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Application Proof of

Zhejiang IPLUSMOBOT Technology Co., Ltd.
浙江迦智科技股份有限公司

(the "**Company**")

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

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迦智科技
IPLUSMOBOT

Zhejiang IPLUSMOBOT Technology Co., Ltd.
浙江迦智科技股份有限公司

(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%, AFRC transaction levy of 0.00015%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.00565% (payable in full on [REDACTED] in Hong Kong dollars and subject to refund)**
Nominal value	**:**	**RMB1.00 per H Share**
[REDACTED]	**:**	**[REDACTED]**

***Sole Sponsor, Sponsor-Overall Coordinator, [Overall Coordinator],* [REDACTED], [REDACTED] *and* [REDACTED]**

CICC 中金公司

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[REDACTED]

IMPORTANT

[REDACTED]

IMPORTANT

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

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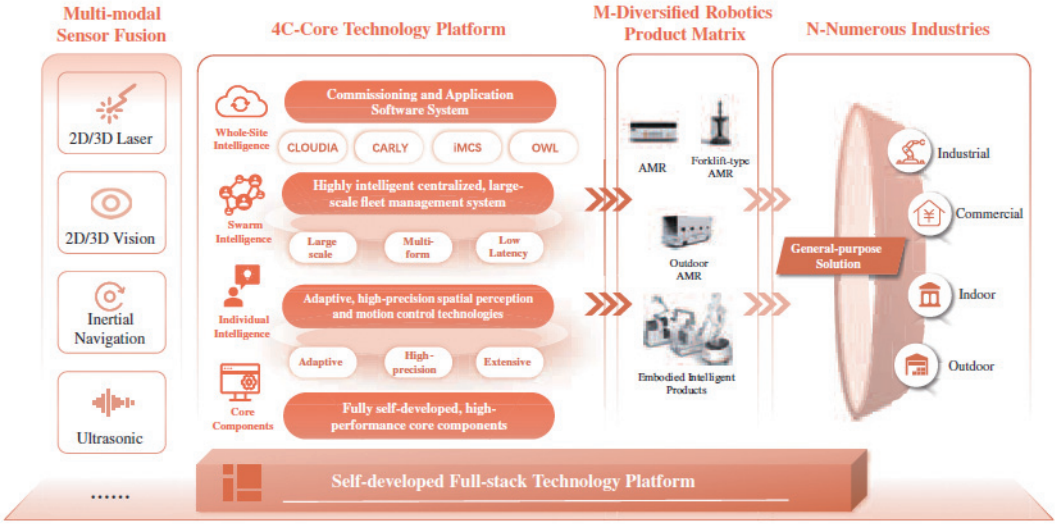
You should read the whole document before you decide to **[REDACTED]** *in the* **[REDACTED]**. *In particular, we are a specialist technology company seeking to* **[REDACTED]** *on the Main Board of the Hong Kong Stock Exchange under Chapter 18C of the Listing Rules because we are unable to meet the 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. Your* **[REDACTED]** *decision should be made in light of these considerations.*

OVERVIEW

We are an intelligent mobile robotics provider, dedicated to enabling the widespread adoption of robotics across diverse environments, industries and use cases. We primarily provide customers with one-stop solutions comprising our self-developed core technology platform, intelligent mobile robots and integrated software systems. We also offer intelligent mobile robots and embodied intelligence robotics products based on pre-defined specifications and configurations. According to CIC, we ranked among the top ten intelligent mobile robotics companies globally in terms of revenue in 2025. In the industrial intelligent mobile robotics segment, according to CIC, we were one of the top five domestic companies in terms of revenue globally in 2025.

According to CIC, we are one of the few companies globally with self-developed technologies spanning both software and hardware in intelligent mobile robotics solutions. All of our products and solutions are built on a unified core technology platform that integrates multi-modal sensing, a proprietary core technology architecture and a scalable software-hardware stack. This platform enables reliable operation in complex environments while delivering high-precision spatial perception, precise motion control, and large-scale centralized fleet orchestration. The shared technological foundation enables us to rapidly develop and commercialize a diversified portfolio of intelligent mobile robots, including standard AMRs, omni-directional heavy-load AMRs, forklift AMRs, outdoor AMRs, and industry specific AMRs. As our core technologies continue to generalize and extend, they demonstrate strong adaptability across different robot types, unlocking the opportunities in the embodied intelligence robotics market, for which we offer a suite of products, including embodied-robot controllers, mobile manipulation robots and embodied-robot mobile chassis.

The diagram below illustrates our core business architecture:



We have developed strong execution capabilities and a standardized delivery framework that enable us to efficiently deploy tailored robotic solutions across diverse industries and application scenarios, providing scalable and reliable implementation for both end-users and system integrators. The following chart highlights some of our key achievements to date:



Notes:

(1) According to CIC.

(2) We ranked No. 6 globally and No. 4 among Chinese companies based on revenue in 2025, according to CIC.

(3) According to CIC. Top three global players in the lithium battery, display panel, and 3C electronics industries are determined by volume in 2025, according to CIC.

(4) According to CIC.

Our Products and Solutions

Our Robotic Products

Our portfolio of robotic products encompass (i) intelligent mobile robots, including standard AMRs (EMMA), omni-directional heavy-load AMRs (OMNI), industry specific AMRs, forklift AMRs (FOLA), outdoor AMRs (LUNA) and (ii) embodied intelligent robotics products including embodied-robot controller (NERA-C), mobile manipulation robots (NERA-A) and embodied-robot mobile chassis (NERA-P). Through this diversified and heterogeneous product portfolio, our robots can be deployed across a wide range of sub-scenarios within customers' operational workflows, while supporting seamless integration and coordinated operation across different application scenarios.

Our products feature a modular design with standardized specifications and configurations, which facilitates compatibility and integration with other products and systems commonly available in the market. The table below sets forth the application scenarios, performance capabilities, technical specifications and price range of our robots:

Types of Robots	Models	Application Scenarios	Performance Capabilities	Technical Specifications	Price Range* (RMB)
Intelligent Mobile Robots Portfolio					
Standard AMR	EMMA	• High-precision intralogistics • Manufacturing, warehousing and commercial settings	• Positioning accuracy up to ±2 mm • Payload range: 400 kg–2,000 kg • Smooth traversal across uneven surfaces	• Modular chassis with standardized drive, battery and lifting modules • LiDAR-based SLAM with optional vision/IMU fusion • 360° safety protection system	40,000–200,000
Omnidirectional Heavy-Load AMR	OMNI	• Transportation-equipment manufacturing (e.g. EV production) • Heavy-load advanced manufacturing	• Payload range: 1–10 tons • Omnidirectional movement in confined spaces • High maneuverability for large-format materials	• Decoupled modular architecture (drive, load-bearing, upper structure) • Flexible configuration for different load requirements	60,000–1,000,000
Forklift AMR	FOLA	• Smart manufacturing and warehouse logistics • Lithium battery and hazardous material handling • Narrow-aisle and cold storage	• Marker-free autonomous navigation • Millimeter-level pallet handling • Dynamic obstacle avoidance and human collaboration	• Modular forklift configurations (stacking, reach, counterbalance) • SLAM-based navigation without infrastructure modification	70,000–400,000
Outdoor AMR	LUNA	• Large industrial parks, logistics hubs and port terminals • Energy • End-to-end campus logistics spanning outdoor and indoor environments	• Payload range: 1 ton to 60 tons • Fully autonomous mobility across operational spaces exceeding 1,000,000 square meters • All-weather, low-light operation capability	• Multi-sensor fusion (3D LiDAR, RTK, IMU) • Reinforced chassis for outdoor terrain stability • High ground clearance design	400,000–1,000,000

Types of Robots	Models	Application Scenarios	Performance Capabilities	Technical Specifications	Price Range* (RMB)
Embodied Intelligence Products					
Embodied Robot Controller	NERA-C	• Multi-modal robots (quadruped, wheeled, hybrid) • Large-fleet deployment scenarios requiring centralized coordinated control	• Unified perception and control across robot types • Integrated SLAM, planning and force-control algorithms	• Modular software + standardized hardware interfaces • Cross-platform compatibility for multiple robot configurations	40,000–60,000
Mobile Manipulation Robots	NERA-A	• computer, communication and consumer electronics (3C) manufacturing • CNC loading/unloading • Laboratory automation	• ±1 mm end-effector accuracy • Real-time vision-planning-control loop • Whole-body motion coordination	• Tightly coupled design combining self-developed mobile chassis ("**body**"), integrated control and vision system ("**brain**") and robotic arms from multiple brands ("**hands**"), addressing the "**eyes, hands and feet**" separation in traditional automation	800,000–1,000,000
Embodied-Robot Mobile Chassis	NERA-P	• Industrial and service robotics • Humanoid and wheeled robotic arms	• High stability for dynamic motion • High-bandwidth, low-latency data transmission • Long-duration operation	• Differential and omnidirectional chassis options • Integrated mechanical-electrical design • High-speed communication interfaces	37,000-60,000

All of our robotic products and solutions are designated Specialist Technology Products as defined under Chapter 18C of the Listing Rules. See "Business – Our Business Model – Commercialization" for details about how our products and solutions fall within acceptable sectors of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules.

Our Software Offerings

CLOUDIA, our highly intelligent, large-scale centralized fleet management system, serves as the "brain" and "nervous system" of large-scale robotic deployments and is responsible for real-time coordination and management of multiple robots. Powered by proprietary spatiotemporal scheduling algorithms, it supports real-time coordination, path planning and

collision avoidance for more than 2,500 heterogeneous robots. Our CLOUDIA system integrates with customers' existing systems, addressing a key industry bottleneck in scalable commercialization. In addition, our reinforcement – learning – enhanced planning algorithms enable efficient conflict resolution, rapid computation and scalable fleet coordination, forming the technological basis for next-generation embodied-intelligence deployments. CLOUDIA is generally bundled with our hardware and delivered as part of an integrated solution. CLOUDIA is revenue generating, and the pricing is incorporated into the overall contract price of the relevant system solution.

CARLY serves as the robot configuration and commissioning layer of our software stack, supporting the deployment, operation and maintenance of individual robots. It enables no-code behavior configuration through modular drag-and-drop workflows, digital-twin visualization for monitoring and diagnostics, and playback-based troubleshooting to facilitate issue identification and resolution in dynamic industrial environments. CARLY is bundled with our robotic hardware and is not a standalone revenue-generating product.

iMCS serves as the workflow orchestration layer of our software stack, bridging customers' enterprise systems, such as MES, WMS and ERP systems, with the fleet management layer, CLOUDIA. It translates production, inventory and business requirements into executable material-handling workflows, enabling seamless coordination between enterprise operations and robotic execution. By managing task allocation and material flow logic, iMCS helps ensure efficient and synchronized warehouse and factory operations. iMCS is typically delivered as part of our integrated system solutions.

OWL serves as the inventory and warehouse management layer of our software stack, providing the data foundation that supports warehouse operations. It maintains real-time visibility over inventory, locations and material movements, enabling iMCS to make material flow decisions and CLOUDIA to coordinate task execution. While OWL does not directly schedule or control robots, it supplies the inventory intelligence that underpins the operation of the broader system. OWL is typically delivered as part of our integrated robotic solutions. In certain projects, it can also be deployed independently alongside third-party automation equipment and customers' existing warehouse infrastructure.

Together, these systems form a closed-loop software architecture spanning single-robot control, fleet-level scheduling and system-wide optimization, significantly improving deployment efficiency, operational visibility and ease of use. These software offerings are deployed on a customer-premises basis, such as robots hosted within the customer's local area network environment, or on local servers hosted within the customer's own environment. None of our software offerings are deployed on or hosted by our own servers.

Our Solutions

We provide robotic solutions tailored to the operational requirements and application scenarios of our customers. Our solutions are built on our standardized and modular product architecture and reusable technology platform, which enable us to efficiently configure and deploy customized solutions at scale. Through the modular design of our hardware and flexible coordination between our software and hardware systems, we are able to adapt our solutions to different customer needs while shortening deployment timelines and controlling implementation and operating costs. We have developed a systematic and reusable execution framework covering the full project lifecycle, from consulting and solution design to product development, manufacturing, deployment and ongoing lifecycle management.

Our robotic solutions have been commercialized. We have accumulated implementation experience and a track record in complex, high-technology manufacturing environments. Our solutions have been successfully deployed at scale across industries including, among others, electronics, automotive, semiconductors, new energy and pharmaceuticals. These successful

implementations demonstrate our ability to deliver meaningful and measurable operational value to customers operating in demanding, high-complexity scenarios. See "Business – Our Solutions" for details.

Our Business Model

We are engaged in the design, development, manufacturing and commercialization of (i) robotic solutions, (ii) robotic products and (iii) others, which primarily consist of accessories and services, including technical support services and other parts, components and accessories which are required or essential for the functioning and/or enhancing the performance of the robots and robotic solutions supplied by us. We primarily offer integrated robotic solutions, which are typically built on standardized modules but may be customized to meet specific customer requirements. Such customization may include (i) software configuration or development, (ii) system integration, and (iii) in certain cases, redesign or modification of robot hardware. Our robotic solutions leverage standardized core modules to ensure scalability and cost efficiency, while allowing targeted customization to address specific operational needs. We also offer robots and related accessories sold as standardized products, based on pre-defined specifications and configurations.

We have adopted a transaction-based model for sales of our products. Our customers comprise system integrators who procure our products and solutions for incorporation into broader automation or industrial systems, and downstream end customers who directly deploy our products and solutions to improve the efficiency of their operations. We have a diversified customer base across various industries, particularly high-tech sectors such as 3C, automotive, and semiconductors. We employ a combination of value-based and cost-plus pricing model that considers factors such as product development, production and customization costs, after-sales service commitments, technological level involved, product competitiveness, market price and other market conditions. See "Business – Sales and Marketing – Pricing Policy" for details of pricing model.

During the Track Record Period, our revenue was primarily derived from our robotic solutions, and to a lesser extent, from the sales of individual robots and other related products. In terms of geographical location, we generate a majority of our revenue from Chinese Mainland and have been gradually expanding our overseas presence during the Track Record Period. For details of the revenue breakdown by product type and by geographical location, in an absolute amount and as a percentage of our total revenue, during the Track Record Period, see "Financial Information – Revenue".

The following table sets forth our key operating metrics for the year/period indicated.

	For the Year Ended December 31,			Six Months Ended June 30,
	2023	2024	2025	2026
Contract value as at the beginning of the year/period[1] *(RMB in thousands)*	186,066	267,904	441,453	493,685
Contract value of new orders[2] *(RMB in thousands)*	156,789	288,391	317,761	180,014
Revenue Recognized[3] *(RMB in thousands)*	74,950	114,842	265,528	169,219
Contract value as of the end of the year/period[4] *(RMB in thousands)*	267,904	441,453	493,685	504,480
Number of robots shipped[5] *(number of units)*	1,015	1,294	1,528	891

Notes:

(1) "Contract value as at the beginning of year/period" means the total contract value before tax carried forward from the previous year/period.

(2) "Contract value of new orders" means the total contract value of new orders before tax obtained during the relevant year/period.

(3) "Revenue recognized" means the total revenue recognized from all types of orders during the relevant year/period.

(4) "Contract value as of the end of year" means the contract value before tax as of the beginning of year/period plus the total contract value of new orders awarded to our company minus total revenue recognized during the relevant year/period.

(5) Based on shipment volume.

OUR STRENGTHS

We believe the following competitive strengths contribute to our success and propel us into the future: (i) our expertise in intelligent mobile robotics; (ii) advanced technological innovation capabilities; (iii) diversified product matrix and full-scenario solutions across multiple key operational settings; (iv) broad commercialization expansion potential; (v) comprehensive in-house manufacturing capabilities and a stable and reliable supply chain system; and (vi) top-tier management team combining technical depth and strategic vision.

OUR STRATEGIES

We believe the following strategies pave the way for our sustained success in the future: (i) continue to invest in intelligent mobile robotics and embodied intelligence technologies to reinforce our technological capabilities; (ii) further ride the wave of intelligent transformation and expand the full-scenario application potential of intelligent mobile robotics; (iii) deepen our international business footprint to build global influence; and (iv) strengthen ecosystem cooperation and talent recruitment to jointly promote long-term innovation and development.

BUSINESS SUSTAINABILITY

We are at the early stage of commercialization of our robotic solutions. We have experienced sustained business growth as we successfully commercialized new products and solutions during the Track Record Period. Attributable to our continuous endeavors in R&D, product development, and continuously expanding high-quality customer base, the shipment volume of our robots increased from 1,015 units in 2023 to 1,294 units in 2024 and further to 1,528 units in 2025. The figure was 891 units in the six months ended June 30, 2026. Our revenue increased by 53.2% from RMB75.0 million in 2023 to RMB114.8 million in 2024, and further increased by 131.2% to RMB265.5 million in 2025, with gross profit increasing from RMB14.8 million in 2023 to RMB27.8 million in 2024 and RMB78.8 million in 2025. Our revenue increased by 25.3% from RMB135.0 million in the six months ended June 30, 2025 to RMB169.2 million in the same period in 2026, with gross profit increasing from RMB36.7 million in the six months ended June 30, 2025 to RMB49.8 million in the same period in 2026.

Despite our rapid growth, we were loss-making during the Track Record Period. In 2023, 2024, 2025, and the six months ended June 30, 2026, we incurred losses for the year/period of RMB113.8 million, RMB117.9 million, RMB99.7 million and RMB63.7 million, respectively. Our losses during the Track Record Period were primarily due to (i) significant investment for long-term success, (ii) significant R&D, selling, distribution and administrative expenses incurred during commercial scaling, (iii) cost structure of early-stage solution projects and (iv) redemption liability finance costs. We expect to record a net loss in 2026 mainly because the gross profit expected to be generated from projects reaching acceptance may not yet be sufficient to cover our continuing significant R&D investments and project delivery expenditure, together with finance costs on redemption financial liabilities prior to **[REDACTED]** and the **[REDACTED]** expenses. The revenue recognition timing of project acceptance may also result in a mismatch between cash expenditure and revenue recognition, as our solution-based projects have multi-stage delivery and acceptance cycles.

Driving Sustainable Revenue Growth and Business Scale

Our revenue increased significantly from RMB75.0 million in 2023 to RMB265.5 million in 2025, and from RMB135.0 million in the six months ended June 30, 2025 to RMB169.2 million in the same period in 2026, and we expect to sustain this growth through continued execution of our commercialization and expansion strategies.

- *Capitalize on Favorable Market Conditions.* We benefit from strong industry tailwinds driven by advances in AI and automation, rising labor costs and increasing operational complexity, which are accelerating adoption of intelligent mobile robotics.
- *Leveraging Technological Advantages to Enhance Competitiveness.* We continue to enhance our solutions to support broader applications, higher payloads and more complex environments, enabling customers to standardize deployments across multiple scenarios, increasing repurchase rates and order volumes. We are also investing in next-generation products, including embodied intelligence products, to expand future market opportunities.
- *Expanding Revenue Scale.* We drive revenue growth by expanding our customer base and deepening relationships with existing customers through integrated solutions and lifecycle services. We are also increasing our presence in higher-margin overseas markets through localized operations, partnerships and tailored solutions, supporting continued revenue growth and improved margins.

Continually Improving Profitability and Enhancing Operational Efficiency.

Our gross margin improved from 19.7% in 2023 to 29.7% in 2025, and from 27.1% in the six months ended June 30, 2025 to 29.4% in the same period in 2026, and we expect further improvement through cost optimization and operational enhancements.

- *Product Innovation and Margin Enhancement.* We improve profitability through continuous product and platform optimization, enhancing cost efficiency and scalability. R&D efficiency has improved as revenue growth outpaces R&D spending, reflecting our transition toward scaled commercialization while maintaining investment in core technologies.
- *Optimize Supplier Management.* We improve profitability through optimized supplier management and enhanced operating efficiency. We have reduced procurement costs through centralized purchasing, supplier optimization and localization, while leveraging increased scale to secure more favorable pricing and terms, resulting in a decline in cost of sales as a percentage of revenue. At the same time, we have strengthened delivery efficiency and operating leverage through standardized deployment processes and increased automation, reducing project costs, lowering expense ratios and narrowing net losses.
- *Improving delivery efficiency and strengthening operating leverage*. We continue to improve delivery efficiency and strengthen operating leverage by further enhancing project planning, increasing deployment automation and standardizing implementation processes, which are expected to reduce per-project labor costs. As our revenue scale grows, we expect to benefit from continued operating leverage, leading to lower operating expense ratios and improved cost efficiency, thereby supporting our path toward profitability.

Increasing Project Turnover Rate and Delivery Efficiency. We intend to improve working capital efficiency and operating cash generation by further shortening project commissioning and acceptance cycles through standardized deployment methodologies, expanded field engineering capacity and enhanced project management capabilities, as well as leveraging standardized solutions and modules to enable faster and more efficient deployment.

Financial Management Optimization. We aim to enhance capital efficiency by accelerating receivables collection, optimizing inventory turnover and aligning procurement with project timelines. We also plan to reduce financing costs and improve our capital structure, while benefiting from operating leverage as revenue grows, which is expected to improve cost efficiency and support our path toward adjusted net profit breakeven.

- *Iteration and operational excellence.* We continue to invest in research and development to support product iteration and platform optimization, while improving execution efficiency. Although R&D expenses remained significant in absolute terms, R&D expenses as a percentage of revenue declined from 48.3% in 2023 to 38.8% in 2024 and 19.1% in 2025, but increased slightly from 16.3% in the six months ended June 30, 2025 to 17.1% in the same period in 2026. This decline from 2023 to 2025 primarily reflects that certain of our products progressed into broader commercialization, as well as enhanced R&D efficiency in our core hardware platform, including our controller architecture, perception algorithms and modular hardware design. According to CIC, the industry-wide R&D expense ratio for leading intelligent mobile robotics companies typically ranges between 10% and 20%, and our ratio remains consistent with, and toward the upper end of, this benchmark, reflecting continued investment in embodied intelligence and next-generation fleet management technologies.
- *Optimize supplier management.* With expanding delivery scale and a more established supply chain, we achieved meaningful improvements in procurement efficiency and cost control. We benefited from centralized procurement, supplier substitution and localization, increased component standardization and scale effects in key hardware components, including sensors, power systems and controllers. In addition, certain components previously sourced externally were progressively replaced with optimized in-house or domestically sourced alternatives. As a result, cost of sales as a percentage of revenue decreased from 80.3% in 2023 to 75.8% in 2024 and further to 70.3% in 2025, and decreased from 72.9% in the six months ended June 30, 2025 to 70.6% in the same period in 2026.
- *Improving delivery efficiency and strengthening operating leverage.* As our project execution capabilities matured, delivery efficiency improved and labor costs per project declined, driven by better project planning, higher deployment automation and accumulated operational experience. As our revenue base expanded, we also achieved stronger operating leverage across sales, management and support functions. Selling and distribution expenses as a percentage of revenue decreased from 61.7% in 2023 to 43.1% in 2024 and 22.6% in 2025, and decreased from 18.8% in the six months ended June 30, 2025 to 14.8% in the same period in 2026, while administrative expenses declined from 24.2% in 2023 to 16.5% in 2024 and 11.6% in 2025. Our administrative expenses increased from 7.0% in the six months ended June 30, 2025 to 13.6% in the same period in 2026, primarily due to the significant increase in consulting and other professional service fees in relation to our **[REDACTED]**. Our adjusted net loss (Non-IFRS measure) for the period narrowed from RMB78.5 million in 2023 to RMB44.2 million in 2025. Our adjusted net loss increased slightly from RMB17.2 million for the six months ended June 30, 2025 to RMB18.6 million for the six months ended June 30, 2026.

RESEARCH AND DEVELOPMENT

Our ability to develop new technologies, design new products and solutions, and enhance existing products and solutions is critical for maintaining our market position. We have established interdisciplinary research and development capabilities that draw upon a diverse range of fields, such as software engineering, electronic engineering, control science, general artificial intelligence, computer vision and machine learning. Our in-house research and development team strives to expand the available functionalities and use cases of our robotic solutions and products, accommodating specific needs of various sectors. During the Track Record Period, our research and development expenses were RMB36.2 million, RMB44.5 million, RMB50.6 million, RMB22.0 million and RMB29.0 million, respectively, representing 36.0%, 39.4%, 35.8%, 38.7% and 37.6% of our total operating expenditure (which equals the sum of selling and distribution expenses, research and development expenses and administrative expenses) in 2023, 2024, and 2025, and in the six months ended June 30, 2025 and 2026, respectively. See "Business – Research and Development" for details.

INTELLECTUAL PROPERTY RIGHTS

As of the Latest Practicable Date, we had 186 issued patents, 11 pending patent applications, 33 registered copyrights and 32 registered trademarks in the PRC. In addition, we have obtained overseas trademark registrations in 16 jurisdictions, including the United States, Canada, the European Union, the United Kingdom, Australia, Japan, Korea and other markets, and we hold one overseas patent as of the Latest Practicable Date. We self-developed and self-owned all of our material intellectual property rights for both of our robotic solutions and robotic products and related products. All of our material intellectual property rights are attributing to and protecting both our robotic solutions and robotic products and related products. See "Business – Intellectual Property" for details.

OUR SALES NETWORK

We maintain an integrated sales and marketing function supported by a dedicated team covering both domestic and overseas markets. We conduct all of our sales primarily through direct sales, which allows us to maintain close relationships with customers, respond efficiently to their needs and ensure effective project delivery and acceptance. Our sales activities span major regions in Chinese Mainland as well as key overseas markets, including Southeast Asia, Japan, Korea and other selected international markets. Our sales team works closely with our product and engineering functions to align customer requirements, real-time feedback and evolving application needs with product iteration and solution optimization. See "Business – Sales and Marketing" for details.

OUR CUSTOMERS AND SUPPLIERS

During the Track Record Period, our revenue was primarily derived from the provision of robotic solutions, with a lesser portion generated from the sale of robotic products and related products. Our customer base includes enterprises across multiple industries and regions. For the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, the aggregate revenue contributed by our five largest customers in each period accounted for approximately 21.6%, 44.0%, 55.7% and 55.2% of our total revenue, respectively. During the same periods, revenue from our single largest customer accounted for approximately 4.8%, 16.5%, 26.7% and 16.4% of our total revenue, respectively.

Our major suppliers primarily consist of component and raw material providers. For the years ended December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026, our aggregate purchases from the five largest suppliers in each period accounted for approximately 31.5%, 36.2%, 28.3% and 22.3% of our total purchases, respectively, while purchases from our single largest supplier accounted for approximately 8.3%, 10.6%, 8.7% and 6.3% of total purchases, respectively. During the Track Record Period, we did not experience any material disputes with suppliers or disruptions to our procurement or operations.

See "Business – Our Customers" and "Business – Our Suppliers" for details.

During the Track Record Period, to the best knowledge of our Directors, three of our five largest customers were also our suppliers and one of our five largest suppliers were also our customers. See "Business – Overlapping Customers and Suppliers."

OUR MARKET OPPORTUNITIES AND COMPETITION

Driven by advancements in technologies, decreasing application costs and expanding application scenarios, the global intelligent robotics industry has entered a period of rapid growth. According to CIC, the global intelligent mobile robotics market increased from RMB14.8 billion in 2021 to RMB48.6 billion in 2025 in terms of sales revenue, and is expected to reach RMB176.3 billion by 2030. In China, the market increased from RMB4.2 billion in 2021 to RMB14.2 billion in 2025, and is expected to reach RMB57.8 billion by 2030. The global intelligent mobile robotics market is intensely competitive, with the top ten players accounting for only approximately 12.0% of the total market share by revenue in 2025. This fragmentation is largely due to the highly dispersed downstream application scenarios of intelligent robots across varied sectors and specific setting requirements. By revenue in 2025, we ranked top ten globally.

Industrial scenarios, which refer to operating environments within manufacturing systems where robots participate directly or indirectly in core production processes such as fabrication, processing, inspection and assembly, serving high-end manufacturing sectors (including electronics, automotive, new energy, semiconductor and others), remain the dominant and most stable source of downstream demand for intelligent mobile robots. The size of the global industrial intelligent mobile robotics market in terms of sales revenue increased from RMB6.0 billion in 2021 to RMB20.2 billion in 2025, and is projected to further grow to RMB80.9 billion by 2030. The top five domestic players accounted for approximately 15% of the global market in 2025. According to CIC, we were one of the top ten players globally and ranked fourth among all domestic players in industrial intelligent mobile robotics industry in terms of revenue in 2025.

Competition in the intelligent mobile robot industry is shaped by technological depth, solution delivery capability and the ability to scale operations, with key barriers including sustained investment in independent R&D, full-stack hardware–software integration, and proven large-scale deployment capabilities in complex real-world environments. See "Industry Overview" and "Business – Competition" for details.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Revenue	74,950	100.0	114,842	100.0	265,528	100.0	135,019	100.0	169,219	100.0
Cost of sales	(60,165)	(80.3)	(87,046)	(75.8)	(186,755)	(70.3)	(98,362)	(72.9)	(119,388)	(70.6)
Gross profit	14,785	19.7	27,796	24.2	78,773	29.7	36,657	27.1	49,831	29.4
Other income and gains	10,355	13.8	13,321	11.6	19,338	7.3	6,307	4.7	3,354	2.0
Selling and distribution expenses	(46,208)	(61.7)	(49,510)	(43.1)	(59,879)	(22.6)	(25,394)	(18.8)	(25,077)	(14.8)
Administrative expenses	(18,137)	(24.2)	(18,927)	(16.5)	(30,917)	(11.6)	(9,417)	(7.0)	(23,021)	(13.6)
Research and development expenses	(36,190)	(48.3)	(44,513)	(38.8)	(50,636)	(19.1)	(21,959)	(16.3)	(29,000)	(17.1)
Impairment losses on financial and contract assets	(4,524)	(6.0)	(5,675)	(4.9)	(3,951)	(1.5)	(1,623)	(1.2)	(3,931)	(2.3)
Other expenses	(132)	(0.2)	(66)	(0.1)	(940)	(0.4)	(37)	(0.0)	(1,761)	(1.0)
Finance costs	(1,235)	(1.6)	(2,595)	(2.3)	(4,320)	(1.6)	(1,995)	(1.5)	(1,005)	(0.6)
Finance costs on redemption financial liabilities	(32,483)	(43.3)	(37,687)	(32.8)	(47,176)	(17.8)	(20,950)	(15.5)	(33,092)	(19.6)
Loss before income tax	(113,769)	(151.8)	(117,856)	(102.6)	(99,708)	(37.6)	(38,411)	(28.4)	(63,702)	(37.6)
Income tax expenses	–	–	–	–	(22)	0.0	–	–	–	–
Loss for the year/period	(113,769)	(151.8)	(117,856)	(102.6)	(99,730)	(37.6)	(38,411)	(28.4)	(63,702)	(37.6)

Non-IFRS Measures

We define adjusted net loss (non-IFRS measure) as loss for the year adjusted for share-based payments, **[REDACTED]** expenses and finance costs on redemption financial liabilities. Share-based payment expenses consist of non-cash expenses arising from granting share options and restricted share units to eligible individuals through our employee incentive platform. See Note 36 to the Accountants' Report in Appendix I to this document. **[REDACTED]** expenses represent the fees incurred in relation to the **[REDACTED]**. Finance costs on redemption financial liabilities mainly represented redemption liabilities in relation to the redemption rights to certain inventors. The redemption financial liabilities will be converted into equity upon the completion of the **[REDACTED]**. See "Financial Information – Results of Operations – Non-IFRS Measures." The following table sets forth a reconciliation of our loss for the year to adjusted net loss (a non-IFRS measure) for the year/period indicated.

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(unaudited)*	
Loss for the year/period	(113,769)	(117,856)	(99,730)	(38,411)	(63,702)
Adjusted for:					
Share-based payments	2,833	1,733	762	279	1,385
[REDACTED] expense	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Finance costs on redemption financial liabilities	32,483	37,687	47,176	20,950	33,092
Non-IFRS measures:					
Adjusted net loss for the year/period	(78,453)	(78,436)	(44,206)	(17,182)	(18,633)

Revenue

During the Track Record Period, our revenue was primarily derived from our robotic solutions, and to a lesser extent, from the sales of robotic products and other related products. The following table sets forth the revenue breakdown by solution and product type in absolute amount and as a percentage of our total revenue for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Robotic solutions										
Standard AMR and omnidirectional heavy-load AMR solutions	39,905	53.3	51,436	44.8	173,119	65.3	103,715	76.8	92,567	54.7
Forklift AMR solutions	8,486	11.3	18,227	15.9	36,296	13.7	11,507	8.5	47,187	27.9
Embodied Intelligence robotic solutions	951	1.3	5,039	4.4	912	0.3	391	0.3	–	–
Outdoor AMR solutions	1,304	1.7	631	0.5	1,711	0.6	–	–	–	–
Software solutions	2,199	2.9	22,135	19.3	7,616	2.9	432	0.3	7,971	4.7
Subtotal	**52,845**	**70.5**	**97,468**	**84.9**	**219,654**	**82.8**	**116,044**	**85.9**	**147,726**	**87.3**
Robotic Products										
Standard AMR and omnidirectional heavy-load AMR robotic products	15,238	20.3	8,734	7.6	26,348	9.9	9,365	6.9	4,528	2.7
Embodied Intelligence robotic products	970	1.3	241	0.2	6,301	2.4	5,066	3.8	8,500	5.0
Forklift robotic products	3,059	4.1	3,904	3.4	4,340	1.6	1,578	1.2	4,302	2.5
Subtotal	**19,267**	**25.7**	**12,879**	**11.2**	**36,989**	**13.9**	**16,009**	**11.9**	**17,330**	**10.2**
Sales of accessories and others										
Technical support services	493	0.7	169	0.1	1,226	0.4	7	–	1,256	0.8
Accessories	2,345	3.1	4,326	3.8	7,659	2.9	2,959	2.2	2,908	1.7
Subtotal	**2,838**	**3.8**	**4,495**	**3.9**	**8,885**	**3.3**	**2,966**	**2.2**	**4,163**	**2.5**
Total	**74,950**	**100.0**	**114,842**	**100.0**	**265,528**	**100.0**	**135,019**	**100.0**	**169,219**	**100.0**

Gross Profit and Gross Margin

The following table sets forth the gross profit and gross profit margin by product type for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)									
							(unaudited)			
Robotic solutions										
Standard AMR and omnidirectional heavy-load AMR solutions	4,590	11.5	10,863	21.1	42,282	24.4	25,617	24.7	26,226	28.3
Forklift AMR solutions	1,152	13.6	6,148	33.7	9,899	27.3	202	1.8	11,171	23.7
Embodied Intelligence robotic solutions	(336)	(35.3)	2,182	43.3	529	58.0	326	83.2	–	–
Outdoor AMR solutions	220	16.9	259	41.0	530	31.0	–	–	–	–
Software solutions	98	4.5	1,492	6.7	2,536	33.3	354	82.0	518	6.5
Subtotal	**5,724**	**10.8**	**20,944**	**21.5**	**55,776**	**25.4**	**26,499**	**22.8**	**37,914**	**25.7**
Robotic Products										
Standard AMR and omnidirectional heavy-load AMR robotic products	5,467	35.9	2,414	27.6	13,329	50.6	4,926	52.6	2,740	60.5
Embodied Intelligence robotic products	114	11.7	90	37.2	2,817	44.7	2,435	48.1	3,980	46.8
Forklift robotic products	1,854	60.6	2,005	51.3	2,136	49.2	878	55.6	2,092	48.6
Subtotal	**7,435**	**38.6**	**4,509**	**35.0**	**18,282**	**49.4**	**8,239**	**51.5**	**8,811**	**50.8**
Sales of accessories and others										
Technical support services	374	75.7	148	87.7	1,180	96.2	(8)	(102.7)	1,073	85.5
Accessories	1,252	53.4	2,195	50.7	3,535	46.2	1,928	65.2	2,032	69.9
Subtotal	**1,626**	**57.3**	**2,343**	**52.1**	**4,715**	**53.1**	**1,920**	**64.7**	**3,105**	**74.6**
Total	**14,785**	**19.7**	**27,796**	**24.2**	**78,773**	**29.7**	**36,657**	**27.1**	**49,831**	**29.4**

Loss for the Year/Period

Our net loss increased from RMB113.8 million in 2023 to RMB117.9 million in 2024, primarily attributable to (i) an increase in cost of sales from RMB60.2 million to RMB87.0 million, (ii) an increase in research and development expenses from RMB36.2 million to RMB44.5 million, and (iii) an increase in finance costs on redemption financial liabilities from RMB32.5 million to RMB37.7 million, partially offset by an increase in revenue from RMB75.0 million to RMB114.8 million. Our net loss decreased from RMB117.9 million in 2024 to RMB99.7 million in 2025, primarily attributable to a substantial increase in revenue from RMB114.8 million in 2024 to RMB265.5 million in 2025, partially offset by (i) an increase in cost of sales from RMB87.0 million to RMB186.8 million, (ii) an increase in administrative expenses from RMB18.9 million to RMB30.9 million, and (iii) an increase in selling and distribution expenses from RMB49.5 million to RMB59.9 million. Our net loss increased from RMB38.4 million for the six months ended June 30, 2025 to RMB63.7 million for the same period in 2026, primarily attributable to (i) an increase in cost of sales from RMB98.4 million to RMB119.4 million, (ii) an increase in administrative expenses from RMB9.4 million to

RMB23.0 million, and (iii) an increase in finance costs on redemption financial liabilities from RMB21.0 million to RMB33.1 million, partially offset by an increase in revenue from RMB135.0 million to RMB169.2 million. For details, see "Financial Information — Period-to-Period Comparison of Results of Operations."

Summary of Consolidated Statements of Financial Position

The following table sets forth our selected financial position as of the dates indicated.

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Total non-current assets	14,613	64,344	72,514	76,011
Total current assets	322,858	491,503	690,133	695,017
Total assets	337,471	555,847	762,647	771,028
Total non-current liabilities	826	26,323	3,127	3,506
Total current liabilities	710,240	1,001,752	1,317,852	1,387,798
Net current liabilities	(387,382)	(510,249)	(627,719)	(692,781)
Net Liabilities	(373,595)	(472,228)	(558,332)	(620,276)

We recorded net liabilities of RMB373.6 million, RMB472.2 million, RMB558.3 million, and RMB620.3 million as of December 31, 2023, 2024, and 2025, and June 30, 2026, respectively. As of December 31, 2023, we had net liabilities of RMB373.6 million, primarily attributable to the loss for the year of RMB113.8 million. As of December 31, 2024, our net liabilities increased to RMB472.2 million, primarily due to (i) the recognition of redemption financial liabilities of RMB125.0 million, and (ii) the loss for the year of RMB117.9 million, partially offset by (i) capital contributions from shareholders of RMB125.0 million, and (ii) a positive change in fair value of equity investments at FVTOCI of RMB19.9 million. As of December 31, 2025, our net liabilities further increased to RMB558.3 million, primarily due to (i) the recognition of redemption financial liabilities of RMB298.4 million, and (ii) the loss for the year of RMB99.7 million, partially offset by (i) proceeds from the issue of shares of RMB277.0 million, and (ii) a positive change in fair value of equity investments at FVTOCI of RMB36.4 million. As of June 30, 2026, our net liabilities increased to RMB620.3 million, primarily due to (i) the loss for the period of RMB63.7 million, and (ii) the recognition of redemption financial liabilities of RMB30.0 million, partially offset by proceeds from the issue of shares of RMB30.0 million.

Our net current liabilities increased from RMB387.4 million as of December 31, 2023 to RMB510.2 million as of December 31, 2024, further to RMB627.7 million as of December 31, 2025 and further to RMB692.8 million as of June 30, 2026, primarily because the growth in our current liabilities outpaced that of our current assets during these periods. Our net current liabilities increased from 2023 to 2024 was mainly driven by the increase in current liabilities from RMB710.2 million to RMB1,001.8 million, largely due to higher redemption financial liabilities, trade and bills payables, and interest-bearing borrowings, while the corresponding increase in current assets was primarily supported by higher levels of cash and cash equivalents, inventories, and financial assets at fair value through profit or loss ("**FVTPL**"). Subsequently, our net current liabilities increased from 2024 to 2025 was primarily attributable to a further surge in current liabilities to RMB1,317.9 million, chiefly resulting from a RMB345.5 million increase in redemption financial liabilities, which was partially offset by decreases in contract liabilities and interest-bearing borrowings, meanwhile, our current assets grew to RMB690.1 million, mainly reflecting higher cash and cash equivalents, trade receivables, and contract assets. Our net current liabilities increased from December 31, 2025 to June 30, 2026, which was primarily attributable to the increase in current liabilities from RMB1,317.9 million to

RMB1,387.8 million, largely due to a RMB63.1 million increase in redemption financial liabilities, which was partially offset by a RMB19.0 million decrease in contract liabilities; meanwhile, our current assets stayed relatively stable at RMB690.1 million and RMB695.0 million.

