, 2025

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
33 . .	The Company	Intelligent Assembly Line with Light Robot (輕型機器人智能裝配線)	2023232591669	Utility Model	November 30, 2023	June 21, 2024
34 . .	The Company	Pipe Joint Rotating Structure, End Effector and Robot Hand (管接頭旋轉結構、末端執行器及機器手)	2023232115554	Utility Model	November 27, 2023	August 30, 2024
35 . .	The Company	A Suction Tool with Buffer and Large Flow (一種帶緩沖且大流量吸具)	2023223482906	Utility Model	August 29, 2023	April 16, 2024
36 . .	The Company	Synchronous Bidirectional Variable Pitch Fixture (同步雙向變距夾具)	2023210779168	Utility Model	May 8, 2023	November 14, 2023
37 . .	The Company	Parallel Robot (並聯機器人)	2023210059862	Utility Model	April 27, 2023	November 3, 2023
38 . .	The Company	A Six-axis Robot (一種六軸機器人)	2023203752264	Utility Model	March 2, 2023	August 22, 2023
39 . .	The Company	A Warehouse-type Suction Tool for Sorting Multi-layer Particle Bags (一種多層顆粒袋分揀的倉儲式吸具)	2022225513957	Utility Model	September 23, 2022	June 13, 2023
40 . .	The Company	A Sorting Fixture and Sorting Robot Comprising the Same (一種分揀夾具及包含其的分揀機器人)	2022207249284	Utility Model	March 28, 2022	August 16, 2022
41 . .	The Company	A Compact Synchronous Belt Conveyor (一種緊湊型同步帶輸送機)	2022207261962	Utility Model	March 28, 2022	July 29, 2022
42 . .	The Company	An SCARA Robot Structure (一種SCARA機器人結構)	2021228286518	Utility Model	November 18, 2021	April 19, 2022
43 . .	The Company	Spherical joint Tooling for Moving Platform of Parallel Robot (並聯機器人動平台調球鉸工裝)	2021215044116	Utility Model	July 5, 2021	August 13, 2021
44 . .	The Company	Ball-adjusting Hinge Tooling for actuated leg of Parallel Robot (並聯機器人主動臂調球鉸工裝)	2021214603508	Utility Model	June 30, 2021	August 13, 2021
45 . .	The Company	Robot Drilling Tooling (機器人打孔工裝)	2021214604411	Utility Model	June 30, 2021	August 13, 2021
46 . .	The Company	Rotary Sealed Moving Platform (旋轉密封動平台)	2020233418387	Utility Model	December 31, 2020	November 30, 2021

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
47 . .	The Company	A Material Turning Auxiliary Mechanism and Material Sorting Device (一種物料翻面輔助機構及理料裝置)	2020232553324	Utility Model	December 29, 2020	September 14, 2021
48 . .	The Company	Transmission Box End Effector (傳動箱末端執行器)	2020232552158	Utility Model	December 29, 2020	September 14, 2021
49 . .	The Company	Moving Platform for Six-Axis Robot and the Six-axis Robot (六軸機器人動平台及其六軸機器人)	2020231256655	Utility Model	December 22, 2020	September 14, 2021
50 . .	The Company	Moving Platform for Five-Axis Robot and the Five-axis Robot (五軸機器人動平台及其五軸機器人)	2020231268008	Utility Model	December 22, 2020	September 14, 2021
51 . .	The Company	Cooling Control Cabinet (散熱控制櫃)	2020231268614	Utility Model	December 22, 2020	July 16, 2021
52 . .	The Company	A Combination Auxiliary Device for Convenient Food and Tableware (一種方便食品餐具組合輔助裝置)	2020231268648	Utility Model	December 22, 2020	August 13, 2021
53 . .	The Company	An Extensible Robot Unit and a Six-Arm Robot (一種可拓展機器人單元及六臂機器人)	2020231264967	Utility Model	December 22, 2020	September 14, 2021
54 . .	The Company	Stereo Control Cabinet (立體控制櫃)	2020231256640	Utility Model	December 22, 2020	July 16, 2021
55 . .	The Company	Grab, Place and Pick Manipulator (抓放拾取機械手)	201921795586X	Utility Model	October 24, 2019	July 14, 2020
56 . .	The Company	A Vacuum End Effector (一種真空末端執行器)	201920237815X	Utility Model	February 25, 2019	December 13, 2019
57 . .	The Company	A Pouring Cup Rejecting Device (倒杯剔除裝置)	2018220180532	Utility Model	December 3, 2018	August 9, 2019
58 . .	The Company	A Supplying Device for Separating Machine (一種用於分托機的供托裝置)	2018219246295	Utility Model	November 21, 2018	July 19, 2019
59 . .	The Company	A Separating Device for Separating Machine (一種用於分托機的分托裝置)	2018219255612	Utility Model	November 21, 2018	July 19, 2019
60 . .	The Company	A Clamping Device for Maintaining Continuous Stability and Conveyor Belt Thereof (一種保持連續穩定夾持裝置及其傳送帶)	2018219069498	Utility Model	November 19, 2018	July 19, 2019