We expect our net liabilities position to turn into a net assets position, following the re-designation of redemption financial liabilities as equity upon the **[REDACTED]**.

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows for the years/periods indicated.

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	(RMB in thousands)				
				(unaudited)	
Net cash used in operating activities	(76,967)	(94,477)	(65,336)	(46,645)	(32,644)
Net cash generated from/(used in) investing activities	9,666	11,650	38,170	(6,984)	(96,580)
Net cash from financing activities	43,587	183,682	233,788	20,551	11,934
Net (decrease)/increase in cash and cash equivalents	(23,714)	100,855	206,622	(33,078)	(117,290)
Cash and cash equivalents at the beginning of the year/period	52,963	29,249	130,092	130,092	336,355
Effect of foreign exchange rate changes (net)	–	(12)	(359)	258	(1,195)
Cash and cash equivalents at the end of the year/period	**29,249**	**130,092**	**336,355**	**97,272**	**217,870**

Our cash burn rate refers to the average monthly aggregate amount of (i) net cash used in operating activities, (ii) capital expenditures, and (iii) lease payment. The historical monthly cash burn rate amounted to RMB7.3 million, being the average monthly cash burn over the 36 months from January 1, 2023 to December 31, 2025. Although the Group expects future capital expenditures and lease payments to increase, it anticipates that its future losses will gradually narrow; accordingly, the future monthly cash burn rate is expected to decrease to RMB5.1 million. We had cash and cash equivalents, current portion of time deposits, and current portion of financial assets at FVTPL of RMB328.0 million in aggregate as of June 30, 2026. We estimate that we will receive **[REDACTED]** of approximately HK$**[REDACTED]** after deducting the **[REDACTED]** expenses payable by us in the **[REDACTED]**, assuming no **[REDACTED]** is exercised and assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the low-end of the indicative **[REDACTED]** in this document.

Using the aforementioned future monthly cash burn rate and based on the Group's profit forecast and future expansion plans, the Group estimates that its cash and cash equivalents, current portion of time deposits, and financial assets at FVTPL as of June 30, 2026 will be able to maintain its financial viability for approximately **[REDACTED]** months or, if taking into account **[REDACTED]**% of the estimated **[REDACTED]** from the **[REDACTED]** (namely, the portion allocated for our working capital and other general purposes), approximately **[REDACTED]** months or, taking into account **[REDACTED]**% of the estimated **[REDACTED]** (based on the low-end of the indicative **[REDACTED]**) from the **[REDACTED]**, for approximately **[REDACTED]** months. Our Directors and our management will continue to

monitor our working capital, cash flows, and our business development status. We expect our costs and expenses will continue to increase as our business grows, but we do not expect such increase to outpace our revenue increase in the foreseeable future.

Key Financial Ratios

The following table sets forth our selected financial indicators for the periods and as of the dates indicated.

	For the Year Ended/As of December 31,			For the Six Months Ended/As of June 30,	
	2023	2024	2025	2025	2026
				(unaudited)	
Gross margin[(1)]	19.7%	24.2%	29.7%	27.1%	29.4%
Adjusted net loss margin (Non-IFRS measure)[(2)]	(104.7%)	(68.3%)	(16.6%)	(12.7%)	(11.0%)
Current ratio[(3)]	0.45	0.49	0.52	N/A	0.50
Gearing ratio[(4)]	13.4%	24.8%	15.5%	N/A	11.8%

See "Financial Information – Key Financial Ratios" for details.

APPLICATION FOR THE [REDACTED] ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the approval of **[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 Domestic Shares into H Shares on the basis that, among other things, we satisfy the requirement under Rule 18C.03 of the Listing Rules (as modified by the Joint Announcement of the SFC and the Stock Exchange in relation to Temporary Modifications to Requirements for Specialist Technology Companies and De-SPAC Transaction dated August 23, 2024) as a Commercial Company (as defined in the Listing Rules) with reference to our expected market capitalization at the time of **[REDACTED]**, which, based on the low-end of the **[REDACTED]** stated in this document, exceeds HK$4 billion.

RISK FACTORS

We are a specialist technology company seeking to **[REDACTED]** on the Main Board of the Stock Exchange under Chapter 18C of the Listing Rules. We believe there are certain risks and uncertainties involved in the **[REDACTED]** in our Shares, some of which are beyond our control. If any of such risks and uncertainties materializes, the **[REDACTED]** of our Shares could decline, and you may lose all or part of your **[REDACTED]**. Some of the major risks we face include: (i) we operate in a fast-changing and competitive market subject to an evolving landscape, and failing to maintain competitiveness could materially harm our business; (ii) we cannot ensure that there will be sufficient future market adoption of our industrial intelligent robotic solutions, nor can we ensure that industry developments as well as market acceptance of industrial intelligent robotic solutions will develop in our favor; (iii) if we fail to acquire new customers or retain existing customers, our business, financial conditions and results of operations may be adversely affected; (iv) we cannot guarantee that our business development strategies will be successfully managed or achieved as we expected; (v) expanding our product offerings may expose us to new operational and market challenges; (vi) we may fail to continue to research and develop or effectively respond to the evolving technology and market dynamics of the intelligent robotic solutions industry if we fail to innovate or introduce new products on a timely basis; (vii) if our products contain defects and do not meet our customers' expectations, our business, results of operations and reputation would be materially and adversely affected; and (viii) if we fail to effectively maintain and optimize our sales network, our brand, results of operations and financial condition could be adversely affected.

OUR PRE-[REDACTED] INVESTORS

We have completed rounds of financings as of the Latest Practicable Date since our establishment and raised a total of approximately RMB796.6 million from our Pre-**[REDACTED]** Investments for our business development (including investments from our Sophisticated Independent Investors). See "History, Development and Corporate Structure – Pre-**[REDACTED]** Investments" for details about the identity and background of the Pre-**[REDACTED]** Investors.

OUR SINGLE LARGEST SHAREHOLDER GROUP

As of the Latest Practicable Date, Dr. Xiong, chairperson of the Board and executive Director, was entitled to exercise approximately 29.61% of the voting rights in the Company through: (i) 6,133,505 Shares (representing approximately 9.79% of the voting rights in the Company) directly held by her; and (ii) 12,414,671 Shares (representing approximately 19.82% of the voting rights in the Company) held by Ningbo Jiachuang and Hangzhou Jiarui, with Dr. Xiong being the general partner of each. Immediately after completion of the **[REDACTED]**, Dr. Xiong, Ningbo Jiachuang and Hangzhou Jiarui will continue to control approximately **[REDACTED]**% of the voting rights in the Company (assuming that the **[REDACTED]** is not exercised) or approximately **[REDACTED]**% of the voting rights in the Company (assuming that the **[REDACTED]** is exercised in full). Accordingly, Dr. Xiong, Ningbo Jiachuang and Hangzhou Jiarui will be our Single Largest Shareholder Group upon **[REDACTED]**.

DIVIDENDS

We did not declare or pay dividends on our Shares during the Track Record Period. Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. We currently do not have any dividend policy or fixed dividend pay-out ratio. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. As confirmed by our PRC Legal Advisor, according to relevant PRC laws, 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. We will, therefore, only be able to declare dividends after: (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

See "Financial Information – Dividends" for details.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Since June 30, 2026, we have maintained stable business operations and continued to develop steadily. Our Directors have confirmed that there has been no material adverse change in our financial, up to the date of this Document, or trading position or prospects since June 30, 2026, being the end date of our latest consolidated financial statements as set out in "Appendix I – Accountants' Report" to this Document.

[REDACTED]

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, **[REDACTED]**, and other fees incurred in connection with the **[REDACTED]**. The estimated total **[REDACTED]** expenses (based on the mid-point of the **[REDACTED]** range and assuming that the **[REDACTED]** is not exercised) for the **[REDACTED]** are approximately RMB**[REDACTED]** (equivalent to approximately HK$**[REDACTED]**), accounting for approximately **[REDACTED]**% of our gross **[REDACTED]** from the **[REDACTED]**. The estimated total **[REDACTED]** expenses consist of (i) **[REDACTED]** expenses (including but not limited to **[REDACTED]** and fees) of approximately RMB**[REDACTED]** (approximately HK$**[REDACTED]**), and (ii) **[REDACTED]** expenses of approximately RMB**[REDACTED]** (approximately HK$**[REDACTED]**), which consist of fees and expenses of legal advisors and Reporting Accountants of approximately RMB**[REDACTED]** (approximately HK$**[REDACTED]**), and other fees and expenses of approximately RMB**[REDACTED]** (approximately HK$**[REDACTED]**). Approximately RMB**[REDACTED]** (equivalent to approximately HK$**[REDACTED]**) of the estimated **[REDACTED]** expenses is directly attributable to the issue of new Shares to the public and will be account for as a deduction from equity upon completion of the **[REDACTED]**. Approximately RMB**[REDACTED]** (equivalent to approximately HK$**[REDACTED]**) is expected to be charged in profit or loss before or upon completion of the **[REDACTED]**, of which we recorded **[REDACTED]** expense of RMB**[REDACTED]** in profit or loss during the Track Record Period. This calculation is subject to adjustment based on the actual amount incurred or to be incurred. The **[REDACTED]** expenses above are the best estimate as of the Latest Practicable Date and are for reference only. The actual amount may differ from such an estimate.

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]**, after deducting estimated **[REDACTED]**, fees and expenses payable by us in connection with the **[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the mid-point of the **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]** per Share, and assuming the **[REDACTED]** is not exercised. We currently intend to apply the **[REDACTED]** from **[REDACTED]** for the following purposes: (i) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be used to advance R&D for our core components, fundamental technology platforms, robotic products and software systems; (ii) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will

be allocated to the enhancement of production capacity and digital upgrade; (iii) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be used to expand and strengthen our sales and service network; (iv) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be used to pursue strategic alliances, investments, and acquisition opportunities within the upstream and downstream segments of the robotics industry chain. As of the Latest Practicable Date, we had not identified any investment or acquisition target, nor had we entered into any definitive agreement regarding any such transaction; and (v) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used for working capital and general corporate purposes. See "Future Plans and Use of **[REDACTED]**" for details.

In this document, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below. Certain other terms are explained in "Glossary of Technical Terms."

"Accountants' Report"	the accountants' report of the Company, the text of which is set out in "Appendix I"
"affiliate(s)"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	Accounting and Financial Reporting Council of Hong Kong
"Articles of Association" or "Articles"	the articles of association of the Company conditionally adopted on January 10, 2026 with effect from the **[REDACTED]**, as amended, supplemented or otherwise modified from time to time, a summary of which is set out in "Appendix V – Summary of Articles of Association"
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of Directors of the Company
"Business Day"	a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
"China," "Chinese Mainland" or "PRC"	the People's Republic of China and for the purpose of this document only and for geographical reference only, except where the context requires, references in this document to "China", "Chinese Mainland" and "PRC" do not apply to Hong Kong SAR, Macau Special Administrative Region and Taiwan Region
"CIC" or "Industry Consultant"	China Insights Industry Consultancy Limited, our industry consultant, an independent market research and consulting company
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Commercial Company"	has the meaning ascribed to it under the Listing Rules
"Companies Ordinance"	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"	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 "the Company"	Zhejiang IPLUSMOBOT Technology Co., Ltd. (浙江迦智科技股份有限公司), a limited liability company established under the laws of the PRC on July 4, 2016 and converted into a joint stock company with limited liability on November 26, 2025, and where the context so permits, shall include its predecessor
"Compliance Adviser"	Rainbow Capital (HK) Limited
"Comprehensively Sanctioned Countries"	any country or territory subject to a general and comprehensive export, import, financial or investment embargo under sanctions related law or regulation of the Relevant Jurisdiction. For the purpose of this Document, Comprehensively Sanctioned Countries include Cuba, Iran, North Korea, Syria, the Crimea Region of Russia/Ukraine, the self-proclaimed Luhansk People's Republic (LPR) and Donetsk People's Republic (DPR) regions and Zaporizhzhia and Kherson regions
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Countries subject to International Sanctions"	any country or territory subject either to a general and comprehensive embargo or a more limited set of export, import, financial or investment restrictions under sanctions related laws or regulation of the Relevant Jurisdiction
"CSDC"	China Securities Depositary and Clearing Corporation Limited (中國證券登記結算有限責任公司)
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of the Company
"Domestic Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in Renminbi, held by domestic investors and not listed or traded on any stock exchange
"Dr. Xiong"	Dr. Xiong Rong (熊蓉), founder of the Group, chairperson of the Board, executive Director and a member of our Single Largest Shareholder Group
"EIT"	enterprise income tax
"EIT Law"	Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》), as amended, supplemented or otherwise modified from time to time
[REDACTED]	**[REDACTED]**

[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
"Group", "we" or "us"	the Company and its subsidiaries from time to time
"Guide"	the Guide for New Listing Applicants issued by the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which will be **[REDACTED]** for and **[REDACTED]** in Hong Kong dollars and **[REDACTED]** on the Stock Exchange
[REDACTED]	**[REDACTED]**
"Hangzhou Jiarui"	Hangzhou Jiarui Investment Management Partnership Enterprise (Limited Partnership) (杭州迦睿投資管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on November 29, 2016, managed and controlled by Dr. Xiong, our employee incentive platform and a member of our Single Largest Shareholder Group
"HK$" or "Hong Kong dollars" or "HK dollars"	Hong Kong dollars, the lawful currency of Hong Kong
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**

[REDACTED]	**[REDACTED]**
"Hong Kong", "HK" or "Hong Kong SAR"	the Hong Kong Special Administrative Region of the PRC
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
"Independent Third Party(ies)"	entity(ies) or person(s) which, to the best of the Directors' knowledge, information, and belief having made all reasonable enquiries, is/are not a connected person(s) of the Company within the meaning of the Listing Rules
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
"International Sanctions"	all applicable laws and regulation to economic sanctions, export controls, trade embargoes and wider prohibitions and restrictions on international trade and investment related activities, including those adopted, administered and enforced by the U.S. Government, the EU and its member states, the United Kingdom, UN or Government of Australia

"International Sanctions Legal Adviser"	Hogan Lovells Cadwalader International LLP (formerly Hogan Lovells International LLP), the legal adviser as to international sanctions law to the Company
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
"JPY"	Japanese Yen, the lawful currency of Japan
"Latest Practicable Date"	August 23, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"MIIT"	the Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部)
"Nasdaq"	the National Association of Securities Dealers Automated Quotations
"Ningbo Jiachuang"	Ningbo Meishan Free Trade Port Area Jiachuang Investment Management Partnership Enterprise (Limited Partnership) (寧波梅山保税港區迦創投資管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on January 10, 2018, managed and controlled by Dr. Xiong, and a member of our Single Largest Shareholder Group
"Nomination Committee"	the nomination committee of the Board

"Notifiable Transaction"	certain transactions by United States persons involving covered foreign persons engaged in activities involving national security technologies and products, which is not prohibited but require notification to the Department of the Treasury in the context of the U.S. Outbound Investment Security Program (OISP) Final Rule and the Comprehensive Outbound Investment National Security Act of 2025 (COINS Act)
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
"OFAC"	the U.S. Department of Treasury's Office of Foreign Assets Control
[REDACTED]	**[REDACTED]**
"Pathfinder SII(s)"	has the meaning ascribed to it in Chapter 2.5 of the Guide
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC AoA Guidelines"	Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》), as amended, supplemented or otherwise modified from time to time
"PRC Company Law"	Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
"PRC Legal Advisor"	Grandall Law Firm (Hangzhou), our legal advisor as to PRC law
"Pre-**[REDACTED]** Investment(s)"	the investment(s) in the Company undertaken by the Pre-**[REDACTED]** Investors, the details of which are set out in "History, Development and Corporate Structure"
"Pre-**[REDACTED]** Investor(s)"	the investor(s) as set out in "History, Development and Corporate Structure"

[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
"R&D"	research and development
"Regulation S"	Regulation S under the U.S. Securities Act
"Relevant Jurisdiction"	any jurisdiction that is relevant to the Company and has sanctions related law or regulation restricting, among other things, its nationals and/or entities which are incorporated or located in that jurisdiction from directly or indirectly making assets or services available to or otherwise dealing in assets with, certain countries, governments, person or entities targeted by such law or regulation. For the purpose of this Document, Relevant Jurisdictions include the U.S., EU, UK, UN and Australia
"Remuneration Committee"	the remuneration committee of the Board
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SAFE"	State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"Sanctioned Person"	certain person(s) and identity(ies) listed on OFAC's Specially Designated Nationals and Blocked Persons List or other restricted parties lists maintained by the U.S., EU, UK, UN or Australia
"Sanctioned Target"	any person or entity (i) designated on any list of targeted persons or entities issued under the sanctions-related law or regulation of a Relevant Jurisdiction; (ii) that is, or is owned or controlled by, a government of a Comprehensively Sanctioned Countries; or (iii) that is the target of sanctions under the law or regulation of a Relevant Jurisdiction because of a relationship of ownership, control, or agency with a person or entity described in (i) or (ii)
"SDN"	any entity designated on the list of Specially Designated Nationals and Blocked Persons
"Secondary Sanctionable Activity"	certain activity by the Company that may result in the imposition of sanctions against the Relevant Person(s) by a Relevant Jurisdiction (including designation as a Sanctioned Target or the imposition of penalties), even though the Company is not incorporated or located in that Relevant Jurisdiction and does not otherwise have any nexus to that Relevant Jurisdiction
"SFC"	Securities and Futures Commission of Hong Kong

"SFO"	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 share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising Domestic Share(s) and H Share(s)
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen Stock Exchange"	the Shenzhen Stock Exchange (深圳證券交易所)
"Single Largest Shareholder Group"	collectively, Dr. Xiong, Ningbo Jiachuang and Hangzhou Jiarui
"Sole Sponsor", **[REDACTED]** and **[REDACTED]**	China International Capital Corporation Hong Kong Securities Limited
"Sophisticated Independent Investor(s)"	has the meaning ascribed thereto under the Listing Rules
"Specialist Technology"	the science and/or technology applied to products and/or services in eligible sectors within the relevant Specialist Technology Industries
"Specialist Technology Company"	has the meaning ascribed to it under Chapter 18C of the Listing Rules
"Specialist Technology Industry"	has the meaning ascribed to it under Chapter 18C of the Listing Rules
"Specialist Technology Product(s)"	has the meaning ascribed to it under Chapter 18C of the Listing Rules
[REDACTED]	**[REDACTED]**
"State Council"	State Council of the PRC (中華人民共和國國務院)
"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 to it under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Track Record Period"	the three financial years ended December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026
"treasury shares"	has the meaning ascribed to it under the Listing Rules
"Trial Measures" or "Overseas Listing Trial Measures"	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》) promulgated by the CSRC on February 17, 2023

"U.S." or "United States"	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
"U.S. dollar" or "US$"	United States dollar, the lawful currency of the United States
"U.S. Securities Act"	United States Securities Act of 1933 and the rules and regulations promulgated thereunder, as amended, supplemented or otherwise modified from time to time
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
"VAT"	value-added tax
[REDACTED]	**[REDACTED]**
[REDACTED]	**[REDACTED]**
"%"	per cent

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in this document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.

For the purpose of this document, references to "provinces" of China include provinces, municipalities under direct administration of the central government and provincial-level autonomous regions.

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.

GLOSSARY OF TECHNICAL TERMS

This glossary contains definitions of certain technical terms used in this document in connection with us and our business. These may not correspond to standard industry definitions and may not be comparable to similar terms adopted by other companies.

"3C"	computer, communication and consumer electronics
"4C core technology architecture"	the four key technological modules underlying our core technology platform, namely core components, control technologies, fleet management system and application software
"absolute encoder"	a sensor that provides absolute position information for precise motion and positioning control
"AGI"	artificial general intelligence, the representation of generalized human cognitive abilities in artificial intelligence so that, when faced with any unfamiliar task that a human being is capable of, it could find a solution to perform such task
"AGV"	automated guided vehicles, which are vehicles that follow a predefined path (i.e., guidepath) indicated by markers or external guidance commands to transport materials within a facility
"AI"	artificial intelligence, simulation of human intelligence processes by machines, especially computer systems
"algorithm"	a procedure or set of rules used in calculation and problem-solving by computer systems
"AMR"	autonomous mobile robots, which are robots designed to navigate environments without human intervention using advanced sensors and algorithms
"API"	application programming interface, a type of software interface offering a service to other pieces of software
"architecture"	the structure under which an information system's hardware, software, data and communication capabilities are put together
"autonomous decision-making"	the ability to make decisions leveraging algorithms and mathematical models, without human intervention
"BMS"	battery management system, any electronic system that manages a rechargeable battery (cell or battery pack) by facilitating the safe usage and a long life of the battery in practical scenarios while monitoring and estimating its various states (such as state of health and state of charge), calculating secondary data, reporting that data, controlling its environment, authenticating or balancing it
"BOM"	bill of materials, an extensive list of raw materials, components, and instructions required to construct, manufacture, or repair a product or service
"CAGR"	compound annual growth rate

GLOSSARY OF TECHNICAL TERMS

"CANOpen"	a communication protocol stack and device profile specification for embedded systems used in automation
"CE"	Conformité Européenne, a regulatory standard that verifies certain products are safe for sale and use in the European Economic Area
"centralized fleet orchestration"	the centralized coordination, scheduling and management of multiple robots within a system
"CMOS"	Complementary metal-oxide-semiconductor, a type of metal-oxide-semiconductor field-effect transistor (MOSFET) fabrication process that uses complementary and symmetrical pairs of p-type and n-type MOSFETs for logic functions
"CNC"	computer numerical control, a manufacturing technology that uses computerized systems to automate the control of machine tools, enabling precise, repeatable, and efficient production of complex parts
"control system" or "robotic control system"	a system that manages, commands and regulates the behavior of a robot to achieve desired outcomes, which includes an embedded controller within the robot itself and cloud-based software
"controller"	a device or system that integrates intelligent algorithms, while managing various sensors and actuators to enable autonomous operation of the robot
"CPU"	central processing unit, the central unit in a computer containing the logic circuitry that performs the instructions of a computer program
"DC"	direct current
"depth camera"	cameras that capture 3D information by measuring the distance between the camera and surrounding objects, enabling spatial awareness for robots
"digital twin"	a digital model of an intended or actual real-world physical product, system, or process (a physical twin) that serves as a digital counterpart of it for purposes such as simulation, integration, testing, monitoring, and maintenance
"DoF"	degree of freedom, the number of degrees of freedom is the number of values in the final calculation of a statistic that are free to vary
"electronics"	collective term for major categories of electronic products: computer, communication, consumer electronics and others

"end customers"	businesses that actually deploy our solutions. Unless stated otherwise in this document, end customers are calculated on a consolidated basis, i.e., end customers that are affiliated – such as subsidiaries, or companies under common control – will be treated as a single end-customer; for the avoidance of doubt, the number of "end customers" presented in this Document does not include the number of channel partner
"end-effector"	a type of devices attached to the end of a robot arm that directly interact with the environment to perform a specific task, such as a gripper, welder, or spray gun
"end-to-end integration"	the integration of the full process from perception and decision-making to execution within a unified system
"ERP"	enterprise resource planning, a software system that integrates core business processes, including manufacturing, supply chain, finance and human resources
"ESD standards"	electrostatic discharge standards developed by the ESD Association and adopted by the American National Standards Institute
"ESG"	environmental, social and governance
"EtherCAT"	Ethernet for Control Automation Technology, a real-time Industrial Ethernet fieldbus system, which was introduced in 2003 and has been an international standard since 2007
"EV"	electric vehicle
"fleet management system"	a software system used to coordinate and optimize the operation of a fleet of AMRs. It handles dynamic task assignment, path planning, traffic control, battery management, and status monitoring to ensure safe and efficient robot operations in logistics or manufacturing environments
"FPGA"	field-programmable gate array, a type of configurable integrated circuit that can be repeatedly programmed after manufacturing
"IMU"	inertial measurement unit, an electronic device that measures and reports a body's specific force, angular rate, and sometimes the orientation
"integrated perception – planning – control edge-computing platform"	a computing platform that integrates perception, planning and control functions at the edge level
"intelligent robot"	a robot that exhibits intelligent behavior by using technologies such as AI, machine learning and computer vision to simulate human cognition and physical coordination
"intralogistics"	the movement, storage, and management of materials and goods within a company's facility, such as a warehouse, distribution center, or manufacturing plant

GLOSSARY OF TECHNICAL TERMS

"IoT"	internet of things, the concept of connecting physical devices to a large, interconnected network
"ISO"	the International Organization for Standardization, a worldwide federation of national standards bodies
"LCD"	liquid-crystal display, a flat-panel display or other electronically modulated optical device that uses the light-modulating properties of liquid crystals combined with polarizers to display information
"LiDAR"	Light Detection and Ranging, a remote sensing method that uses laser light to measure distances to objects and create detailed 3D representations of the environment
"MAPF"	multi-agent path-finding, an instance of multi-agent planning and consists in the computation of collision-free paths for a group of agents from their location to an assigned target. It is an optimization problem, since the aim is to find those paths that optimize a given objective function, usually defined as the number of time steps until all agents reach their goal cells
"MES"	manufacturing execution system
"module"	in the context of describing our products and technology infrastructure, a module refers to a part of a system or hardware that can operate to support specific functionality, and a module is usually comprised of multiple function
"multi-modal sensing"	the use and integration of multiple sensing modalities, such as vision and LiDAR, to perceive and interpret surrounding environments
"order intake"	total value of new contracts or orders secured within a specific period (including taxes)
"QR code"	quick response code, a type of matrix barcode or two-dimensional barcode
"R&D"	research and development
"reinforcement learning"	a machine learning technique that trains software to make decisions to achieve the most optimal results. It mimics the trial-and-error learning process that humans use to achieve their goals
"robot"	a programmable, actuated mechanism capable of movement with a certain degree of autonomy, designed to operate in specific environments to perform predefined tasks
"robot morphologies"	different structural forms and configurations of robots, including wheeled, tracked, quadruped or hybrid designs
"RTK"	real-time kinematic, a satellite navigation technique used to enhance the precision of position data derived from satellite-based positioning systems

GLOSSARY OF TECHNICAL TERMS

"servo driver"	a device that converts control signals into electrical outputs to drive motors and enable precise motion control
"SLAM"	simultaneous localization and mapping, a computational technique used by robots to build a map of an environment while simultaneously determining their location within it
"SMT"	surface-mount technology, a method in which the electrical components are mounted directly onto the surface of a printed circuit board
"spatiotemporal scheduling algorithm"	an algorithm that performs task scheduling and path planning by considering both spatial and temporal factors
"system integrator"	a professional or company that connects various automation technologies, such as robotics, controllers, and software, into a cohesive system, ensuring these components work together effectively to achieve the desired outcomes
"unified core technology platform"	an integrated technological framework combining multiple core hardware and software technologies to support various robotic products and applications
"VLA"	vision-language-action, an AI model that integrates visual perception, natural language understanding and action planning. It enables robots or agents to interpret human instructions (language), perceive the environment (vision), and perform appropriate physical actions
"WMS"	warehouse management system

FORWARD-LOOKING STATEMENTS

This document contains, and the documents incorporated by reference herein may contain, forward-looking statements representing our goals, beliefs, expectations, intentions or predictions for the future. These forward-looking statements are contained principally in "Summary," "Risk Factors," "Industry Overview," "Business," "Financial Information" and "Future Plans and Use of **[REDACTED]**." Forward-looking statements typically can be identified by the use of words such as "aim," "anticipate," "aspire," "believe," "continue," "could," "estimate," "expect," "forecast," "goals," "intend," "may," "objective," "ought to," "outlook," "plan," "potential," "project," "schedules," "seek," "should," "target," "vision," "will," "would" and other similar terms. Forward-looking statements reflect the current views of the Directors with respect to future events, operations, liquidity and capital resources. Some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including those listed in "Risk Factors," which are beyond our control and may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Our forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to us about the businesses that we operate. The risks, uncertainties and other factors, many of which are beyond our control, that could influence actual results include, but are not limited to: our operations and business prospects; our business and operating strategies and our ability to implement such strategies; our future business development, financial condition and results of operations; our ability to develop and manage our operations and business; our ability to control costs and expenses; our capital expenditure plan; our expectations regarding demand for and market acceptance of our products and services; our expectations regarding our relationships with customers, suppliers and other partners to conduct our business; our planned use of **[REDACTED]**; future developments, trends and competitive landscape in the industries and markets in which we operate or plan to operate; relevant government policies and regulations relating to our industry; and capital market developments.

By their nature, certain disclosures relating to these and other risks are only estimates. Should one or more of these risks or uncertainties, among others, materialize, or should the underlying assumptions prove to be incorrect, actual results may vary materially from those estimated, anticipated or projected, as well as from historical results. Accordingly, you should not place undue reliance on any forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made. Except as required by applicable laws, rules and regulations, including the Listing Rules, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. Statements of, or references to, our intentions or those of any of the Directors are made as of the date of this document. Any such intentions may change in light of future developments.

All forward-looking statements in this document are expressly qualified by reference to this cautionary statement.

An **[REDACTED]** *in our Shares involves significant risks. You should carefully consider all of the information set out in this document, including the risks and uncertainties described below, before making an* **[REDACTED]** *in our Shares. Particularly, we are a Specialist Technology Company seeking to* **[REDACTED]** *on the Main Board of the Stock Exchange under Chapter 18C of the Listing Rules. Our operations and the Specialist Technology Industry in which we operate involve certain risks and uncertainties, some of which are beyond our control and may cause you to lose all your* **[REDACTED]** *in our Shares.*

The following is a description of what we consider to be our material risks. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks and uncertainties. The **[REDACTED]** *of our Shares could decline due to any of these risks, and you may lose all or part of your* **[REDACTED]**. *These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in "Forward-looking Statements."*

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

We operate in a fast-changing and competitive market subject to an evolving landscape. Failing to maintain competitiveness could materially harm our business.

We operate in a highly competitive and rapidly evolving intelligent robotics market, and failure to maintain our competitiveness could materially and adversely affect our business. The markets for intelligent mobile robotics and embodied intelligence robotics are rapidly expanding, supported by breakthroughs in artificial intelligence, increasing maturity of hardware and software ecosystems, rising global demand for automation amid labor constraints and cost pressures, and favorable government policies promoting smart manufacturing and robotics adoption. As these drivers accelerate industry development and shape customer expectations, users increasingly require higher levels of autonomy, reliability, environmental adaptability and system-level integration from intelligent robotic solutions, intensifying competition across the market. According to CIC, the top ten players in the global intelligent mobile robotics market accounted for only approximately 12.0% of the total market share by revenue in 2025. By revenue in 2025, we ranked tenth globally with an estimated market share of approximately 1.0%. The number of industry participants may continue to increase in the future, which could intensify competitive pressures, and we cannot assure you that our market position will remain the same. See "Industry Overview – Competitive Landscape" for more details.

Customer expectations in our industry continue to rise, particularly with respect to navigation accuracy, system reliability, environmental adaptability, interoperability with existing digital systems, and the ability to support deployment across complex indoor, outdoor and hybrid scenarios. Competitors may introduce new solutions or upgrade their technologies at a pace faster than we anticipate, and we may be required to devote significant resources to maintaining our technological advantages, product performance, cost efficiency and full-scenario deployment capabilities. In line with industry practice, both our products and those of our peers typically follow a lifecycle of approximately five years. Failure to keep pace with technological advancements could accelerate product obsolescence and expose us to heightened risks in maintaining competitiveness. If our technologies, platforms or solutions fail to meet evolving customer needs, industry standards or regulatory and safety requirements, or if competing products achieve better performance, lower cost or faster deployment, our market position and customer demand may decline.

Intensifying competition may also result in pricing pressure, reduced margins, higher customer acquisition costs and increased investment in research and development, talent recruitment and scenario-specific engineering. If we fail to respond effectively to competitive dynamics or technological shifts, our business, financial condition and results of operations could be materially and adversely affected.

We cannot ensure that there will be sufficient future market adoption of our industrial intelligent robotic solutions, nor can we ensure that industry developments as well as market acceptance of industrial intelligent robotic solutions will develop in our favor.

The global intelligent robotics market has expanded rapidly in recent years, supported by rising automation demand and ongoing technological advances. According to the same source, in terms of sales revenue, the size of the global intelligent robotics market increased from RMB20.6 billion in 2021 to RMB68.3 billion in 2025, representing a CAGR of 35.0% from 2021 to 2025, and is projected to reach RMB530.4 billion by 2030, representing a CAGR of 51.9% from 2026 to 2030. The global intelligent mobile robotics market expanded from RMB14.8 billion in 2021 to RMB48.6 billion in 2025, representing a CAGR of 34.6% from 2021 to 2025. The global embodied intelligence robotics market expanded from RMB1.3 billion in 2021 to RMB9.9 billion in 2025, and is expected to increase to RMB326.2 billion in 2030, representing a CAGR of 94.5% from 2026 to 2030. As more companies acknowledge the value of intelligent robots in enhancing efficiency, reducing costs, and improving service quality, there is a growing willingness to invest in these technologies. However, there is considerable uncertainty over future market sizes and the rate at which these markets will grow. Our growth is dependent on the trend toward such robots as key component of the warehouse automation industry. Therefore, our growth is highly dependent upon the worldwide adoption by end customers of intelligent robots in warehouse fulfillment and industrial material transport. Businesses and end customers have demonstrated increasing demand to reduce labor costs, minimize errors, and improve overall efficiency, leading to growing interest in intelligent robots. However, this interest in our industry depends largely on general economic development, particularly in advanced industrialized economies.

We have observed growing interest in intelligent mobile robots and embodied intelligence robots across various industries, driven by advancements and the increasing emphasis on automation to enhance operational efficiency. Should there be a deceleration in the market interest in the intelligent robots solutions, or if organizations delay the adoption of solutions, the growth of our business may be constrained, potentially impacting our financial performance. In addition, if regulatory frameworks governing intelligent robots become overly stringent, creating barriers to entry or operational hurdles, adoption of intelligent robots may decline. This could negatively affect demand for our intelligent robots, as customers may be reluctant to invest in robotics technologies under such conditions. Broader economic or industry trends, including shifts in automation adoption or downturns in the global intelligent robots industry, could materially and adversely impact our business, results of operations and financial condition.

If we fail to acquire new customers or retain existing customers, our business, financial conditions and results of operations may be adversely affected.

Our ability to acquire new customers in a cost-effective manner and retain existing customers is critical to the growth of our business and our profitability. There is no guarantee that we will maintain good relationship with customers or new customers will stick with us or that the net profits from new customers will outweigh the expense of acquiring them.

During the Track Record Period, our revenue was primarily generated from our robotic solutions, and to a lesser extent, from the sales of robotic products and other related products. Our results of operations are highly dependent on the development and performance of the underlying industries in which our customers operate. In addition, the scale and stability of our existing customer base may materially decline or fluctuate due to various factors. If we fail to retain existing customers or to acquire new customers in a cost–effective manner, our business, financial condition and results of operations could be materially and adversely affected.

We had 194, 187, 231 and 136 customers in 2023, 2024, 2025, and the six months ended June 30, 2026, respectively. The increase in the number of our customers was primarily due to our active business expansion and increased market penetration. In 2023, 2024, and 2025 and for the six months ended June 30, 2026, revenue generated from our top five largest customers accounted for 21.6%, 44.0%, 55.7% and 55.2% of our total revenues for the same periods, respectively. In the same periods, revenue generated from our largest customer accounted for 4.8%, 16.5%, 26.7% and 16.4% of our total revenues, respectively. We cannot assure that

customers who have contributed significant revenues in prior periods, whether individually or collectively, will continue to generate comparable revenues in future periods. We may lose one or more of our key customers due to various factors, including, among others, intensified competition, material changes in such customers' operations, or any deterioration in our relationships with them. Any loss or reduction in revenues from key customers, any reduction, delay or cancellation of orders, or a decision by one or more significant customers to adopt solutions offered by competitors, could materially and adversely affect our business, results of operations, financial condition and prospects. In addition, if our key customers fail to pay their current or future outstanding balances, our operating expenses would increase and our cash flow would be reduced.

We have incurred net loss during the Track Record Period, and may not be able to achieve or subsequently maintain profitability in the future.

In 2023, 2024, and 2025, and the six months ended June 30, 2025 and 2026, our net loss was RMB113.8 million, RMB117.9 million, RMB99.7 million, RMB38.4 million and RMB63.7 million, respectively. We may continue to incur net loss in the future, as we are in the stage of expanding our business and operations in the rapidly growing intelligent mobile robotics market and are continuously investing in research and development. We believe that our future revenue growth will depend on, among other factors, our ability to develop new technologies, enhance customer experience, establish effective commercialization strategies, compete effectively and successfully develop new products and services. Accordingly, you should not rely on the revenues of any prior period as an indication of our future performance. We also expect our costs and expenses to increase in future periods as we continue to expand our business and operations and invest in research and development. In addition, we expect to incur substantial costs and expenses as a result of being a public company. If we are unable to generate adequate revenues and manage our expenses, we may continue to incur significant losses in the future and may not be able to achieve or subsequently maintain profitability.

We recorded net operating cash outflows during the Track Record Period, and we can not assure you that we will have net cash inflow from operating activities in the future.

We recorded net cash used in operating activities of RMB77.0 million, RMB94.5 million, RMB65.3 million, RMB46.6 million and RMB32.6 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" for details. We cannot assure you that we will be able to generate positive cash flows from operating activities in the future. If we 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, 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. Thus, our business, results of operations and financial condition may be adversely affected.

We incurred net liabilities and net current liabilities in the past.

We recorded net current liabilities of RMB387.4 million, RMB510.2 million, RMB627.7 million, and RMB692.8 million, respectively, as of December 31, 2023, 2024 and 2025 and June 30, 2026, and net liabilities of RMB373.6 million, RMB472.2 million, RMB558.3 million, and RMB620.3 million, respectively, as of the same dates. This was primarily due to an increase in current liabilities, including redemption financial liabilities and interest-bearing borrowings. Our net current liabilities position reflects significant short-term obligations, which may constrain our working capital available for operations. A net liabilities position and net current liabilities position can expose us to liquidity and financial risks. If we incur substantial net liabilities and net current liabilities again in the future, we might need to seek financing from external sources such as debt issuance and bank borrowings, which may not be available on terms favorable or commercially reasonable to us, or at all, and it could materially and negatively impact our business, results of operations and financial condition.

We currently generate a significant share of our revenue from our key customers.

Revenue generated from our five largest customers for each year/period during the Track Record Period accounted for 21.6%, 44.0%, 55.7%, and 55.2%, respectively, of our total revenue during those respective periods. See "Business – Our Customers" for details. There exists a risk that any loss of sales from our current customers could adversely affect our revenue. In the future, these customers may decide to purchase fewer solutions than they did in the past, not to incorporate our solutions into their business, delay their purchases of our solutions, purchase solutions from our competitors, or to alter their purchasing patterns in some other way, particularly because: (i) our customers may cancel, change or delay solutions purchase with us; (ii) our customers cannot guarantee their volume of purchase; (iii) although the business of our solutions and products bears high barriers to entry, some of our customers may develop their own solutions; (iv) our customers may purchase solutions from our competitors, particularly if there are delays or shortages in our supply chain or of our solutions; and (v) our customers may discontinue sales or lose market share in the markets for which they purchase our solutions.

The occurrence of any of the foregoing factors may adversely affect our business, results of operations, and financial condition. Many of our customers are large, multinational corporations with substantial negotiating power relative to us. These large and multinational corporations also have significant development resources, which may allow them to acquire or develop independently, or in partnership with others, competitive technologies. Meeting the technical requirements of any of these companies and being selected by them for supplying solutions and products will require a substantial investment of our time and resources. We cannot assure you that our solutions and products will be selected by these or other companies or that we will generate meaningful revenue from the sales of our solutions and products to these key potential customers.

If our solutions are not selected by these large corporations or if these corporations develop or acquire competitive technology, our business, financial condition and results of operations could be adversely affected. Our business could also be adversely affected if our customers are not able to settle accounts regularly or make payments on schedule. Any loss or fluctuation in their business may adversely affect our results of operations and financial condition.

We may be exposed to liquidity risk due to a mismatch in our cash flow cycle and a long cash conversion cycle.

During the Track Record Period, we experienced fluctuations in turnover days of inventories, which are 989 days, 964 days, 487 days, and 317 days in 2023, 2024, 2025, and the six months ended June 30, 2026, respectively. In addition, our trade receivables turnover days were 118 days, 108 days, 81 days, and 106 days in 2023, 2024, and 2025, and the six months ended June 30, 2026, respectively. However, our trade payables turnover days were 220 days, 223 days, 166 days, and 170 days in 2023, 2024, 2025 and the six months ended June 30, 2026, respectively. The cash conversion cycle, which measures how efficiently we manage our working capital by tracking the number of days it takes to convert our investments in inventory and other resources into cash flows from sales, is calculated based on the sum of average inventory turnover days and average trade receivables turnover days, less average trade payables turnover days. Accordingly, our cash conversion cycle was 887 days, 849 days, 402 days, and 253 days for the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively.

The relatively long cash conversion cycle was primarily attributable to the nature of our robotic solution projects, which often involve extended order lead times and project-specific acceptance cycles. According to CIC, a relatively long cash conversion cycle, up to 12 months and even more, is customary and prevalent in the robotic solutions industry due to lengthy deployment, installation, and acceptance processes. As of June 30, 2026, a significant portion of our revenue from robotic solutions was derived from projects with an acceptance cycle exceeding 12 months, leading to a substantial accumulation of contract fulfillment costs in our inventory. Furthermore, our contract value as of the end of the period remained at a high level throughout the Track Record Period, increasing from RMB267.9 million as of December 31, 2023 to RMB493.7 million as of December 31, 2025, and further to RMB504.5 million as of

June 30, 2026. While the steady growth in our project backlog demonstrates the sustainability of our business and future revenue potential, the conversion of such backlog into revenue and cash flow depends on the successful implementation and final acceptance by customers, which may span across multiple accounting periods.

The mismatch between our cash inflows and outflows could adversely impact on our liquidity and financial stability, resulting in the need to seek additional financing or use of working capital to cover operational expenses, potentially leading to increased financial costs or strain on our resources. Although we have made efforts to improve the collection of trade receivables and the turnover days by collecting and discussing repayment schedules with our customers, these efforts may not be successful. If our inventory turnover days and our trade receivables turnover days continue to increase or remain relatively high, it may lead to a longer cash conversion cycle, which could further add pressure to our cash flow and working capital. Our financial position, business and results of operations might be adversely and materially impacted.

We cannot guarantee that our business development strategies will be successfully managed or achieved as we expected.

We are implementing a range of strategies to drive the expansion of our business, including expanding our product offerings and venturing into new categories. However, we may face risks and challenges in executing these strategies, some of which may prove unsuccessful or take longer than expected to achieve market acceptance. We may not be able to maintain or increase our revenues or recover any associated costs, and our business, results of operations and financial condition may be materially and adversely affected if our efforts fail to enhance our monetization abilities.

Expanding our product offerings may expose us to new operational and market challenges.

We are committed to continuously expand our product range to address changing customer needs and preferences. This includes expanding our existing offerings as well as venturing into new categories to further diversify our product range. However, such efforts may come with substantial risks and challenges. For instance, by expanding our product offerings to include a broader range of robotic solutions and products, we may inadvertently increase the complexity in inventory management and exert additional pressure on our procurement practice, requiring significant resources to predict and meet customer demand. Furthermore, a broader product range could result in higher return rates and increased consumer complaints, particularly if these new products do not meet the standards our customers have come to expect. Such issues, if not managed effectively, could lead to costly product liability claims and cause damage to our reputation and financial performance, undermining the customer-centric approach in our operation and expansion endeavors.

Introducing new product categories brings additional challenges. We may fail to match changing customer preferences or misjudge demand, which could lead to excess inventory and expensive write-downs. To capture market share in these new categories, we might adopt aggressive pricing strategies, which, while effective in attracting customers, could negatively impact profitability. We could also face sourcing and production delays that slow down product launches and deliveries. Moreover, each new product may have its own regulatory requirements in different markets, which can be complex and costly to manage. If we do not effectively address these risks, our business, operating results, and financial condition could be materially and negatively affected.

We may fail to continue to research and develop or effectively respond to the evolving technology and market dynamics of the intelligent robotic solutions industry if we fail to innovate or introduce new products on a timely basis.

Our future growth depends on penetrating new markets, adapting existing solutions to new applications and customer requirements, and introducing new solutions that achieve market acceptance. We have been and intend to continue investing heavily in, and potentially increasing, R&D as part of our efforts to design, develop, manufacture and commercialize intelligent mobile robots and embodied intelligence robotics products and enhance existing robotic solutions. Our

R&D expenses were RMB36.2 million, RMB44.5 million, RMB50.6 million, RMB22.0 million and RMB29.0 million in 2023, 2024, and 2025, and the six months ended June 30, 2025 and 2026, respectively.

If our R&D efforts fail to keep pace with the latest technological developments, our established position in the global intelligent robotics market could be undermined, which may materially and adversely affect our business, financial condition, results of operations and prospects, and lead to a decline in our competitive position. Delays or setbacks in enhancing our intelligent robotics capabilities could also materially and adversely impact our business, reputation, results of operations and prospects. Furthermore, if we are unable to adapt to technological advancements, or if new technologies render our existing technologies, solutions or services obsolete, customers may lose interest in our offerings, which could materially and adversely affect our business and financial performance.

We have been and intend to continue investing heavily in our R&D and such investments may not successfully translate into profitability and operating cash inflow.

We have been investing substantially in our R&D efforts to drive innovation and sustain our competitive edge in the rapidly-evolving intelligent mobile robotics and embodied intelligence robotics industry. In 2023, 2024, and 2025, and the six months ended June 30, 2025 and 2026, our R&D expenses amounted to RMB36.2 million, RMB44.5 million, RMB50.6 million, RMB22.0 million and RMB29.0 million, respectively.

The intelligent mobile robotics and embodied intelligence robotics industry is experiencing rapid technological changes, and we need to invest significant resources in R&D to advance our technologies such as AI technologies to remain competitive in the market. However, R&D activities are inherently uncertain, and we cannot assure you that we will continue to achieve technological breakthroughs or successfully commercialize such breakthroughs. As a result, our substantial investment in R&D may not yield commensurate benefits.

Given the accelerated pace of technological evolution within the intelligent mobile robotics and embodied intelligence robotics industry, there is no guarantee that we can develop or enhance our core technologies in a timely or cost-efficient manner. Should we fail to anticipate market shifts or if emerging technologies render our current solutions obsolete or less attractive, our competitive position could be significantly compromised. Such developments would not only limit our ability to recover substantial R&D expenditures but also directly impede our revenue growth and margin expansion. Consequently, any failure to align our R&D outcomes with market demands could lead to a sustained decline in our profitability and a shortfall in operating cash inflows, materially affecting our long-term financial sustainability.

If our products contain defects and do not meet our customers' expectations, our business, results of operations and reputation would be materially and adversely affected.

The development and manufacturing of intelligent mobile robotic and embodied intelligence robotic products, particularly those involving complex control systems, navigation models and embedded software, may present technical challenges. Certain defects or errors may only become apparent after delivery and real-world use. Defects in our products could compromise safety, disrupt critical operations or cause unintended consequences for customers who rely on our products for key automation tasks within their production lines. These issues may require costly recalls, repairs or replacements, delay customer adoption or trigger warranty claims. In more severe cases, we may face product liability lawsuits or contractual claims seeking compensation for operational disruptions or losses suffered by customers.

Product defects, whether actual or perceived, could significantly damage our brand image and erode customer trust, particularly as we scale across diverse markets and industries. Even isolated incidents may attract heightened scrutiny or negative publicity, especially in sectors where safety, reliability and stability are paramount. If we fail to detect and address such issues promptly, or if our remedies do not meet customer expectations, we may suffer reputational harm, reduced customer retention and diminished competitive positioning, which could materially and adversely affect our business, financial condition, results of operations and growth prospects.

If we fail to effectively maintain and optimize our sales network, our brand, results of operations and financial condition could be adversely affected.

In 2023, 2024, and 2025, and the six months ended June 30, 2025 and 2026, our selling and distribution expenses amounted to RMB46.2 million, RMB49.5 million, RMB59.9 million, RMB25.4 million and RMB25.1 million, accounting for 61.7%, 43.1%, 22.6%, 18.8% and 14.8% of our revenue in 2023, 2024, and 2025, and the six months ended June 30, 2025 and 2026, respectively. Our success depends on our ability to effectively maintain and optimize our sales network to establish and deepen our presence across China and overseas markets, which is subject to a number of factors, certain of which are beyond our control. If we fail to maintain stable relationships with our existing customers, have disputes with them, or fail to establish partnerships with new customers on favorable terms, we may not be able to maintain our market position across a number of regions and sectors. If we fail to successfully implement our development and growth plan and provide adequate resource and operational support to our sales network, our profitability and prospects may be materially and adversely affected.

Any failure to provide high-quality maintenance and support services for our customers may damage our relationships with them and, consequently, our business.

As we expand our operations and customer base, we must continue to deliver efficient support and effective maintenance services that meet customer needs at scale. We may not be able to recruit or retain sufficient qualified support personnel with experience in servicing our intelligent mobile robotic and embodied intelligence robotic products and solutions. As a result, we may be unable to respond promptly to short-term increases in customer demand for technical support or maintenance assistance. We may also fail to adjust the scope or delivery of our maintenance and support services to remain competitive with evolving service offerings from our competitors.

If customer demand for support and maintenance increases, we may incur higher costs that could adversely affect our operating results. In particular, expansion into countries or regions with stricter consumer protection regulations and market practices may significantly increase the cost of providing maintenance and support services. If we are unable to provide efficient customer maintenance and support, our business could be harmed. Our ability to attract new customers depends heavily on our reputation and positive recommendations from existing customers. Any failure to maintain high-quality maintenance and support services could damage our brand, reduce customer demand, and adversely affect our business and financial condition.

Our profitability is subject to pricing pressures which could be negatively affected by changes in the market for our solutions.

As the intelligent mobile robotics and embodied intelligence robotics industry evolves, we face increasing pricing pressures driven by intensified competition, greater product standardization and rising customer expectations. Certain of our customers, including integrators and end users, have substantial bargaining power due to their size, procurement scale and access to alternative suppliers. These customers may demand more favorable commercial terms, such as price concessions, volume discounts, and flexible payment or delivery arrangements.

Our historical pricing models are still evolving and may not remain effective as we expand into new verticals, geographic markets or customer segments. Competitive dynamics, including aggressive pricing strategies by established players or new entrants, may force us to reduce prices and profitability. Our ability to command premium pricing may also be constrained if customers perceive limited differentiation in our offerings or if we fail to demonstrate a clear return on investment. In response to customer demand or market shifts, we may need to adjust pricing strategies, extend credit periods, or provide value-added services at little or no additional cost. While such measures may help maintain customer relationships, they could adversely affect our business, financial condition and results of operations, and compromise our ability to achieve sustainable profitability.

We may not be able to sustain our historical growth rates, and our historical growth may not be indicative of our future growth or financial results.

Our revenue increased from RMB75.0 million in 2023 to RMB114.8 million in 2024, further to RMB265.5 million in 2025, and from RMB135.0 million in the six months ended June 30, 2025 to RMB169.2 million in the six months ended June 30, 2026. However, historical growth may not be indicative and there is no assurance that we will be able to maintain our growth rates in future periods. Our growth rates depend on, among other things, the overall economic growth in China and globally, technology development of the intelligent mobile robotics industry, awareness of enterprises to deploy intelligent mobile robotics and AI-driven applications, our investment in technology development, our ability to retain and attract new customers and end-users of our products and services, and our ability to manage costs and enhance operational efficiency. There is no assurance that we will be able to effectively implement our business strategies and maintain our business growth. Furthermore, we have not always achieved the growth rate in line with the different sectors of the intelligent mobile robotics industry which we had business operations in during the Track Record Period. If the market does not develop as we expect or if we fail to address the dynamic market needs, our results of operations and financial performance would be materially and adversely impacted.

Our limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter, and our historical growth may not be indicative of our future performance.

We commenced operations in 2016. Given our limited operating history, our ability to accurately forecast future results of operations is subject to numerous uncertainties, including our capacity to plan for and model future growth. Although our business has expanded substantially in recent years and we anticipate continued growth in our business, revenues and talent pool, our historical results may not provide a meaningful basis for evaluating our business, financial condition, results of operations or prospects. We may also encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors, and may not be able to achieve favorable results in future periods. We cannot assure you that we will be able to replicate past performance or sustain growth at historical rates. In future periods, our revenue growth may slow or even decline due to a variety of factors, including reduced demand for our solutions and technologies, intensified competition, material changes in technology, a declining growth rate of our total addressable market, or our inability to continue capitalizing on growth opportunities. If our assumptions regarding risks and future revenue growth prove incorrect, or if we fail to respond effectively to uncertainties and challenges, our operating and financial results could deviate from our forecasts, and our business, financial condition and results of operations could be materially and adversely affected.

If we are unable to manage our inventory risks efficiently, accurately forecast customer demand or if the proportions and amounts of our provision for inventories further increase, our financial and results of operations may be adversely affected.

We had inventories of RMB179.2 million, RMB256.7 million, RMB209.6 million, and RMB174.6 million as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively. In 2023, 2024, 2025, and the six months ended June 30, 2026, our impairment of inventories amounted to RMB9.4 million, RMB14.7 million, RMB16.9 million, and RMB12.5 million, respectively. In 2023, 2024, 2025, and the six months ended June 30, 2026, our inventory turnover days were 989 days, 964 days, 487 days and 317 days, respectively. See "Financial Information – Discussion of Certain Key Items on Consolidated Statements of Financial Position – Assets – Inventories" for details. Our inventory turnover days decreased from 964 days in 2024 to 487 days in 2025, and further to 317 days in the six months ended June 30, 2026, primarily due to the decrease in our inventories resulting from a number of projects reached acceptance milestones during the period. Our inventory turnover days are relatively long primarily because a significant portion of our inventories consists of contract fulfillment costs, which mainly represent costs incurred for projects with relatively long delivery and acceptance cycles robotic solution projects that are under implementation but have not yet reached customer acceptance. These projects typically have longer implementation and acceptance cycles, and

inventory can only be recognized as cost of sales upon completion of acceptance in accordance with the relevant contractual arrangements. In addition, several major projects span across multiple accounting periods, resulting in the accumulation of contract fulfillment costs at period end and consequently extending inventory turnover days.

In addition, long inventory turnover days may subject us to potential operational and financial risks. Such extended cycles may increase the possibility of inventory obsolescence, as technologies or specific project requirements in the intelligent mobile robotics and embodied intelligence robotics industry could evolve or change before we reach the final acceptance stage. Furthermore, a relatively long turnover cycle may impact our liquidity position, as a significant portion of our working capital is tied up in inventories during the implementation and delivery process. If we are unable to maintain an adequate level of liquidity or further optimize our project acceptance timeline, our operating cash flow and overall financial flexibility could be affected.

We cannot assure you that our inventories will not be damaged or impaired, as our storage may encounter unforeseeable events. Failure to manage our inventories effectively may adversely affect our financial condition and results of operations. In addition, our inventories are subject to impairment if their net realizable value falls before we sell them. With the development of the intelligent mobile robotics and embodied intelligence robotics industry and according to our business scale expansion, aging of inventory balance, adjustment of subsidy policy and upgrading and iteration of our products, the amount and proportion of our provision of the inventories may further increase, which, combined with the potential liquidity and obsolescence risks associated with our inventory turnover cycles, may have an adverse impact on our financial condition and results of operations.

We are subject to credit risk of our customers which may adversely affect our financial position, profitability, and cash flow.

We are exposed to credit risk from our customers, which may adversely affect our financial position, profitability, and cash flow. Our ability to maintain profitability and healthy cash flow depends on receiving timely payments from customers. Any delay or default in payment could negatively impact our profitability, working capital, and cash flow. There is no assurance that we will be able to collect all or any portion of our trade and notes receivable on time, or at all.

As of December 31, 2023, 2024 and 2025 and June 30, 2026, our trade receivables were RMB19.8 million, RMB31.1 million, RMB64.8 million and RMB105.9 million, respectively. For the years ended December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026, our average trade receivables turnover days were 118 days, 108 days, 81 days and 106 days, respectively. If any of our customers experiences unexpected circumstances, such as financial difficulties or a deterioration in creditworthiness, we may face challenges in recovering full or partial payments. Enforcing judgment debts against such customers could also be difficult. These unforeseen events may cause our estimates of credit loss allowances to be inaccurate, potentially resulting in losses greater than currently anticipated.

Our business depends on the continuing efforts of our management team and our ability to attract, train, and retain competent talent, especially talent on research and development. Any loss of these personnels could adversely impact our business and financial condition.

Our business relies on the continued efforts of our management team to oversee and execute business plans and identify and pursue new opportunities and product innovations. The expertise, industry experience and relationships of our senior leadership and management team are difficult to replace, and any departure could cause knowledge gaps and disrupt customer or partner relationships. Any loss of service from key management could significantly delay or prevent us from achieving strategic objectives, and adversely affect our business, financial condition and operating results. From time to time, there may be changes in our management team, resulting from the hiring or departure of executives, which could also disrupt our business. We cannot predict whether significant resignations will occur, and the departure of one or more key individuals could materially impact our operations. Recruiting suitable replacements and integrating them into our teams also require a significant amount of time, training and resources, and may impact our corporate culture. Although we typically require our senior management and

other key personnel to enter into non-compete and confidentiality agreements, they may join competitors or establish competing businesses after the non-compete period lapses, which could further adversely affect our business.

Additionally, our future success also depends on our ability to attract, recruit and train qualified employees and retain key personnel. In particular, we rely on our top in-house R&D team to develop core technologies, solutions, and on experienced sales and marketing personnel to maintain relationships with our customers. In order to compete for talents, we may need to offer higher compensation, enhanced training and more attractive career opportunities, employees share incentive schemes and other benefits to our employees, which may be costly and time-consuming. Share incentive schemes are an important part of our compensation and retention strategy, and if they cease to be competitive, our ability to retain talent may be weakened. We cannot assure you that we will be able to attract or retain a qualified workforce necessary to support our growth.

Furthermore, disputes with employees or labor-related regulatory or legal proceedings could divert management and financial resources, negatively impact staff morale, reduce productivity, or harm our reputation and future recruiting efforts. Changes in the interpretation and application of employment-related laws may also increase our operating costs and reduce our flexibility to meet changing workforce needs. In addition, our ability to train and integrate new employees into our operations may not meet the demands of our growing business. If our workplace culture or employer brand ceases to be viewed as diverse, inclusive and attractive, our ability to attract and retain talent could be materially and adversely affected. Any of the foregoing issues related to our workforce may materially and adversely affect our operations and future growth.

We may be subject to product liability or warranty claims if people or properties are harmed by our products or services, which would have a material adverse effect on our reputation, business prospects and financial condition.

Customers may be subject to claims arising from robotic products accidents and could bring legal actions against us. If lawmakers or regulatory authorities determine that the use of our robotic products increases the risk of injury to all or certain customers, they may enact laws or adopt regulations that restrict the use of our products, increase our liability, or impose requirements that delay the deployment of robotic technologies in manufacturing. Any of these developments could adversely affect our brand, customer relationships, operating results and financial condition.

Our policies generally allow customers to return and exchange defective products, and we typically provide a standard 12 to 36 months warranty period on our robotic products and solutions. We may incur significant costs to correct defects, address warranty claims or resolve other issues, including costs related to product recalls. Negative publicity regarding the perceived quality of our products could harm our brand image, reduce partner and customer demand, and adversely affect our operating results and financial condition. Warranty, recall and product liability claims may also lead to litigation, including class actions, which could be costly, lengthy, distracting and adversely impact our business and results of operations.

We may be required by law to adopt new or amend existing return, exchange and warranty policies from time to time. While these policies enhance customer experience and support customer retention and acquisition, they also increase our costs. If product quality deteriorates, we may incur higher expenses related to returns, exchanges and warranties, which we may not recover. We cannot assure you that customers will not misuse these policies, which could significantly increase our costs and adversely affect our business and results of operations. If we revise these policies to reduce costs, customers may become dissatisfied, resulting in the loss of existing customers or slower acquisition of new customers, which could materially and adversely affect our results of operations.

We rely on third-party suppliers and service providers and expect to continue to do so for the foreseeable future.

We rely on third-party suppliers and service providers for raw materials, core components of our robots, transportation and other essential services. However, there is no assurance that: (i) they will follow our instructions or maintain consistent service quality; (ii) we can sustain good relationships with them; (iii) they will not raise prices unilaterally; or (iv) their employees or the providers themselves will not engage in misconduct that could materially and adversely affect their services or harm us. As we expand globally, we may not be able to identify reliable service providers that meet our standards at scale. Reduced availability or increased costs of logistics, transportation and supply chain services or equipment provided by third parties could increase our operating costs and adversely affect our profitability. In addition, any natural or man-made disasters or other unanticipated catastrophic events, including adverse weather, fires, technical or mechanical difficulties, storms, explosions, earthquakes, strikes, acts of terrorism, wars and outbreaks of pandemics could disrupt our transportation channels and impair the operations of our suppliers, and impede our ability to manufacture and deliver our products to customers in a timely manner.

The purchases from our top five suppliers in each year/period during the Track Record Period were RMB23.9 million, RMB49.4 million, RMB33.4 million and RMB16.3 million, respectively, accounting for 31.5%, 36.2%, 28.3% and 22.3% of our total procurement amount in the same years/period, respectively. The purchases from our largest supplier in each year/period during the Track Record Period accounted for 8.3%, 10.6%, 8.6% and 6.3% of our total procurement amount in the same years/period, respectively. See "Business – Our Suppliers" for details. The stability of our suppliers' operations and business strategies is beyond our control, and we cannot assure you that we will maintain stable relationships with them. Identifying and qualifying alternative or additional suppliers and vendors is often a lengthy process and may result in production delays, interruptions and additional costs. In some cases, alternatives may not be available on commercially reasonable terms, or at all. If suppliers or vendors fail to deliver necessary production parts, components, equipment or services, our robot production processes could be disrupted, making it more difficult for us to implement our business strategy. Suppliers and vendors may periodically extend lead times, face capacity constraints, limit supplies, increase prices, experience quality issues or encounter other problems that interrupt or increase the cost of our supply and services. Any of these events could materially and adversely affect our financial condition and results of operations.

We may not be able to adequately protect or enforce our intellectual property rights throughout the world, and our efforts to do so may be costly.

We depend on proprietary technology for the development and commercialization of our robotic products and solutions, and our success relies on our ability to protect such technology. We seek to protect our technology through a combination of patent, copyright, trademark and trade secret laws, as well as employee and third-party nondisclosure agreements and similar measures. However, despite these efforts, unauthorized parties may intentionally or inadvertently disclose, obtain or use our technologies or systems. Software piracy has been, and is expected to remain, a persistent problem in the software industry. Unauthorized third parties, including competitors, may copy portions of our software, reverse engineer our solutions, or otherwise obtain and use proprietary information. Competitors may also independently develop similar or superior products or design around our patents without infringing our intellectual property.

Further, we may lack adequate intellectual property protection in certain jurisdictions that are important to our business or may become important in the future, where we do not currently own issued or pending patents. In addition, intellectual property laws in some foreign jurisdictions may provide less protection than those in others, and our ability to enforce our rights varies by jurisdiction. We have not adopted an aggressive global intellectual property enforcement strategy, which may expose us to greater risk of infringement by third parties.

We did not note any litigations or disputes of us, or administrative penalties imposed on us in relation to intellectual property during the Track Record Period. Any litigation we initiate to enforce our intellectual property rights could be costly and time-consuming, and may result in

adverse consequences, including invalidation or narrowing of our rights. We may also face claims and litigation alleging infringement of third-party intellectual property rights. Such proceedings could divert management attention, incur significant expenses, and result in courts or agencies invalidating or limiting our patents or other rights, which could seriously harm our business. Monitoring unauthorized use or disclosure of our proprietary technology and confidential information is difficult and expensive, and we cannot assure you that our efforts will prevent misappropriation or infringement. If we are unable to adequately protect, establish, maintain or enforce our intellectual property or other proprietary rights, our business, financial condition and results of operations could be materially and adversely affected.

If third parties claim that we infringe upon their intellectual property rights, we may incur liabilities and financial penalties and may have to redesign or discontinue selling relevant products or solutions.

Some of our competitors hold extensive patent portfolios and may allege that the commercial use of our products or solutions infringes their patents. Certain patents contain broad claims, and it may be asserted that specific features of our products or solutions fall within the scope of such claims. As a result, competitors may initiate legal proceedings alleging infringement, misappropriation or other violations of their intellectual property rights in connection with the commercialization of our products or solutions. During the Track Record Period and up to the Latest Practicable Date, we did not have any material intellectual property rights disputes. See "Risk Factors – We may not be able to adequately protect or enforce our intellectual property rights throughout the world, and our efforts to do so may be costly." and "Business – Intellectual Property" for more details.

We cannot assure you that we or our products and solutions will not infringe third-party intellectual property rights in the future. We may face claims of infringement or demands for indemnification arising from our operations or the design, development and sale of our products or solutions. In addition, we may be unaware of existing or pending intellectual property registrations or applications relating to our products, solutions or business operations that could give rise to potential infringement claims. Technologies licensed to and relied upon by us may also become subject to infringement allegations or other claims by third parties.

Companies in the robotics industry often use intellectual property litigation as a competitive strategy. Determining whether a product or solution infringes a patent involves complex legal and factual analysis, and outcomes are inherently uncertain. We may hire employees who previously worked for competitors or other companies in related industries. There can be no assurance that such employees will not use proprietary know-how or trade secrets from their former employers in their work for us, which could result in litigation. Our competitors may also have filed patent applications or claimed trademark rights that are not yet publicly disclosed or revealed through our searches of public records. Despite our efforts to identify and avoid infringement, such efforts may not always be successful. Any claims of patent or other intellectual property infringement, regardless of merit, could: (i) be expensive and time-consuming to defend; (ii) cause us to pay substantial damages to third parties; (iii) forbid us from making or selling products that incorporate the challenged intellectual property; (iv) cause us to enter into royalty or licensing agreements in order to obtain the right to use a third party's intellectual property, which agreements may not be available on terms acceptable to us or at all; or (v) result in customers terminating, deferring or limiting their purchase of the affected products until resolution of the litigation.

Any of the foregoing results could have a material adverse effect on our business, financial condition and results of operations.

Any misuse or flaws in robotic and AI technologies, whether actual or perceived, intentional or inadvertent, and whether caused by us or third parties, could materially and adversely affect our reputation, business, financial condition, results of operations, and prospects.

Robotic and AI technologies remain at an early stage of development and continue to evolve. Like many emerging innovations, these technologies present inherent risks and challenges, including potential misuse by third parties for inappropriate purposes or biased applications that undermine public trust or violate applicable laws and regulations. Such events

may negatively influence customer perception, public opinion, and the views of policymakers and regulators, ultimately reducing adoption of robotic and AI technologies. In addition, flaws or deficiencies in robotic and AI technologies could compromise the effectiveness of our products and services. We cannot assure you that we will be able to identify and remedy such flaws or deficiencies in a timely manner, or at all. Any such flaws or deficiencies, whether actual or perceived could materially and adversely impact our business, reputation, results of operations, and prospects.

If we experience unexpected disruption at our production facilities, our business, results of operations and financial condition could be materially and adversely affected.

We conduct in-house production processes for all of our major product lines, mainly including standard AMRs, omni-directional heavy-load AMRs, industry specific AMRs, forklift AMRs, outdoor AMRs, and embodied intelligence robotic products. As of the Latest Practicable Date, we have one production facility in operation located in Quzhou, Zhejiang Province. Our ability to meet customer demand and grow our business depends on the efficient, proper and uninterrupted operation of our production facilities and a stable and sufficient supply of critical utilities. Any event that limits or disrupts our production capabilities could result in substantial losses, including loss of revenue from interrupted operations.

Such events may include natural disasters, political instability, riots or civil unrest, extended outages of essential utilities or transportation systems, terrorist attacks or other unforeseen circumstances beyond our control. In addition, we may incur significant expenses to repair or replace damaged equipment or facilities, which could exceed our insurance coverage.

If our production is disrupted, our ability to manufacture and deliver products on schedule would be significantly impaired, potentially damaging customer relationships and adversely affecting our business, financial condition and results of operations.

Failure to successfully upgrade our equipment or expand our production capacities could adversely affect our results of operations and financial condition.

Our future success will depend, to an extent, on our ability to continuously increase our production output and enhance our production efficiency. If we fail to achieve these objectives, we may not be able to attain the desired level of economies of scale in our operations or reduce our marginal manufacturing costs to the level necessary to maintain our pricing and other competitive advantages and achieve our business expansion plan.

The future equipment upgrade and capacity expansion may require substantial capital investment, significant engineering efforts, timely delivery of manufacturing equipment and dedicated management attention, and are subject to the following risks and uncertainties: (i) reduced availability of working capital; (ii) the need to secure financing through bank loans or other borrowings, which may not be available on reasonable terms or at all; (iii) higher depreciation expenses for new equipment and increased interest costs from borrowings for planned upgrades or expansion; (iv) cost overruns, construction delays, manufacturing equipment issues such as late delivery or failure to meet specifications, and other operational difficulties; (v) failure to upgrade our operational, financial, and risk management systems in line with expansion; (vi) decrease in product prices that do not offset higher production costs; (vii) the failure of our new equipment to perform as expected and lower our manufacturing cost; and (viii) delay in or denial in obtaining government approvals, permits, or similar documents required for expansion.

Our operations rely on complex information technology systems and networks, and our business and reputation may be impacted by information technology system failures, network disruptions or cybersecurity breaches.

We rely on our information technology systems and software architecture to manage critical data, including customer and supplier information, production and operational data, and financial and human resources records. Any significant failure or disruption of these systems could result in transaction errors, processing inefficiencies, loss of sales or customers, or lead to the loss or leakage of confidential information. We collect, store and use certain information of our customers, suppliers and other third parties, such as basic contact details, for business purposes.

The security and confidentiality of such information are of paramount importance. Any breach of security or privacy involving customer information could damage our customer relationships, harm our reputation and expose us to legal liability. Despite implementing security measures, our information technology systems may still be vulnerable to damage or interruption caused by events beyond our control, including power outages, fires, natural disasters, system failures, security breaches, unauthorized access, hacking attacks intended to cause malfunctions, loss or corruption of data, software or hardware failures, and the inadvertent or intentional transmission of computer viruses. We may also encounter problems during system upgrades, which could disrupt our operations and adversely affect our results of operations.

We may face cybersecurity risks with respect to operational systems, infrastructure, and integrated software in our robotic products and solutions.

We may face various cybersecurity threats, including threats to our technology system and infrastructure, including attempts to compromise proprietary information, and ransomware attacks. While the cyber threat landscape is ever-changing, the current risks may be heightened by ongoing tensions with various nation state threat actors. Threats to our information technology assets, network, and data stored therein, are increasingly diverse and sophisticated. Despite our efforts and processes to prevent breaches, the commercial products we use, our servers, and other assets, along with those of our third-party service providers, are vulnerable to cybersecurity threats, including zero-day attacks, malware, phishing and spoofing exploits, denial-of-service attacks, compromise of physical assets, insider theft or misuse or mistake, and similar disruptions. Despite our efforts to create security barriers to such threats, we may not be able to successfully guard against every threat or mitigate the resulting risks. A successful cyber-attack could lead to interruptions, delays, loss of critical data and require large expenditure to investigate and remediate. This could, in turn, adversely affect our business, our financial condition, and damage our reputation.

Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations. Also, we cannot be sure that our insurance coverage will be adequate or sufficient to protect us from or to mitigate liabilities arising out of our privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims.

If we are unable to protect or promote our brand and reputation, our business may be materially adversely affected. Negative publicity or rumors about us, our solutions, our management, directors, employees, shareholders, customers, business partners or their affiliates or our industry in general may adversely affect our reputation and business.

We believe our brand and reputation are an integral part of and critical to our success. Well-recognized brands are important to enhancing our attractiveness to our customers. Since we operate in a highly competitive market, brand maintenance and enhancement directly affect our ability to maintain our market position. The successful promotion of our brand will depend on the effectiveness of our marketing efforts and amount of word-of-mouth referrals we received from satisfied customers. However, we cannot assure you that our marketing efforts, such as industry exhibitions and advertising campaigns, are or will be successful or that we will be able to achieve the promotional effect we expect or at all. In addition, negative publicity about our Company, Directors, employees, branding, or products or systems, whether warranted or not, may adversely affect our brand and reputation. Certain of such negative publicity may come from malicious harassment or unfair competitive acts by third parties, which are beyond our control and could adversely affect our business and growth prospects.

We received government grants and preferential tax treatment during the Track Record Period, and any discontinuation of any government subsidies currently available to us could adversely affect our business, financial condition, results of operations, and prospects.

During the Track Record Period, we benefited from government grants, many of which are non-recurring in nature or are subject to periodic review. In 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, the government grants we recognized as other income

amounted to RMB5.5 million, RMB10.6 million, RMB16.9 million, RMB5.0 million and RMB1.5 million, respectively. These government grants primarily represent subsidies received from local governmental authorities to encourage our R&D activities, which are provided at the discretion of the relevant government authorities and may therefore vary from period to period. See "Financial Information – Key Components of our Consolidated Statements of Profit or Loss – Other Income and Gains" for details.

In addition, our Company and certain of our subsidiaries enjoyed certain types of preferential tax treatment according to the prevailing PRC tax laws. See Note 11 set out in Appendix I to this document for details. However, we cannot assure you that such preferential tax treatment will continue to be available to us in the future, or that it will not be subject to unfavorable updates in government policy, administrative decisions or otherwise, in which case our results of operations and financial condition may be adversely affected.

Strategic alliances, investments or acquisitions may have a material and adverse effect on our business, financial condition and results of operations.

We may in the future enter into strategic alliances with various third parties. Strategic alliances with third parties could subject us to a number of risks, including risks associated with sharing proprietary information, non-performance by the counterparty, and an increase in expenses incurred in establishing new strategic alliances, any of which may materially and adversely affect our business. We may have little ability to control or monitor their actions. To the extent strategic third parties suffer negative publicity or harm to their reputation, we may also suffer negative publicity by virtue of our association with such third parties.

In addition, we may acquire additional assets, technologies or businesses that are complementary to our existing businesses. Future acquisitions may involve valuation uncertainties, and the subsequent integration of new assets, technologies, brands and businesses into our own would require significant attention from our management and could result in a diversion of resources from our existing businesses. Acquired assets, technologies, brands or businesses may not generate the anticipated benefits, synergies, cost savings, efficiencies, or financial and operating results we expect. In addition, acquisitions could result in the use of substantial amounts of cash, dilutive issuances of equity securities, incurrence of debt, incurrence of significant goodwill impairment charges, amortization expenses for other intangible assets and exposure to potential unknown liabilities of the acquired business.

If we fail to obtain or maintain the requisite licenses, permits, certificates, approvals, filings or registrations required for our business in any jurisdiction where we operate, our business, financial condition and results of operations may be materially and adversely affected.

The global intelligent robotics industry and the industry sectors in which we provide our intelligent mobile robotic and embodied intelligence robotic products are subject to the regulatory oversight of a number of governmental authorities, including but not limited to the National Development and Reform Commission of China.

We can not assure you that we can successfully update or renew the licenses, permits, certificates and approvals required for our business in a timely manner or at all, or that these are sufficient to conduct all of our present or future business. There are uncertainties regarding the interpretation and implementation of existing and future laws and regulations governing our business activities. If we fail to complete, obtain or maintain any of the required licenses, permits, certificates and approvals or make the necessary filings, we may be subject to various penalties, such as imposition of fines and the discontinuation or restriction of our operations. Any such penalties may materially and adversely affect our business, financial condition and results of operations.

Unfavorable results of administrative and legal proceedings and commercial dispute could adversely affect our business, results of operations and financial condition.

We may be subject to administrative or legal proceedings or commercial disputes from time to time in the ordinary course of our business, which could have a material adverse effect on our business, results of operations, and financial condition. Claims arising out of actual or alleged

violations of law could be asserted against us by our customers, our competitors, governmental entities in civil or criminal investigations and proceedings, or other entities asserted under a variety of applicable laws. During the Track Record Period and up to the Latest Practicable Date, we did not have any material commercial disputes. See "Business – Legal Proceedings and Regulatory Compliance" for more details of our compliance statements. There is no guarantee that we will be successful in defending ourselves in legal and administrative actions or in asserting our rights under various laws. Even if we are successful enforcing our rights against the various parties involved may be expensive, time-consuming, and ultimately futile. These actions could expose us to negative publicity and to substantial monetary damages and legal defense costs, injunctive relief, and criminal, civil, and administrative fines and penalties.

If we experience high labor costs, shortage of labor or deterioration in labor relations, our business, results of operations, financial condition and prospects may be adversely affected.

Our labor costs have been fluctuating and may rise in the future. Our manufacturing and deployment costs, which mainly represent labor costs associated with the production and deployment of our robotic products, accounted for 19.3%, 14.3%, 18.4%, 15.5% and 20.3% of our total cost of sales in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026. Labor costs increases may cause our production costs to increase, and we may not be able to pass on such increase to our customers. We cannot assure you that we will not experience any labor shortage. Any such shortage could hinder our ability to maintain our production schedules and maintain or expand our business operations, which could materially and adversely affect our business, financial condition, results of operations and prospects.

We seek to maintain favorable labor relations with our employees as we believe that our long-term growth depends on the expertise, experience and development of our employees. See "Business – Employees" for details. However, we cannot assure you that we will not have any labor disputes in the future. Any deterioration of our labor relations could result in disputes, strikes, claims, legal proceedings and reputational damage, labor shortages that disrupt our business operations, as well as loss of experience, know-how and trade secrets.

Failure to detect or prevent fraudulent or illegal activities or other misconduct by our employees, customers, suppliers or other business partners may materially and adversely affect our business.

We are exposed to fraudulent or illegal activities or other misconducts by our employees, customers, suppliers or other third parties, which could subject us to liabilities, fines and other penalties imposed by government authorities. There can be no assurance that our controls and policies will prevent fraud or illegal activity by such persons or that similar incidents will not occur in the future. Any illegal, fraudulent, corrupt or collusive activity by our employees, customers, suppliers or other third parties, including, but not limited to, violations of anti-corruption or anti-bribery laws, could materially and adversely affect our business, financial condition and results of operations.

We may be exposed to the risks of conducting business globally.

International markets are an important component of our growth strategy. We have explored and plan to continue exploring overseas market opportunities, where we believe there is substantial demand for our products. To maximize the global value of our products and systems, we have identified and collaborated, and intend to continue identifying and collaborating with recognized local partners that have proven track records.

As we continue to grow internationally, we face a range of risks related to operating across multiple jurisdictions, including but not limited to: (i) differing regulatory requirements for approvals and marketing internationally; (ii) potentially longer payment cycles, greater difficulty in accounts receivable collection and potentially adverse tax treatment; (iii) difficulty of effective enforcement of contractual provisions in local jurisdictions; (iv) potentially reduced protection for intellectual property rights; and (v) compliance with tax, employment, immigration and labor laws for employees traveling abroad.

Any of these factors could materially and adversely affect our business, financial condition, results of operations, and our ability to maintain and expand international operations.

Geopolitical tensions could negatively affect our business operations and results of operations.

In recent years, there has been a deterioration in the relationship between China and the United States which has resulted in intense potential conflicts between the two countries in trade, technology and other areas, and this has led to greater uncertainties in the geopolitical situations in other parts of the world affecting China and Chinese companies. Export controls, economic and trade sanctions have been threatened and/or imposed by the U.S. government on a number of Chinese technology companies, a few number of which are existing or potential customers and/or suppliers to us. The United States has also threatened to impose further export controls, sanctions, trade embargoes, and other heightened regulatory requirements on China and Chinese companies. These have raised concerns that there may be increasing regulatory challenges faced by or enhanced restrictions on China and other Chinese technology companies, including us, in a wide range of areas such as chips, data security, emerging technologies, "dual-use" commercial technologies and applications that could be deployed for surveillance or military purposes, import/export of technology or other business activities.

During the Track Record Period, we had procured electronic components from one entity which is identified on the Specially Designated Nationals and Blocked Persons List or the Sectoral Sanctions Identifications List ("**SDN Lists**") maintained by the Office of Foreign Assets Control ("**OFAC**") of the U.S. and sold our robotic solutions to one customer which is also identified on the SDN Lists and its wholly owned subsidiaries, (in particular, these wholly owned subsidiaries are subject to the same sanctions restrictions as SDNs pursuant to OFAC's 50 Percent Rule due to direct or indirect SDN ownership of 50% or more) (collectively, the "**SDN Entities**"). As advised by our International Sanctions Legal Adviser, the risk that procurement from and sales to the SDN Entities would result in sanctions designation or penalty on us is low, on the basis that (i) all transactions were denominated solely in RMB and did not involve any U.S. nexus; (ii) did not involve transfer of any items that are subject to the EAR; and (iii) did not involve transfer of any items that are listed on the Common High Priority Items List issued by the BIS ("**CHPL**") or The Russia Critical Items Determination issued pursuant to subsection 11(a)(ii) of E.O. 14024 which identifies certain items that support Russia's military-industrial base ("**Russia Critical Items List**"). See "Business – Business Activities in relation to Entities subject to International Sanctions" for details.

Trade tensions between China and the United States may intensify in the future, resulting in the imposition of more tariffs or other trade restrictions. Any unfavorable government policies on international trade, such as capital controls or tariffs, may affect the demand for our solutions, impact the competitive position of our solutions or prevent us from marketing our solutions in certain countries. If any new tariffs, legislation and/or regulations are implemented, or if existing trade agreements are renegotiated, such changes could have an adverse effect on our business, financial condition and results of operations. In addition, future actions or escalations by either the United States or China that affect trade relations may cause global economic turmoil and potentially have a negative impact on our business.