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
61 . .	The Company	An Equidistant Material Sorting Device for Columnar Materials in Automatic Production Line (一種自動化生產線中柱狀物料的等距理料裝置)	2018218223192	Utility Model	November 6, 2018	July 2, 2019
62 . .	The Company	Robotic Arm (RX10Pro) (機械臂(RX10Pro))	2026301748140	Design Patent	April 15, 2026	June 16, 2026
63 . .	The Company	Toilet Cleaning Robot (馬桶清潔機器人)	2025301123864	Design Patent	March 11, 2025	September 12, 2025
64 . .	The Company	Industrial Robot (工業機器人)	2022307602695	Design Patent	November 15, 2022	May 26, 2023
65 . .	The Company	Industrial Robot (Speed-up Scara Robot 2) (工業機器人(增速Scara機器人2))	2022303366782	Design Patent	June 2, 2022	September 27, 2022
66 . .	The Company	Industrial Robot (Speed-up Scara Robot 1) (工業機器人(增速Scara機器人1))	2022303363676	Design Patent	June 2, 2022	September 27, 2022
67 . .	The Company	Industrial Robot (Speed-up Scara Robot) (工業機器人(增速Scara機器人))	2021308488476	Design Patent	December 22, 2021	March 29, 2022
68 . .	The Company	SCARA Robot (High Speed) (SCARA機器人(高速))	2021308226172	Design Patent	December 13, 2021	May 27, 2022
69 . .	The Company	Control box (控制盒)	2020307617314	Design Patent	December 10, 2020	April 27, 2021
70 . .	The Company	Pouring Cup Rejection Component (倒杯剔除部件)	2018307162010	Design Patent	December 11, 2018	July 30, 2019
71 . .	The Company	Manipulator (Two-axis) (機械手(二軸))	2018301539051	Design Patent	April 16, 2018	November 16, 2018
72 . .	The Company	Manipulator (Three-axis) (機械手(三軸))	2018301539530	Design Patent	April 16, 2018	November 16, 2018
73 . .	Chenxing (Suzhou)	A Triangular Bag Sealing Mechanism (一種三角包封箱機構)	2025101046509	Invention Patent	January 23, 2025	December 2, 2025
74 . .	Chenxing (Suzhou)	Paperboard Folding and Box Feeding Machine (紙板折疊放箱機)	2022110875678	Invention Patent	September 7, 2022	August 9, 2024
75 . .	Chenxing (Suzhou)	A Material Boxing Device (一種物料裝箱裝置)	2022105378660	Invention Patent	May 17, 2022	May 17, 2024
76 . .	Chenxing (Suzhou)	A Frame Separating Mechanism (一種分框機構)	2020108232977	Invention Patent	August 17, 2020	April 1, 2022

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
77 . .	Chenxing (Suzhou)	An End Effector with XY Bidirectional Pitch Adjustment (一種 XY 雙方向變距的末端機構)	2025203047906	Utility Model	February 25, 2025	December 12, 2025
78 . .	Chenxing (Suzhou)	An End Effector of a Negative Pressure Generator (一種負壓發生器的末端執行裝置)	2022209899484	Utility Model	April 26, 2022	August 26, 2022
79 . .	Chenxing (Suzhou)	A Frame Unpacking Machine (一種拆框機)	2022209215615	Utility Model	April 20, 2022	August 26, 2022
80 . .	Chenxing (Suzhou)	A Carton Pad Placing and Shaping Machine (一種紙箱墊板放置整形機)	202122826379X	Utility Model	November 18, 2021	April 8, 2022
81 . .	Chenxing (Suzhou)	A Box Tipping Machine (一種翻箱機)	2021227702944	Utility Model	November 12, 2021	May 17, 2022
82 . .	Chenxing (Suzhou)	A Two-stage Material Pushing Mechanism (一種兩次推料機構)	2020226952079	Utility Model	November 20, 2020	July 20, 2021
83 . .	Chenxing (Suzhou)	A Leakage Handling Mechanism after Grabbing Boxed Products (一種盒裝產品抓取後漏料處理機構)	202022695188X	Utility Model	November 20, 2020	July 20, 2021
84 . .	Chenxing (Suzhou)	A Carton Flap Unfolding Mechanism (一種紙箱折頁展開機構)	2020227033245	Utility Model	November 20, 2020	July 20, 2021
85 . .	Chenxing (Suzhou)	A Two-station Material Buffering Mechanism for Robots (一種機器人的兩工位物料緩存機構)	2020226952100	Utility Model	November 20, 2020	July 20, 2021
86 . .	Chenxing (Suzhou)	A Rapid Lane Switching Mechanism (一種快速分道切換機構)	2020225808460	Utility Model	November 10, 2020	July 20, 2021
87 . .	Chenxing (Suzhou)	A One-code for One-product Flexible Packaging Food Boxing Mechanism (一種一物一碼軟包裝食品裝箱機構)	2020225838729	Utility Model	November 10, 2020	July 20, 2021
88 . .	Chenxing (Suzhou)	A Cross Partition and Cross Partition Forming Mechanism (一種十字隔板及十字隔板成型機構)	2020225838574	Utility Model	November 10, 2020	July 20, 2021
89 . .	Chenxing (Suzhou)	An End Effector of a Rapid Switching Parallel Robot Boxing Unit (一種快速切換並聯機器人裝箱單元的末端執行機構)	2020225838748	Utility Model	November 10, 2020	July 20, 2021