Furthermore, we may also face export controls-related or sanctions-related or other trade-related restrictions on transactions with certain customers, business partners and other persons. The Entity List maintained by the U.S. Department of Commerce identifies foreign parties that are prohibited from acquiring – whether by export, re-export or in-country transfer – some or all items subject to the U.S. Export Administration Regulations, unless the exporter secures a license. Licenses and exceptions to the license requirement are rarely granted to exporters where export, re-export or in-country transfer to foreign parties on Entity List are involved. Exporting, re-exporting or transferring items subject to these export administration regulations without satisfying the licensing requirements could result in criminal and/or civil penalties. These restrictions and similar or more expansive restrictions or sanctions that may be imposed by the United States or other jurisdictions in the future may adversely affect our ability to work with certain existing and future customers and business partners, which would adversely impact our business. Furthermore, our association with customers or business partners that are or become subject to U.S. regulatory scrutiny or export controls- or sanctions-related restrictions

could subject us to actual or perceived reputational harm among current or prospective **[REDACTED]**, suppliers or customers, other parties doing business with us, or the general public. Any such reputational harm could result in the loss of **[REDACTED]**, suppliers or customers, which could adversely impact our business, financial condition or prospects.

Any further escalation in trade or other tensions between the United States and China or news and rumors of any escalation, could introduce uncertainties to China's economy and any severe or prolonged slowdown in the global economy may materially and adversely affect our business, results of operations and financial condition.

Changes in international trade policies, geopolitics and trade protection measures, export control, economic or trade sanctions and outbound investment restrictions may affect our business, financial condition and results of operations.

We are susceptible to constantly changing international relations and trade policies. Such trade policies, laws and regulations are likely subject to frequent changes, and their interpretation and enforcement involves substantial uncertainties, which may be heightened by national security concerns or driven by political or other factors that are beyond our control. The overall international relationships between China and other foreign countries and regions, including the United States, may affect our business prospects, business partners, suppliers and customers. Recently, the United States proposed to impose multiple rounds of tariffs on a wide range of goods imported from multiple countries, including China, and China responded with retaliatory tariffs. Since February 2025, both countries raised reciprocal tariffs on each other's imported goods to 125%. However, on May 12, 2025, both the U.S. and China modified these tariff measures: the U.S. removed the 125% tariff and temporarily reduced tariffs on Chinese goods to 10% by suspending a 24% duty for 90 days. The PRC government announced the same tariff adjustments, removing the 125% retaliatory tariff and cutting tariffs on U.S. goods from 34% to 10% for the same period. See "Regulatory Overview – U.S Tariffs" for details. Political tensions as a result of trade policies could reduce trade volume, cross-border investment, technological exchange, and other economic activities between major economies, resulting in a material adverse effect on global economic conditions and the stability of global financial and stock markets. Additionally, if we, our business partners or other parties that have collaborative relationships with us or our affiliates become targeted under sanctions or export control restrictions, we may experience significant business interruptions, regulatory investigations or reputational harms.

In addition, on October 28, 2024, the U.S. Department of the Treasury issued a final rule on outbound investment (the "**Final Rule**"), to implement the executive order of August 9, 2023, which became effective on January 2, 2025. The Final Rule imposes investment prohibition and notification requirements on U.S. persons (as defined in the Final Rule) for a wide range of investments in entities associated with China (including Hong Kong and Macau) that are engaged in activities relating to three sectors: (i) semiconductor and microelectronics, (ii) quantum information technologies, and (iii) AI systems, which are defined as "covered foreign persons." U.S. persons subject to the Final Rule are prohibited from making, or required to report, certain investments in covered foreign persons, which are defined as "covered transactions," and include certain acquisitions of an equity interest, certain debt financing, joint ventures, and certain investments as a limited partner in a non-U.S. person pooled investment fund. The Final Rule contains exceptions for certain investments, including those in publicly traded securities, except when the U.S. person investor secures rights that go beyond standard minority shareholder protections. The Final Rule may introduce new hurdles and uncertainties for cross-border collaborations, investments and funding opportunities of China-based issuers, including us. On February 21, 2025, U.S. President Donald Trump issued a memo titled the "America First Investment Policy", indicating that U.S. Executive Order 14105 is under review and the Trump Administration will consider new or expanded restrictions, such as broadening the sectors. On December 18, 2025, President Donald Trump signed into law the National Defense Authorization Act for Fiscal Year 2026 ("**NDAA**") dated which includes the Comprehensive Outbound Investment National Security Act of 2025 (the "**COINS Act**"), thereby expanding the scope of technologies covered under the Final Rule and granting statutory

authority of the Final Rule regulations, and (vii) the Final Rule regulations are subject to change or repeal at any time and without advance notice, including by the U.S. President, Treasury, or the U.S. Congress, which has previously proposed outbound investment legislation that is, in part, inconsistent with the Final Rule. As advised by our International Sanctions Legal Adviser, given the nature of our business, (i) we do not believe that we are directly or indirectly engaged in any "covered activities" as described in the definition of "prohibited transaction" (each as defined in the Final Rule) as our artificial intelligence system is not designed for any end use, such as military end use, government intelligence or mass surveillance end use, or for the use of cybersecurity applications, digital forensic tools, penetration test tools, nor trained with a restricted quantity of computing power under the Final Rule (i.e., trained using a quantity of computing power greater than 10^23 computational operations or more); (ii) as we are engaged in development of AI systems used for the control of our robotic systems (e.g. AMR EMMA) that can operate autonomously and collaboratively in complex manufacturing scenarios, such activities may fall within the scope of covered activities described in the definition of "Notifiable Transaction". As a result, our International Sanctions Legal Adviser is of the view that we may be deemed a covered foreign person. Consequently, acquisition of our equity interests by U.S. persons may constitute a notifiable transaction, which imposes an obligation on U.S. persons to make a notification to the U.S. Treasury pursuant to the Final Rule, unless otherwise exempted under the Final Rule, including the exemption of the Public Traded Securities Exception ("**PTSE**") subsequent to **[REDACTED]**. On December 23, 2025, the Treasury published additional frequently asked questions ("**FAQs**") on the Final Rule. One of these FAQs (X. 4) provides that absent additional facts, when a U.S. person acquires an equity interest in a "covered foreign person", and at the time of such acquisition the equity interest is publicly traded, such security falls under the description of a "publicly traded security" in 31 C.F.R. §850.501(a)(1)(i), regardless of when an agreement to make its investments is entered into. As such, the PTSE allows U.S. persons to purchase our publicly **[REDACTED]** securities issued by us pursuant to the **[REDACTED]**, as long as the **[REDACTED]** made does not afford a U.S. person rights beyond standard minority shareholder protections.

As of the Latest Practicable Date, the escalating U.S.-China tensions had not had a material adverse effect on our operations. However, as relevant policies are rapidly evolving, the potential impact on our future business development, cross-border collaboration and capital-raising activities cannot be reliably assessed. Broader geopolitical tensions may lead to increased financial market volatility and adversely affect the **[REDACTED]** and **[REDACTED]** of our H Shares.

We face exposure to foreign currency risks.

We are exposed to foreign currency risk with respect to transactions denominated in currencies other than RMB which primarily arises from future commercial transactions as well as recognized assets and liabilities, including receivables, payables and cash balances, that are denominated in a currency other than the functional currency of the relevant operations. See Note 42 of the Accountants' Report set out in Appendix I to this document for details. As the **[REDACTED]** from the **[REDACTED]** will be in Hong Kong dollars, fluctuations in the exchange rate between the Renminbi and the Hong Kong dollar will affect the relative purchasing power in Renminbi in terms of the **[REDACTED]** from the **[REDACTED]**. In addition, appreciation or depreciation in the value of the Renminbi relative to the Hong Kong dollar or U.S. dollar would affect our financial results in Hong Kong dollar or U.S. dollar terms without giving effect to any underlying change in our business or results of operations.

Movements in Renminbi exchange rates are affected by, among other things, changes in political and economic conditions and China's foreign exchange regime and policy. With the development of the foreign exchange market and progress towards interest rate liberalization and Renminbi internationalization, the PRC government may in the future announce further changes to the exchange rate system, and we cannot assure you that the Renminbi will not appreciate or depreciate significantly in value against other currencies in the future. We can not predict the potential impact of market forces or government policies on the future exchange rate between the Renminbi and other currencies.

Our limited insurance coverage may not be sufficient to cover the risks related to our operations or any losses beyond our coverage.

We have purchased a variety of commercial insurance, including accident insurance, product liability insurance, and liability insurance for senior management personnel. See "Business – Insurance" for details. However, our current insurance coverage may not be sufficient to prevent us from any loss and there is no certainty that we will be able to successfully claim our losses under our current insurance policy on a timely basis, or at all. It may also be difficult for us to find insurance coverage for some of our business activities such as property insurance. Our business, financial condition and results of operations could be materially and adversely affected if we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss. Any uninsured occurrence of business disruption, litigation or natural disaster, or significant damages to our uninsured equipment or facilities could have a material adverse effect on our results of operations.

We may be subject to fines and penalties as a result of our non-compliance with certain PRC laws and regulations regarding the social insurance and housing provident fund during the Track Record Period.

Companies operating in China are required to participate in various employee benefit plans, including certain social insurance, housing funds, unemployment insurance, health insurance plans and other welfare-related contributions. See "Regulatory Overview – Relevant Laws and Regulations in the PRC – Laws and Regulations Relating to Labor Employment" for details. The requirement of employee benefit plans has been implemented variously by local governments in China given the different levels of economic development in different locations.

During the Track Record Period, our PRC subsidiaries engaged third-party human resources agencies to pay social insurance premiums and housing provident funds for several employees, and we did not make housing provident fund contribution or make full social insurance and housing provident fund contribution or make full social insurance and housing provident fund contribution for our employees. In 2023, 2024, 2025, and the six months ended June 30, 2026, the contributions made by the third-party agencies amounted to RMB2.7 million, RMB2.5 million, RMB2.6 million and RMB1.4 million, respectively. As advised by our PRC Legal Advisor, an employer that has not made social insurance contributions at such rate and based on such amount as prescribed by the law may be ordered to rectify the non-compliance and pay the required contributions within a stipulated timeframe. Failure to fulfill the outstanding contributions and a late payment fee within the stipulated timeframe may result in fines ranging from one to three times of the amount in arrears. Our PRC Legal Advisor has also advised us that, in the event that we fail to pay the housing provident fund in full amount, the housing provident fund administrative center will order us to pay the amount within a prescribed time limit. If we fail to do so upon the expiration of the above-mentioned time limit, further application will be made to the court for compulsory enforcement.

As of the Latest Practicable Date, we had not received any notice for payment of penalties of social insurance premium or housing provident funds from the competent authorities, nor any administrative penalty or labor arbitration application from employees for the agency arrangement with third-party human resources agencies. In addition, our PRC Legal Advisor is of the view that if there are no complaints from employees, the likelihood of us being fined due to above non-compliance issues is remote. However, there is no assurance that the competent government authorities will not require us to settle the outstanding amount within the specified time limit or impose late payment penalties on us, or any of our employees would not make complaints or demand for payment for any outstanding contribution. As advised by our PRC Legal Advisor, the likelihood of us receiving any notice of penalties from the competent authorities is remote, provided that we pay the outstanding contribution, and late fee (if any), for social insurance and house provident funds in full amount within the prescribed period after receiving notices to rectify such non-compliance from the competent authorities.

We are subject to anti-corruption, anti-bribery, governmental economic sanctions, and other laws and regulations.

We are subject to anti-corruption, anti-bribery, economic and trade sanctions laws and other relevant laws and regulations in various jurisdictions. For example, U.S. economic sanctions prohibit the provision of products to countries, governments, and persons targeted by U.S. sanctions. Although we perform compliance processes and maintain internal control systems, we may be subject to investigations and proceedings by governmental authorities for alleged infringements of these laws and regulations if our processes or systems are not conducted or are not operating properly. These proceedings may result in fines or other liabilities and could have a material and adverse effect on our reputation, business, financial condition, results of operations and prospects. If any of our subsidiaries, employees or other persons engage in fraudulent, corrupt or other unfair business practices or otherwise violate applicable laws, regulations or internal controls, we could become subject to one or more enforcement actions or otherwise be found to be in violation of such laws and regulations, and in turn adversely affect our reputation, business, financial condition, results of operations and prospects.

We are exposed to risks associated with financial assets measured at fair value through profit or loss and other comprehensive income. Fluctuations in changes in fair value of financial assets measured at fair value through profit or loss and other comprehensive income may adversely affect our financial results.

We recorded financial assets at fair value through profit or loss ("**FVTPL**") of RMB30.1 million, RMB5.1 million, and RMB110.1 million as of December 31, 2024 and 2025 and June 30, 2026, respectively. Our FVTPL mainly consist of wealth management products issued by commercial banks in the PRC with variable interest rates. See "Financial Information – Discussion of Certain Key Items on Consolidated Statements of Financial Position – Assets – Financial Assets at FVTPL" for details. Our investments in wealth management products are subject to the overall market conditions, including the capital markets, which exposes us to the risk of valuation uncertainty. Any volatility in the market or fluctuations in interest rates may negatively impact the fair value of these wealth management products, which may in turn have a material adverse effect on our results of operations and financial condition. The determination of the fair value of such financial assets requires us to make significant estimates, which may be subject to material changes, and therefore inherently involves a certain degree of uncertainty. Factors beyond our control can significantly influence and cause adverse changes to the estimates we use and thereby affect the fair value of such financial assets. These factors include, but are not limited to, general economic condition, changes in market interest rates and the stability of capital markets. Any of these factors, as well as others, could cause our estimates to vary from actual results, which could materially and adversely affect our results of operations and financial condition.

During the Track Record Period, we also had financial assets measured at fair value through other comprehensive income ("**FVOCI**"), comprising both debt investments and equity investments. As of 31 December 2023, 2024 and 2025 and June 30, 2026, our FVOCI debt investments amounted to RMB6.7 million, RMB4.4 million, RMB3.5 million, and RMB1.4 million, respectively, while our FVOCI equity investments amounted to nil, RMB39.9 million, RMB38.1 million, and RMB38.5 million, respectively. The fair value changes of our FVOCI equity investments were recognized in other comprehensive income, amounting to nil, RMB19.9 million, RMB36.4 million, and RMB0.4 million for the years ended 31 December 2023, 2024 and 2025, and the six months ended June 30, 2026, respectively. We also recognized expected credit losses ("**ECL**") on FVOCI debt investments, amounting to RMB4 thousand, nil, nil, and nil for the same periods. Any adverse changes in market interest rates, capital market conditions or issuer creditworthiness may negatively affect our fair value reserve and shareholders' equity.

According to applicable accounting policies, financial assets measured at FVTPL or FVOCI are recorded in the consolidated statements of financial position at fair value, with net changes in their fair value recognized in the consolidated statements of profit or loss and other comprehensive income, and therefore directly affect our financial condition and results of operations. Such treatment of gain or loss may cause significant volatility in, or materially and

adversely affect, our period-to-period earnings, financial condition and results of operations. We cannot assure you that market conditions and regulatory environment will create fair value gains and we will not incur any fair value losses on our financial assets measured at FVTPL or FVOCI in the future.

In addition, estimated changes in fair values involve the exercise of professional judgment and the use of certain basis and assumptions, which, by their nature, are subjective and uncertain. To the extent we use the assumptions that market participants would use to price the asset or liability acting in their economic best interest with respect to the measure of fair value of any financial assets, the financial assets valuation would be subject to uncertainties in accounting estimation, which may not reflect actual fair value of these financial assets and result in significant fluctuations in our profit or loss or other comprehensive income from period to period. To the extent we need to revalue these financial assets, any change in their fair value and related valuation uncertainty could materially affect our financial condition and results of operations.

If we are not able to fully comply with present or future ESG laws and regulations, our business, results of operations and financial condition may be adversely affected.

We may incur additional costs which could adversely impact our financial performance to address ESG-related risks. Given the nature of our business, we do not generate significant emissions, waste or heavy pollution. Nonetheless, we monitor environmental and climate-related risks that may affect our business, strategy and financial performance. See "Business – Environmental, Social and Corporate Governance" for more details. We are also committed to providing adequate support to our employees to nurture a friendly and inspirational corporate culture. This commitment may entail incurring substantial additional costs and would potentially affect our profitability. See "Business – Environmental, Social and Corporate Governance" for details.

In addition, the increasing ESG-related regulatory requirements, including various ESG disclosure mandates in the jurisdictions where we operate, may result in rising compliance costs and cost of sales. If we fail to adapt to new regulations or meet evolving industry expectations and standards, our consumers may choose products from other companies, which could materially and adversely affect our business, results of operations and financial condition.

We may need to raise additional capital in the future to execute our business plan, which may not be available on acceptable terms, or at all.

We may need additional capital in the future to fund our continued operations, and we may be unable to raise additional funds, whether through equity or debt financing, when needed on favorable terms or at all. If we do raise additional capital through public or private equity offerings, the ownership interest of our existing Shareholders, including **[REDACTED]** in this **[REDACTED]**, will be **[REDACTED]**, and the terms of these securities may include liquidation that adversely affect our Shareholders' rights. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. Any failure to raise capital as and when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies.

Our business may be impacted by political events, war, terrorism, health epidemics, natural disasters and other outbreaks of contagious diseases.

Our business could be adversely affected by natural disasters or outbreaks of epidemics. Political events, war, terrorism, health epidemics, natural disasters or other events beyond our control may disrupt our operations, supply chain, workforce or information technology systems, which could adversely affect our business, financial condition and results of operations.

RISKS RELATING TO THE JURISDICTIONS IN WHICH WE OPERATE

Changes in the economic, political or social conditions or government policies in the countries and regions where we operate could affect our business, financial condition and results of operations.

A vast majority of our revenue is derived from our businesses in the PRC during the Track Record Period. Accordingly, our financial condition, results of operations and prospects are, to a material extent, subject to economic, political, and legal developments in the PRC. Demand for our products and our ability to maintain operations are subject to the influence of macroeconomic conditions in China. If there are adverse changes in the macroeconomic environment, our financial condition, results of operations and future prospects may be materially affected.

In recent years, the PRC government has implemented measures emphasizing the utilization of market forces in economic reform and the establishment of sound corporate governance practices in business enterprises. The economic reform measures may be adaptively adjusted from industry to industry or across different regions of the country in the future. If the business environment changes, our business may also be materially affected.

We may be subject to the approval, filing or other requirements of the CSRC or other PRC governmental authorities in connection with future capital raising activities.

We cannot assure you that any new rules or regulations promulgated in the future will not impose additional requirements or restrictions on us or our financing activities. If it is determined in the future that approval from or filing with the CSRC or other regulatory authorities or other procedures are required, we may fail to obtain such approval, perform such filing procedures or meet such other requirements in a timely manner or at all. We may face sanctions by the CSRC or other PRC regulatory authorities for failure to seek CSRC approval or other government authorization, or perform filing procedures, for this **[REDACTED]** or our future financing activities, and these regulatory authorities may impose fines and penalties on us, limit our operating activities in the PRC, limit our ability to pay dividends outside the PRC, delay or restrict the repatriation of the **[REDACTED]** from the **[REDACTED]** into the PRC or take other actions to restrict our financing activities, which could have a material adverse effect on our business.

Uncertainties embedded in the legal systems of certain geographic markets where we operate could affect our business, results of operations and financial condition.

The legal systems of the jurisdictions where we operate vary significantly. Some jurisdictions have a civil law system based on written statutes and others are largely based on common law. Unlike common law systems where the case laws have binding effects, prior court decisions under civil law systems may be cited for reference but have limited precedential value. We are based in China and our business in China is governed by PRC laws and regulations. The PRC legal system is a civil law system based on written statutes. As the legal system in China continues to develop, laws and regulations may continue to evolve and be subject to interpretation, which may affect the legal protections and remedies that are available to us and our **[REDACTED]**.

You may experience difficulty in effecting service of legal process and enforcing judgments against us and our management.

We are a company incorporated under the laws of the PRC and our assets and one of our subsidiaries is located in the PRC. Most of our Directors and senior management reside within the PRC. The assets of these Directors and senior management are also mostly located within the PRC. As a result, it may be difficult and time-consuming to effect service of process upon most of our Directors and senior management outside the PRC. In addition, you may also experience difficulties in enforcing judgments due to lack of reciprocal recognition and enforcement of judicial rulings and awards of other jurisdictions.

Although we will be subject to the Listing Rules and the Takeovers Code upon the completion of the **[REDACTED]**, the holders of H Shares will not be able to bring actions on

the basis of violations of the Listing Rules and must rely on the Stock Exchange to enforce its rules. The Listing Rules and the Takeovers Code do not have the force of law in Hong Kong.

We could be subject to changes in our tax rates, the adoption of new local or overseas tax legislation or exposure to additional tax liabilities.

The PRC EIT Law imposes a tax rate of 25% on PRC resident business enterprises. We and some of our subsidiaries are entitled to preferential tax treatment. For example, we were approved as High-tech Enterprises, and were subject to a preferential tax rate of 15% during the Track Record Period. To the extent there are any changes in the laws and regulations governing preferential tax treatment, or increases in our effective tax rate due to any other reasons, our tax liability would increase correspondingly. In addition, the PRC authorities may amend or restate regulations on income, withholding, value-added, and other taxes. Non-compliance with Chinese Mainland tax laws and regulations may also result in penalties or fines imposed by relevant tax authorities. Adjustments or changes to Chinese Mainland tax laws and regulations and tax penalties or fines could affect our businesses, financial condition and results of operations.

We also operate in countries and regions overseas and are subject to various taxes. Due to the fact that the tax environment and legal framework can vary significantly across jurisdictions and that regulations regarding various taxes, including but not limited to corporate income tax and import duties, are highly complex, our overseas operations and expansion may expose us to risks associated with overseas tax laws, regulations and policies. Additionally, as we sell our robot products to various non-domestic markets, the intricacies of import duty regulations can lead to disputes when exporting products, as interpretations and applications of such rules may differ between countries. In such cases, we will be subject to fines or other penalties, which may not always have merit. Due to economic and political conditions, tax rates in various jurisdictions may be subject to significant change. Our effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretation. Dealing with such regulatory complexities and changes may require us to divert more managerial and financial resources, which in turn could affect our results of operations.

We are also subject to the examination of our tax returns and other tax matters by local and overseas tax authorities and governmental bodies. We regularly assess the likelihood of an adverse outcome resulting from these examinations to determine the adequacy of our provision for taxes. There can be no assurance as to the outcome of these examinations. If our effective tax rates were to increase, or if the ultimate determination of our taxes owed is for an amount in excess of amounts previously accrued, our financial condition, operating results and cash flows could be adversely affected.

We are a Chinese Mainland enterprise and we are subject to Chinese Mainland tax on our global income and any gains on the sales of H Shares and dividends on the H Shares may be subject to Chinese Mainland income taxes.

Under the current PRC tax laws and regulations, non-PRC resident individuals and non-PRC resident enterprises are subject to different tax obligations with respect to the dividends paid to them by us and the gains realized upon the sale or other disposition of H Shares.

Non-PRC resident individuals are required to pay PRC individual income tax at a 20% rate for the income derived in China under the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》and its implementation guidelines. Accordingly, we are required to withhold such tax from dividend payments, unless applicable tax treaties between China and the jurisdiction in which the foreign individual resides reduce or provide an exemption for the relevant tax obligations. However, pursuant to the Circular on Certain Policy Questions Concerning Individual Income Tax (《財政部、國家税務總局關於個人所得税若干政策問題的通知》) (Cai Shui Zi [1994] No. 020) issued by the MOF and SAT on May 13, 1994, the income gained by individual foreigners from dividends and bonuses of enterprises with foreign investment are exempted from individual income tax for the time being. In addition, under the Individual Income Tax Law of the PRC and its implementation regulations, non-PRC resident individual holders of H Shares are subject to individual income tax at a rate of 20% on gains

realized upon the sale or other disposition of H Shares. However, pursuant to the Circular of Declaring that Individual Income Tax Continues to be Exempted over Income of Individuals from the Transfer of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》)(Cai Shui Zi [1998] No. 61) issued by the MOF and the SAT on March 30, 1998, from January 1, 1997, the income of individuals from the transfer of the shares of listed enterprises continues to be exempted from individual income tax.

As of the Latest Practicable Date, no aforesaid provisions have expressly provided that individual income tax shall be levied on non-PRC resident individual holders on the transfer of shares in PRC resident enterprises listed on overseas stock exchanges, and to our knowledge, no such individual income tax was levied by PRC tax authorities in practice. However, there is no assurance that the PRC tax authorities will not change these practices which could result in levying income tax on non-PRC resident individual holders on gains from the sale of H Shares.

For non-PRC resident enterprises that do not have establishments or premises in China, and for those that have establishments or premises in China but whose income is not related to such establishments or premises, under the PRC EIT Law and its implementation regulations, dividends paid by us and gains realized by such foreign enterprises upon the sale or other disposition of H Shares are subject to PRC EIT at a 10% rate. In accordance with the Circular on Issues Relating to Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (《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》) (Guo Shui Han [2008] No. 897) issued by SAT on November 6, 2008, the withholding tax rate for dividends payable to non-PRC resident enterprise holders of H Shares will be 10% and we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares (including HKSCC Nominees). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty or arrangement will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the PRC tax authorities' approval.

Despite the arrangements mentioned above, the applicable PRC tax laws and regulations, as well as the interpretation and application of existing applicable PRC tax laws and regulations may be evolving and subject to change. New taxes may be imposed which may materially and adversely affect the value of your **[REDACTED]** in our H Shares.

Failure to comply with PRC regulations regarding the registration requirements for employee share ownership plans or share incentive plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.

In 2012, the SAFE, promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company (《關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》). Pursuant to these rules, PRC citizens and non-PRC citizens who reside in China for a continuous period of not less than one year and participate in any stock incentive plan of an overseas publicly listed company are required to register with SAFE through a domestic qualified agent, which could be the PRC subsidiaries of such overseas-listed company, and complete certain other procedures, unless certain exceptions are available. In addition, an overseas-entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options and the purchase or sale of shares and interests. We and our executive officers and other employees who are PRC citizens or non-PRC citizens living in China for a continuous period of not less than one year and have been granted options will be subject to these regulations when our Company becomes an overseas-**[REDACTED]** company upon the completion of the **[REDACTED]**. Failure to complete SAFE registrations may subject them or us to fines or supervision measures, which could affect our ability to adopt additional incentive plans for our directors, executive officers and employees.

We are subject to governmental regulations on currency exchange.

The conversion of Renminbi is subject to applicable laws and regulations in the PRC. It cannot be guaranteed that under a certain exchange rate, we will have sufficient foreign

exchange to meet our foreign exchange requirements. Under the current PRC foreign exchange regulatory 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.

Under existing foreign exchange regulations, following the completion of the **[REDACTED]**, we will be able to pay dividends in foreign currencies without prior approval from the SAFE by complying with certain procedural requirements. However, there is no assurance that these foreign exchange policies regarding payment of dividends in foreign currencies will continue in the future. In addition, any insufficiency of foreign exchange may restrict our ability to pay dividend to Shareholders or to satisfy any other foreign exchange requirements, capitalize our capital expenditure plans, and even our results of operations, financial performance and business prospects may be affected.

Dividends payable by us to our foreign [REDACTED] and gains on the [REDACTED] of our H Shares may become subject to withholding taxes under PRC tax law.

Under the EIT Law and EIT Implementation Rules, our foreign corporate Shareholders may be subject to a 10% income tax upon any gains realized from the transfer of their Shares and dividend distributable to such foreign corporate Shareholders, if such income is regarded as income from "sources within the PRC." According to the EIT Implementation Rules, whether income generated from transferring equity investments is to be regarded as sources within the PRC or from foreign territory shall depend upon the locations in which the enterprises accepting the equity investment are located. However, it is unclear whether income received by our Shareholders will be deemed to be income from sources within the PRC and whether there will be any exemption or reduction in taxation for our foreign corporate Shareholders due to the promulgation of the EIT Law. If our foreign corporate Shareholders are required to pay PRC income tax on the transfers of our Shares that they hold or on the gains on the sale of our Shares by them, the value of our foreign corporate Shareholders' **[REDACTED]** in our Shares may be materially and adversely affected.

RISKS RELATING TO THE [REDACTED]

There has been no prior [REDACTED] for our H Shares, and an active [REDACTED] for our H Shares may not develop or be sustained.

Prior to the **[REDACTED]**, there was no **[REDACTED]** for our H Shares. The **[REDACTED]** for our H Shares will be the result of negotiations between us and **[REDACTED]** (for itself and on behalf of the **[REDACTED]**)] and may differ significantly from the **[REDACTED]** of the H Shares following the **[REDACTED]**. We have applied to the Stock Exchange for the granting of the **[REDACTED]** of, and permission to **[REDACTED]**, our H Shares to be **[REDACTED]** pursuant to the **[REDACTED]** (including any additional H Shares which may be **[REDACTED]** pursuant to the exercise of the **[REDACTED]** and the H Shares to be converted from Domestic Shares). However, we cannot assure you that a **[REDACTED]** for our H Shares with adequate liquidity will develop and be sustained following the completion of **[REDACTED]**, or that the **[REDACTED]** of our H Shares will not decline following the **[REDACTED]**. If an active **[REDACTED]** for our H Shares does not develop following the completion of the **[REDACTED]**, the **[REDACTED]** and liquidity of our H Shares could be materially and adversely affected.

The [REDACTED] and [REDACTED] of our H Shares may be volatile, which could lead to substantial losses to [REDACTED].

The **[REDACTED]**, liquidity and **[REDACTED]** of our H Shares may be volatile subject to various factors beyond our control, including but not limited to political uncertainties in Hong Kong, the general market conditions of the securities in Hong Kong and elsewhere in the world. Business and performance and the **[REDACTED]** of the shares of other companies engaging in similar business as we do may affect the **[REDACTED]** and **[REDACTED]** of our H Shares. There can be no assurance that these developments will not occur in the future. In addition to market and industry factors, the **[REDACTED]** and **[REDACTED]** of our H Shares may be

highly volatile for specific business reasons, such as fluctuations in our revenue, earnings, cash flows, new investments, expenditures, regulatory developments, relationships with our suppliers and customers, movements or activities of key personnel, or actions taken by our competitors. Moreover, shares of other companies listed on the Stock Exchange with significant operations and assets in China have experienced price volatility in the past, and it is possible that our H Shares may be subject to changes in **[REDACTED]** not directly related to our performance but related to the overall political and economic conditions in Hong Kong, the PRC or elsewhere in the world.

Future sales or perceived sales of substantial amounts of our H Shares in the [REDACTED] could have a material adverse effect on the prevailing [REDACTED] of our H Shares and our ability to raise additional capital in the future.

The **[REDACTED]** of the **[REDACTED]** is higher than the net tangible asset value per Share immediately prior to the **[REDACTED]**. Therefore, **[REDACTED]** of the **[REDACTED]** in the **[REDACTED]** will experience an immediate **[REDACTED]**. There can be no assurance that if we were to immediately liquidate after the **[REDACTED]**, any assets will be distributed to Shareholders after the creditors' claims. To expand our business, we may consider **[REDACTED]** and **[REDACTED]** additional Shares in the future. **[REDACTED]** of the **[REDACTED]** may experience **[REDACTED]** in the net tangible asset value per Share of their Shares if we **[REDACTED]** additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time.

Any possible conversion of our Unlisted Shares into H Shares in the future could increase the supply of our H Shares in the market and negatively impact the [REDACTED] of our H Shares.

Subject to the approval by the CSRC, any of our Unlisted Shares may be converted into H Shares, and such converted Shares may be **[REDACTED]** or **[REDACTED]** on an overseas stock exchange. Any **[REDACTED]** or **[REDACTED]** of the converted Shares on an overseas stock exchange shall also comply with the regulatory procedures, rules and requirements of such stock exchange. No class shareholder voting is required for the **[REDACTED]** and **[REDACTED]** of the converted Shares on an overseas stock exchange. However, the PRC Company Law provides that in relation to the **[REDACTED]** of a company, the shares of that company which are issued prior to the **[REDACTED]** shall not be transferred within one year from the date of the **[REDACTED]**. Therefore, upon obtaining the requisite approval, shares currently held on our domestic share register may be **[REDACTED]**, after the conversion, in the form of H Shares on the **[REDACTED]** after one year of the **[REDACTED]**, which could further increase the supply of our H Shares in the market and could negatively impact the **[REDACTED]** of our H Shares.

The interests of our Single Largest Shareholder may not align with the interests of the Shareholders as a whole.

Prior to and immediately following the completion of the **[REDACTED]**, our Single Largest Shareholder will retain substantial control over our Company. Subject to our Articles of Association, the Single Largest Shareholder will be able to exercise significant control and exert significant influence over our business or otherwise on matters of significance to us and other Shareholders by voting at the general meeting of the Shareholders and at Board meetings. The interests of our Single Largest Shareholder may differ from the interests of other Shareholders and they are free (other than on any matters that they are required to abstain from voting) to exercise their votes according to their interests. To the extent that the interests of the Single Largest Shareholder conflict with the interests of other Shareholders, the interests of other Shareholders may be disadvantaged and harmed.

Our historical dividends may not be indicative of our future dividend payments or our future dividend policy, and we cannot assure you whether and when we will pay dividends in the future.

During the Track Record Period, no dividend was paid or declared by us. There can be no assurance that future dividends will be declared or paid. The declaration, payment and amount of any future dividends are subject to the discretion of our Directors, after taking into account various factors including but not limited to our results of operations, cash flows and financial condition, operating and capital expenditure requirements, market conditions, our strategic plans

and prospects for business development, regulatory restrictions on the payment of dividends and other factors as our Board may deem relevant, and subject to the approval at Shareholders' meeting. See "Financial Information – Dividends" for details.

We have significant discretion as to how we use the [REDACTED] of the [REDACTED], and we cannot guarantee that our new business initiatives and use of [REDACTED] plan will be successfully implemented or generate revenue and profit as we expected.

Our management may spend the **[REDACTED]** from the **[REDACTED]** in ways you may not agree with or that do not yield a favorable return. See "Future Plans and Use of **[REDACTED]**" for details of our intended use of **[REDACTED]**. However, our management will have discretion as to the actual application of our **[REDACTED]**. You are entrusting your funds to our management, upon whose judgment you must depend, for the specific use we will make of the **[REDACTED]** from this **[REDACTED]**.

We cannot guarantee the quality, accuracy and comparability of the official government information and statistics in this document.

This document includes industry data and forecasts extracted from the report prepared by CIC, which was commissioned by us, and from various official governmental publications. 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. However, we cannot assure you of the accuracy or completeness of information obtained from these sources. We have not independently verified any of the data, forecasts and other statistics from such sources, nor have we ascertained that the underlying economic assumptions relied upon in those sources are accurate. The information from official government sources has not been independently verified by us or any other parties involved in the **[REDACTED]**, or any of our or their respective directors, senior management, representatives, advisers or any other persons involved in the **[REDACTED]** and no representation is given as to its accuracy. Moreover, such facts, forecasts and other statistics may not be prepared on the same basis or with the same degree of accuracy (as the case may be) in other publications or jurisdictions. For these reasons, the information from various government publications contained in this document may not be accurate and should not be given undue reliance as a basis for making your **[REDACTED]** decision in our H Shares. You should therefore not place undue reliance on such information. In addition, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In any event, you should consider carefully the importance placed on such information or statistics.

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

This document contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, and growth opportunities for existing operations, plans and objectives of management, certain **[REDACTED]** information and other matters.

The words "will," "would," "estimate," "expect," "anticipate," "plan," "aim," "going forward," "believe," "may," "intend," "ought to," "continue," "project," "should," "seek," "potential" and the negative of these words and other similar expressions identify a number of these forward-looking statements. These forward-looking statements, including, among others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessary estimates reflecting the best judgment of our Directors, Supervisors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors. See "Risk Factors" for details. Accordingly, such statements are not a guarantee of future performance, and you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to this cautionary statement.

You should read the entire document carefully and only rely on the information included in this document to make your [REDACTED] decision, and we strongly caution you not to rely on any information contained in press articles or other media coverage relating to us, our H Shares or the [REDACTED].

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the **[REDACTED]**. Prior to the publication of this document, there may have been press and media coverage regarding us and the **[REDACTED]**. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it, and you should not rely on such information. Accordingly, prospective **[REDACTED]** are cautioned to make their **[REDACTED]** decisions on the basis of the information contained in this document only.

In preparation for the **[REDACTED]**, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules:

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 and Rule 19A.15 of the Listing Rules, a new applicant applying for a primary **[REDACTED]** on the Stock Exchange must have a sufficient management presence in Hong Kong. This normally means that at least two of the new 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.

The Company's headquarters, management, business operations and assets are primarily located in the PRC. The executive Directors are based in the PRC as the Board believes it would be more effective and efficient for its executive Directors to be based in a location where the Company's significant operations are located. The executive Directors are not or will not be ordinarily resident in Hong Kong upon the proposed **[REDACTED]**. The Directors consider that relocation of the executive Directors to Hong Kong will be burdensome and costly for the Company, and it may not be in the best interests of the Company and the Shareholders as a whole to appoint additional executive Directors who are ordinarily resident in Hong Kong.

Accordingly, pursuant to Rule 19A.15 of the Listing Rules, the Company [has] applied to the Stock Exchange for, and the Stock Exchange [has] granted the Company, a waiver from strict compliance with the requirements under Rule 8.12 and Rule 19A.15 of the Listing Rules, provided that the Company implements the following arrangements:

(a) pursuant to Rule 3.05 of the Listing Rules, the Company has appointed and will continue to maintain two authorized representatives (the "**Authorized Representatives**"), namely Mr. Chen Shouxian (陳首先) and Ms. Zhang Yexi (張燁茜). The Authorized Representatives are authorized to communicate on the Company's behalf with the Stock Exchange. Each of the Authorized Representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone and email. As and when the Stock Exchange wishes to contact the Directors on any matters, each of the Authorized Representatives will have means to contact all of the Directors promptly at all times. The Company will inform the Stock Exchange promptly in respect of any change in the Authorized Representatives;

(b) the Company has provided the contact details of each Director (such as mobile phone numbers, office phone numbers and email addresses) to each of the Authorized Representatives and to the Stock Exchange. This will ensure that the Authorized Representatives and the Stock Exchange will have the means to contact any of the Directors (including the independent non-executive Directors) promptly as and when required, including means to communicate with the Directors when they are traveling;

(c) the Company confirms and will ensure that all Directors who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time when required; and

(d) the Company has appointed Rainbow Capital (HK) Limited as its Compliance Adviser, pursuant to Rule 3A.19 of the Listing Rules. The Compliance Adviser will have access at all times to the Authorized Representatives, Directors and senior management of the Company, and will act as an additional channel of communication between the Stock Exchange and the Company for the period commencing on the **[REDACTED]** and ending on the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year commencing after the **[REDACTED]**. The Compliance Adviser will maintain constant contact with the Authorized Representatives, Directors and senior management of the Company through various means, including regular meetings and telephone discussions whenever necessary. The Authorized Representatives, Directors and other officers will

provide promptly such information and assistance as the Compliance Adviser may reasonably require in connection with the performance of the Compliance Adviser's duties as set forth in Chapter 3A of the Listing Rules.

JOINT COMPANY SECRETARIES

Rule 8.17 of the Listing Rules provides that the issuer must appoint a company secretary who satisfies the requirements under Rule 3.28 of the Listing Rules. Rule 3.28 of the Listing Rules provides that the issuer must appoint as its company secretary an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

Paragraph 13 of Chapter 3.10 of the Guide provides that the Stock Exchange will consider waiver applications in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include: (a) whether the applicant has principal business activities primarily outside Hong Kong; (b) whether the applicant is able to demonstrate the need to appoint a person who does not have the Acceptable Qualification (as defined under paragraph 11 of Chapter 3.10 of the Guide) nor Relevant Experience (as defined under paragraph 11 of Chapter 3.10 of the Guide) as a company secretary; and (c) why the directors consider the proposed company secretary to be suitable to act as the applicant's company secretary.

Further, pursuant to Chapter 3.10 of the Guide, such waiver, if granted, will be for a fixed period of time (the "**Waiver Period**") and on the following conditions: (a) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and (b) the waiver can be revoked if there are material breaches of the Listing Rules by the issuer.

The Group's principal business operations are in the PRC. The Company considers that apart from being able to meet the professional qualification or the relevant experience requirements under the Listing Rules, its company secretary also needs to have (i) experience relevant to the Company's operations; (ii) nexus to the Board; and (iii) close working relationship with the management of the Company, in order to perform the function of a company secretary and to take the necessary actions in the most effective and efficient manner. It is for the benefit of the Company to appoint a person who is familiar with the Company's business and affairs as a company secretary.

The Company has appointed Ms. Zhang Yexi (張燁茜) ("**Ms. Zhang**"), who is chief financial officer of the Company and Board secretary, as one of its joint company secretaries. The Company believes that Ms. Zhang has extensive experience in business management and corporate governance matters, as well as a thorough understanding of the daily operations, internal administration and financial management of the Group accumulated since his joining the Group. However, Ms. Zhang currently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, the Company has appointed Ms. Tam Wing Tsz (譚詠子) ("**Ms. Tam**"), an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary and to provide assistance to Ms. Zhang for an initial period of three years from the **[REDACTED]** to enable Ms. Zhang to acquire the "relevant experience" under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules. See "Directors and Senior Management" for details of Ms. Zhang's and Ms. Tam's qualifications and experience.

Given Ms. Tam's professional qualification and experience, she will be able to explain to both Ms. Zhang and the Company the relevant requirements under the Listing Rules and other applicable Hong Kong laws and regulations. Ms. Tam will also assist Ms. Zhang in organizing Board meetings and Shareholders' meetings of the Company as well as other matters of the Company which are incidental to the duties of a company secretary. Ms. Tam is expected to work closely with Ms. Zhang and will maintain regular contact with Ms. Zhang, the Directors

and the senior management of the Company. In addition, Ms. Zhang will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules to enhance his knowledge of the Listing Rules during the three-year period from the **[REDACTED]**. Ms. Zhang will also be assisted by the Company's compliance adviser and its legal advisors as to the Hong Kong laws on matters in relation to the Company's ongoing compliance with the Listing Rules and the applicable laws and regulations.

Since Ms. Zhang does not possess the formal qualifications required of a company secretary under Rule 3.28 of the Listing Rules, the Company [has] applied to the Stock Exchange for, and the Stock Exchange [has] granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Ms. Zhang may be appointed as a joint company secretary of the Company. The waiver is valid for an initial period of three years from the **[REDACTED]** on the conditions that (a) Ms. Zhang must be assisted by Ms. Tam who possesses the qualifications and experience required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and (b) the waiver will be revoked immediately if and when Ms. Tam ceases to provide such assistance during the three-year period, and the Company undertakes to re-apply to the Stock Exchange for a waiver in the event that Ms. Tam ceases to meet the requirements under Rule 3.28 of the Listing Rules or otherwise ceases to serve as a joint company secretary of the Company, and this waiver is subject to revocation in the event of any material breaches of the Listing Rules by the Company. Prior to the end of the three-year period, the Company will demonstrate and seek the confirmation from the Stock Exchange that Ms. Zhang, having had the benefit of Ms. Tam during the three years, has attained the relevant experience and is capable of discharging the functions of our company secretary.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Dr. Xiong Rong (熊蓉)	Room 107, Building 54 Qiushi Village Xihu District Hangzhou Zhejiang Province PRC	Chinese
Mr. Chen Shouxian (陳首先)	Room 602, Unit 1 Building 3, Qingtengju Jianan Apartment No. 378 Wenyi West Road Xihu District Hangzhou Zhejiang Province PRC	Chinese
Non-executive Directors		
Ms. Chen Qunying (陳群英)	Room 302, Unit 3, Building 1 Fuyuan New Village Xihu District Hangzhou Zhejiang Province PRC	Chinese
Ms. Zhao Dongmei (趙冬梅)	No. 14 Chaoyangmen South Street Beijing Foreign Enterprise Human Resource Service Co. Chaoyang District Beijing PRC	Chinese
Independent Non-executive Directors		
Dr. Yu Li (俞立)	Room 801, Unit 1, Building 6 Junfeng Huating, Wenyilu Road Xihu District Hangzhou Zhejiang Province PRC	Chinese
Dr. Zhang Li (張立)	2nd Floor, Block 55 259 Tai Po Tau Tai Po New Territories Hong Kong	Chinese (Hong Kong)

Name	Address	Nationality
Dr. Chen Linrong (陳林榮)	Room 603, Unit 2 Building 1, FuLeiDe Plaza Jianggan District Hangzhou Zhejiang Province PRC	Chinese

See "Directors and Senior Management" for more details about the Directors.

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor, Sponsor-Overall Coordinator, and Overall Coordinator

China International Capital Corporation Hong Kong Securities Limited
29/F, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

[REDACTED]

[REDACTED]

Legal Advisors to the Company

As to Hong Kong and United States law:
Cooley HK
35/F, Two Exchange Square
8 Connaught Place
Central
Hong Kong

As to PRC law:
Grandall Law Firm (Hangzhou)
Grandall Building
No. 2 & No. 15, Block B
Baita Park Old Fuxing Road
Hangzhou
Zhejiang Province
PRC

As to International Sanctions law:
Hogan Lovells Cadwalader International LLP (formerly Hogan Lovells International LLP)
11th Floor, One Pacific Place
88 Queensway
Hong Kong

Legal Advisors to the Sole Sponsor and the [REDACTED]	*As to Hong Kong and United States law:* **DLA Piper Hong Kong** 25th Floor Three Exchange Square 8 Connaught Place Central Hong Kong *As to PRC law:* **Jia Yuan Law Offices** F408 Ocean Plaza 158 Fuxing Men Nei Street Xicheng District Beijing PRC
Reporting Accountants and Independent Auditor	**Ernst & Young** *Certified Public Accountants* *Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance* 27/F, One Taikoo Place 979 King's Road Quarry Bay Hong Kong
Industry Consultant	**China Insights Industry Consultancy Limited** 10F, Block B, Jing'an International Center 88 Puji Road Jing'an District Shanghai PRC
Compliance Adviser	**Rainbow Capital (HK) Limited** Office No. 710, 7/F, Wing On House 71 Des Voeux Road Central Hong Kong
[REDACTED]	**[REDACTED]**

Registered Office	West Side of Building I 1261 Jinhai Avenue Lupu Town, Yuhuan City Taizhou City Zhejiang Province PRC
Headquarters and Principal Place of Business in the PRC	Room 101–110 1st Floor, Building 8 Jinsheng Industrial Park No. 611 Dongguan Road Binjiang District Hangzhou Zhejiang Province PRC
Principal Place of Business in Hong Kong	46/F, Hopewell Centre 183 Queen's Road East Wan Chai Hong Kong
Company's Website	[**www.iplusmobot.com**] *(The information contained on this website does not form part of this document)*
Joint Company Secretaries	**Ms. Zhang Yexi (張燁茜)** Room 401, Unit 3 Building 2, Courtyard 1 Huixin Beili Chaoyang District Beijing PRC **Ms. Tam Wing Tsz (譚詠子)** *(Associate Member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)* 46/F, Hopewell Centre 183 Queen's Road East Wan Chai Hong Kong
Authorized Representatives	**Mr. Chen Shouxian (陳首先)** Room 602, Unit 1 Building 3, Qingtengju Jianan Apartment No. 378 Wenyi West Road Xihu District Hangzhou Zhejiang Province PRC

	Ms. Zhang Yexi (張燁茜) Room 401, Unit 3 Building 2, Courtyard 1 Huixin Beili Chaoyang District Beijing PRC
Audit Committee	Dr. Chen Linrong (陳林榮) *(Chairperson)* Dr. Yu Li (俞立) Ms. Chen Qunying (陳群英)
Nomination Committee	Dr. Xiong Rong (熊蓉) *(Chairperson)* Dr. Yu Li (俞立) Dr. Zhang Li (張立)
Remuneration Committee	Dr. Yu Li (俞立) *(Chairperson)* Dr. Zhang Li (張立) Mr. Chen Shouxian (陳首先)
[REDACTED]	**[REDACTED]**
Principal Banks	**Industrial and Commercial Bank of China Qingchun Road Branch** 188 Qingchun Road Gongshu District Hangzhou Zhejiang Province PRC **Hangzhou Bank Technology Branch** 3850 Jiangnan Avenue Binjiang District Hangzhou Zhejiang Province PRC **China Merchants Bank Hangzhou Wulin Branch** 488 Wen San Road West Lake District Hangzhou Zhejiang Province PRC

OVERVIEW

The Group's history can be traced back to the establishment of Company's predecessor, Hangzhou IPLUSMOBOT Technology Co., Ltd. (杭州迦智科技有限公司) in July 2016 under the PRC Company Law. Founded by Dr. Xiong and an industry-experienced team, the Group utilized years of prior research in robotics technology and extensive academic experience to provide locally-adapted intelligent logistics solutions amid China's manufacturing upgrade and labour automation trends. This technical expertise, combined with Angel Series Financing secured in 2017, enabled the Group to commercialize its first AMR product, the EMMA V1, in 2018. On November 26, 2025, the Company was converted from a limited liability company into a joint stock limited company with its corporate name changed to Zhejiang IPLUSMOBOT Technology Co., Ltd. (浙江迦智科技股份有限公司). As of the Latest Practicable Date, the registered capital of the Company was RMB62,647,060, divided into 62,647,060 Shares, with a nominal value of RMB1.00 each.

MILESTONES

The following sets out a summary of our key development milestones:

Year	Milestone(s)
2016	The predecessor of our Company, Hangzhou IPLUSMOBOT Technology Co., Ltd. was established in July.
2018	We commercialized AMR EMMA V1, entering the AMR industry.
2020	We commercialized LUNA 2 outdoor mobile robot, entering outdoor application scenarios.
2021	We commercialized the OMNI series omnidirectional products for heavy-load application scenarios.
	We commercialized the FOLA series forklift robots, entering the forklift robot domain.
2022	We commercialized the industrial embodied robot, entering the mobile manipulation robot field.
	We commercialized the new K-series AMR products, reducing costs and improving performance.
	We were awarded the Specialized, Refined, Differential, and Innovative "Little Giant" Enterprise by the MIIT.
2023	We established a Japanese subsidiary, our first overseas subsidiary.
	We commercialized new products across multiple product lines, including our K-series AMRs, omnidirectional heavy-load AMRs and forklift robots, enriching our overall product offering.
2024	We commercialized new outdoor mobile robot products to expand the payload range of our offerings and introduced products tailored to overseas market application scenarios, including Japan.
	We were awarded the title of Provincial Key Enterprise Research Institute by the Zhejiang Provincial Department of Economy and Information Technology.
2025	We commercialized the NERA-P embodied intelligent robotic products, officially entering the embodied intelligence application domain.
2026	We commercialized the embodied robot controller NERA-C.
	We expanded our NERA-P embodied intelligent robot products, including multiple DS-series chassis.

OUR MAJOR SUBSIDIARIES

The date of establishment and principal business activities of each of our subsidiaries that made a material contribution to our operation results as of the Latest Practicable Date are set out in the table below:

No.	Name of subsidiary	Date and place of establishment	Principal business activities	Registered capital	Ownership as of the Latest Practicable Date
1	Quzhou Iplusmobot Technology Co., Ltd. (衢州迦智科技有限公司) ("**Quzhou Jiazhi**")	May 13, 2024, PRC	R&D, production, and sales of robotic solutions and products	RMB10,000,000	100.0%
2	Iplusmobot Technology Co., Ltd.	June 22, 2023, Japan	Sales and technical services	JPY10,000,000	100.0%

Other than the above major subsidiaries, we also had three other subsidiaries. For details of our subsidiaries, see Note 1 to the Accountant's Report in Appendix I to this document.

ESTABLISHMENT AND CORPORATE DEVELOPMENT

Establishment and Shareholding Changes in the Company Prior to Angel Series Financing

On July 4, 2016, our Company was established as a limited liability company under the PRC Company Law with an initial registered capital of RMB5,000,000.00. The shareholding structure of the Company as of the date of its establishment was as follows:

Shareholder	Registered capital subscribed for	Share interest
	(RMB)	*(%)*
Dr. Xiong	2,450,000.00	49.00
Mr. Xie Yu (謝宇)(1)	1,400,000.00	28.00
Mr. Zhang Yifeng (章逸豐)(1)	250,000.00	5.00
Dr. Sun Yichao (孫逸超)(2)	120,000.00	2.40
Mr. Zhu Qiuguo (朱秋國)(1)	120,000.00	2.40
Mr. Chen Shouxian (陳首先)(2)	120,000.00	2.40
Mr. Wang Yue (王越)(1)	120,000.00	2.40
Mr. Liu Yong (劉勇)(1)	100,000.00	2.00
Mr. Mao Shuyuan (毛曙源)(1)	100,000.00	2.00
Mr. Zhan Jianbo (詹劍波)(1)	100,000.00	2.00
Mr. Li Chao (李超)(1)	100,000.00	2.00
Ms. Shao Hong (邵虹)(1)	10,000.00	0.20
Ms. Chen Qunying (陳群英)(2)	10,000.00	0.20
Total	**5,000,000.00**	**100.00**

Notes:

(1) These early-stage investors of the Company were colleagues, students or friends of Dr. Xiong at the time of their investments to the Company. Mr. Wang Yue, Mr. Zhan Jianbo and Ms. Shao Hong are currently serving at the Company.

(2) Mr. Chen Shouxian and Ms. Chen Qunying are our Directors, and Dr. Sun Yichao is our senior management member.

Share Transfers in 2016

From August 2016 to October 2016, we went through below transfers among our then Shareholders (the "**Share Transfers in 2016**").

Details of which are as follows:

Date of agreements	Transferor	Transferee	Registered capital transferred
			(RMB)
August 29, 2016 . . .	Mr. Xie Yu	Dr. Xiong	1,400,000.00
	Mr. Zhang Yifeng		250,000.00
	Mr. Wang Yue		120,000.00
	Mr. Mao Shuyuan		100,000.00
	Mr. Zhan Jianbo		100,000.00
	Mr. Li Chao		100,000.00
	Ms. Shao Hong		10,000.00
	Ms. Chen Qunying		10,000.00
	Dr. Sun Yichao	Mr. Li Wenhua	120,000.00
October 10, 2016 . .	Dr. Xiong	Mr. Chen Shouxian	150,000.00
		Mr. Liu Yong	20,000.00
		Mr. Wang Yue	250,000.00

Notes:

(1) Mr. Xie Yu, Mr. Zhang Yifeng, Mr. Mao Shuyuan, Mr. Zhan Jianbo, Mr. Li Chao, Ms. Shao Hong, Ms. Chen Qunying and Dr. Sun Yichao ceased to be the Shareholders upon completion of the above-mentioned share transfers due to personal arrangements or shareholding structure optimization.

(2) The consideration of the above-mentioned share transfers was nil as the corresponding registered capital had not been paid up by the respective transferors as at the time of the above-mentioned share transfers, and the transferees later paid up such registered capital.

Angel Series Financing

Pursuant to a capital contribution agreement dated November 4, 2016 entered into among the Company, the investors set forth below and our then Shareholders, such investors agreed to subscribe for the increased registered capital of the Company (the "**Angel Series Financing**").

Details of which are as follows:

Investor	Registered capital subscribed for	Consideration
	(RMB)	*(RMB)*
Hangzhou Yinxingshu Equity Investment Partnership (L.P.) (杭州銀杏數股權投資合夥企業(有限合夥)) ("**Hangzhou Yinxingshu**")	277,780.00	5,000,000.00
Hangzhou Yinxinghai Equity Investment Partnership (Limited Partnership) (杭州銀杏海創業投資合夥企業(有限合夥)) ("**Hangzhou Yinxinghai**")	277,780.00	5,000,000.00

Note:

(1) Dr. Xiong also subscribed for an additional registered capital of RMB40.00 at a consideration of approximately RMB720.00 for rounding purposes in the capital contribution arrangements among the Shareholders.

Share Transfers in 2018

On February 6, 2018, share transfer agreements were entered into for below transfers (the "**Share Transfers in 2018**").

Details of which are as follows:

Transferor	Transferee	Registered capital transferred	Consideration
		(RMB)	*(RMB)*
Dr. Xiong	Ningbo Jiachuang[1]	860,000.00	860,000.00
Mr. Chen Shouxian		270,000.00	270,000.00
Mr. Wang Yue . .		250,000.00	250,000.00
Mr. Li Wenhua . .		120,000.00	120,000.00
Dr. Xiong	Ningbo Meishan Bonded Port Jiabo Investment Management Partnership Enterprise (Limited Partnership) (寧波梅山保税港區迦博投資管理合夥企業(有限合夥)) ("**Ningbo Jiabo**")[2]	500,000.00	410,000.00[2]

Notes:

(1) In January 2018, Ningbo Jiachuang was established as a holding vehicle for the co-founders and early-stage investors of the Company with Dr. Xiong being its general partner. Such transfers were conducted at nominal value, as an internal restructuring for the transferors. The interests held by Dr. Xiong, Mr. Chen Shouxian, Mr. Wang Yue and Mr. Li Wenhua under such transfers were rolled over to the Ningbo Jiachuang level.

(2) In January 2018, Dr. Xiong transferred her equity interest to Ningbo Jiabo, a holding vehicle for the senior management of the Company. The consideration of the share transfer was determined based on the Company's then net assets and the non-paid capital contribution. Mr. Chen Shouxian is the general partner of Ningbo Jiabo.

Series Pre-A Financing

Subscription of Increased Registered Capital in Series Pre-A Financing

From April to December 2018, the Company, the Series Pre-A Financing investors and our then Shareholders entered into a series of capital contribution agreements, such investors agreed to subscribe for the increased registered capital of the Company (the "**Series Pre-A Financing**").

Details of which are as follows:

Date of agreements	Investor	Registered capital subscribed for	Consideration
		(RMB)	*(RMB)*
April 28, 2018 . .	Shenzhen Paladin Six Equity Investment Partnership (Limited Partnership) (深圳市帕拉丁六期股權投資合夥企業(有限合夥)) ("**Shenzhen Paladin**")	341,406.00	11,000,000.00
December 29, 2018	Zhejiang Etrol TECHNOLOGIES Co., Ltd. (浙江安控科技有限公司) ("**Zhejiang Etrol**")	124,147.20	4,000,000.00

Share Transfers in Series Pre-A Financing

From April to December 2018, we went through below transfers among our then Shareholders (the "**Share Transfers in Series Pre-A Financing**"). The consideration of such transfers was determined after arm's length negotiations between the parties taking into account the development stage of our Company at the time of the relevant share transfers.

Details of which are as follows:

Date of agreements	Transferor	Transferee	Registered capital transferred	Consideration
			(RMB)	*(RMB)*
April 28, 2018 . . .	Dr. Xiong	Shenzhen Paladin	30,000.00	810,000.00
December 29, 2018	Dr. Xiong	Zhejiang Etrol	25,556.00	690,000.00

Series A Financing

Pursuant to the capital contribution agreement dated January 31, 2019, entered into among the Company, the Series A Financing investors set forth below and our then Shareholders, the Series A Financing investors agreed to subscribe the increased registered capital of the Company (the "**Series A Financing**").

Details of which are as follows:

Investor	Registered capital subscribed for	Consideration
	(RMB)	*(RMB)*
Ningbo Meishan Bonded Port Yunyi Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (寧波梅山保税港區雲翼創業投資合夥企業(有限合夥)) ("**Yunyi Investment**")	562,778.94	20,000,000.00
Shenzhen Paladin	36,996.55	1,314,780.95

Series A+ Financing

Pursuant to the capital contribution agreements dated April 28, 2019, entered into among the Company, the Series A+ Financing investors set forth below and our then Shareholders, the Series A+ Financing investors agreed to subscribe the increased registered capital of the Company (the "**Series A+ Financing**").

Details of which are as follows:

Investor	Registered capital subscribed for	Consideration
	(RMB)	*(RMB)*
Wenzhou Bogu Equity Investment Fund Partnership Enterprise (Limited Partnership) (溫州博古股權投資基金合夥企業(有限合夥)) ("**Wenzhou Bogu**")[1]	465,917.20	19,000,000.00
Shenzhen Huiyou Chuangjia Venture Investment Partnership (Limited Partnership) (深圳市惠友創嘉創業投資合夥企業(有限合夥)) ("**Shenzhen Huiyou**") .	220,697.62	9,000,000.00
Shenzhen Paladin	49,043.92	2,000,000.00

Note:

(1) Pursuant to a share transfer agreement dated December 2, 2025 entered into between Wenzhou Bogu and Wenzhou Lujia Hongrong Venture Capital Partnership (Limited Partnership) (溫州鷺嘉紅榕創業投資合夥企業(有限合夥)) ("**Wenzhou Lujia**"), Wenzhou Bogu transferred 2,140,984.84 Shares to Wenzhou Lujia at a consideration of RMB19,000,000.00. The share transfer was carried out for internal restructuring purposes as Wenzhou Bogu and Wenzhou Lujia are both managed by the same general partner. Wenzhou Bogu ceased to be a Shareholder upon completion of the share transfer.

Share Transfer in 2019

Pursuant to a share transfer agreement dated December 27, 2019 entered into between Zhejiang Etrol and Hangzhou Unicorn Technology Co., Ltd. (杭州獨角獸科技有限公司) ("**Hangzhou Unicorn**"), Zhejiang Etrol transferred the registered capital of RMB149,703.20 of the Company to Hangzhou Unicorn at a consideration of RMB5,200,000.00 (the "**Share Transfer in 2019**"). Upon the completion of such share transfer, Zhejiang Etrol ceased to be a Shareholder and such exit was based on its own internal operational requirements. The consideration of such transfer was determined after arm's length negotiations between the parties taking into account the development stage of our Company at the time of the relevant share transfer.

Share Transfer in 2020

Pursuant to the share transfer agreement dated June 19, 2020 entered into between Dr. Xiong and Mr. Chu Jian (褚健), Dr. Xiong transferred the registered capital of RMB500,000.00 of the Company to Chu Jian at a consideration of RMB2,000,000.00 (the "**Share Transfer in 2020**"). The consideration of such transfer was determined after arm's length negotiations between the parties taking into account the development stage of our Company at the time of the relevant share transfer.

Series B Financing

Subscription of Increased Registered Capital in Series B Financing

Pursuant to the capital contribution agreement dated January 25, 2021, entered into among the Company, the Series B Financing investors set forth below and our then Shareholders, the Series B Financing investors agreed to subscribe the increased registered capital of the Company (the "**Series B Financing**").

Details of which are as follows:

Investor	Registered capital subscribed for	Consideration
	(RMB)	*(RMB)*
Beijing Quantum Jump Technology Co., Ltd. (北京量子躍動科技有限公司) ("**Quantum Jump**")	814,992.00	45,000,000.00
Tianjin Lenovo Haihe Intelligent Technology Industry Fund Partnership (Limited Partnership) (天津聯想海河智能科技產業基金合夥企業(有限合夥)) ("**Lenovo Fund**")	633,882.00	35,000,000.00

Share Transfer in Series B Financing

Pursuant to the share transfer agreement dated January 25, 2021 entered into between Dr. Xiong and Quantum Jump, Dr. Xiong transferred the registered capital of RMB90,000.00 of the Company to Quantum Jump at a consideration of RMB4,969,377.00 (the "**Share Transfer in Series B Financing**"). The consideration of such transfer was determined after arm's length negotiations between the parties taking into account the development stage of our Company at the time of the relevant share transfer.

Series B+ Financing

Pursuant to the capital contribution agreement dated May 31, 2021, entered into among the Company, the Series B+ Financing investors set forth below and our then Shareholders, the

Series B+ Financing investors agreed to subscribe the increased registered capital of the Company (the "**Series B+ Financing**").

Details of which are as follows:

Investor	Registered capital subscribed for	Consideration
	(RMB)	*(RMB)*
Gongqingcheng Suxiang Venture Capital Partnership (Limited Partnership) (共青城蘇襄創業投資合夥企業(有限合夥)) ("**Gongqingcheng Suxiang**")	489,641.00	40,000,000.00
Shenzhen Capital Group Co., Ltd. (深圳市創新投資集團有限公司) ("**SCGC**")	61,205.00	5,000,000.00
Ningbo Hongtu Industrial Investment Venture Capital Fund Partnership Enterprise (Limited Partnership) (寧波紅土工投創業投資基金合夥企業(有限合夥) (formerly known as Ningbo Hongtu Industrial Investment Intelligent Economy Industry Fund Partnership Enterprise (Limited Partnership) (寧波紅土工投智能經濟產業基金合夥企業(有限合夥))) ("**Ningbo Hongtu**")	61,205.00	5,000,000.00
Quantum Jump	73,690.00	6,019,963.00
Lenovo Fund	51,615.00	4,216,556.00

Series C Financing

Subscription of Increased Registered Capital in Series C Financing

Pursuant to the capital contribution agreement dated August 31, 2021, entered into among the Company, the Series C Financing investors set forth below and our then Shareholders, the Series C Financing investors agreed to subscribe the increased registered capital of the Company (the "**Series C Financing**").

Details of which are as follows:

Investor	Registered capital subscribed for	Consideration
	(RMB)	*(RMB)*
Beijing Qingrui Engineering Consulting Co., Ltd. (北京慶瑞工程諮詢有限公司) (formerly known as Xizang Qingrui Engineering Technology Service Co., Ltd. (西藏慶瑞工程技術服務有限公司)) ("**Beijing Qingrui**")	725,394.00	100,000,000.00
Taicang Zhongding No.6 Equity Investment Partnership (L.P.) (太倉市鐘鼎六號股權投資合夥企業(有限合夥)) ("**Zhongding No.6**")[1]	214,281.68	29,540,000.00
Taicang Zhongding No.6 Qinglan Equity Investment Partnership Enterprise (Limited Partnership) (太倉市鐘鼎六號青藍股權投資合夥企業(有限合夥)) ("**Zhongding No.6 Qinglan**")[1]	75,876.32	10,460,000.00
Pingyang Kunyi Equity Investment Partnership Enterprise (Limited Partnership) (平陽昆毅股權投資合夥企業(有限合夥)) ("**Pingyang Kunyi**")	72,539.00	10,000,000.00

Note:

(1) Pursuant to a share transfer agreement dated June 14, 2022 entered into between Zhongding No.6, Zhongding No.6 Qinglan and Jiaxing Dingyun Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (嘉興鼎韞創業投資合夥企業(有限合夥)) ("**Jiaxing Dingyun**"), Zhongding No.6 transferred the registered capital of RMB214,281.68 of the Company to Jiaxing Dingyun at a consideration of RMB29,540,000.00 and Zhongding No.6 Qinglan transferred the registered capital of RMB75,876.32 of the Company to Jiaxing Dingyun at a consideration of RMB10,460,000.00. The share transfers were carried out for internal restructuring purposes as Zhongding No.6, Zhongding No.6 Qinglan and Jiaxing Dingyun are all managed by the same general partner. Zhongding No.6 and Zhongding No.6 Qinglan ceased to be our Shareholders upon completion of such share transfers.

Share Transfers in Series C Financing

On August 31, 2021, Gongqingcheng Suxiang, Lenovo Fund, Quantum Jump entered into share transfer agreements with the transferors set forth below, respectively (the "**Share Transfers in Series C Financing**"). The consideration of such transfers was determined after arm's length negotiations between the parties taking into account the development stage of our Company at the time of the relevant share transfers.

Details of such share transfers are as follows:

Transferor	**Transferee**	**Registered capital transferred**	**Consideration**
		(RMB)	*(RMB)*
Dr. Xiong	Gongqingcheng Suxiang	29,722.00	3,945,672.00
Ningbo Jiabo	Gongqingcheng Suxiang	15,066.00	2,000,000.00
Ningbo Jiachuang	Gongqingcheng Suxiang	38,342.00	5,089,883.00
Shenzhen Paladin	Lenovo Fund	3,585.00	475,936.00
Shenzhen Paladin	Quantum Jump	109,409.00	14,524,064.00
Hangzhou Unicorn	Lenovo Fund	99,802.00	13,248,768.00
Ningbo Jiabo	Lenovo Fund	2,074.00	275,296.00

Conversion of Capital Reserves into Registered Capital in 2022

Pursuant to a Shareholders' resolution passed on June 14, 2022, the registered capital of the Company increased from RMB10,880,908.43 to RMB50,000,000.00 (the "**Conversion of Capital Reserves in 2022**"), through converting capital reserves of the Company into registered capital, the increased portion of which was subscribed for by our then Shareholders at nominal value in proportion to their respective shareholding percentage.

Series C+ Financing

From April 2024 to July 2025, the Company, the Series C+ Financing investors set forth below and certain our then Shareholders entered into a series of capital contribution agreements, pursuant to which such investors agreed to subscribe for the increased registered capital of the Company (the "**Series C+ Financing**").

Details of which are as follows:

Date of agreements	Investor	Registered capital subscribed for	Consideration
		(RMB)	*(RMB)*
April 30, 2024 . .	SUPCON Technology Co., Ltd. (中控技術股份有限公司) ("**SUPCON Technology**")	588,235.29	20,000,000.00
May 11, 2024 . .	Quzhou High Quality Development Equity Investment Partnership (Limited Partnership) (衢州高質量發展股權投資合夥企業(有限合夥)) ("**Quzhou High Quality**")	2,205,882.35	75,000,000.00
	Small and medium-sized Fangguang (Shanghai) Private Fund Partnership (Limited Partnership) (中小方廣(上海)私募基金合夥企業(有限合夥)) ("**Shanghai Fangguang**")	427,413.75	14,532,067.43
	Changzhou Fangguang Phase IV Venture Capital Partnership (Limited Partnership) (常州方廣四期創業投資合夥企業(有限合夥)) ("**Changzhou Fangguang**")	454,939.19	15,467,932.57
July 24, 2025 . . .	Zhejiang SUPCON Information Technology Co., Ltd. (浙江中控信息產業股份有限公司) ("**SUPCON Information**")	1,470,588.24	50,000,000.00
July 29, 2025 . . .	Quzhou High Quality	2,205,882.35	75,000,000.00

Series C++ Financing

Subscription of Increased Registered Capital in Series C++ Financing

Pursuant to the capital contribution agreement dated December 28, 2025 entered into among the Company, the Series C++ Financing investors set forth below and our then Shareholders, the Series C++ Financing investors agreed to subscribe the increased registered capital of the Company (the "**Series C++ Financing**").

Details of which are as follows:

Investor	Registered capital subscribed for	Consideration
	(RMB)	*(RMB)*
Yuhuan City Caitong Yufu Equity Investment Partnership (Limited Partnership) (玉環市財通玉富股權投資合夥企業(有限合夥)) ("**Yuhuan Caitong**")	3,529,412	120,000,000.00
Taizhou Caitong Future Intelligent Venture Capital Partnership (Limited Partnership) (台州財通未來智能創業投資合夥企業(有限合夥)) ("**Taizhou Caitong**")	882,353	30,000,000.00
Yuhuan Yongxi Talent Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (玉環市永禧人才創業投資合夥企業(有限合夥)) ("**Yuhuan Yongxi**")	882,353	30,000,000.00

Note:

(1) Dr. Xiong subscribed for the additional registered capital of RMB0.83 at a consideration of approximately RMB28.22 for rounding purposes in the capital contribution arrangements among the Shareholders.

Share Transfers in Series C++ Financing

On December 23, 2025, Wenzhou Lujia, Shenzhen Paladin, Shenzhen Huiyou, Quantum Jump, Hangzhou Yinxingshu and Hangzhou Yinxinghai entered into share transfer agreements with the transferees set forth below, respectively (the "**Share Transfers in Series C++ Financing**"). The consideration of such transfers was determined after arm's length negotiations between the parties taking into account the original cost base and funding costs.

Details of such share transfers are as follows:

Transferor	Transferee	Number of Shares transferred	Consideration
			(RMB)
Wenzhou Lujia	Hangzhou Hemai Youtian New Energy Venture Capital Partnership Enterprise (Limited Partnership) (杭州禾邁有天新動能創業投資合夥企業(有限合夥)) ("**Hoymiles Usky**")	54,311.50	833,333.33
	Hainan Xinhe Investment Partnership Enterprise (Limited Partnership) (海南信荷投資合夥企業(有限合夥)) ("**Hainan Xinhe**")	81,467.25	1,250,000.00
	Zhejiu Huiying (Tianjin) Enterprise Management Partnership (Limited Partnership) (浙玖匯盈(天津)企業管理合夥企業(有限合夥)) ("**Zhejiu Huiying**")	81,467.25	1,250,000.00
	Yuhuan State Owned Assets Investment and Operation Group Co., Ltd. (玉環市國有資產投資經營集團有限公司) ("**Yuhuan State Owned Investment**")	108,622.98	1,666,666.67
Shenzhen Paladin	Hoymiles Usky	56,897.76	833,333.33
	Hainan Xinhe	85,346.64	1,250,000.00
	Zhejiu Huiying	85,346.64	1,250,000.00
	Yuhuan State Owned Investment	113,795.52	1,666,666.67
Hangzhou Yinxingshu . .	Hoymiles Usky	29,871.32	416,666.67
	Hainan Xinhe	44,806.99	625,000.00
	Zhejiu Huiying	44,806.99	625,000.00
	Yuhuan State Owned Investment	59,742.64	833,333.33
Hangzhou Yinxinghai . .	Hoymiles Usky	29,871.32	416,666.67
	Hainan Xinhe	44,806.99	625,000.00
	Zhejiu Huiying	44,806.99	625,000.00
	Yuhuan State Owned Investment	59,742.64	833,333.33
Shenzhen Huiyou	Hoymiles Usky	54,311.50	833,333.33
	Hainan Xinhe	81,467.25	1,250,000.00
	Zhejiu Huiying	81,467.25	1,250,000.00
	Yuhuan State Owned Investment	108,622.98	1,666,666.67
Quantum Jump	Hoymiles Usky	318,627.45	6,666,666.67

Transferor	Transferee	Number of Shares transferred	Consideration
			(RMB)
	Hainan Xinhe	477,941.18	10,000,000.00
	Zhejiu Huiying	477,941.18	10,000,000.00
	Yuhuan State Owned Investment	637,254.90	13,333,333.33

Conversion into a Joint Stock Company

On November 26, 2025, the Company was converted into a joint stock limited company. Upon the completion of the conversion, the registered capital of the Company became RMB57,352,941.17, divided into 57,352,941.17 Shares, with a nominal value of RMB1.00 each.

EMPLOYEE INCENTIVE PLATFORM

In recognition of the contributions of our employees and to incentivize them to further promote our development, we established the below employee incentive platform of the Company (the "**Employee Incentive Platform**"), through which we have adopted the employee incentive plan (the "**Employee Incentive Plan**"), with Dr. Xiong being the general partner. The Employee Incentive Plan is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve the grant of new Shares or options over new Shares of our Company after **[REDACTED]**.

Below is the structure of the Employee Incentive Platform:

		As at the Latest Practicable Date	
Employee Incentive Platform	Date of establishment	Shareholding in the Company	Limited partners
Hangzhou Jiarui[(1)]	November 29, 2016	9.10%	Mr. Chen Shouxian (our executive Director holding approximately 27.78% of the limited partner interests), Ms. Chen Qunying (our non-executive Director holding approximately 3.23% of the limited partner interests), Ms. Zhang Yexi (our senior management member holding approximately 4.03% of the limited partner interests) and 29 current employees of our Group

Note:

(1) Pursuant to a share transfer agreement dated December 16, 2016 entered into between Hangzhou Jiarui, the Company and certain our then Shareholders, Dr. Xiong, Mr. Zhu Qiuguo and Mr. Liu Yong transferred the registered capital of RMB750,000.00, RMB120,000.00 and RMB120,000.00 of the Company to Hangzhou Jiarui, respectively, for the share incentive purposes. Mr. Zhu Qiuguo and Mr. Liu Yong ceased to be our Shareholders upon completion of the above-mentioned share transfers. Pursuant to a Shareholders' resolution passed on April 14, 2021, Hangzhou Jiarui subscribed for the increased registered capital of RMB250,000.00 of the Company at a consideration of RMB250,000.00.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

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

PRE-[REDACTED] INVESTMENTS

Summary of Pre-[REDACTED] Investments

The following table sets forth a summary of the details of the Pre-**[REDACTED]** Investments:

	Angel Series Financing[1]	Series Pre-A Financing[2][3]	Series A Financing	Series A+ Financing	Series B Financing[4][5][6]	Series B+ Financing	Series C Financing[7]	Series C+ Financing	Series C++ Financing[8]
Amount of registered capital subscribed for	RMB555,600.00	RMB465,553.20	RMB599,775.49	RMB735,658.74	RMB1,448,874.00	RMB737,356.00	RMB1,088,091.00	RMB7,352,941.17	RMB5,294,118.00
Amount of consideration paid	RMB10,000,000.00	RMB15,000,000.00	RMB21,314,780.95	RMB30,000,000.00	RMB80,000,000.00	RMB60,236,519.00	RMB150,000,000.00	RMB250,000,000.00	RMB180,000,000.00
Pre-money valuation of the Company	RMB90,000,000.00	RMB179,000,000.00	RMB214,000,000.00	RMB270,000,000.00	RMB420,000,000.00	RMB740,000,000.00	RMB1,350,000,000.00	RMB1,700,000,000.00	RMB1,950,000,000.00
Post-money valuation of the Company	RMB100,000,000.00	RMB194,000,000.00	RMB235,314,780.95	RMB300,000,000.00	RMB500,000,000.00	RMB800,236,519.00	RMB1,500,000,000.00	RMB1,950,000,000.00	RMB2,130,000,000.00
Date of payment of full consideration	April 12, 2017	June 8, 2018	February 1, 2019	June 6, 2019	May 24, 2021	August 19, 2021	December 29, 2021	September 2, 2025	January 4, 2026
Cost per share paid under the Pre-[REDACTED] Investment (approximate)	RMB18.00	RMB32.22	RMB35.54	RMB40.78	RMB55.22	RMB81.69	RMB137.86	RMB34.00	RMB34.00
Adjusted cost per share paid under the Pre-[REDACTED] Investment (approximate)[9]	RMB3.92	RMB7.01	RMB7.73	RMB8.87	RMB12.02	RMB17.78	RMB30.00	RMB34.00[9]	RMB34.00[9]
[REDACTED] to the [REDACTED][10]	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%	[REDACTED]%
Basis of consideration	The consideration for each round of the Pre-**[REDACTED]** Investments was determined based on arm's length negotiations among the relevant parties taking into consideration the timing of the investments, and the Company's development stage and commercialization prospects.								
Use of Proceeds	We utilized the proceeds from the Pre-**[REDACTED]** Investments for the principal business of our Group, including production line construction, R&D, and operations, and replenishment of our working capital. As of the Latest Practicable Date, approximately 60.6% of the net proceeds from the Pre-**[REDACTED]** Investments had been utilized.								
Strategic Benefits	The Pre-**[REDACTED]** Investments not only fueled our research and development and business operation, but also demonstrated the investors' confidence in our business operation and strengths, and our growth prospects. Our Group could benefit from the business resources and potential business opportunities that may be provided by the Pre-**[REDACTED]** Investors from time to time. Some of Pre-**[REDACTED]** Investors are professional investment entities, and they brought us valuable industrial strengths, experience in market expansion and their insight on business strategies, and they also provided us with advice on our corporate governance, financial reporting and internal control.								
Reasons for fluctuations in valuation in the Pre-[REDACTED] Investments	The increase in valuation between the Angel Series Financing and the Series Pre-A Financing was mainly due to introduction of AMR EMMA V1, indicating our commercialization potential. The increase in valuation between the Series A+ Financing and the Series B Financing was mainly due to (i) commercialization of LUNA 2 outdoor mobile robot, indicating our commercialization potential; and (ii) conferral of EMMA Series Recognized as a Key First (Set) Product in Zhejiang's Equipment Manufacturing Sector. The increase in valuation between the Series B Financing and the Series B+ Financing was mainly due to strategic investment from Lenovo Fund, which garnered significant attention and recognition from the capital market, which raised our market visibility. The increase in valuation between the Series B+ Financing and the Series C Financing was mainly due to (i) commercialization of OMNI and FOLA series products; (ii) receipt of EMMA Omnidirectional Flexible Mobile Robot – Mobile Robot Product Innovation Award; and (iii) the explosive growth in the robotics sector, indicating our commercialization potential. The increase in valuation upon the **[REDACTED]** from the Series C++ Financing was mainly due to (i) commercialization of NERA-P embodied intelligent robot products, including the launch of multiple DS-series chassis, which further expanded our product portfolio, (ii) commercialization of the embodied robot controller NERA-C, which raised our market visibility, and (iii) an increase in repeat purchases from major customers in the first half of 2026, demonstrating strong customer retention driven by the synergy of our integrated solutions encompassing mobile robots, systems, and comprehensive after-sales services.								

Notes:

(1) The Share Transfers in 2016 are not included in the above table as the transfer was conducted among the shareholders. The consideration for the Share Transfers in 2016 was nil as the corresponding registered capital had not been paid up by the respective transferors as at the time of the share transfers, and the transferees later paid up such registered capital. For details of the 2016 Share Transfers, see "History, Development and Corporate Structure – Establishment and Corporate Development – Share Transfers in 2016".