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
90 . .	Chenxing (Suzhou)	A Flexible Packaging Product Collating Device (一種軟包產品理料設備)	2020217064938	Utility Model	August 17, 2020	May 4, 2021
91 . .	Chenxing (Suzhou)	Parallel Robot Boxing Unit (並聯機器人裝箱單元)	2022304385846	Design Patent	July 12, 2022	December 20, 2022
92 . .	Chenxing (Nanjing)	Compliance Control System for High-Speed High-Payload SCARA Robots (高速重載SCARA機器人的柔順控制系統)	2025202637130	Utility Model	February 19, 2025	March 10, 2026
93 . .	Chenxing (Nanjing)	Double-layer Gear Center Distance Measuring Device (雙層齒輪中心距測量裝置)	2025201252380	Utility Model	January 20, 2025	October 3, 2025
94 . .	Chenxing (Nanjing)	Parallel Robot Sorting Workstation (並聯機器人分揀工作站)	202520125159X	Utility Model	January 20, 2025	November 21, 2025
95 . .	Chenxing (Nanjing)	Quick-change Flip-type End Suction Cup Actuator (快換翻轉式末端吸盤執行器)	2024230209354	Utility Model	December 9, 2024	July 15, 2025
96 . .	Chenxing (Nanjing)	Ampoule Bottle End Suction Cup Actuator (安瓿瓶末端吸盤執行器)	2024230209782	Utility Model	December 9, 2024	July 11, 2025
97 . .	Wuxi Chenxing	A Continuous Stable Clamping Device and Its Conveyor Belt (一種保持連續穩定夾持裝置及其傳送帶)	2018113798855	Invention Patent	November 19, 2018	February 20, 2024
98 . .	Wuxi Chenxing	Robot with a Parallel Waist and Lightweight Neck Mechanism (具備並聯腰部和輕量化頸部機構的機器人)	2025213159151	Utility Model	June 25, 2025	March 20, 2026
99 . .	Wuxi Chenxing	Omnidirectional Wheel Chassis for a Robot (機器人的全向輪底盤)	202521315877X	Utility Model	June 25, 2025	March 3, 2026
100 .	Wuxi Chenxing	Robot (Dual-Arm Humanoid) (機器人(雙臂人形))	2026300740936	Design Patent	February 9, 2026	July 7, 2026
101 .	Wuxi Chenxing	Robot (Dual-Upper-Limb Humanoid) (機器人(雙上肢人形))	2025306381699	Design Patent	October 30, 2025	April 7, 2026
102 .	Shenzhen Xiaobai	Joint Friction Identification Method and Device Based on Kalman Filter Observer (基於卡爾曼濾波觀測器的關節摩擦力辨識方法及裝置)	2024113830184	Invention Patent	September 30, 2024	September 2, 2025

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
103 .	Shenzhen Xiaobai	A Modular IO System with High Response Speed (一種高響應速度的模塊化 IO 系統)	2024222348622	Utility Model	September 11, 2024	June 17, 2025
104 .	Shenzhen Xiaobai	Robot Drive-and-Control Controller (機器人驅控一體控制器)	2024306267646	Design Patent	September 30, 2024	June 3, 2025
105 .	Shenzhen Xiaobai	Distributed Remote Data Processor (Atom Distributed Remote IO) (分佈式遠程數據處理器(阿童木分佈式遠程 IO))	2024305645549	Design Patent	September 4, 2024	April 1, 2025
106 .	Jiangsu Xiaoye	A Collaborative Pick-and-Place Planning Method for Dual SCARA Robots (一種雙 SCARA 機器人協同抓放規劃方法)	2024111465082	Invention Patent	August 20, 2024	September 12, 2025
107 .	Jiangsu Xiaoye	A Variable Gain Vibration Suppression Control Method for High-speed SCARA Robots (一種高速 SCARA 機器人的變增益抑振控制方法)	2024111465025	Invention Patent	August 20, 2024	September 12, 2025
108 .	Jiangsu Xiaoye	Automated Turnover System and Turnover Method for Blood Collection Bags in Blood Stations (血站採血袋的自動化周轉系統及其周轉方法)	2023113421722	Invention Patent	October 17, 2023	February 27, 2026
109 .	Jiangsu Xiaoye	Suction Cup Transfer Mechanism for Blood Collection Bags (採血袋的吸盤移載機構)	2023113419826	Invention Patent	October 17, 2023	February 27, 2026
110 .	Jiangsu Xiaoye	Extended Telescopic Arm Mechanism for Parallel Robots (用於並聯機器人的加長伸縮臂機構)	2023111953344	Invention Patent	September 17, 2023	December 10, 2024
111 .	Jiangsu Xiaoye	An Automated Lifting and Rocking Arm for Material Transfer (一種轉移物料的自動化升降搖擺臂)	2022116573953	Invention Patent	December 22, 2022	February 23, 2024
112 .	Jiangsu Xiaoye	A Superimposed Planning Method for Path Commands (一種路徑指令的疊加規劃方法)	2022111188108	Invention Patent	September 13, 2022	July 15, 2025
113 .	Jiangsu Xiaoye	A Parallel Mechanism with Two-Degree of-Freedom Translation (一種具有二自由度平動的並聯機構)	2013102426610	Invention Patent	June 18, 2013	September 30, 2015

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
114 .	Jiangsu Xiaoye	Internal Motor Fixing Mechanism for Robots and High-speed SCARA Robots (機器人內部電機固定機構及高速 SCARA 機器人)	2024221546310	Utility Model	September 3, 2024	April 11, 2025
115 .	Jiangsu Xiaoye	Motor Tensioning Mechanism and Five-axis Robot (電機張緊機構及五軸機器人)	2024221544705	Utility Model	September 3, 2024	April 11, 2025
116 .	Jiangsu Xiaoye	Shaft and Rod Workpiece Hot Pressing Platform (軸桿工件熱壓平台)	2024221004656	Utility Model	August 28, 2024	April 11, 2025
117 .	Jiangsu Xiaoye	Flexible Assembly Tooling for Ball Screws (適用於滾珠絲槓的柔性裝配工裝)	2024221004567	Utility Model	August 28, 2024	April 11, 2025
118 .	Jiangsu Xiaoye	Multi-group Suction Cup Transfer Mechanism for Pharmaceutical Packaging Production Lines (藥劑包裝生產線的多組式吸盤移栽機構)	2024218385879	Utility Model	July 31, 2024	January 28, 2025
119 .	Jiangsu Xiaoye	Outward-extending Handling Gripper Mechanism of Robot for Boxes (箱體的機器人外展型搬運夾指機構)	202421838585X	Utility Model	July 31, 2024	February 7, 2025
120 .	Jiangsu Xiaoye	Dual-motor Two-axis Robot (雙電機二軸機器人)	2024218386091	Utility Model	July 31, 2024	February 7, 2025
121 .	Jiangsu Xiaoye	Main Power Board Testing Tooling (主電源板測試工裝)	2024218385987	Utility Model	July 31, 2024	April 18, 2025
122 .	Jiangsu Xiaoye	A Palletizing, Tipping and Side-loading Mechanism for Cartons (一種紙箱的碼垛翻轉與側裝機構)	202321969569X	Utility Model	July 25, 2023	December 19, 2023
123 .	Jiangsu Xiaoye	A Lateral Telescopic Fixture for Pastry Food (一種針對麵點食品的橫向伸縮夾具)	2023219695435	Utility Model	July 25, 2023	December 19, 2023
124 .	Jiangsu Xiaoye	A Centering and Material Shifting Mechanism for Pastry Food (一種針對麵點食品的聚中撥料機構)	202321969551X	Utility Model	July 25, 2023	December 19, 2023
125 .	Jiangsu Xiaoye	An Automated Limiting Mechanism for Manipulator Base Production (一種針對機械手底座生產的自動化限位機構)	2023219695384	Utility Model	July 25, 2023	December 22, 2023

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
126 .	Jiangsu Xiaoye	A Cargo Handling Robot (一種貨物搬運機器人)	2022233454999	Utility Model	December 13, 2022	March 28, 2023
127 .	Jiangsu Xiaoye	An End Flip Mechanical Gripper (一種末端翻轉機械抓手)	2022229971244	Utility Model	November 10, 2022	February 21, 2023
128 .	Jiangsu Xiaoye	A Force-bearing and Protection Mechanism for Five-axis Moving Platform Base (一種五軸動平台基座的受力與保護機構)	2022209471876	Utility Model	April 22, 2022	July 29, 2022
129 .	Jiangsu Xiaoye	A Parallel Robot Base Rotating Shaft Mechanism with Multiple Needle Bearings (一種帶有多個滾針軸承的並聯機器人基座轉軸機構)	2022209482743	Utility Model	April 22, 2022	July 19, 2022
130 .	Jiangsu Xiaoye	A Highly Adaptable Sausage Suction Device (一種高適用性臘腸吸具)	2022209471452	Utility Model	April 22, 2022	July 29, 2022
131 .	Jiangsu Xiaoye	A Synchronous Wheel Transmission Mechanism for Five-axis Moving Platform (一種五軸動平台的同步輪傳遞機構)	2022209471448	Utility Model	April 22, 2022	August 19, 2022
132 .	Jiangsu Xiaoye	A Splint Mechanism with Worm Gear and Worm Structure (一種帶蝸輪蝸桿結構的夾板機構)	2022207411438	Utility Model	March 31, 2022	July 5, 2022
133 .	Jiangsu Xiaoye	A Lateral Telescopic Plate Mechanism (一種側向伸縮板機構)	2022207482414	Utility Model	March 31, 2022	July 5, 2022
134 .	Jiangsu Xiaoye	A Pitch-variable Suction Cup Group Mechanism (一種變距吸盤組機構)	2022207411207	Utility Model	March 31, 2022	July 19, 2022
135 .	Jiangsu Xiaoye	A Dual-rotation Power Transmission System and Five-axis Robot with the System (雙旋轉動力傳動系統及帶有該系統的五軸機器人)	2022204938054	Utility Model	March 7, 2022	July 22, 2022
136 .	Jiangsu Xiaoye	A Boxing Fixture for Liquid Stand-up Pouches (一種液體站立袋裝箱夾具)	2022203510824	Utility Model	February 21, 2022	July 1, 2022
137 .	Jiangsu Xiaoye	A Hoisting Palletizing Robot (一種吊裝碼垛機器人)	2021230256633	Utility Model	December 2, 2021	June 21, 2022