(2) The Share Transfers in 2018 are not included in the above table as the considerations of such transfers were paid to relevant transferors, instead of the Company, by relevant transferees. The considerations of such transfers were fully settled on May 7, 2020. The cost per share of such transfers was approximately RMB1.00 and RMB0.82 (adjusted: approximately RMB0.22 and RMB0.18). The **[REDACTED]** to the **[REDACTED]** of such transfers is approximately **[REDACTED]**% and **[REDACTED]**%. For details of the 2018 Share Transfers, see "History, Development and Corporate Structure – Establishment and Corporate Development – Share Transfers in 2018".

(3) The Share Transfers in Series Pre-A Financing are not included in the above table as the considerations of such transfers were paid to relevant transferors, instead of the Company, by relevant transferees. The considerations of such transfers were fully settled on May 2, 2018, and May 11, 2018, respectively. The cost per share of such transfers was approximately RMB27.00 (adjusted: approximately RMB5.88). The **[REDACTED]** to the **[REDACTED]** of such transfers is approximately **[REDACTED]**%. For details of the Share Transfers in Series Pre-A Financing, see "History, Development and Corporate Structure – Establishment and Corporate Development – Series Pre-A Financing - Share Transfers in Series Pre-A Financing".

(4) The Share Transfer in 2019 is not included in the above table as the considerations of such transfer was paid to relevant transferor, instead of the Company, by relevant transferee. The considerations of such transfer was fully settled on December 31, 2019. The cost per share of such transfer was approximately RMB34.74 (adjusted: approximately RMB7.56). The **[REDACTED]** to the **[REDACTED]** of such transfer is approximately **[REDACTED]**%. For details of the Share Transfer in 2019, see "History, Development and Corporate Structure – Establishment and Corporate Development – Share Transfer in 2019".

(5) The Share Transfer in 2020 is not included in the above table as the considerations of such transfer was paid to relevant transferor, instead of the Company, by relevant transferee. The considerations of such transfer was fully settled on April 3, 2019. The cost per share of such transfer was approximately RMB4.00 (adjusted: approximately RMB0.87). The **[REDACTED]** to the **[REDACTED]** of such transfer is approximately **[REDACTED]**%. For details of the Share Transfer in 2020, see "History, Development and Corporate Structure – Establishment and Corporate Development – Share Transfer in 2020".

(6) The Share Transfer in Series B Financing is not included in the above table as the considerations of such transfer was paid to relevant transferor, instead of the Company, by relevant transferee. The considerations of such transfer was fully settled on June 11, 2021. The cost per share of such transfer was approximately RMB55.22 (adjusted: approximately RMB12.02). The **[REDACTED]** to the **[REDACTED]** of such transfer is approximately **[REDACTED]**%. For details of the Share Transfer in Series B Financing, see "History, Development and Corporate Structure – Establishment and Corporate Development – Series B Financing – Share Transfer in Series B Financing".

(7) The Share Transfers in Series C Financing are not included in the above table as the considerations of such transfers were paid to relevant transferors, instead of the Company, by relevant transferees. The considerations of such transfers were fully settled on November 12, 2021. The cost per share of such transfers was approximately RMB132.75 (adjusted: approximately RMB28.89). The **[REDACTED]** to the **[REDACTED]** of such transfers is approximately **[REDACTED]**%. For details of the Share Transfers in Series C Financing, see "History, Development and Corporate Structure – Establishment and Corporate Development – Series C Financing – Share Transfers in Series C Financing".

(8) The Share Transfers in Series C++ Financing are not included in the above table as the considerations of such transfers were paid to relevant transferors, instead of the Company, by relevant transferees. The considerations of such transfers were fully settled on December 26, 2025. The cost per share of such transfers was approximately RMB15.34, RMB14.65, RMB13.95, RMB15.34 and RMB20.92, respectively. The **[REDACTED]** to the **[REDACTED]** of such transfers is approximately **[REDACTED]**%, **[REDACTED]**%, **[REDACTED]**%, **[REDACTED]**% and **[REDACTED]**%, respectively. For details of the Share Transfers in Series C++ Financing, see "History, Development and Corporate Structure – Establishment and Corporate Development – Share Transfers after Series C++ Financing".

(9) The adjusted cost per share (including subscription for our increased registered capital and transfer of Shares among the Shareholders) is calculated by taking into account the effects arising from the Conversion of Capital Reserves in 2022, and the cost per share in the subsequent rounds of financing and share transfers would not be affected.

(10) The **[REDACTED]** to the **[REDACTED]** is calculated based on the currency translation of HK$1.00 to RMB0.86466 and the assumption that the **[REDACTED]** is HK$**[REDACTED]** per **[REDACTED]** (being the mid-point of the **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]**), assuming that the **[REDACTED]** is not exercised.

Rights of the Pre-[REDACTED] Investors

The Pre-**[REDACTED]** Investors were granted certain customary special rights, including but not limited to the right of the first refusal, liquidation preferences right, anti-dilution right, redemption right and information right. In compliance with paragraph 13 of Chapter 4.2 of the Guide for New Listing Applicants, the redemption right was terminated prior to the Company's first submission of **[REDACTED]** to the Stock Exchange (the "**[REDACTED]**"). The redemption right, and right to appoint Directors and Board observers shall be automatically reinstated upon the earliest of the following conditions: (a) the Company withdraws the **[REDACTED]**, or the Company fails to renew the **[REDACTED]** within three months after the lapse of the **[REDACTED]**, or the Company fails to re-submit materials within six months or other period as may be unanimously agreed by the parties after the **[REDACTED]** is returned by the competent authorities; (b) the Stock Exchange, SFC or the CSRC rejects, declines to approve or register the **[REDACTED]**; or (c) the Company fails to consummate the **[REDACTED]** within 18 months after the filing of the **[REDACTED]**. The other special rights will be terminated immediately before the **[REDACTED]**.

Sole Sponsor's Confirmation

On the basis that (i) the consideration for the Pre-**[REDACTED]** Investments was irrevocably settled no less than 120 clear days before the **[REDACTED]**, and (ii) the redemption rights granted to the Pre-**[REDACTED]** Investors as set out above have been terminated prior to the date of first filing of the **[REDACTED]** with the Stock Exchange and all the other special rights of the Pre-**[REDACTED]** Investors will be terminated immediately before the **[REDACTED]**, the Sole Sponsor confirms that the Pre-**[REDACTED]** Investments are in compliance with Chapter 4.2 of the Guide.

Information about our Pre-[REDACTED] Investors

The background information of our principal Pre-**[REDACTED]** Investors, each or in aggregate holding more than 1.00% of our total issued share capital immediately prior to the **[REDACTED]** (including six Sophisticated Independent Investors (two being Pathfinder SIIs)) is set out below. To the best knowledge of our Directors, from the date of signing of the definitive agreement for the relevant investment to the **[REDACTED]**, each of our Pre-**[REDACTED]** Investors is an Independent Third Party to the Group and Single Largest Shareholder Group and their close associates. Save as disclosed below, each of such Pre-**[REDACTED]** Investors is independent from each other.

Our Pathfinder SIIs

Quzhou High Quality

Quzhou High Quality is a limited partnership established in the PRC on July 25, 2023. The general and executive managing partner of Quzhou High Quality is Quzhou State Owned Assets Xin'an Capital Management Co., Ltd. (衢州市國資信安資本管理有限公司) ("**Xin'an Capital**"), holding approximately 0.03% of the limited partnership interests. Xin'an Capital is wholly-owned by Quzhou Jinyuan Holding Group Co., Ltd. (衢州市金源控股集團有限公司) (formerly known as Quzhou Financial Holding Group Co., Ltd. (衢州市金融控股集團有限公司)) ("**Quzhou Jinyuan**"), which is owned as to approximately 56.49% and 43.51% by Quzhou Holding Group Co., Ltd. (衢州控股集團有限公司) ("**Quzhou Holding**") and Quzhou Grand Garden Construction Investment and Development Group Co., Ltd. (衢州市大花園建設投資發展集團有限公司) ("**Quzhou Grand Garden Construction**"), respectively. Quzhou Holding is wholly-owned by Quzhou Industrial Investment Holding Group Co., Ltd. (衢州市產業投資控股集團有限公司) ("**Quzhou Industrial**"), which is in turn wholly-owned by Quzhou Municipal State-owned Assets Supervision and Administration Commission (衢州市人民政府國有資產監督管理委員會) ("**Quzhou SASAC**"). Quzhou Grand Garden Construction is owned as to 51.00% and 49.00% by Quzhou Grand Garden Holding Group Co., Ltd. (衢州大花園控股集團有限公司) and Quzhou Holding, both of which are ultimately controlled by Quzhou SASAC. The other general partner of Quzhou High Quality is Zhejiang Jintou Shengyuan Equity Investment Co., Ltd. (浙江金投盛源股權投資有限公司) ("**Zhejiang Jintou**"), holding approximately 0.03% of the limited partnership interests. Zhejiang Jintou is owned as to 32.00% by Zhejiang Innovation Capital Investment Co., Ltd. (浙江省創新資本投資有限公司), which is ultimately owned by

Zhejiang Provincial Department of Finance. There are no other shareholders who holds more than 30.00% of the equity interest of Zhejiang Jintou.

Quzhou High Quality has three limited partners, with the largest being Quzhou Tongfu Enterprise Management Partnership (Limited Partnership) (衢州同富企業管理合夥企業(有限合夥)) ("**Quzhou Tongfu**"), holding approximately 39.97% of the limited partnership interests in Quzhou High Quality. There are no limited partners who holds more than 30.00% of the limited partnership interests in Quzhou Tongfu and it is managed by Quzhou Liangshan Enterprise Management Co., Ltd. (衢州市兩山企業管理有限公司) ("**Quzhou Liangshan**"), which is ultimately controlled by Quzhou SASAC. There are no other limited partners who hold more than 30.00% of the limited partnership interests in Quzhou High Quality.

We became acquainted with Quzhou High Quality during our Series C+ Financing. The AUM of Xin'an Capital was approximately HK$15.6 billion and HK$15.8 billion as of December 31, 2023(1) and September 30, 2025(2), respectively, which meets the threshold set out in Chapter 2.5 of the Guide. As Xin'an Capital is the general and executive managing partner that manages Quzhou High Quality and ultimately controls the investment decisions of Quzhou High Quality, Quzhou High Quality qualifies as a Sophisticated Independent Investor. In compliance with Rule 18C.05 of the Listing Rules, Quzhou High Quality held approximately 7.04% and not less than 4.11%(3) of the total issued share capital of our Company as at the date of the Company's first **[REDACTED]** and throughout the pre-application 12-month period, respectively.

Lenovo Fund

Lenovo Fund is an investment vehicle established in the PRC as a limited partnership on July 28, 2020. The general partner of Lenovo Fund is Tianjin Haihe Zhiji Xingyuan Investment Management Center (Limited Partnership) (天津海河知己行遠投資管理中心(有限合夥)) ("**Zhiji Xingyuan**"). Lenovo Fund has two limited partners, namely Lenovo Zhiyuan (Tianjin) Technology Co., Ltd. (聯想知遠(天津)科技有限公司) ("**Lenovo Zhiyuan**") and Tianjin Haihe Industrial Investment Fund Partnership (Limited Partnership) (天津市海河產業基金合夥企業(有限合夥)) ("**Haihe Fund Partnership**"), a state-owned enterprise, holding 50.00% and 49.00% of its limited partnership interests, respectively. Both Zhiji Xingyuan and Lenovo Zhiyuan are ultimately controlled by Lenovo Group Limited (聯想集團有限公司) ("**Lenovo Group**"), a company listed on the Stock Exchange (stock code: 0992).

We became acquainted with Lenovo Fund during our Series B Financing. Lenovo Group is a global leading provider of intelligent devices and infrastructure solutions. The production of intelligent devices such as Lenovo Group's personal computers is one of the downstream applications for the Company. According to CIC, Lenovo Group is a key participant in the downstream industry of the Company as it ranked among the top five in terms of smart device shipment volume globally as of December 31, 2020(1) and December 31, 2025(2), with market shares of approximately 6.7% and 8.0%, respectively. In compliance with Rule 18C.05 of the Listing Rules, Lenovo Fund held approximately 5.80% and not less than 5.80%(3) of the total issued share capital of our Company as of the date of submission of the Company's **[REDACTED]** and throughout the pre-application 12-month period, respectively.

Notes:

(1) Being a date not more than six months prior to the date of signing of the first definitive agreement for their investment in the Company.

(2) Being a date not more than six months prior to the first **[REDACTED]** of the Company.

(3) The respective changes in the individual shareholdings of the Pathfinder SIIs were solely due to dilution resulting from the subsequent series of financing and not from any disposal of Shares by the Pathfinder SIIs. Notwithstanding such changes, in accordance with Chapter 2.5 of the Guide, each of the Pathfinder SIIs held more than 3.00%, and their aggregate shareholding remained no less than 10.00% of the issued share capital of the Company at all times throughout the pre-application 12-month period and as of the date of our **[REDACTED]**.

Our Pathfinder SIIs, in aggregate, held approximately 12.84% and not less than 10.88% of the total issued share capital of the Company, as of the date of submission of the Company's **[REDACTED]** and throughout the pre-application 12-month period, respectively.

Our Other Sophisticated Independent Investors

Caitong SIIs (including Yuhuan Caitong and Taizhou Caitong)

Yuhuan Caitong and Taizhou Caitong are limited partnerships established in the PRC on November 10, 2025 and November 12, 2025, respectively. Both Yuhuan Caitong and Taizhou Caitong are managed by their general partner, Caitong Capital Investment Co., Ltd. (浙江财通資本投資有限公司) ("**Caitong Capital**"). Caitong Capital is wholly-owned by Caitong Securities Co., Ltd. (財通證券股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601108.SH).

The sole limited partner of Yuhuan Caitong is Yuhuan State Owned Investment, holding 99.00% of the limited partnership interests, which is in turn owned as to 90.00% by Yuhuan City Finance Bureau (State-owned Assets Supervision and Administration Office of the Yuhuan Municipal People's Government) (玉環市財政局(玉環市人民政府國有資產監督管理辦公室)) ("**Yuhuan City Finance Bureau (SASAC Office)**").

Taizhou Caitong has four limited partners, among which Yuhuan State Owned Investment and Taizhou Jintou Science and Technology Innovation Mother Fund Equity Investment Partnership Enterprise (Limited Partnership) (台州金投科創母基金股權投資合夥企業(有限合夥)) ("**Taizhou Jintou**") hold 49.80% and 16.90% of the limited partnership interests, respectively. Taizhou Jintou is managed by Taizhou Jin Tou Private Fund Management Co., Ltd. (台州市金投私募基金管理有限公司), which is in turn wholly-owned by Taizhou Financial Investment Group Co., Ltd. (台州市金融投資集團有限公司) ("**Taizhou Financial Group**"). Taizhou Financial Group is in turn wholly-owned by Taizhou Science and Technology Innovation Investment Group Co., Ltd. (台州市科創投資集團有限公司), which is ultimately controlled by the State-owned Assets Supervision and Administration Commission of Taizhou Municipal People's Government (台州市人民政府國有資產監督管理委員會) through Taizhou State Owned Capital Operation Group Co., Ltd. (台州市國有資本運營集團有限公司). None of the other two limited partners holds more than 10.00% of the limited partnership interests of Taizhou Caitong.

We became acquainted with Yuhuan Caitong and Taizhou Caitong during our Series C++ Financing. The AUM of Caitong Capital was approximately RMB132.0 billion as of December 31, 2025[(1)(2)], which meets the threshold set out in Chapter 2.5 of the Guide. The investment decision right of each of Yuhuan Caitong and Taizhou Caitong resides with its respective investment committee. Caitong Capital, being the general partner of Yuhuan Caitong and Taizhou Caitong, has direct control over the investment decisions of both funds through their respective investment committees. In respect of Yuhuan Caitong, its investment committee comprises three members, two of whom are appointed by Caitong Capital, with investment decisions requiring unanimous approval, effectively giving Caitong Capital veto rights and substantial control over all investment decisions of Yuhuan Caitong. In respect of Taizhou Caitong, its investment committee comprises three members, two of whom are appointed by Caitong Capital, with investment decisions approved by a simple majority. Thus, Caitong Capital is ultimately responsible for the investment decisions of Yuhuan Caitong and Taizhou Caitong, respectively. Therefore, Yuhuan Caitong and Taizhou Caitong are entities ultimately managed by the same entity and should be aggregated as one Sophisticated Independent Investor pursuant to Chapter 2.5 of the Guide. As the AUM of Caitong Capital meets the threshold set out in Chapter 2.5 of the Guide, Caitong SIIs collectively qualify as Sophisticated Independent Investors.

SUPCON Information

SUPCON Information is a joint stock company established in the PRC on October 24, 1999. Major shareholders of SUPCON Information include Hangzhou Huige Enterprise Management Partnership (Limited Partnership) (杭州匯格企業管理合夥企業(有限合夥)) ("**Hangzhou Huige**"), Zhejiang Chint Electrics Co., Ltd. (浙江正泰電器股份有限公司) (stock code: 601877.SH), Ningbo Yunyin Enterprise Management Partnership (Limited Partnership) (寧波雲吟企業管理合夥企業(有限合夥)) ("**Ningbo Yunyin**") and Hangzhou Zhige Enterprise Management Partnership (Limited Partnership) (杭州智格企業管理合夥企業(有限合夥)) ("**Hangzhou Zhige**"), holding approximately 27.35%, 15.44%, 14.72% and 10.97% of the equity interest in SUPCON Information, respectively. Hangzhou Huige is managed by Hangzhou Junzhe Enterprise Management Co., Ltd. (杭州駿哲企業管理有限公司) as its general partner, which is

in turn ultimately controlled by Zhao Hongming (趙鴻鳴), an individual investor and an Independent Third Party. Ningbo Yunyin is managed by Hangzhou Wenqiu Enterprise Management Co., Ltd. (杭州聞丘企業管理有限公司) as its general partner, which is in turn ultimately controlled by Chu Jian, one of our Shareholders. Hangzhou Zhige is managed by Hangzhou Shenhe Enterprise Management Co., Ltd. (杭州燊禾企業管理有限公司) as its general partner, which is ultimately controlled by Lin Jing (林靜), an individual investor and an Independent Third Party. Hangzhou Zhige and Hangzhou Huige are both employee incentive platforms of SUPCON Information.

We became acquainted with SUPCON Information during our Series C+ Financing. SUPCON Information is the provider of digital and intelligent products, and solutions for smart city infrastructure in China. Our products are deployed in SUPCON Information's digital and intelligent infrastructure solutions, representing one of our downstream application scenarios, particularly within China's smart urban transportation solutions industry. According to CIC, SUPCON Information is a key participant in the downstream industry of the Company as it ranked among the top five in China in terms of the revenue generated from China's smart urban transportation solution as of June 30, 2025[(1)] and December 31, 2025[(2)], with market shares of approximately 1.6% and 1.6%, respectively.

SUPCON Technology

SUPCON Technology is a joint stock company established in the PRC on December 7, 1999 and listed on the Shanghai Stock Exchange (stock code: 688777.SH).

We became acquainted with SUPCON Technology during our Series C+ Financing. SUPCON Technology is an industrial AI platform company built on industrial data, with large-scale AI models at its core and full-scenario intelligent agents as its interface. Its core products include automation control systems such as distributed control systems (DCS), safety instrumented systems (SIS) and networked hybrid control systems. Leveraging a dual-engine strategy of "technological innovation + model innovation," SUPCON Technology cultivates new AI-driven productive forces, reshapes the production, operation and decision-making paradigms of the process industry, and drives the transition of the process industry from automation toward autonomy. The products of SUPCON Technology, including DCS and SIS, interface with our products and solutions, constitute one of the application scenarios of the Company within the industrial automation and intelligent manufacturing solutions industry. According to CIC, SUPCON Technology is a key participant in the downstream industry of the Company as it ranked first in China in terms of sales revenue of DCS and SIS in China as of December 31, 2023[(1)] and December 31, 2025[(2)], with market shares of approximately 37.8% and 45.1%, respectively.

SCGC SIIs (including SCGC and Ningbo Hongtu)

SCGC is a limited liability company established in the PRC, originally co-founded by State-owned Assets Supervision and Management Commission of Shenzhen Municipal People's Government (深圳市國有資產監督管理委員會) ("**Shenzhen SASAC**") and a group of private partners on August 25, 1999. Shenzhen SASAC currently holds approximately 28.20% of the equity interests in SCGC as its largest shareholder. SCGC is a state-owned and independently-managed venture capital investment institution with a primary focus to invest in innovative high-tech companies in the emerging industries in their start-up, growth or pre-**[REDACTED]** stage, including but not limited to investments in IT, new media, healthcare, new energy, environment protection, chemical engineering, new material, advanced manufacturing consumer goods. Other major shareholders of SCGC include (i) Shenzhen Galaxy Real Estate Development Co., Ltd. (深圳市星河房地產開發有限公司), a company ultimately controlled by Huang Chulong (黃楚龍), an individual investor and an Independent Third Party, holding approximately 20.00% of the equity interests in SCGC, (ii) Shenzhen Capital Holdings Co., Ltd. (深圳市資本運營集團有限公司), which is wholly owned by the Shenzhen SASAC and holds approximately 12.79% of the equity interests in SCGC, and (iii) 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.SH),

holding approximately 10.80% of the equity interests in SCGC. Save as disclosed above, no other shareholder holds more than 10.00% of the equity interests in SCGC.

Ningbo Hongtu is a limited partnership established in the PRC on December 25, 2018. It is managed by Hangzhou Hongtu Investment Management Co., Ltd. (杭州紅土投發投資管理有限公司) ("**Hangzhou Hongtu Investment**") as its general partner. Hangzhou Hongtu Investment is owned as to approximately 83.30% by Shenzhen Venture Capital Laterite Private Equity Investment Fund Management (Shenzhen) Co., Ltd. (深創投紅土私募股權投資基金管理(深圳)有限公司), which is ultimately controlled by SCGC. Ningbo Hongtu has four limited partners, including (i) Ningbo Gongtou Ruifeng Investment Co., Ltd. (寧波工投睿豐投資有限公司) ("**Ningbo Ruifeng**"), which is ultimately controlled by State-owned Assets Supervision and Administration Commission of Ningbo Municipal Government (寧波市人民政府國有資產監督管理委員會) ("**Ningbo SASAC**"), holding 40.00% of the limited partnership interests in Ningbo Hongtu, (ii) SCGC, holding 40.00% of the limited partnership interests in Ningbo Hongtu, (iii) Ningbo Hefeng Creative Plaza Investment and Operation Co., Ltd. (寧波和豐創意廣場投資經營有限公司), which is ultimately controlled by Ningbo SASAC, holding 12.00% of the limited partnership interests in Ningbo Hongtu, and (iv) Chen Huanyao (陳煥堯), holding approximately 6.67% of the limited partnership interests in Ningbo Hongtu.

We became acquainted with SCGC and Ningbo Hongtu during our Series B+ Financing. The AUM of the SCGC was approximately RMB409.3 billion and RMB520.0 billion as of December 31, 2020[(1)] and as of December 31, 2025[(2)], respectively. The investment decision right of Ningbo Hongtu resides with its investment committee, where investment decisions shall be approved by two-thirds of the committee members. The investment committee comprises seven members, among which four of them are appointed by SCGC, which in fact giving SCGC the veto rights over the investment decisions. As a result, SCGC is ultimately responsible for the investment decisions of Ningbo Hongtu, the different platforms are purely different funds or entities ultimately managed by the same entity and should be aggregated as one Sophisticated Independent Investor pursuant to Chapter 2.5 of the Guide. As the AUM of SCGC meets the threshold set out in Chapter 2.5 of the Guide, the SCGC SIIs collectively qualify as a Sophisticated Independent Investor.

Notes:

(1) Being a date not more than six months prior to the date of signing of the first definitive agreement for their investment in the Company.

(2) Being a date not more than six months prior to the first **[REDACTED]** of the Company.

Our other Pre-[REDACTED] *Investors*

Beijing Qingrui

Beijing Qingrui is a limited liability company established in the PRC on March 8, 2017. It is wholly-owned by Longfor Group Holdings Limited, a company listed on the Stock Exchange (stock code: 0960).

Quantum Jump

Quantum Jump is an investment holding limited liability company incorporated in the PRC on June 29, 2018. It is wholly-owned by Douyin Co., Ltd. (抖音有限公司).

Gongqingcheng Suxiang

Gongqingcheng Suxiang is a limited partnership established in the PRC on August 7, 2017, whose general partner is Xianghe Business Consulting (Beijing) Co., Ltd. (襄禾商務諮詢(北京)有限公司). Xianghe Business Consulting (Beijing) Co., Ltd. is owned as to 90.00% by Ningbo Meishan Bonded Port Xiangyuan Private Equity Fund Management Co., Ltd. (寧波梅山保税港區襄源私募基金管理有限公司), which is in turn owned as to 51.00% by Yang Liu (楊柳) and 49.00% by Tang Hesong (湯和松), both are individual investors and Independent Third Parties. None of the limited partners of Gongqingcheng Suxiang holds more than 30.00% of the limited partnership interests therein.

Yunyi Investment

Yunyi Investment is a limited partnership established in the PRC on April 25, 2017 and is managed by Ningbo Yunyi Private Equity Fund Management Partnership (Limited Partnership) (寧波雲懿私募基金管理合夥企業(有限合夥)) ("**Ninbo Yunyi**") as its general partner, which is in turn managed by Zhang Yonghui (張永輝) as its general partner. Ningbo Yunyi has 16 limited partners, with the largest two being Xia Yushan (夏玉山) and Zhu Xiaoli (朱曉麗), holding approximately 43.35% and 31.55% of its limited partnership interests, respectively. Yunyi Investment has 18 limited partners and none of the limited partners holds more than 30.00% of the limited partnership interests of Yunyi Investment.

Chu Jian

Chu Jian is an individual investor and invested in the Company by participating in the Share Transfer in 2020 with a view to benefiting from our future growth. He has extensive experience in automated control industry and is the founder and the largest shareholder of SUPCON Technology. As of the Latest Practicable Date, Chu Jian and his associates were entitled to exercise approximately 20.53% of the voting rights in SUPCON Technology and indirectly held approximately 14.72% of the equity interests in SUPCON Information. Notwithstanding the shareholdings of Mr. Chu Jian in both SUPCON Technology and SUPCON Information, they should not be aggregated as one Sophisticated Independent Investor as each entity has its own independent investment decision-making process and is ultimately responsible for its own investment decisions.

Wenzhou Lujia

Wenzhou Lujia is a limited partnership established in the PRC on July 21, 2022 and is managed by Hongrong Venture Capital Co., Ltd. (紅榕創業投資股份有限公司) as its general partner, which is owned as to 48.86% and 30.16% by Xu Xiande (徐憲德) and Li Zhongliang (李忠良), respectively. Wenzhou Lujia has four limited partners, with the largest being Xu Xiande, holding 60.00% of its limited partnership interests. None of the other limited partners holds more than 30.00% of the limited partnership interests of Wenzhou Lujia.

Jiaxing Dingyun

Jiaxing Dingyun is a limited partnership established in the PRC on September 27, 2021. The general partner of Jiaxing Dingyun is Shanghai Dingxiao Enterprise Management Consulting Center (Limited Partnership) (上海鼎瀟企業管理諮詢中心(有限合夥)) ("**Shanghai Dingxiao**"). The general partner of Shanghai Dingxiao is Shanghai Dingman Enterprise Management Co., Ltd. (上海鼎蔓企業管理有限公司) ("**Shanghai Dingman**"), which is ultimately controlled by Yan Li (嚴力) as to 58.70%. None of the other shareholders of Shanghai Dingman holds more than 30.00% of its equity interests. Shanghai Dingxiao has two limited partners, Ningbo Dingji Venture Capital Partnership (Limited Partnership) (寧波鼎集創業投資合夥企業(有限合夥)) ("**Ningbo Dingji**") and Ningbo Dingyan Venture Capital Partnership (Limited Partnership) (寧波鼎嚴創業投資合夥企業(有限合夥)) ("**Ningbo Dingyan**"), holding approximately 60.83% and 37.78% of its limited partnership interests, respectively. The general partner of both Ningbo Dingji and Ningbo Dingyan is Shanghai Dingman. Ningbo Dingji has 15 limited partners, with Yin Junping (尹軍平) holding approximately 66.25% of the limited partnership interests. Ningbo Dingyan has seven limited partners, with the largest being Yan Li, holding approximately 66.49% of the limited partnership interests. Save as disclosed above, none of the other limited partners holds more than 30.00% of the limited partnership interests of Ningbo Dingji or Ningbo Dingyan. Jiaxing Dingyun has two limited partners, namely Ningbo Dingyou Management Consulting Partnership Enterprise (Limited Partnership) (寧波鼎宥管理諮詢合夥企業(有限合夥)) ("**Ningbo Dingyou**") and Ningbo Dinggang Management Consulting Partnership Enterprise (Limited Partnership) (寧波鼎岡管理諮詢合夥企業(有限合夥)) ("**Ningbo Dinggang**"), holding approximately 49.99% of its limited partnership interests, respectively. Both Ningbo Dingyou and Ningbo Dinggang are managed by Shanghai Dingxiao as their general partner. Both Ningbo Dingyou and Ningbo Dinggang have three limited partners, with the largest being Taicang Eastern Bell No.6 Equity Investment Partnership (L.P.) (太倉市鐘鼎六號股權投資合夥企業(有限合夥)), holding approximately 82.00% and 73.31% of the limited partnership interests in each, respectively.

Shenzhen Paladin

Shenzhen Paladin is a limited partnership established in the PRC on November 18, 2015 and is managed by Guangzhou Winsdom Capital Management Co., Ltd. (廣州市盈睿資本管理有限公司) as its general partner, which is owned 70.00% by Li Yiming (黎溢銘) and 30.00% by Guangdong Shunde Junheng Investment Co., Ltd. (廣東順德均恒投資有限公司) ("**Shunde Junheng**"). Shunde Junheng is owned 70.00% by Li Yiming and 30.00% by Cheng Liuying (程柳瑩). Shenzhen Paladin has 18 limited partners and none of the limited partners holds more than 30.00% of the limited partnership interests of Shenzhen Paladin.

Yinxing Investors (including Hangzhou Yinxinghai and Hangzhou Yinxingshu)

Hangzhou Yinxinghai

Hangzhou Yinxinghai is a limited partnership established in the PRC on August 1, 2016 and is managed by Ningbo Meishan Bonded Port Yinxinghai Investment Management Co., Ltd. (寧波梅山保税港區銀杏海投資管理有限公司) as its general partner, which is ultimately controlled by and owned as to 60.00% by Liu Jun (劉駿). Hangzhou Yinxinghai has ten limited partners, with the largest being Hangzhou Yinxingshu, holding 34.00% of its limited partnership interests. None of the other limited partners holds more than 30.00% of the limited partnership interests of Hangzhou Yinxinghai.

Hangzhou Yinxingshu

Hangzhou Yinxingshu is a limited partnership established in the PRC on March 13, 2015 and is managed by Zhejiang Yinxinggu as its general partner. Hangzhou Yinxingshu has seven limited partners and none of the limited partners holds more than 30.00% of the limited partnership interests of Hangzhou Yinxingshu.

Yuhuan State Owned Investment

Yuhuan State Owned Investment is a limited liability company established in the PRC on May 29, 1995 and is owned as to 90.00% by Yuhuan City Finance Bureau (SASAC Office). Yuhuan State Owned Investment is the limited partner of our Caitong SIIs, namely Yuhuan Caitong and Taizhou Caitong, respectively.

Yuhuan Yongxi

Yuhuan Yongxi is a limited partnership established in the PRC on December 18, 2020 and is managed by Zhejiang Yongxi Yongyi Investment Management Co., Ltd. (浙江永禧永億投資管理有限公司) as its general partner, which is wholly-owned by Zhejiang Yongxi Investment Management Co., Ltd. (浙江永禧投資管理有限公司) ("**Zhejiang Yongxi**"), which is owned as to 53.25% by Fu Xudong (傅旭東). None of the other shareholders of Zhejiang Yongxi holds more than 30.00% of its equity interests. Yuhuan Yongxi has five limited partners, with the largest two being Shen Lihua (沈麗華) and Yuhuan Caijin Equity Investment Co., Ltd. (玉環市財金股權投資有限公司) ("**Yuhuan Caijin**"), holding 40.00% and 30.00% of the limited partnership interests of Yuhuan Yongxi, respectively. Yuhuan Caijin is wholly-owned by Yuhuan City Finance Bureau (SASAC Office).

Fangguang Investors (including Changzhou Fangguang and Shanghai Fangguang)

Changzhou Fangguang and Shanghai Fangguang are limited partnerships established in the PRC on July 24, 2023 and April 26, 2023, respectively. The general partner of both Changzhou Fangguang and Shanghai Fangguang is Shanghai Fangguang Siqi Enterprise Management Center (Limited Partnership) (上海方廣思圻企業管理中心(有限合夥)) ("**Fangguang Siqi**"), which is in turn managed by Shanghai Fangguang Venture Management Co., Ltd. (上海方廣投資管理有限公司) as its general partner, which is owned as to 55.00% and 45.00% by Hong Tianfeng (洪天峰) and Cao Pengli (曹鵬利), respectively. Fangguang Siqi has five limited partners, with the largest being Shanghai Fanggui Enterprise Management Co., Ltd. (上海方圭企業管理有限公司), holding approximately 46.02% of the limited partnership interests and it is owned as to 99.92% by Hong Tianfeng. None of the other limited partners of Fangguang Siqi holds more than 30.00% of the limited partnership interests. None of the limited partners of Changzhou Fangguang and Shanghai Fangguang holds more than 30.00% of the limited partnership interests.

Hainan Xinhe

Hainan Xinhe is a limited partnership established in the PRC on May 20, 2015 and is managed by Yang Bo (楊波) as its general partner, who holds 68.75% of the limited partnership interests. The sole limited partner of Hainan Xinhe is Shao Jianxiong (邵建雄), holding 31.25% of the limited partnership interests.

Zhejiu Huiying

Zhejiu Huiying is a limited partnership established in the PRC on November 28, 2025 and is managed by Chen Zhenhua (陳振華) as its general partner. Zhejiu Huiying has eight limited partners, with the largest being Chen Ruiqing (陳瑞卿), holding 33.00% of the limited partnership interests. None of the other seven limited partners holds more than 30.00% of the limited partnership interests of Zhejiu Huiying.

Shenzhen Huiyou

Shenzhen Huiyou is a limited partnership established in the PRC on May 31, 2017 and is managed by Shenzhen Huiyou Private Equity Fund Management Co., Ltd. (深圳市惠友私募股權基金管理有限公司) as its general partner, which is owned as to 67.00% by Yang Longzhong (楊龍忠) and as to 33.00% by Shenzhen Huiyou Kunyuan Enterprise Management Partnership (Limited Partnership) (深圳市惠友坤遠企業管理合夥企業(有限合夥)), which is managed and owned as to 80.00% of the limited partnership interests by Deng Jun (鄧軍) as its general partner. Shenzhen Huiyou has 12 limited partners, with the largest being Infotech National Emerging Industry Venture Investment Guidance Fund (L.P.) (盈富泰克國家新興產業創業投資引導基金(有限合夥)) ("**Infotech Investment**"), holding approximately 31.82% of its limited partnership interests. Infotech Investment is managed by Yingfu Tech (Shenzhen) Emerging Industry Investment Fund Management Co., Ltd. (盈富泰克(深圳)新興產業投資基金管理有限公司) as its general partner, which is owned as to 50.00% by Shenzhen Xinhaitai Investment Consulting Co., Ltd. (深圳市鑫海泰投資諮詢有限公司) and as to 50.00% by Infotech Ventures Co., Ltd. (盈富泰克創業投資有限公司), both of which are ultimately controlled by Liu Tingru (劉廷儒). None of the other limited partners holds more than 30.00% of the limited partnership interests of Shenzhen Huiyou.

Meaningful Investment from Sophisticated Independent Investors

We have received meaningful investments from six Sophisticated Independent Investors (including two Pathfinder SIIs). In accordance with Chapter 2.5 of the Guide, the Company and the Sole Sponsor confirm that each of the Pathfinder SIIs held more than 3.00%, and their aggregate shareholding remained no less than 10.00% of the issued share capital of the Company at all times throughout the pre-application 12-month period and as of the date of our **[REDACTED]**.

As of the Latest Practicable Date, our Sophisticated Independent Investors held, in aggregate, approximately 24.07% in the total issued share capital of the Company. Upon the **[REDACTED]**, such Sophisticated Independent Investors will hold, in aggregate, no less than **[REDACTED]**% in the total issued share capital of the Company.

LOCK-UP PERIOD

Pursuant to the applicable PRC law, within the 12 months following the **[REDACTED]**, all existing Shareholders (including our Pre-**[REDACTED]** Investors) are prohibited from disposing of any of the Shares held by them.

The following Shares will also be subject to disposal restrictions pursuant to Rules 18C.13 and 18C.14 of the Listing Rules at the time of the **[REDACTED]**:

Name	Capacity	Aggregate number of Shares held immediately following the completion of the [REDACTED][(1)]	Aggregate shareholding in the total issued share capital of our Company following the completion of the [REDACTED][(1)]	Lock-up period for a Commercial Company
Key persons[(2)] and their close associates/Single Largest Shareholder Group				
Dr. Xiong	Chairperson of the Board and executive Director	**[REDACTED]**	**[REDACTED]**%	
Ningbo Jiachuang[(2)] . .	Holding vehicle managed with Dr. Xiong being its general partner where other co-founder and early-stage investors hold limited partnership interests	**[REDACTED]**	**[REDACTED]**%	
Hangzhou Jiarui[(2)] . .	Employee Incentive Platform with Dr. Xiong being its general partner where the Company's senior management holds limited partnership interests	**[REDACTED]**	**[REDACTED]**%	Commencing on the date of this document and ending on expiry of 12 months from the **[REDACTED]**
Ningbo Jiabo[(2)]	Holding vehicle with Mr. Chen Shouxian being its general partner where the senior management of the Company hold limited partnership interests	**[REDACTED]**	**[REDACTED]**%	
Pathfinder SIIs				
Quzhou High Quality	Pathfinder SII	**[REDACTED]**	**[REDACTED]**%	Commencing on the date of this document and ending on expiry of six months from the **[REDACTED]**
Lenovo Fund	Pathfinder SII	**[REDACTED]**	**[REDACTED]**%	

Notes:

(1) Assuming the **[REDACTED]** is not exercised.

(2) The Company determined the key personnels, namely Dr. Xiong, Mr. Chen Shouxian, Dr. Sun Yichao, Mr. Zhan Jianbo and Mr. Li Wenhua, based on their roles and expertise in leading the development of our core technologies in relation to the Specialist Technology Products and their seniority within the R&D department of the Company. These key personnels play critical roles in driving the Company's product innovation and overall business development. See "Business – Research and Development – Our R&D Team" for details of their biographies.

The executive Directors, the senior management members and key personnels directly or indirectly hold the Shares through Ningbo Jiachuang, Hangzhou Jiarui and Ningbo Jiabo as of the Latest Practicable Date: (i) Dr. Xiong, Mr. Chen Shouxian, Dr. Sun Yichao, Mr. Li Wenhua and Mr. Zhan Jianbo held approximately 15.33%, 28.00%, 16.67%, 11.67% and 11.67% of the limited partner interests in Ningbo Jiachuang, respectively; (ii) Dr. Xiong, Mr. Chen Shouxian and Ms. Zhang Yexi held approximately 22.54%, 27.78% and 4.03% of the limited partner interests in Hangzhou Jiarui, respectively; and (iii) Dr. Xiong, Mr. Chen Shouxian and Dr. Sun Yichao held approximately 2.00%, 58.00%, 40.00% of the limited partner interests in Ningbo Jiabo, respectively. All the respective ultimate beneficial interests in these platforms held by the key persons shall be subject to disposal restrictions pursuant to Rule 18C.14 of the Listing Rules at the time of the **[REDACTED]**.

PUBLIC FLOAT

Pursuant to 19A.13A(1) of the Listing Rules, assuming that the **[REDACTED]** is not exercised, (i) based on an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the low end of the **[REDACTED]**), our expected market capitalization upon the **[REDACTED]** is HK$**[REDACTED]**, and the minimum prescribed public float percentage applicable to our Shares is **[REDACTED]**%; (ii) based on an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the mid-point of the **[REDACTED]**), our expected market capitalization upon the **[REDACTED]** is HK$**[REDACTED]**, and the minimum prescribed public float percentage applicable to our Shares is **[REDACTED]**%; and (iii) based on an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the top end of the **[REDACTED]**), our expected market capitalization upon the **[REDACTED]** is HK$**[REDACTED]**, and the minimum prescribed public float percentage applicable to our Shares is **[REDACTED]**%.

Except for the **[REDACTED]** H Shares held by Dr. Xiong, Ningbo Jiachuang and Hangzhou Jiarui, all the other H Shares will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules upon completion of the **[REDACTED]** and conversion of the Domestic Shares into H Shares, assuming that the **[REDACTED]** is not exercised.