No.	Owner	Patent Name	Patent Number	Patent Type	Application Date	Authorization Date
138 .	Jiangsu Xiaoye	A Defective Product Detection and Removal Component for High-speed Handling Robots (一種高速搬運機器人次品檢測去除部件)	2021205561991	Utility Model	March 18, 2021	March 22, 2022
139 .	Jiangsu Xiaoye	A Flexible Transfer Component for High-speed Handling Robots (一種高速搬運機器人靈活轉運部件)	2021205585854	Utility Model	March 18, 2021	November 23, 2021
140 .	Jiangsu Xiaoye	Robot (Dual-Arm Humanoid) (機器人(雙臂人形))	2026300537477	Design Patent	January 30, 2026	June 19, 2026
141 .	Jiangsu Xiaoye	Mechanical Arm (機械臂)	2025300592060	Design Patent	February 10, 2025	August 8, 2025
142 .	Jiangsu Xiaoye	A Robot (Bionic Bipedal Humanoid) (機器人(仿生雙足人形))	2024308003271	Design Patent	December 17, 2024	June 17, 2025
143 .	Jiangsu Xiaoye	A Five-axis Palletizing Robot (五軸碼垛機器人)	2024306791877	Design Patent	October 28, 2024	May 23, 2025
144 .	Jiangsu Xiaoye	A Mechanical Arm (M10GD) (機械臂(M10GD))	2024300675139	Design Patent	January 31, 2024	August 6, 2024
145 .	Jiangsu Xiaoye	A Mechanical Arm (M06BD) (機械臂(M06BD))	2024300674865	Design Patent	January 31, 2024	August 6, 2024
146 .	Jiangsu Xiaoye	A Mechanical Arm (M04BD) (機械臂(M04BD))	2024300674600	Design Patent	January 31, 2024	August 6, 2024
147 .	The Company	Multi-Thread Controller for Parallel Robots (並聯機器人的多線程控制器)	US12434385B2	Invention Patent	April 12, 2022	October 7, 2025

Software Copyrights

As at the Latest Practicable Date, we had registered the following software copyrights which we consider to be material to our business:

No.	Software Name	Owner	Registration No.	Registration date
1 . . .	AtomServo Software V1.4.1 (AtomServo軟件V1.4.1)	The Company	2025SR1645233	August 28, 2025
2 . . .	cx_servo Software V1.4.1 (cx_servo軟件V1.4.1)	The Company	2025SR1645313	August 28, 2025
3 . . .	AtomVision Panoramic Segmentation, Recognition and Localization System V1.0 (AtomVision全景分割識別定位系統V1.0)	The Company	2022SR1387961	October 8, 2022
4 . . .	AtomVision Object Detection, Recognition and Localization System V1.0 (AtomVision目標檢測識別定位系統V1.0)	The Company	2022SR1379773	September 28, 2022
5 . . .	Shejiyuan Mini-Program Mall System V1.0 (設紀元小程序商城系統V1.0)	The Company	2022SR1326458	August 30, 2022
6 . . .	Shejiyuan Mall System V1.2 (設紀元商城系統V1.2)	The Company	2022SR1265555	August 24, 2022
7 . . .	AtomVision Instance Segmentation, Recognition and Localization System V1.0 (AtomVision實例分割識別定位系統V1.0)	The Company	2022SR0698347	June 6, 2022
8 . . .	Delta Robot Power Selection Software V1.0 (Delta機器人動力選型軟件V1.0)	The Company	2021SR1703331	November 11, 2021

No.	Software Name	Owner	Registration No.	Registration date
9 . . .	Delta Robot Dimension Design Software V1.0 (Delta機器人尺度設計軟件V1.0)	The Company	2021SR1703330	November 11, 2021
10 . .	Autonomous Controller Rapid Tracking Algorithm System V1.0 (自主控制器快速跟蹤算法系統V1.0)	The Company	2021SR1314232	September 3, 2021
11 . .	Autonomous Controller Vibration Suppression Algorithm System V1.0 (自主控制器抑振算法系統V1.0)	The Company	2021SR1315271	September 3, 2021
12 . .	Autonomous Controller Drag Teaching Algorithm System V1.0 (自主控制器拖動示教算法系統V1.0)	The Company	2021SR1315850	September 3, 2021
13 . .	AtomMotion Object Handling System V1.0 (AtomMotion物體處理系統V1.0)	The Company	2021SR1310224	September 2, 2021
14 . .	AtomMotion Parallel Robot Dedicated Control System V1.0 (AtomMotion並聯機器人專用控制系統V1.0)	The Company	2021SR0715487	May 19, 2021
15 . .	AtomVision Visual Identification System V1.0 (AtomVision視覺識別系統V1.0)	The Company	2021SR0715990	May 19, 2021
16 . .	Atom Vision System V1.0 (阿童木視覺系統V1.0)	The Company	2018SR819056	October 15, 2018
17 . .	General-purpose Robot Control System V1.0 (通用機器人控制系統V1.0)	The Company	2018SR661329	August 20, 2018

No.	Software Name	Owner	Registration No.	Registration date
18 . .	Atomrobot Irregular Cigarette Layout Stacking System V1.0 (阿童木機器人異型煙佈局碼放系統V1.0)	The Company	2017SR043249	February 15, 2017
19 . .	Atomrobot Cold Storage Intelligent Depalletizing System V1.0 (阿童木機器人冷庫智能拆垛系統V1.0)	The Company	2017SR041672	February 14, 2017
20 . .	Chenxing TwinCAT Robot Software Control System V1.0 (辰星TwinCAT機器人軟件控制系統V1.0)	The Company	2015SR085345	May 19, 2015
21 . .	Chenxing High-Speed Parallel Robot Upper-Level Control Software V1.0 (辰星高速並聯機械手上位控制軟件V1.0)	The Company	2015SR085351	May 19, 2015
22 . .	High-Speed Transport Robot Intelligent Sorting Software V1.0 (高速搬運機器人智能分揀軟件V1.0)	Jiangsu Xiaoye	2021SR0677874	May 13, 2021
23 . .	High-Speed Transport Robot Work Efficiency Monitoring Software V1.0 (高速搬運機器人工作效率檢測軟件V1.0)	Jiangsu Xiaoye	2021SR0677866	May 13, 2021
24 . .	Palletizing Robot Host Computer Control Software V2.1.0 (碼垛機器人上位機控制軟件V2.1.0)	Wuxi Chenxing	2024SR0095799	January 15, 2024
25 . .	Four-axis Mechanical Arm Status Control System V1.0 (機器人4軸機械臂狀態控制系統V1.0)	Shenzhen Xiaobai	2026SR0129466	January 21, 2026