Upon completion of the **[REDACTED]** and conversion of the Domestic Shares into H Shares, assuming that (i) **[REDACTED]** H Shares being issued in the **[REDACTED]**; (ii) the **[REDACTED]** is not exercised; (iii) **[REDACTED]** Domestic Shares being converted to H Shares; and (iv) **[REDACTED]** Shares are issued and outstanding in the share capital of the Company upon completion of the **[REDACTED]**, **[REDACTED]** Shares, representing approximately **[REDACTED]**% of the total issued Shares, will be counted towards the public float and is in compliance with the requirement under Rule 19A.13A(1) of the Listing Rules.

FREE FLOAT

Rule 19A.13C of the Listing Rules provides that, where a new applicant is a PRC issuer with no other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 10.00% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Take into consideration the number of issued share capital of the Company, **[REDACTED]** to be issued under the **[REDACTED]**, and the Shares held by the existing Shareholders subject to lock-up requirement under the PRC laws and regulations, **[REDACTED]** H Shares to be issued in the **[REDACTED]** would represent more than **[REDACTED]**% of the total issued Shares, and the expected market value of the H Shares being 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]** would amount to approximately HK$**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the low-end of the **[REDACTED]**, and the **[REDACTED]** is not exercised). Accordingly, our Company will comply with the free float requirement under Rule 19A.13C of the Listing Rules at the time of the **[REDACTED]**.

CAPITALIZATION OF THE COMPANY

The following table is a summary of the capitalization of the Company:

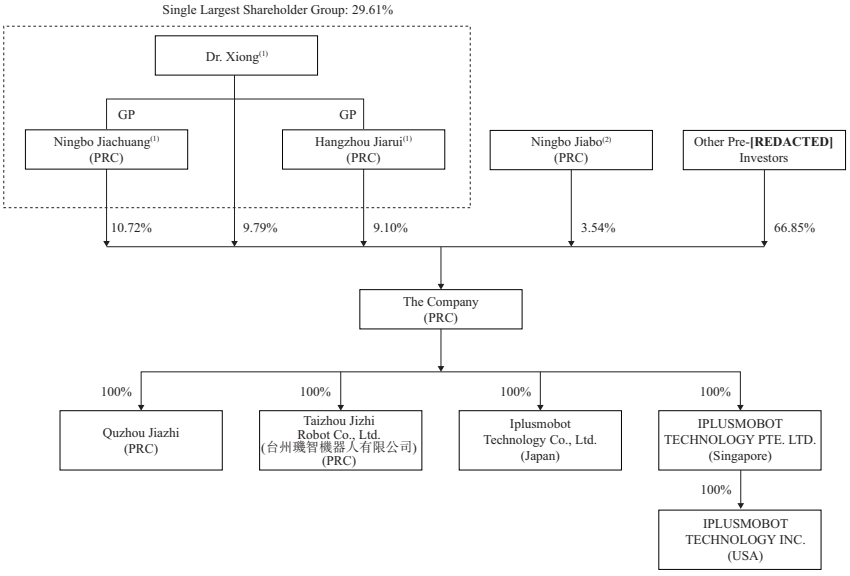
	As at the Latest Practicable Date		Immediately following the completion of the [REDACTED] and conversion of the Domestic Shares into H Shares (assuming the [REDACTED] is not exercised)					
Shareholder	Number of Shares	Shareholding in the Shares	Number of Domestic Shares	Shareholding in the Domestic Shares	Number of H Shares	Shareholding in the H Shares	Number of Total Shares	Shareholding in the Total Issued Share Capital
Ningbo Jiachuang	6,716,617	10.72%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Dr. Xiong	6,133,505	9.79%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Hangzhou Jiarui	5,698,054	9.10%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Sub-total	18,548,176	29.61%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Quzhou High Quality	4,411,765	7.04%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Lenovo Fund	3,634,614	5.80%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Yuhuan Caitong	3,529,412	5.63%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Beijing Qingrui	3,333,334	5.32%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Quantum Jump	3,088,236	4.93%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Gongqingcheng Suxiang	2,632,000	4.20%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Yunyi Investment	2,586,084	4.13%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Chu Jian	2,297,602	3.67%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Ningbo Jiabo	2,218,840	3.54%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Wenzhou Lujia	1,815,116	2.90%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
SUPCON Information	1,470,588	2.35%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Jiaxing Dingyun	1,333,335	2.13%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Shenzhen Paladin	1,241,443	1.98%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Hangzhou Yinxingshu	1,097,228	1.75%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Hangzhou Yinxinghai	1,097,228	1.75%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Yuhuan State Owned Investment	1,087,782	1.74%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Taizhou Caitong	882,353	1.41%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Yuhuan Yongxi	882,353	1.41%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Hainan Xinhe	815,836	1.30%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Zhejiu Huiying	815,836	1.30%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Shenzhen Huiyou	688,282	1.10%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
SUPCON Technology	588,235	0.94%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Hoymiles Usky	543,891	0.87%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Changzhou Fangguang	454,939	0.73%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Shanghai Fangguang	427,414	0.68%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%

Shareholder	As at the Latest Practicable Date		Immediately following the completion of the [REDACTED] and conversion of the Domestic Shares into H Shares (assuming the [REDACTED] is not exercised)				
	Number of Shares	Shareholding in the Shares	Number of Domestic Shares	Shareholding in the Domestic Shares	Number of H Shares	Shareholding in the H Shares	Number of Total Shares	Shareholding in the Total Issued Share Capital
Pingyang Kunyi	333,332	0.53%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
SCGC	281,250	0.45%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Ningbo Hongtu	281,250	0.45%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Hangzhou Unicorn	229,306	0.37%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Sub-total	44,098,884	70.39%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
[REDACTED] taking part in the [REDACTED]	–	–	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]	[REDACTED]%
Total	**62,647,060**	**100.00%**	[REDACTED]	[REDACTED]	[REDACTED]	**100.00%**	[REDACTED]	**100.00%**

CORPORATE STRUCTURE

Corporate Structure Immediately before Completion of the [REDACTED]

The following chart illustrates the shareholding structure and simplified corporate structure of the Group immediately prior to the completion of the **[REDACTED]** and conversion of the Domestic Shares into H Shares:

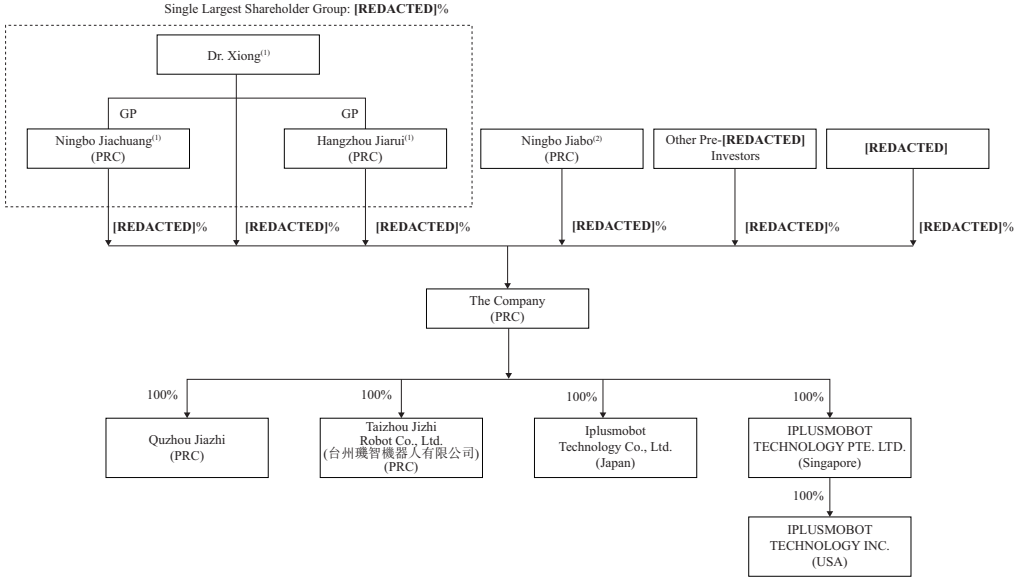


(1) Ningbo Jiachuang is a co-founders' and early-stage investors' holding vehicle of the Company and Hangzhou Jiarui is the Employee Incentive Platform, with Dr. Xiong being the general partner for both.

(2) Ningbo Jiabo is a holding vehicle for the senior management of the Company, with Mr. Chen Shouxian being its general partner.

Corporate Structure Immediately Following Completion of the [REDACTED]

The following chart illustrates the shareholding structure and simplified corporate structure of the Group immediately following the completion of the **[REDACTED]** and conversion of the Domestic Shares into H Shares (assuming the **[REDACTED]** is not exercised):



(1) – (2) Please see the details set out above.

*The information and statistics set out in this section and other sections of this document were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by China Insights Consultancy Limited ("**CIC**"). We engaged CIC to prepare an independent industry report in connection with the* **[REDACTED]** *(the "**CIC Report**")[1]. The information from official government sources has not been independently verified by us, the [Sole Sponsor,* **[REDACTED]**, **[REDACTED]**, **[REDACTED]**, **[REDACTED]**, **[REDACTED]***], [REDACTED], [REDACTED], any of the directors and advisers, or any other persons or parties involved in the* **[REDACTED]**, *and no representation is given as to its accuracy. Accordingly, the information from official government sources contained herein may not be accurate and should not be unduly relied upon.*

OVERVIEW OF INTELLIGENT ROBOTICS MARKET

Introduction of Intelligent Robots

Intelligent robots refer to robots with intelligent behaviors and can demonstrate human-like cognitive and physical capabilities through advanced technologies such as artificial intelligence ("**AI**"), machine learning and advanced control technologies, thereby achieving autonomous operation and adapting to complex environments.

Based on form factors and functional characteristics, intelligent robots are generally classified into the following categories:

(i) **intelligent mobile robots**, which are equipped with navigation devices and controlled by onboard control systems, and which, based on environmental perception and modeling, can achieve autonomous behavior in complex environments to carry out tasks such as cargo transport, material handling, picking and delivery;

(ii) **intelligent manipulation robots**, which are robots with operable manipulators (typically six axes or more robotic arms) and are capable of safe interaction and collaboration with humans in shared workspaces; and

(iii) **embodied intelligence robots**, which are intelligent robots designed with biomimetic morphologies and locomotion mechanisms inspired by humans or animals, integrating AI, perception systems and embodied control technologies. Their core features include multi-degree-of-freedom motion and dexterous manipulation enabled by biomimetic structures, as well as environment perception, task understanding, autonomous planning and adaptive execution enabled by intelligent algorithms. Embodied intelligence robots typically include humanoid robots, mobile manipulation robots and quadruped robots.

Note:

1 CIC was commissioned to conduct an analysis of, and to report global intelligent robotics industry at a fee of approximately RMB583,000. The commissioned report has been prepared by CIC independent of the influence of the Company and other interested parties. CIC's services include, among others, industry consulting, commercial due diligence and strategic consulting. Except as otherwise noted, all of the industry related data and forecasts contained in this section and elsewhere in this Document are derived from the CIC Report.

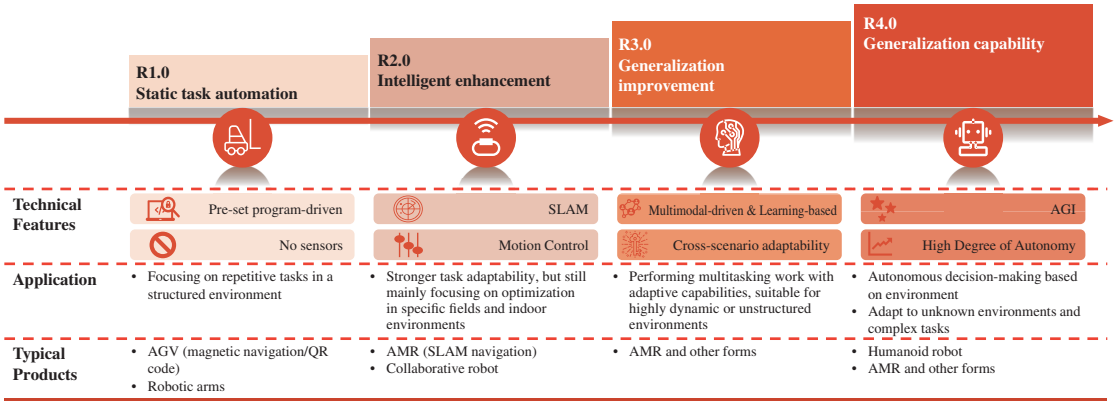
CIC conducted both primary and secondary research using a variety of resources. Primary research involved consumer survey, interviewing key industry experts and leading industry participants. Secondary research involved analyzing data from various publicly available data sources, such as the National Bureau of Statistics of China, information released by other Chinese government authorities, annual reports published by industry participants, industry organizations, as well as CIC's internal database.

The market projections in the commissioned report are based on the following key assumptions: (i) that the overall global social, economic and political environment is expected to maintain a stable trend over the next decade; (ii) that related key industry drivers are likely to continue driving growth in the industry during the forecast period; and (iii) that there is no extreme force majeure or set of industry regulations in which the market situation may be affected either dramatically or fundamentally.

Our Directors confirm that, after making reasonable enquiries, there is no material adverse change in the market information since the date of the CIC Report which may qualify, contradict or have an impact on the information in this section.

Evolution of Global Intelligent Robotics Industry

The intelligent robotics industry is rapidly advancing, driven by changes in global labor dynamics, rising demand for automation and operational efficiency, and continued breakthroughs in AI technologies, particularly large models. As AI becomes more deeply integrated with advanced manufacturing, intelligent robots are increasingly serving as a core enabler of productivity, resource optimization and service quality improvement across industrial, warehousing and commercial settings. As robots evolve from fixed, rule-based machines to systems capable of multimodal perception, real-time decision-making and adaptive execution, the industry is moving toward greater autonomy and broader general-purpose application. The evolution of global intelligent robot industry can be categorized into four key phases:



Source: CIC

Phase 1.0 – Static Task Automation

In Phase 1.0, intelligent robots were defined by fixed-function automation with no perception or autonomous capabilities. Robots in R1.0 rely entirely on pre-set program logic, with no environmental perception, adaptive capability or autonomy. Their actions follow fixed instructions, and they are unable to react to unexpected changes in the operating environment. Deployment of robots in R1.0 is limited to repetitive, structured tasks carried out in stable and predictable environments where workflows do not vary. Representative products include AGVs guided by magnetic strips or QR codes operating on fixed routes, as well as basic robotic arms performing repetitive handling or assembly tasks.

Phase 2.0 – Intelligent Enhancement

In Phase 1.0, robots begin to incorporate environmental perception systems and enhanced human–robot interaction capabilities. Sensor inputs allow limited adaptation to immediate surroundings, though functions remain largely constrained to defined tasks. Robots demonstrate stronger task adaptability but remain focused on use cases within specific fields. With the maturation of 2D environmental perception technologies, sensor inputs enabled robots to achieve limited adaptation to their immediate surroundings, typically within indoor environments. Typical product types include AMRs using SLAM-based movement and collaborative robots capable of operating safely alongside humans.

The intelligent robotics industry is evolving from Phase 2.0 toward the Phase 3.0. Based on the technical characteristics and current commercialization status of our major products, including our AMRs, forklift-type robots, outdoor mobile robots and mobile manipulation robots, our products exhibit key Phase 3.0 characteristics, including multimodal perception, adaptive task execution, cross-scenario deployment and large-scale fleet coordination capabilities. We are among the industry leading players progressively transitioning into Phase 3.0.

Phase 3.0 – Generalization Improvement

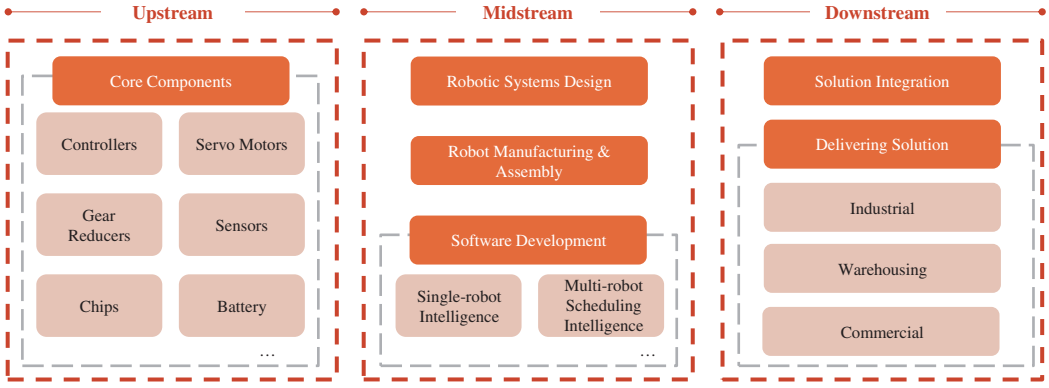
Phase 3.0 marks the shift toward multimodal-driven and learning-based intelligence. Supported by the maturation of 3D environmental perception and multi-sensor fusion technologies, robots demonstrate cross-scenario generalization and multitasking capabilities, enabling them to adapt their strategies based on richer perception and deeper contextual understanding. Robots in Phase 3.0 can perform multitasking work and exhibit adaptive behavior suitable for dynamic or partially unstructured environments across industrial, warehousing and commercial settings, enabling seamless operation across both indoor and outdoor scenarios. Typical product types include AMRs, mobile manipulation robots, wheeled humanoid robots and other forms equipped with higher-level multimodal capabilities.

Phase 4.0 – Generalization Capability

In Phase 4.0, with the maturation of AGI-related technologies, robots gain advanced autonomous reasoning, continuous learning and self-optimization capabilities. They can operate independently in unfamiliar environments and make real-time decisions based on complex contextual information. Robots in Phase 4.0 can be deployed in unknown or highly variable environments to execute complex tasks requiring high levels of autonomy, flexibility and generalization. Typical product types include humanoid robots and next-generation AMRs designed as embodied intelligence agents with higher generalized adaptability suitable for a wide range of enterprise and consumer applications.

Industry Value Chain of Intelligent Robotics Industry

Intelligent robotics industry can be broken down into three primary segments within the value chain: (i) the development of core components (including core hardware such as controllers, sensors, servo motors and others), (ii) the design and development, manufacturing, and assembly of complete robotic systems as well as software development such as single-robot and multi-robot scheduling intelligence, and (iii) solution integration and downstream application of robotic systems into specific industries and end customers.

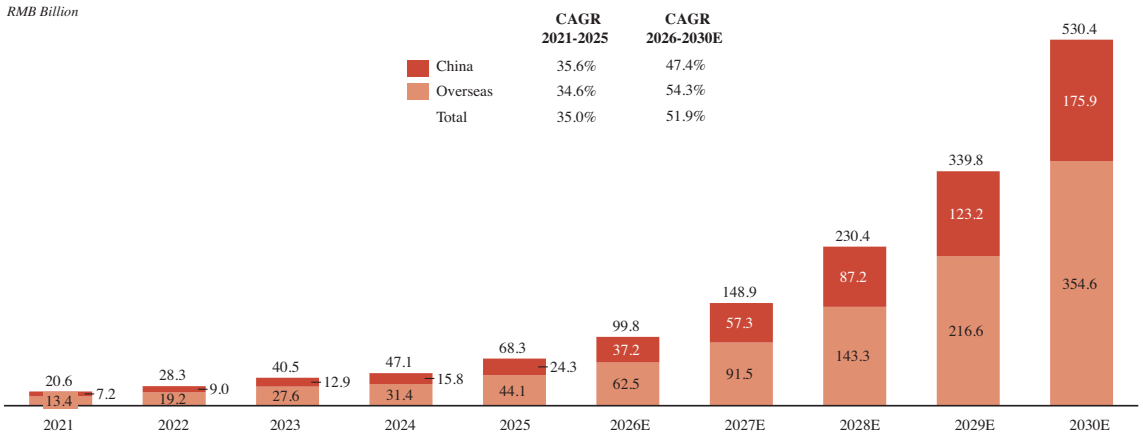


Source: CIC

The intelligent robotics industry chain encompasses a complete closed loop from component manufacturing to system integration and end-use application deployment, characterized by high technological intensity and system complexity. The upstream consists of component suppliers, while the midstream involves the design and development, manufacturing, assembly, and integration of complete intelligent robotic systems; the downstream provides system integration and delivery services tailored to customers in diverse scenarios. We operate primarily in the midstream and downstream segments of the intelligent robotics value chain, and selectively participate in the upstream segment through certain self-developed core components.

Market Size of Global and China Intelligent Robotics Industry

Driven by advancements in technologies, decreasing application costs and expanding application scenarios, the global intelligent robotics industry has entered a period of rapid growth. The chart below illustrates the growth of the global intelligent robotics market in terms of sales revenue in China and the rest of the world.



Source: CIC

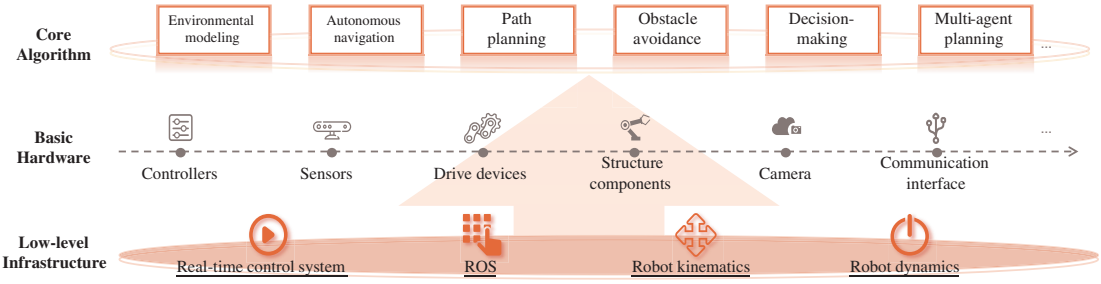
Key Drivers and Trends for Intelligent Robotics Industry

- ***AI breakthroughs, led by large models, are significantly enhancing generalization capabilities.*** Rapid progress in AI, led by multimodal large models, is enabling intelligent robots to move beyond the limitations of task-specific programming and fixed operating conditions. By combining multimodal perception, imitation learning and reinforcement learning, robots are becoming increasingly capable of adapting to different environments, industry workflows and task requirements, enabling more flexible and autonomous execution. Building on these AI advancements, industry leading players, including the Company, are progressively transitioning into Phase 3.0.
- ***Hardware, software and the supply chain are becoming more mature and cost-efficient.*** The growing maturity of the robot supply chain, particularly in China, has played a key role in reducing costs and improving production efficiency. With the localization of key components and the scale-up of production, hardware costs have significantly decreased, and lead times have shortened. On the software side, the rapid iteration of AGI algorithms and the rise of open-source ecosystems have improved the stability of robotic systems and lowered development costs. These factors combined have strengthened the competitive position of intelligent robots in the marketplace and laid a solid foundation for sustainable industry growth.
- ***Global demand for automation is rising amid tightening labor supply and increasing labor costs.*** Companies across manufacturing and services face growing pressure to improve efficiency while managing rising labor expenses. At the same time, demographic changes, such as global aging, are intensifying labor shortages. By 2050, the population aged 65 and above is expected to nearly double from 800 million in 2024 to 1.6 billion, while the share of working-age individuals continues to decline. As customer needs also become more diverse and customized, businesses require greater flexibility and intelligence in their operations, making intelligent robots increasingly important for maintaining productivity and operational stability.
- ***Governmental Policy Support.*** Governments worldwide are providing significant support to the intelligent robotics industry through favorable policies and initiatives that promote R&D, manufacturing and application deployment of robotics and AI-enabled technologies, providing policy assurance and resource allocation to accelerate industry development. For instance, China's "14th Five-Year Plan" prioritizes smart manufacturing, the U.S. promotes robotics innovation through the "National Robotics Initiative," and the European Union's "Horizon 2020" program provides substantial funding for robotics research. These government-backed efforts help fuel the development and widespread adoption of intelligent robots, particularly in industries such as manufacturing, healthcare and logistics through offering financial incentives, tax benefits and research support.

OVERVIEW OF INTELLIGENT MOBILE ROBOTICS INDUSTRY

Introduction of Intelligent Mobile Robots

Intelligent mobile robots integrate advanced algorithms and technologies to enable autonomous navigation, path planning, obstacle avoidance, decision-making and multi-agent planning.



Source: CIC

Based on form factors and functional characteristics, intelligent mobile robots can be broadly categorized into: (i) autonomous mobile robots, or AMRs, indoor intelligent mobility platforms that enable point-to-point material transport by using a mobile chassis capable of carrying diverse payload carriers and task-specific modules; (ii) forklift, autonomous mobile robot that replicates forklift functions to autonomously lift and move palletized goods; and (iii) outdoor mobile robots, intelligent mobile robot for high load capacity in outdoor scenarios.

These product types offer complementary strengths in payload capacity, operational precision and environmental adaptability, together forming full-scenario, end-to-end solutions that address the diverse needs of downstream users.

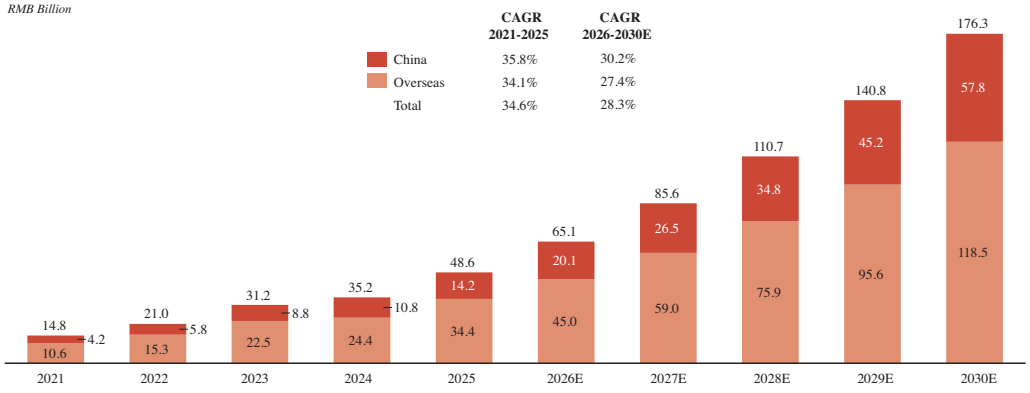
Value Chain of the Intelligent Mobile Robotics Industry

Intelligent mobile robotics market can be categorized by downstream application scenarios into industrial, warehousing and commercial settings. Industrial scenarios refer to operating environments within manufacturing systems where robots participate directly or indirectly in core production processes such as fabrication, processing, inspection and assembly, serving high-end manufacturing sectors including electronics, automotive, new energy, semiconductor and others. Warehousing scenarios include storage, sorting and goods-flow operations within the logistics supply chain, primarily serving industries such as e-commerce, apparel, fast-moving consumer goods and third-party logistics. Commercial scenarios encompass environments that interface directly with end customers or public services, including retail stores, hotels, restaurants and other service venues.

Among these application categories, industrial scenarios impose significantly higher requirements on precision, task execution accuracy, response timeliness and system reliability. In workflows that are tightly integrated with production lines, such as material docking or line-side delivery, robots must meet stringent performance standards, as any operational error may result in production downtime or quality defects. Consequently, companies focused on industrial intelligent mobile robots typically build deep capabilities in perception, motion control and system integration, which in turn establish a strong foundation for expanding into warehousing and commercial applications.

Global and China Intelligent Mobile Robotics Market

The chart below illustrates the size of the global intelligent mobile robotics market in terms of sales revenue in China and the rest of the world.

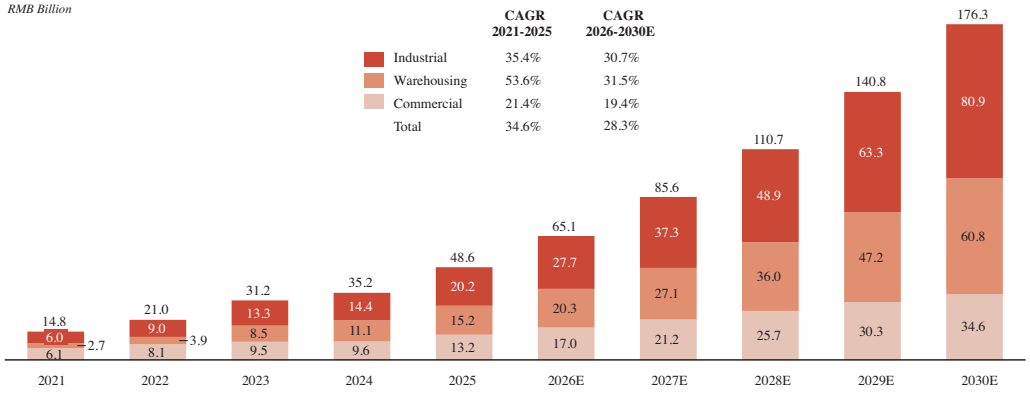


Note: intelligent mobile robots do not include mobile manipulation robots that integrate operable robotic arms on a mobile chassis.

Source: CIC

By application scenario, industrial scenario applications remain the dominant and most stable source of downstream demand for intelligent mobile robots. Typical industrial sectors where intelligent robots are widely deployed include electronics, automotive, new energy, semiconductor, pharmaceutical and others.

The chart below illustrates the size of the global intelligent mobile robotics market by application scenarios in terms of sales revenue.



Source: CIC

Key Drivers and Trends for the Intelligent Mobile Robotics Industry

- ***Continuous innovation by leading manufacturers is accelerating technology upgrades and expanding product categories.*** Industry leaders are building on their strengths in system integration, software algorithms and ecosystem development to drive continuous product innovation. Their efforts are helping intelligent mobile robots evolve from standardized offerings into multi-scenario solutions, broadening application coverage and speeding up adoption across downstream industries.
- ***Chinese manufacturers are well-positioned to capture global growth opportunities.*** The global market for intelligent mobile robots is expanding quickly, supported by rising demand for intelligent upgrades in industrial, warehousing and commercial environments. Chinese manufacturers benefit from strong cost efficiency, deep supply-chain integration and fast engineering execution. These advantages are enabling them to enhance product competitiveness and grow their share in overseas markets.

- ***Advancements in generalization capabilities are enhancing industry penetration.*** As robot hardware architectures become more modular and algorithms become increasingly generalized, intelligent mobile robots are evolving from task-specific products into reusable and scalable universal mobile platforms. The integration of large-model, reinforcement learning and multimodal perception significantly enhances robots' ability to perceive their environment, plan tasks and make real-time decisions. These capabilities enable transferable planning and decision-making across scenarios, allowing robots to adapt quickly to diverse environments and address more complex operational requirements. The resulting improvements in versatility and ease of deployment are driving broader adoption of intelligent mobile robots across industrial, warehousing and commercial settings.

OVERVIEW OF EMBODIED INTELLIGENCE ROBOTICS INDUSTRY

Introduction of Embodied Intelligence Robots

Embodied intelligence robots are intelligent robots designed with biomimetic forms and locomotion mechanisms inspired by humans or animals, integrating AI, perception systems and embodied control technologies. They are characterized by multi-degree-of-freedom movement, dexterous manipulation, environmental perception, task understanding, autonomous planning and adaptive execution. Based on form and locomotion, they are generally classified into humanoid, mobile manipulation and quadruped robots. Humanoid robots can be further divided into wheeled and legged types, with the former emphasizing efficient and stable mobility and the latter relying on bionic walking structures for autonomous movement.

Global and China Embodied Intelligence Robotics Market

Driven by advancements in large AI models and the accumulation of diverse datasets, the global embodied intelligence robot market is experiencing rapid growth. In terms of sales revenue, the global embodied intelligence robotics market reached RMB9.9 billion in 2025 and is expected to grow to RMB326.2 billion by 2030, at a CAGR of 94.5% from 2026 to 2030. In China, the embodied intelligence robot market reached RMB5.9 billion in 2025 and is projected to increase to RMB105.6 billion by 2030, representing a CAGR of 71.7% from 2026 to 2030. The chart below illustrates the size of the global embodied intelligence robotics market in terms of sales revenue in China and the rest of the world.

Commercial Potential of Wheeled Humanoid Robots

In environments such as industrial, warehousing and commercial service locations, where floors are generally level and pathways are well defined, wheeled humanoid robots typically offer higher stability, energy efficiency and deployment feasibility in environments with flat surfaces and relatively standardized routes, thereby fulfilling the vast majority of operational tasks. They offer clear advantages in cost-effectiveness, technological maturity and feasibility of deployment compared with alternative forms.

During technological evolution and industrial adoption, wheeled humanoid robots exhibit strong synergies with intelligent mobile robots that are already widely deployed:

- ***Technical synergy:*** Wheeled humanoid robots can reuse and upgrade the chassis and controller systems developed for intelligent mobile robots, allowing for faster iteration and lower development costs.
- ***Application synergy:*** Wheeled humanoid robots and intelligent mobile robots can operate together under a unified intelligent scheduling system, forming flexible, full-facility automation solutions that enhance overall operational efficiency and automation levels.

Key Drivers and Trends for the Embodied Intelligence Robotics Industry

The embodied intelligence robotics industry is being driven by the continued maturation of core hardware and software technologies, including mobile chassis, localization and integrated control systems, together with engineering know-how from the intelligent mobile robot sector, which is improving stability, scalability and performance in complex, unstructured environments. At the same time, stronger upstream component performance, a more developed supply chain

and greater collaboration across the value chain are reducing manufacturing and deployment costs and accelerating the transition from laboratory prototypes to large-scale commercialization. Meanwhile, advances in scheduling algorithms and swarm intelligence are enabling embodied intelligence robots to evolve from standalone units to coordinated multi-robot systems with unified task allocation, path planning and real-time collaboration, enhancing operational efficiency and resource utilization. As perception, decision-making and control capabilities continue to improve, embodied intelligence robots are also demonstrating greater cross-scenario generalization and adaptability, supporting their rapid expansion from research settings into industrial, warehousing and commercial applications.

COMPETITIVE LANDSCAPE

The global intelligent mobile robotics market is intensely competitive, with the top ten players accounting for only approximately 12.0% of the total market share by revenue in 2025. This fragmentation is largely due to the highly dispersed downstream application scenarios of intelligent robots across varied industrial sectors and specific factory requirements. By revenue in 2025, we ranked top ten globally with an estimated market share of approximately 1.0%. The table below sets forth information about the top ten players in the global intelligent mobile robotics industry in 2025 in terms of revenue.

Rank	Company	The revenue of intelligent mobile robotics (RMB in hundred million), 2025	Market share
1	Company A[1]	18.8	4%
2	Company B[2]	9.6	2%
3	Company C[3]	6.3	1%
4	Company D[4]	4.5	1%
5	Company E[5]	4.2	1%
6	Company F[6]	4.0	1%
7	Company G[7]	3.4	1%
8	Company H[8]	3.3	1%
9	Company I[9]	2.9	1%
10	**The Company**	**2.6**	**1%**

Source: Annual reports, expert interviews, CIC

Notes:

1. Company A, founded in 2016 and headquartered in Chinese Mainland, is a subsidiary of a company listed on the Shenzhen Stock Exchange. It is a global leader in machine vision and mobile robotic solutions, primarily serving industrial applications.
2. Company B, founded in 2016 and headquartered in Chinese Mainland, it is a privately held company and a global leader in commercial service robots, primarily serving delivery applications in catering, hotel, and healthcare sectors.
3. Company C, founded in 2017 and headquartered in Chinese Mainland, it is a privately held company and a global leading autonomous mobile robot enterprise, primarily serving new energy applications.
4. Company D, founded in 2016 and headquartered in Chinese Mainland, it is a privately held company and a global leading autonomous mobile robot enterprise focusing on unmanned forklifts, primarily serving industrial and warehousing applications.
5. Company E, founded in 2010 and headquartered in Chinese Mainland, it is a privately held company and a global leader in commercial service robots, primarily serving delivery and cleaning applications across various industries.
6. Company F, founded in 2013 and headquartered in Chinese Mainland, it is a privately held company that focuses on commercial cleaning robots, primarily serving digitalized cleaning applications.
7. Company G, founded in 2013 and headquartered in Denmark, is a subsidiary of a company listed on the New York Stock Exchange. It is a global leader in AMR, used across a wide range of industries.
8. Company H, founded in 2003 and headquartered in the United States, is a privately held company and a global leading autonomous mobile robot enterprise, primarily serving industrial applications.
9. Company I, founded in 2020 and headquartered in Chinese Mainland, is a company listed on the Hong Kong Stock Exchange and a global leader in mobile robotic solutions and robotic controllers, primarily serving industrial applications.

Industrial scenarios have nowadays become one of the major application scenarios for intelligent mobile robotics market, with Chinese manufacturers have become increasingly influential in the global industrial mobile robotics market. The top five domestic players accounted for approximately 15% of the global market in 2025. According to CIC, we were one of the top ten players globally and ranked fourth among all domestic players in industrial intelligent mobile robotics industry in terms of revenue in 2025. The table below sets forth information about the top five domestic players in the global industrial intelligent mobile robotics industry in 2025 in terms of revenue.

Rank	Company	The revenue of industrial intelligent mobile robotics[1]	Market share
1	Company A	14.9	7%
2	Company C	6.3	3%
3	Company I	2.9	1%
4	**The Company**	**2.6**	**1%**
5	Company J[2]	2.6	1%

Source: Annual reports, expert interviews, CIC

Notes:

1. The revenue of industrial intelligent mobile robotics (RMB in hundred million) in 2025
2. Company J, founded in 2016 and headquartered in Chinese Mainland, it is a privately held company and a global leader in autonomous mobile robots, primarily serving industrial applications such as electronics, automotive and semiconductors.

Among the top five players in the global intelligent mobile robotics industry, we are the only one with full-scenario coverage across indoor and outdoor task execution spanning a wide range of industrial and commercial settings, supported by high-precision positioning and operation accuracy and the widest payload range. The table below compares parameters such as indoor/outdoor capability, scenario coverage, positioning accuracy, operation accuracy and payload capacity among the top five players in the global intelligent mobile robotics market:

Company	Indoor[1]	Outdoor[2]	Industrial	Warehousing	Commercial	Positioning Accuracy	Operation Accuracy	Payload	Fleet Size[4]
The Company	✔	✔	✔		✔	**±2mm**	**±1mm**	**400~30,000kg**	**~2,500**
Company A	✔		✔	✔		±5~±10mm	±2~±10mm	30~10,000kg	~2,000
Company C	✔		✔		✔	±10mm	±5mm	60~3,000kg	~600
Company D	✔		✔	✔		±10mm	±3mm	1,400~4,000kg	~1,000
Company G	✔		✔	✔		Centimeter-level	±3mm	200~15,00kg	~100
Company H	✔		✔	✔		Centimeter-level	N.A.	1,500~5,000kg	N.A.
Company I	✔		✔			±2~±5mm	±2mm	300~3,000kg	N.A.

Source: CIC

Notes:

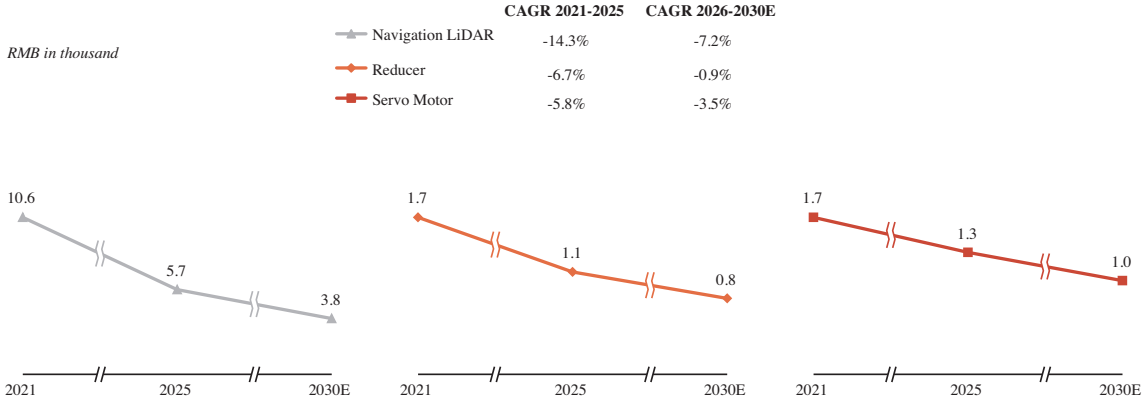
1. Indoor refers to operating environments located within enclosed building structures with full overhead coverage and clearly defined physical boundaries, such as factories, warehouses, restaurants, hotels and office buildings.
2. Outdoor refers to operating environments exposed to natural conditions without full artificial shelter, such as industrial parks, ports and other public outdoor areas.
3. Definitions, test conditions and applicable scenarios for such metrics may vary depending on product models, configurations and customer site environments.
4. Fleet size refers to the maximum number of robots that can be centrally managed or scheduled in a single deployment scenario.