Domain Name

As of the Latest Practicable Date, we had registered the following domain name which we considered to be material to our business:

No.	Domain Name	Name of Registered Proprietor	Validity Period
1 . .	atomrobot.com	The Company	March 4, 2007 - March 4, 2028
2 . .	tjchenxing.com	The Company	December 17, 2015 - December 17, 2026
3 . .	iotcx.com	The Company	February 24, 2025 - February 24, 2030
4 . .	movibot-art.com	The Company	December 22, 2021 - December 22, 2026
5 . .	sjyuan.net.cn	The Company	July 14, 2021 - July 14, 2031

3. FURTHER INFORMATION ABOUT OUR DIRECTORS

A. Particulars of Directors' Contracts

Each of our Directors [has entered] into a service contract with our Company. Each service contract is for an initial term of three years. The service contracts may be renewed in accordance with the Articles and the applicable laws, rules and regulations.

Save as disclosed above, none of the Directors has or is proposed to enter into a service contract with any member of our Group, other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation).

B. Remuneration of Directors

See "Directors and Senior Management" and Note 8 to the Accountants' Report in Appendix I to this document for the remuneration or benefits in kind paid to our Directors for the three years ended December 31, 2025 and the six months ended June 30, 2026.

During the Track Record Period, no fees were paid by our Group to any of the Directors or the five highest paid individuals as an inducement to join us or as compensation for loss of office.

4. DISCLOSURE OF INTERESTS

A. Disclosure of Interests of Directors and Chief Executive

Save as disclosed below, immediately following the completion of the Share Subdivision, the [**REDACTED**] and the Conversion of Unlisted Shares into H Shares (assuming that the [**REDACTED**] is not exercised), none of our Directors and chief executive of our Company has any interest and/or short position in the Shares, underlying Shares and debentures of our Company or our associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short position which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules to be notified to our Company, once the H Shares are [**REDACTED**] on the Stock Exchange.

		As of the Latest Practicable Date		Immediately following the Share Subdivision, the [REDACTED] and the Conversion of Unlisted Shares into H Shares (assuming that the [REDACTED] is not exercised)		
Name of Director and Chief Executive	Nature of interest	Number of Unlisted Shares held	Approximate percentage of interest in our Company as of the Latest Practicable Date	Number of H Shares	Approximate percentage of shareholding in H Shares	Approximate percentage of shareholding in the total issued share capital of our Company
Mr. Liu[(1)]	Beneficial owner	2,253,500	11.11%	[**REDACTED**]	[**REDACTED**]%	[**REDACTED**]%
	Interest in controlled corporation	540,000	2.66%	[**REDACTED**]	[**REDACTED**]%	[**REDACTED**]%
	Interest held jointly with other person	4,099,861	20.22%	[**REDACTED**]	[**REDACTED**]%	[**REDACTED**]%
Mr. Song[(1)(2)] . .	Beneficial owner	1,866,500	9.20%	[**REDACTED**]	[**REDACTED**]%	[**REDACTED**]%
	Interest in controlled corporation	1,975,361	9.74%	[**REDACTED**]	[**REDACTED**]%	[**REDACTED**]%
Mr. Huang Tian[(3)]	Interest of your spouse	798,000	3.94%	[**REDACTED**]	[**REDACTED**]%	[**REDACTED**]%
Mr. Wang Tianmiao[(4)] . .	Beneficial owner	114,000	0.56%	[**REDACTED**]	[**REDACTED**]%	[**REDACTED**]%
	Interest of your spouse	1,050,680	5.18%	[**REDACTED**]	[**REDACTED**]%	[**REDACTED**]%

(1) As of the Latest Practicable Date, Mr. Liu directly held 2,253,500 Shares of the Company and Chenxing Partners held 540,000 Shares of the Company, accounting for approximately 11.11% and 2.66% of the equity interests in the Company. The general partner of Chenxing Partners is Mr. Liu, and each of Mr. Song and Mr. Liu holds 90% and 10% of its partnership interests. Under the SFO, each of Mr. Liu and Mr. Song was deemed to be interested in the Shares held by Chenxing Partners.

Pursuant to the Concert Party Agreement, Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen agreed to, among others, act in concert with Mr. Liu and follow his decisions in exercising his vote at the shareholders' meeting of our Company. The Concert Party Agreement will remain effective after the proposed [**REDACTED**]. Under the SFO, Mr. Liu was deemed to be interested in the Shares held by Mr. Song, Chenxing Partners, Chenxing Friends, Chenxing Brothers and Ms. Yang Junwen.

(2) As of the Latest Practicable Date, Mr. Song directly held 1,866,500 Shares of the Company, Chenxing Friends held 775,361 Shares of the Company, Chenxing Brothers held 660,000 Shares of the Company, and Chenxing Partners held 540,000 Shares of the Company, accounting for approximately 9.20%, 3.82%, 3.25%, and 2.66% of the equity interests in the Company. The general partner of Chenxing Friends and Chenxing Brothers is Mr. Song, and none of their limited partners hold more than 30% of their partnership interests. Mr. Song holds 90% limited partnership interests of Chenxing Partners. Under the SFO, Mr. Song was deemed to be interested in the Shares held by Chenxing Friends, Chenxing Brothers and Chenxing Partners.

(3) As of the Latest Practicable Date, Ms. Yang Junwen directly held 798,000 Shares of the Company, accounting for approximately 3.94% of the equity interests in the Company and Mr. Huang Tian was the spouse of Ms. Yang Junwen. Under the SFO, Mr. Huang Tian was deemed to be interested in the Shares held by Ms. Yang Junwen.

(4) As of the Latest Practicable Date, Mr. Wang Tianmiao directly held 114,000 Shares of the Company, Ningbo Yarui directly held 580,577 Shares of the Company, and Beijing Yarui directly held 470,103 Shares of the Company, accounting for approximately 0.56%, 2.86% and 2.32% of the equity interests in the Company. The general partner of Ningbo Yarui and Beijing Yarui is Yarui Heyi Capital Management (Beijing) Co., Ltd. (雅瑞和宜資本管理(北京)有限責任公司), which is held as to 49.00% by Ms. Zhang Ruijun, the spouse of Mr. Wang Tianmiao. Under the SFO, Mr. Wang Tianmiao was deemed to be interested in the Shares held by Ningbo Yarui and Beijing Yarui.

Up to the Latest Practicable Date, none of the Directors or their respective spouses and children under 18 years of age had been granted by our Company or had exercised any rights to subscribe for shares or debentures of our Company or any of its associated corporations.

B. Substantial Shareholders

Save as disclosed in the section headed "Substantial Shareholders" in this document, our Directors or chief executive are not aware of any other person, not being a Director or chief executive of our Company, who has an interest or short position in the Shares and underlying Shares of our Company, which following the completion of the Share Subdivision, the [**REDACTED**] and the Conversion of Unlisted Shares into H Shares, would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting Shares of our Company or any member of our Group.

C. Disclaimers

(1) None of our Directors has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this document been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(2) None of our Directors is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group taken as a whole; and

(3) So far as is known to our Directors, none of our Directors, their respective close associates (as defined under the Listing Rules) or Shareholders of our Company who are interested in more than 5% of the issued share capital of our Company has any interests in the five largest customers or the five largest suppliers of our Group.

5. EMPLOYEE INCENTIVE SCHEME

The following is a summary of the principal terms of the employee incentive scheme (the "**Employee Incentive Scheme**") of the Company. The Employee Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve the grant of share options or awards by our Company after [**REDACTED**]. The Employee Incentive Scheme may be required to re-comply with Chapter 17 of the Listing Rules if there are any material alterations or changes to the terms and conditions of the scheme. Given the Shares underlying all the awards under the Employee Incentive Scheme have already been issued to Chenxing Friends and Chenxing Brothers as at the Latest Practicable Date, there will not be any dilutive effect to the [**REDACTED**] Shares as a result of the operation of the Employee Incentive Scheme.

As at the Latest Practicable Date, there were two employee shareholding platforms for the Employee Incentive Scheme, namely Chenxing Friends and Chenxing Brothers, which held an aggregate of 1,435,361 Shares, representing 7.08% of the share capital in [**REDACTED**] of our Company as at the Latest Practicable Date. For more details, see "History, Development and Corporate Structure — Our Employee Shareholding Platforms".

(a) Purpose

The purposes of the Employee Incentive Scheme are to recognise the contributions of our employees and to incentivize them to further promote our development.

(b) Types of awards

Under the Employee Incentive Scheme, eligible participants are granted partnership interests in employee shareholding platforms (the "**Restricted Shares**").

(c) Participants

Participants of the Employee Incentive Scheme include the senior management, middle management, certain members of the R&D department, and employees with outstanding performance of our Group.

(d) Number of Shares and maximum entitlement

As at the Latest Practicable Date, the number of Shares underlying the Employee Incentive Scheme is 1,435,361 Shares, representing approximately 7.08% of the share capital in [**REDACTED**] of our Company as at the Latest Practicable Date. The maximum entitlement of each participant under the Employee Incentive Scheme shall be 2% of total issued share capital of the Company.

No further awards will be granted under the Employee Incentive Scheme after the [**REDACTED**].

(e) Lock-up period

The underlying Shares held by the participants are subject to a lock-up period starting from the grant date till 12 months after the [**REDACTED**] to dispose of their limited partnership interests. The underlying Shares shall be unlocked in three batches upon the expiry of the lock-up period, namely: (i) 40% as at the expiry of the lock-up period; (ii) 30% upon the date falling 12 months after such expiry; and (iii) the remaining 30% upon the date falling 24 months after such expiry, unless otherwise agreed in the grant agreements.

(f) Withdrawal mechanism

The participants shall be required to withdraw from the Employee Incentive Scheme due to death, termination of employment or other change in circumstances pursuant to the terms of grant agreements. In the event of death, termination of employment or other change in circumstances, the Restricted Shares will be transferred to the general partner of the ESOP Platforms unless otherwise agreed in the grant agreements.

(g) Clawback mechanism

In the event that a participant is found to have engaged in serious misconduct, including but not limited to cessation of being an employee of the Group, failure to meet the performance satisfaction, subject to administrative penalties for serious violations of laws or regulations within the past three years, situation causing any participant being prohibited from serving as a director, supervisor, or senior management personnel as prescribed by the Company Law, or the breach of a non-compete obligation, the participant shall be required to transfer the Restricted Shares to the general partner of the ESOP platforms, unless otherwise provided in the applicable grant agreement. In addition, in cases involving serious circumstances, the Company may recover any losses it has suffered in accordance with applicable laws and regulations.

6. OTHER INFORMATION

A. Estate Duty

Our Directors have been advised that no material liability for estate duty under the PRC laws is likely to fall on our Company or its subsidiaries.

B. Litigation

As of the Latest Practicable Date, no member of our Group was engaged in any outstanding material litigation or arbitration which may have material and adverse effect on the [**REDACTED**] and, so far as our Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group.

C. Sole Sponsor

The Sole Sponsor has made an application on our behalf to the [**REDACTED**] for the [**REDACTED**] of, and permission to [**REDACTED**], our H Shares. The Sole Sponsor satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

The Sole Sponsor will be paid by our Company a total fee of US$600,000 to act as the sponsor in connection with the [**REDACTED**].

D. Compliance Advisor

Our Company has appointed Altus Capital Limited as the compliance advisor upon the [**REDACTED**] in compliance with Rule 3A.19 of the Listing Rules.

E. Preliminary Expenses

We have not incurred any material preliminary expenses.

F. Promoters

The promoters of our Company when we were converted into a joint stock company on September 30, 2025 are as follow:

No.	Shareholders
1	Mr. Liu
2	Mr. Song
3	Mr. Yang Haoyong
4	Guozhong Private Equity
5	Ningbo Haida

No.	Shareholders
6	TEDA Haihe IM Fund
7	Lenovo Fund
8	Saitian Industrial Development
9	Wuxi Huicui
10	Hongtu Chuangke
11	Ms. Yang Junwen
12	Chenxing Friends
13	Qingdao Haichuang
14	Chenxing Brothers
15	Ningbo Yarui
16	TEDA Venture Capital
17	Chenxing Partners
18	Siasun Investment
19	Beijing Yarui
20	Yixing Saitian
21	Shenzhen Capital
22	Mr. Wang Tianmiao

Save for the [**REDACTED**] and as disclosed in this document, within the two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given nor is any proposed to be paid, allotted or given to any promoters in connection with the [**REDACTED**] and the related transactions described in this document.

G. Qualification of Experts

The qualifications of the experts, as defined under the Listing Rules, who have given opinions in this document, are as follows:

Name	Qualification
Huatai Financial Holdings (Hong Kong) Limited	A licensed corporation under the SFO to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 3 (leveraged foreign exchange trading), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities under the SFO
Ernst & Young	Certified public accountants and public interest entity auditors
DeHeng Law Offices	PRC Legal Advisors
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant

H. Consents of Experts

Each of the experts named in "6. Other Information — G. Qualification of Experts" above has given and has not withdrawn its written consent to the issue of this document with the inclusion of its report and/or letter and/or opinion and/or the references to its name included herein in the form and context in which it is respectively included.

As of the Latest Practicable Date, none of the experts named above had any shareholding interests in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe.

I. Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer is effected on the H Share register of members of our Company, including in circumstances where such transaction is effect on the Stock Exchange. For further information in relation to taxation, see "Appendix III — Taxation and Foreign Exchange" to this document.

J. No Material and Adverse Change

Our Directors confirm that there has been no material and adverse change in the financial or trading position of our Group since June 30, 2026.

K. Binding Effect

This document shall have the effect, if an application is made in pursuant hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Hong Kong Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

L. Miscellaneous

(1) Within the two years immediately preceding the date of this document:

(i) no share or loan capital of our Group has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;

(ii) no share or loan capital of our Group is under option or is agreed conditionally or unconditionally to be put under option;

(iii) save as disclosed in the section headed "[**REDACTED**]", no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share of our Group; and

(iv) save as disclosed in the section headed "[**REDACTED**]", no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription for any share in or debentures of our Company.

(2) There are no founder, management or deferred shares or any debentures in our Group.

(3) There has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this document.

(4) Our Company has no outstanding convertible debt securities or debentures.

(5) There is no arrangement under which future dividends are waived or agreed to be waived.

(6) None of our equity and debt securities is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought.

(7) All necessary arrangements have been made to enable the H Shares to be admitted into [**REDACTED**] for clearing and settlement.

(8) No company within our Group is presently listed on any stock exchange or traded on any trading system.

M. Bilingual Document

The English language and Chinese language versions of this document are being published separately, in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

1. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this document delivered to the Registrar of Companies in Hong Kong for registration were:

(1) copies of the material contract referred to in "2. Further Information about Our Business — A. Summary of Our Material Contract" in Appendix V; and

(2) the written consents referred to in "6. Other information — H. Consents of Experts" in Appendix V.

2. DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of our Company at **www.atomrobot.com** and on the website of the Stock Exchange at **www.hkexnews.hk** up to and including the date which is 14 days from the date of this document:

(1) the Articles of Association;

(2) the Accountants' Report from Ernst & Young, the text of which is set out in Appendix I;

(3) the audited consolidated financial statements of our Group for the three years ended December 31, 2025 and the six months ended June 30, 2026;

(4) the report from Ernst & Young relating to the unaudited [**REDACTED**] financial information, the text of which is set out in Appendix II;

(5) the material contract referred to in "2. Further Information about Our Business — A. Summary of Our Material Contract" in Appendix V;

(6) the written consents referred to in "6. Other information — H. Consents of Experts" in Appendix V;

(7) the contracts referred to in "3. Further Information about Our Directors — A. Particulars of Directors' Contracts" in Appendix V;

(8) the legal opinions issued by DeHeng Law Offices, our legal advisors as to PRC laws, in respect of certain general corporate matters and our Group's business operations in the PRC;

(9) the PRC Company Law, the PRC Securities Law and the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies together with their unofficial English translations; and

(10) the industry report issued by Frost & Sullivan.