Key Success Factors and Industry Competitive Barriers

- ***R&D and innovation capabilities in core technologies.*** Sustained independent R&D and continuous iteration in core technologies, such as perception algorithms, multi-sensor fusion, high-precision positioning, motion control in dynamic environments, mechanical engineering and structural design, form a fundamental competitive barrier in the intelligent mobile robot industry. Companies that are able to integrate AI-driven capabilities into their products can meaningfully enhance robot performance and operational efficiency, thereby materially improving productivity for downstream users and establishing a clear technological advantage.
- ***Integrated solution capabilities.*** Competitiveness in the industry also depends on the ability to provide integrated hardware–software solutions and deliver full-stack product portfolios spanning hardware platforms, software systems and end-to-end industry solution delivery. By incorporating swarm intelligence and multi-robot collaborative scheduling, leading companies are able to build comprehensive solutions that cover the full range of scenarios within production systems, creating strong differentiation and higher customer switching costs.
- ***Broad downstream application experience.*** Extensive deployment experience across multiple industries enables companies to achieve stable operation and rapid implementation in unstructured or variable environments. The ability to transfer technological know-how from one industry to another creates meaningful spillover advantages, facilitating broader cross-scenario adoption and allowing companies to scale their solutions across a diverse set of use cases.
- ***Continuous accumulation of ecosystem resources.*** Active participation in the development of the industry ecosystem, together with close collaboration with upstream and downstream partners, promotes technological standardization and application innovation. By building an open and collaborative ecosystem and working closely with leading downstream customers, companies can continuously expand their industry influence, strengthen customer stickiness and reinforce their competitive positioning.
- ***International expansion supported by localized operating capabilities.*** An international business footprint allows companies to gain the trust of global customers and obtain authoritative international certifications, which together strengthen brand recognition and credibility. Localized operating capabilities further enhance service delivery and customer support, creating an additional competitive barrier for new entrants.
- ***Supply chain management capability.*** The intelligent mobile robot supply chain is complex, encompassing sensors, controllers, actuators, algorithm systems and full-system integration. Effective coordination across these modules is essential to ensure product competitiveness and supply stability, forming a critical barrier to entry for participants without mature supply chain management capabilities.

COST ANALYSIS OF ROBOT CORE COMPONENTS

The development and performance of intelligent mobile robots are closely tied to the maturity of their core component supply chain. The core components include controllers, LiDAR units, 3D vision sensors, servo motors, reducers and power batteries. The selection and performance of these core components directly affect the comprehensive competitiveness of robots in terms of intelligence level, operating efficiency, endurance, safety performance and other dimensions. Among these core components, LiDAR, reducer and servo motor account for a relatively high share of total system cost.



With continued technological progress, the growth of domestic component manufacturers and greater industry standardization, the costs of key components have declined steadily, even as their performance and reliability continue to improve. At the same time, advances in battery technologies and the adoption of sophisticated battery management systems have extended single-cycle operating time and improved long-duration safety and stability. These dual trends of lower cost and higher performance are accelerating the adoption of intelligent mobile robots across a wider range of industries and supporting the broader shift toward intelligent automation.

This section provides an overview of the major laws, regulations and rules relevant to our business in relevant jurisdictions. The information contained herein shall not be interpreted as a comprehensive summary of all laws and regulations applicable to us.

RELEVANT LAWS AND REGULATIONS IN THE PRC

PRC Regulatory Overview

Our business operations in the PRC are subject to relevant laws and regulations as well as supervision by government authorities. This section provides an overview of the major relevant laws, regulations, rules and policies that may have a significant impact on our business operations in the PRC.

Primary Regulatory Authorities

In addition to being subject to the supervision of authorities that generally regulate companies in the PRC, the Company's operations in the PRC are primarily supervised and administered by the following authorities:

Ministry of Industry and Information Technology (MIIT)

The primary responsibilities of the MIIT include, among others: proposing industrial development strategies and policy recommendations; formulating and organizing the implementation of industrial plans and policies; drafting and releasing industry regulations and technical standards; establishing and implementing standards and policies for high-tech industries; promoting the development of emerging industries; and guiding relevant industries in strengthening safety production management.

National Development and Reform Commission (NDRC)

The primary responsibilities of the NDRC include, among others: organizing the formulation of comprehensive industrial policies; regulating and managing fixed-asset investment projects; proposing strategies and policies for utilizing domestic and foreign investment; and proposing the Negative List for Market Access of Foreign Investment.

Ministry of Commerce (MOFCOM)

The primary responsibilities of the MOFCOM include, among others: supervising and regulating foreign investment activities nationwide; formulating and implementing foreign investment policies; approving the establishment and changes to foreign-invested enterprises in accordance with applicable laws; formulating management measures and specific policies for outbound investment; and approving outbound investments by domestic enterprises in accordance with applicable laws.

The Company Law

Pursuant to the Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "**Company Law**"), which was initially implemented by the Standing Committee of the National People's Congress (the "**SCNPC**") on December 29, 1993, most recently revised on December 29, 2023, and effective from July 1, 2024, both limited liability companies and companies limited by shares established within China possess legal person status. Shareholders of a limited liability company are liable to the company to the extent of their respective capital contributions, while shareholders of a company limited by shares are liable to the company to the extent of their respective subscribed shares. Unless the laws on foreign investment provide otherwise, the Company Law of the People's Republic of China is also applicable to foreign-invested enterprises.

Laws and Regulations Relating to Production Safety and Product Quality

Pursuant to the Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》) amended by the SCNPC on June 10, 2021 and effective on September 1, 2021, production and operation entities shall: (1) abide by the law and other laws and regulations concerning production safety, reinforce the management of production safety, and set up a sound responsibility system for production safety of all employees and rules and regulations on production safety; (2) increase the input and guarantee of funds, materials, technologies, and personnel in terms of production safety, improve the conditions for production safety, strengthen the development of standards and adoption of information technologies for production safety; (3)

build a dual prevention mechanism of level-to-level safety risk management and control and hidden danger identification and management, and perfect the risk prevention and resolution mechanism, to raise the production safety level and ensure production safety. Entities that do not meet the conditions for safe production shall not engage in production and operating activities.

The Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》) (the "**Product Quality Law**") promulgated by the SCNPC on February 22, 1993 and last amended and effective on December 29, 2018 is the principal governing law related to the supervision and administration of product quality. According to the Product Quality Law, producers shall be liable for the quality of products produced by them and sellers shall take measures to ensure the quality of the products sold by them.

Pursuant to the Civil Code of the People's Republic of China (《中華人民共和國民法典》) (the "**Civil Code**") promulgated by the National People's Congress on May 28, 2020 and effective on January 1, 2021, in the event of damages caused to others due to the defects in a product, the infringed party may seek compensation from the producer or the seller of such product. If a defective product endangers the personal or property safety of others, the infringed party shall have the right to request the producer and the seller to bear tortious liabilities, such as cessation of infringement, removal of obstruction, elimination of danger, etc.

Laws and Regulations Relating to Cyber Security, Data Security and Personal Information Protection

The Administrative Measures for Classified Protection of Information Security (《信息安全等級保護管理辦法》) jointly promulgated by the Ministry of Public Security, the National Administration for the Protection of State Secrets, the State Cryptography Administration and the Informatization Office of the State Council on June 22, 2007, established the core framework for China's classified protection system for information security. This framework adheres to the principle of "self-grading and self-protection," requiring operators and users to classify their information systems into one of five security levels based on the degree of harm that would result to national security, social order, public interests, and the lawful rights of citizens and legal persons in the event of a breach.

The newly revised Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》), promulgated on October 28, 2025 and effective from January 1, 2026, marks a significant enhancement of the country's regulatory landscape for network security and data governance. A key revision is the formal incorporation of artificial intelligence governance and development into the legal framework, requiring related activities to adhere to established ethical norms and security assessments. The revised law significantly strengthens the linkage with other cornerstone legislation, such as the Civil Code and the Personal Information Protection Law, to create a more unified compliance system.

Crucially, the law elevates legal liabilities for violations. It introduces substantially higher maximum administrative fines for entities, expands the scope of punishable conduct, and explicitly enforces personal liability on directly responsible personnel, including directors and senior management. These changes collectively represent a shift towards a stricter, more comprehensive, and accountability-focused regulatory regime for all network operators.

The Data Security Law of the PRC (《中華人民共和國數據安全法》), which was promulgated by the SCNPC on June 10, 2021 and effective from September 1, 2021, provides that China shall establish a data classification and grading protection system, formulate the catalogs for important data to enhance its protection. The conduct of data handling activities shall comply with the provisions of laws and administrative regulations, establishing and completing a data security management system across all workflow, organizing and conducting data security education and training, adopting corresponding technical measures and other necessary measures to ensure data security, strengthening risk monitoring, taking immediately disposition measures and promptly reporting to relevant authorities when data security incidents occur. Processors of important data are required to specify the person responsible for data security and management agencies, implement data security protection responsibilities, periodically conduct risk assessments of such data handling activities as provided and submit risk assessment reports to the relevant authorities. Relevant authorities will establish the measures for the cross-border transfer of important data. If any company violates the Data

Security Law of the PRC and other applicable measures by illegally providing important data abroad, such company may be punished by administration sanctions, including penalties, fines, and/or may suspension of relevant business or revocation of the business license.

The Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the "**PIPL**"), which was promulgated by the SCNPC on August 20, 2021 and effective from November 1, 2021, integrates the scattered rules on personal information rights and privacy protection. The PIPL aims at protecting the personal information rights and interests, regulating the processing of personal information, ensuring the orderly and free flow of personal information in accordance with the law, and promoting the reasonable use of personal information. Personal information, as defined by the PIPL, refers to information related to identified or identifiable natural persons and recorded by electronic or other means, but excluding the anonymized information. The PIPL provides the conditions under which a personal information processor could process personal information, which include but not limited to, where the consent of the individual concerned is obtained and where it is necessary for the conclusion or performance of a contract to which the individual is a contractual party. It also stipulates certain specific rules regarding the obligations of a personal information processor, such as informing the individuals of the purpose and method of processing, and the obligation of the third party who has access to the personal information by way of co-processing or delegation.

On September 24, 2024, the State Council promulgated the Network Data Security Management Regulations (《網絡數據安全管理條例》), which took effect on January 1, 2025. The Network Data Security Management Regulations stipulate that network data processors whose network data processing activities affect or may affect national security shall be subject to national security review according to relevant national regulations.

Regulations on Cybersecurity Review

On December 28, 2021, the Cyberspace Administration of China (the "**CAC**"), NDRC, the MIIT and other ten PRC regulatory authorities jointly issued the Cybersecurity Review Measures (《網絡安全審查辦法》), which took effect on February 15, 2022. Cybersecurity review is triggered if: (i) CII operators' procurement affects national security; (ii) Platform operators' data processing affects national security; (iii) Platforms that possess personal information of more than one million users seek overseas listing.

Regulations on Cross-border Data Transfer

On July 7, 2022, the CAC promulgated the Measures for the Data Export Security Assessment (《數據出境安全評估辦法》), effective on September 1, 2022. The Measures for the Data Export Security Assessment requires the data processor providing data overseas to apply for the data export security assessment by the national cybersecurity administration authority through its local provincial counterpart if they fall under any of the following circumstances: (i) where the data processor intends to provide important data overseas; (ii) where the critical information infrastructure operator and any data processor who has processed personal information of more than 1,000,000 people intend to provide personal information overseas; (iii) where any data processor who has provided personal information of 100,000 people or sensitive personal information of 10,000 people to overseas recipients accumulatively since January 1 of the last year intends to provide personal information overseas; and (iv) other circumstances where the security assessment of data cross-border transfer is required as prescribed by the CAC.

According to the Measures for the Standard Contract for Outbound Cross-Border Transfer of Personal Information (《個人信息出境標準合同辦法》) issued by the CAC on February 22, 2023, and took effect on June 1, 2023, a personal information processor shall meet the following criteria to provide personal information to an overseas recipient through a Standard Contract executed: (i) not being a critical information infrastructure operator; (ii) handling personal information of fewer than one million individuals; (iii) having provided personal information of fewer than 100,000 individuals in aggregate to overseas recipients since January 1 of the previous year; and (iv) having provided sensitive personal information of fewer than 10,000 individuals in aggregate to any overseas recipients since January 1 of the previous year. Where it is otherwise provided in any law or administrative regulations, or by the national cyberspace

authority, those provisions shall prevail. On March 22, 2024, the CAC issued Provisions on Facilitating and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》).

Under these provisions, data processors who provide data abroad, and meet any of the following conditions, are required to declare the data export security assessment with the national cybersecurity administration authority through its local provincial counterpart: (i) critical information infrastructure operators providing personal information or important data abroad; (ii) data processors other than critical information infrastructure operator providing important data abroad or cumulatively providing abroad personal information (without any sensitive personal information) of more than one million individuals, or sensitive personal information of more than 10,000 individuals since January 1 of the current year. Additionally, to provide personal information to an overseas recipient through a standard contract executed or with a personal information protection certification, a personal information processor shall meet the following criteria: (i) cumulatively exporting personal information (excluding sensitive personal information) of more than 100,000 but fewer than 1 million individuals since January 1 of the current year; or (ii) cumulatively exporting sensitive personal information of fewer than 10,000 individuals since January 1 of the current year. Besides the above, the Provisions on Facilitating and Regulating Cross-border Data Flows also outline certain circumstances under which the data processors are exempted to carry out the data export security assessment or standard contract/personal information protection certification requirements, loosening the regulations on personal information cross-border transfer.

Regulations on Import and Export

Promulgated by The General Administration of Customs of the PRC on November 19, 2021 and effective January 1, 2022, the Administrative Provisions of the Customs of the People's Republic of China on Record-filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》) stipulates that entities applying for record-filing, whether as consignors/consignees of import/export goods or as customs declaration enterprises, must hold valid market entity status. If the submitted record-filing materials are complete and comply with the requirements upon review, the Customs shall complete the filing procedures within three business days. The record-filing information will be made public via the China Customs Import and Export Credit Information Publicity Platform.

Law and Regulations in Relation to Anti-Unfair Competition

According to the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) (the "**Anti-Unfair Competition Law**"), latest revised by the SCNPC and effective from October 15, 2025, acts of unfair competition refer to the acts of operators who, in the course of their production and operation activities, violate the provisions of the Anti-Unfair Competition Law to disrupt the order of competition in the market and harm the legitimate rights and interests of other operators or consumers. According to the Anti-Unfair Competition Law, operators shall follow the principles of voluntariness, equality, fairness and honesty in market transactions, and comply with the law and business ethics. Operators violating the provisions of the Anti-Unfair Competition Law shall be subject to civil, administrative or criminal liability depending on the circumstances.

According to the Interim Provisions of the State Administration for Industry and Commerce on Banning Commercial Bribery (《國家工商行政管理局關於禁止商業賄賂行為的暫行規定》) ("**Provisions on Banning Commercial Bribery**") issued by the former State Administration for Industry and Commerce (國家工商行政管理總局), which came into effect on November 15, 1996, commercial bribery refers to the act of an operator bribing the other party's entity or individual by means of property or other means for the purpose of selling or purchasing commodities, of which other means refers to the provision of domestic and foreign travel, study tours in various names and other means of giving benefits other than property. According to the Anti-Unfair Competition Law and the Provisions on Banning Commercial Bribery, the supervisory and inspection departments may impose fines according to the circumstances, and confiscate any illegal income. If a crime is constituted, it will be transferred to the judicial authorities for the investigation of criminal responsibility in accordance with the law.

Laws and Regulations Relating to Intellectual Property

Patents

According to the Patent Law of the People's Republic of China (《中華人民共和國專利法》) promulgated by the SCNPC in 1984 and amended in 1992, 2000, 2008 and 2020, patents for inventions and utility models may be granted subject to three conditions: novelty, inventiveness and practicability. Patents are not granted for scientific discoveries, rules and methods for intellectual activities, methods used to diagnose or treat diseases, animal and plant breeds, methods used to nuclear transformation and substances obtained utilizing nuclear transformation, and designs of the pattern and the colour of graphic printed matter or the combination of them that are primarily used to mark and identify. The Patent Office under the State Intellectual Property Office is responsible for receiving, examining, and approving patent applications. A patent is valid for a twenty-year term for an invention, a ten-year term for a utility model, or a fifteen-year term for a design (the term of protection of a design patent right for which the application date is up to and including May 31, 2021 is ten years, commencing from the application date), commencing from the application date. Except for certain specific circumstances provided by law, any third-party users must obtain consent or a proper licence from the patent owners to use the patent, otherwise, the use of the patent will constitute an infringement of the rights of the patent holder.

Trademarks

Registered trademarks applied for in China are protected by the Trademark Law of the People's Republic of China (《中華人民共和國商標法》), adopted by the SCNPC in 1982 and amended in 1993, 2001, 2013 and 2019, and the Implementation Rules 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》), adopted by the State Council in 2002 and amended in 2014. The Trademark Office under the State Intellectual Property Office handles the registration of trademarks, which are valid for ten years and may be renewed for another ten years upon expiry at the request of the trademark holder. Trademark licence agreements must be submitted to the Trademark Office for filing. A trademark licence cannot be used against a bona fide third party without being filed. The Trademark Law of the People's Republic of China adopts the first-to-file principle for trademark registration. For the same or similar goods or services, if the application for registration of a trademark is identical or similar to a trademark registered or preliminarily examined by another person for the same or similar goods, the application for registration of such trademark will be rejected by the Trademark Office. Any person applying for registration of a trademark shall not prejudice the existing prior rights of another person or use improper means to pre-empt the registration of a trademark that has already been used by another person and has a certain degree of influence.

Domain Name

According to the Measures for the Administration of Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017, which came into effect on November 1, 2017, the MIIT shall be responsible for the supervision and management of China's internet domain name service. Domain name registrations shall be handled through the domain name service agencies established in accordance with the relevant provisions, and the applicants become domain name holders upon successful registration.

Software Copyright

According to the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》) promulgated by the SCNPC in 1990 and amended in 2001, 2010 and 2020 respectively, Chinese citizens, legal persons or unincorporated organizations are entitled to copyright in their works (including computer software) in accordance with the law, regardless of whether or not they are published.

The Regulation on Protection of Computer Software (《計算機軟件保護條例》) were promulgated by the State Council on June 4, 1991 and amended in 2001, 2011 and 2013, respectively, with the aim of protecting the rights and interests of computer software copyright holders, adjusting the interests and relations occurring in the development, dissemination and use of computer software, encouraging the development and application of computer software, and promoting the development of software industry and informatization of our national

economy. According to the Regulation on Protection of Computer Software, the PRC citizens, legal persons, or other organizations shall, whether published or not, enjoy copyright in software developed by them in accordance with the law. A software copyright owner may register with a software registration institution recognized by the copyright administration department of the State Council. The certificate of registration issued by the software registration institution shall be the preliminary evidence of the registered matters. The software copyright of a legal person or other organizations shall be protected for a period of 50 years, ending on December 31 of the 50th year after the first publication of the software; however, if the software has not been published within 50 years from the date of completion of its development, it shall no longer be protected.

Law and Regulations Relating to Property

Pursuant to the Administrative Measures for Commodity Housing Tenancy (《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 became effective on February 1, 2011, the lessor and the lessee shall enter into a tenancy contract in accordance with the law. The parties concerned to a housing tenancy shall go through the housing tenancy registration formalities with the competent construction (real estate) departments of the people's government of the municipalities directly, cities and counties where the housing is located within 30 days after the housing tenancy contract is signed. If the tenancy registration and filing is not carried out in accordance with the regulations, the relevant competent authorities may order rectification within a specified time limit or impose a fine.

Laws and Regulations Relating to Labor Employment

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》) approved by the SCNPC on July 5, 1994 and last amended on December 29, 2018, and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) (the "**Labor Contract Law**") approved on June 29, 2007 and amended on December 28, 2012, an entity shall develop and improve rules and regulations in accordance with the law to ensure that workers enjoy their labor rights and fulfill their labor obligations. A labor contract is an agreement between a worker and an entity that establishes the labor relationship and specifies the rights and obligations of both parties. An entity and a worker should enter into a written labor contract that restricts the use of temporary workers and provides workers with long-term job security.

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) (the "**Social Insurance Law**") promulgated by the SCNPC on October 28, 2010, which became effective on July 1, 2011 and was amended on December 29, 2018, and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated and effective by the State Council on January 22, 1999, which was amended on March 24, 2019, an entity are required to pay social insurance for their workers in the PRC, including basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance and work injury insurance. According to the Social Insurance Law, if a company fails to fully pay its social insurance premiums within the prescribed time limit, the relevant PRC authorities may order it to make the payment within a stipulated deadline. The company may be liable for a late payment fee calculated at 0.05% of the outstanding amount per day. If the company fails to repay the outstanding premiums within the stipulated period, it may be subject to a fine ranging from one to three times the amount in arrears.

According to the Administration Regulations on the Housing Provident Fund (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999 and effective on the same date, and latest amended on March 24, 2019, entities are required to contribute to the housing provident fund for their workers. If an entity fails to undertake payment and deposit registration of housing provident fund or fails to open the housing provident fund accounts for its employees, the housing provident fund management centre may order the entity to rectify it within the prescribed time limit; where failing to do so at the expiration of the time limit, a fine between RMB10,000 and RMB50,000 may be imposed by competent authorities. An entity shall timely and fully deposit housing accumulation fund, and shall not deposit it exceeding the time limit, or deposit less than it should. The contribution rate of housing funds of workers and entities may not be less than 5% of the monthly average salary in the previous year. If an entity

is overdue in the payment or underpays, the housing provident fund management centre shall order the entity to pay up within the prescribed time limit. If the entity still fails to pay up as scheduled, the competent administrative authority may apply to the people's court for compulsory enforcement.

Laws and Regulations Relating to Environmental Protection

Environmental Protection

Pursuant to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) promulgated by the SCNPC on December 26, 1989, and latest amended on April 24, 2014 and became effective on January 1, 2015, pollution control facilities must be designed, built, and operated simultaneously with main construction works.

Environmental Impact Assessment

According to the Regulations on the Environmental Protection of Construction Projects (《建設項目環境保護管理條例》) promulgated by the State Council on November 29, 1998 and latest amended on July 16, 2017, the construction entity shall submit an environmental impact report, an environmental impact statement, or fill in an environmental impact registration form depending on the degree of impact the construction project has on environment. For a construction project for which an environmental impact report or environmental impact statement shall be prepared by law, the construction entity shall submit the environmental impact report and environmental impact statement to the competent administrative department of the environmental protection with approval authority for approval before starting construction. If the Environmental Impact Assessment Documents of a construction project have not been reviewed by the approving authority in accordance with the law or have not been granted approval after the review, the construction entity shall be prohibited from commencing construction works.

Pollutant Discharge

According to the Administrative Measures for Pollutant Discharge Licensing (《排污許可管理辦法》) promulgated by the Ministry of Ecology and Environment on April 1, 2024 and implemented on July 1, 2024, enterprises, public institutions and other producers and business operators that are subject to pollutant discharge license management in accordance with the law shall apply for and obtain pollutant discharge license in accordance with the law and discharge pollutants in accordance with the provisions of the pollutant discharge license. Those without pollutant discharge license are not allowed to discharge pollutants. Enterprises, public institutions and other producers and business operators that are legally required to fill in pollutant discharge registration forms shall conduct pollutant discharge registration on the national pollutant discharge permit management information platform.

According to the Catalogue of Classified Administration of Pollutant Discharge License for Stationary Pollution Sources (2019 Version) (《固定污染源排污許可分類管理名錄(2019年版)》) issued by the Ministry of Ecology and Environment on December 20, 2019, key management, simplified management and registration management of pollutant discharge permits are implemented according to factors including the amount of pollutants generated, the amount of pollutants discharged, the degree of impact on the environment, etc., and only pollutant discharge entities that implement registration management do not need to apply for a pollutant discharge permit.

Laws and Regulations Relating to Fire Control

Pursuant to the Fire Control Law of the PRC(《中華人民共和國消防法》), promulgated by the SCNPC on April 29, 1998 and most recently amended and implemented on April 29, 2021, fire control work is supervised and administered by the Ministry of Emergency Management of the State Council and the local people's governments at or above the county level, while the implementation is the responsibility of the fire and rescue agencies of the local people's governments at or above the county level. The fire control design of construction projects must comply with the national fire control technical standards. Construction projects whose fire control design has not undergone statutory review or has failed such review are prohibited from commencing construction. Completed construction projects that have not passed a statutory fire safety acceptance inspection or whose inspection results fail to meet fire safety requirements are prohibited from being put into use or operation.

Laws and Regulations Relating to Cross-Border Trade

The Regulations of the People's Republic of China on Foreign Exchange Administration (《中華人民共和國外匯管理條例》) (the "**Foreign Exchange Regulations**") are the main administrative regulations on foreign exchange administration in the PRC, which were promulgated by the State Council on January 29, 1996 and came into effect on April 1, 1996, and were amended on January 14, 1997 and August 5, 2008, respectively. Pursuant to the Regulations on Foreign Exchange Administration, the State shall not impose restrictions on current international payments and transfers, including international balance of payments transactions involving goods, services, income and current transfers, except for account items (including direct investment, loans, capital transfers, securities investment, etc.), which are subject to prior approval of the SAFE and prior registration with SAFE.

According to the Notice of the State Administration of Foreign Exchange of the PRC on Revolutionize and Regulate Capital Account Settlement Management 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 by the SAFE and took effect on June 9, 2016) and the Notice of the State Administration of Foreign Exchange on Further Deepening Reforms to Facilitate Cross-Border Trade and Investment (《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 by the SAFE and took effect on December 4, 2023), foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including foreign exchange capital, foreign debt funds and funds repatriated by overseas listing) may undertake foreign exchange settlement in the banks according to actual business needs of the domestic institutions and the RMB funds derived from willingness exchange settlement should be included in the management of the settlement account to be disbursed. The tentative percentage of willingness exchange settlement for foreign currency earnings in capital account of domestic institutions is 100%, subject to adjustment by the SAFE in due time in accordance with international revenue and expenditure situations.

According to the Notice of the SAFE on Further Improving and Adjusting Foreign Administration Policies for Foreign Direct Investment (《國家外匯管理局關於進一步改進和調整直接投資外匯管理政策的通知》), which was issued by the SAFE on November 19, 2012, came into effect on December 17, 2012 and amended on May 4, 2015, the previous foreign exchange approving procedure was simplified by cancelling the requirement for the opening of a foreign exchange account or the entry of any amount in the foreign exchange accounts under direct investment, and instead, the bank can open the account for relevant client according to the information registered in the relevant system of the SAFE.

The Notice of SAFE on Further Simplifying and Improving Foreign Exchange Administration Policy for Overseas Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) issued by the SAFE on February 13, 2015, came into effect on June 1, 2015 and latest amended on December 30, 2019 lifted the requirement of administrative approval in relation to foreign exchange registration and approval for overseas direct investment, which was changed to the mechanism that the banks directly review and complete the foreign exchange registration for overseas direct investment, and the SAFE and its branches will implement indirect regulation over the foreign exchange registration for overseas direct investment through the banks.

The People's Bank of China and the State Administration of Foreign Exchange issued the Notice on Issues Concerning the Administration of Funds of Domestic Enterprises Listed Overseas (《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》), which was announced on 24 December 2025. This document constitutes a new regulation jointly issued by the two authorities, aiming to unify and optimize the supervision and administration of foreign exchange funds related to the overseas listings of domestic enterprises. Its key provisions include establishing a registration system for overseas listings, clarifying the principle of repatriating raised funds and the conditions for retaining funds overseas, standardizing the opening and use of dedicated accounts, detailing the foreign exchange procedures for shareholding increases and decreases by shareholders, and making specific arrangements for businesses such as "H-share Full Circulation". The new regulation will take effect on 1 April 2026.

Laws and Regulations Related to Overseas Securities Offering and Listing

On February 17, 2023, the CSRC issued the Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic enterprises (《境內企業境外發行證券和上市管理試行辦法》) and its supporting guidelines (collectively, the "**New Rules for Filing**"), which came into effect on March 31, 2023. According to the New Rules for Filing, PRC domestic enterprises that seek to offer and list securities in overseas markets, either directly or indirectly, shall complete the filing procedures and report relevant information to the CSRC within three working days after submitting the application documents for offering and listing securities in overseas markets.

On February 24, 2023, the CSRC, in conjunction with the MOF, the National Administration of State Secrets Protection and the National Archives Administration, has jointly issued the Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing 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 and Archives Administration Provisions**"), which came into effect on March 31, 2023. The Confidentiality and Archives Administration Provisions require that PRC domestic enterprises that seek to offer and list securities in overseas markets, either directly or indirectly, shall establish the confidentiality and archives system, and shall complete approval and filing procedures with competent authorities, if such PRC domestic enterprises or their overseas listing entities provide or publicly disclose documents or materials involving state secrets and work secrets of PRC government agencies to relevant securities companies, securities service institutions, overseas regulatory agencies and other entities and individuals. It further stipulates that providing or publicly disclosing documents and materials which may adversely affect national security or public interests to relevant securities companies, securities service institutions, overseas regulatory agencies and other entities and individuals shall be subject to corresponding procedures in accordance with relevant laws and regulations.

Laws and Regulations Relating to H Share "Full Circulation"

According to the Guidelines on Application for "Full Circulation" of Domestic Unlisted Shares of H-share Companies (2023 Amendment) (《H股公司境內未上市股份申請"全流通"業務指引(2023修訂)》), which was issued and implemented by the CSRC on August 10, 2023, Shareholders may determine the volume and proportion of shares for circulation, authorizing the domestic enterprise to file the application, provided that the requirements laid down in the relevant laws and regulations and set out in the policies for state-owned asset administration, foreign investment and industry regulation are met. The shareholders of domestic unlisted shares shall authorise the domestic enterprises to file the "Full Circulation" application with CSRC by filing materials on key compliance issues, including whether the "Full Circulation" has fulfilled adequate internal decision-making procedures, necessary internal approvals and authorizations, and whether the "Full circulation" involves approval or filing procedures set out in the laws, regulations and policies for state-owned asset administration, industry supervision and foreign investment, and if so, whether such approval or filing procedures have been performed. Domestic enterprises that are not yet listed may file the "Full Circulation" application when applying for listing in an overseas IPO. After an application for "Full Circulation" has been approved by the CSRC, the domestic enterprise shall submit relevant status reports to the CSRC within 15 days after the shares involved in the application completing the transfer registration in CSDC. The domestic unlisted shares may not be transferred back to China after they have been listed and circulated in Hong Kong.

According to the Measures for Implementation of H-share "Full Circulation" Business (《H股"全流通"業務實施細則》) promulgated by the China Securities Depository and Clearing Corporation Limited (the "**CSDC**") and Shenzhen Stock Exchange (the "**SZSE**") on December 31, 2019, the businesses of cross-border transfer registration, maintenance of deposit and holding details, transaction entrustment and instruction transmission, settlement, management of participants, services of nominal holders, etc. in relation to the "Full Circulation" business, are subject to the Measures for Implementation. Where there is no provision in the Measures for Implementation, it shall be handled with reference to other business rules of the CSDC, China Securities Depository and Clearing (Hong Kong) Company Limited and the SZSE.

The Shenzhen Branch of CSDC promulgated the Guide to the Program for H-share "Full Circulation" Business of the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (《中國證券登記結算有限責任公司深圳分公司H股"全流通"業務指南》) on September 20, 2024. These guidelines aim at standardizing the business operations of H-share "Full Circulation" and have made provisions for relevant businesses related to H-share "Full Circulation", including business preparation, cross-border transfer registration, overseas share custody, initial maintenance of detailed domestic holdings, change and maintenance of detailed domestic holdings, handling of corporate actions, settlement and delivery, and risk management.

Outbound Investment

According to the Measures for the Administration of Overseas Investment of Enterprises (《企業境外投資管理辦法》), which was promulgated by the NDRC on December 26, 2017 and became effective on March 1, 2018, to make outbound investment, any investor shall go through the formalities to have a proposed overseas investment project approved or filed on the record, report relevant information, and cooperate with supervision and inspection. Overseas investment projects that involve any sensitive country or region or any sensitive industry need to be approved by the NDRC. Overseas investment projects other than those specified above are subject to filing administration. The NDRC promulgated the List of Sensitive Sectors for Outbound Investment (2018) (《境外投資敏感行業目錄(2018年版)》) on January 31, 2018 and effective as from March 1, 2018 to list the current sensitive industries in detail.

According to the Administrative Measures for Outbound Investment (《境外投資管理辦法》), which was promulgated by the MOFCOM on March 16, 2009, became effective on May 1, 2009 and amended on September 6, 2014, outbound investment refers to the activities of possessing non-financial enterprises or acquiring the ownership of, the control over, the operation and management right of, and other rights of and interests in, the existing non-financial enterprises outbound through consolidation, merger and acquisition, or otherwise conducted by enterprises that are established in the PRC in accordance with the law. The MOFCOM and the provincial departments in charge of commerce shall conduct archive filing and verification management according to different circumstances of outbound investment of an enterprise. Where the outbound investment carried out by an enterprise involves sensitive countries and regions and sensitive industries, verification management shall be implemented. Archive filing management shall be implemented for other circumstances of outbound investment of an enterprise.

For other types of overseas investments by enterprises, a record-filing management system shall be implemented.

Pursuant to the Provisions on the Foreign Exchange Administration of Overseas Direct Investment of Domestic Institutions (《境內機構境外直接投資外匯管理規定》) promulgated by the State Administration of Foreign Exchange (國家外匯管理局, the "**SAFE**") on July 13, 2009, which became effective on August 1, 2009 and the Notice of the SAFE on Further Simplifying and Improving the Foreign Exchange Management Policies for Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) promulgated by the SAFE on February 13, 2015, upon obtaining approval for overseas investment, a PRC enterprise shall apply for foreign exchange registration for its overseas direct investments with the banks in the place where it's registered.

RELEVANT LAWS AND REGULATIONS IN JAPAN

Laws Governing the Sale of Robots in Japan

The sale of products in Japan is generally governed by the Civil Code and the Commercial Code, with product safety and warranty obligations being key aspects of robot sales. Japan's **Product Liability Act (PL Act)** imposes strict liability on any person who manufactures, processes, or imports a product in the course of business, as well as on any person who uses a name, trade name, trademark, or other indication on the product as the manufacturer, and any person who can be recognized by others as the actual manufacturer ("manufacturers, etc."). The manufacturers, etc. are liable to compensate for any personal injury (including death or bodily injury) or property infringement caused by a defect in the delivered product, which was manufactured, processed, imported, or on which indications including a name referred. However,

this does not apply if the damage occurs to the product alone. This means if a service robot has a design or manufacturing defect that leads to an accident, the manufacturer, etc. can be held liable for damages regardless of negligence.

Customs Requirements for Importing Robots into Japan

Under Japan's **Customs Act**, importers receiving goods from overseas are generally required to submit an import declaration to Japan Customs and pay any applicable duties. Once the declaration is filed, Japan Customs may inspect the goods as needed and, after confirming that the duties have been paid, will authorize the importation.

Safety and Technical Standards Compliance

Japan has a robust framework of technical regulations to ensure that electrical and robotic equipment is safe for users, workers, and the public. Mobile and collaborative robots must meet these safety and technical standards before they can be marketed domestically. A central law is **the Electrical Appliances and Materials Safety Act, often called the PSE Act**, which applies to many electronic products. Importers of electrical devices are required to register ("notify commencement of business") with METI, and to ensure their products conform to designated technical standards under this Act.

Mobile and collaborative robots are not listed as electrical appliances under the PSE Act and are therefore not directly subject to regulation under the PSE Act. However, many robotics products include multiple regulated parts – for instance, an autonomous cleaning robot will typically come with an AC/DC power supply (which is a Specified Appliance requiring PSE certification) and may use a lithium-ion battery pack (which, if it has high energy density or is sold separately as a replacement, also falls under the PSE Act). Accessories such as power adapters and battery chargers supplied with these robots fall within the scope of "DC power supply units" and are subject to the Act.

Once compliance is achieved (and for high-risk items, certified by a METI-registered Conformity Assessment Body), the products must be affixed with the PSE mark before sale. The PSE mark – in the form of a diamond or round symbol on the product or nameplate – signifies that the equipment meets Japan's electrical safety requirements. It is illegal to sell or display regulated electrical products in Japan without the PSE mark. Persons engaging in the manufacture or importation of electrical appliances shall be limited to individuals residing within Japan or to corporations duly registered under the Companies Act of Japan. Business operators domiciled outside Japan, and without a place of business therein, may submit a notification of import business only where they have appointed a representative in Japan pursuant to the Companies Act and effected the required registration.

Laws and Regulations in Relation to Labor and Employment

Employment relationships in Japan are major governed primarily by **the Labor Standards Act, the Industrial Safety and Health Act**, and the **Labor Contract Act**.

The Labor Standards Act prescribes minimum working conditions applicable to most employers and employees, and any contractual terms that fall below these statutory standards are deemed invalid. The Industrial Safety and Health Act requires employers to implement workplace safety and health measures and to establish appropriate safety management systems.

Under the Labor Contract Act, when an employer dismisses or takes disciplinary action against an employee, such dismissal or disciplinary action is required to be based on objectively reasonable grounds and to be socially appropriate. Changes to employment terms that disadvantage employees must also be reasonable in order to be valid.

Laws and Regulations in Relation to Taxation

Japanese companies are subject to corporate taxation, which generally consists of an income-based component and a per-capita component. Effective corporate tax rates vary depending on factors such as taxable income and company size, and generally range from approximately 15% to 23.2%.

Laws and Regulations in Relation to Personal Data Protection

The Act on the Protection of Personal Information imposes various obligations on business operators that handle personal information, including requirements regarding lawful use, purpose limitation and restrictions on third-party transfers. This Act also applies to foreign business operators that obtain personal information in connection with the provision of goods or services to individuals located in Japan.

Business Permits and Licenses for Robotics Operations

Operating a robotics business in Japan generally does not require a special permit. However, certain permits, such as the PSE mark, as well as required notifications or reports, must be obtained as part of regulatory compliance:

Filings and Reports under **the Foreign Exchange and Foreign Trade Act (FEFTA)** in Relation to Establishment of Companies: The establishment of a company in Japan by a foreign corporation is subject to the FEFTA. The establishment of a company by a foreign investor may trigger filing or reporting obligations under the FEFTA. Under the FEFTA, prior notification is required when a foreign investor intends to establish a company in Japan engaging in certain designated business sectors that may affect national security, public order, or public safety (including defense, energy, telecommunications, transportation, and finance). Such notification must generally be submitted at least 30 days prior to the intended establishment. For sectors other than the designated businesses, the foreign investor is required instead to submit an ex post facto report following the establishment. Such post-establishment report must typically be filed within a prescribed period (in principle, within 45 days from the date of establishment) in the prescribed form.

RELEVANT LAWS AND REGULATIONS IN OTHER JURISDICTIONS

Sanctions Laws And Regulations

United States

The Office of Foreign Assets Control ("**OFAC**") is the primary agency responsible for administering U.S. sanctions programs against targeted countries, entities, and individuals. "Primary" U.S. sanctions apply to "U.S. persons" or activities involving a U.S. nexus (e.g., funds transfers in U.S. currency even if performed by non-U.S. persons), and "secondary" U.S. sanctions apply extraterritorially to the activities of non-U.S. persons even when the transaction has no U.S. nexus. Generally, U.S. persons are defined as entities organized under U.S. law (such as companies and their U.S. subsidiaries); any U.S. entity's domestic and foreign branches (sanctions against Iran and Cuba also apply to U.S. companies' foreign subsidiaries or other non-U.S. entities owned or controlled by U.S. persons); U.S. citizens or permanent resident aliens ("**green card**" holders), regardless of their location in the world; individuals physically present in the United States; and U.S. branches or U.S. subsidiaries of non-U.S. companies.

Depending on the sanctions program and/or parties involved, U.S. law also may require a U.S. company or a U.S. person to "block" (freeze) any assets/property interests owned, controlled or held for the benefit of a sanctioned country, entity, or individual when such assets/property interests are in the United States or within the possession or control of a U.S. person. Upon such blocking, no transaction may be undertaken or effected with respect to the asset/property interest – no payments, benefits, provision of services or other dealings or other type of performance (in case of contracts/agreements) – except pursuant to an authorization or license from OFAC.

OFAC's comprehensive sanctions programs currently apply to Cuba, Iran, North Korea, the Crimea region of Russia/Ukraine, and the self-proclaimed Luhansk People's Republic ("**LPR**") and Donetsk People's Republic ("**DPR**") regions (the comprehensive OFAC sanctions program against Sudan was terminated on October 12, 2017). OFAC also prohibits virtually all business dealings with persons and entities identified in the SDN List. Entities that a party on the SDN List owns (defined as a direct or indirect ownership interest of 50% or more, individually or in the aggregate) are also blocked, regardless of whether that entity is expressly named on the SDN List. Additionally, U.S. persons, wherever located, are prohibited from approving, financing,

facilitating, or guaranteeing any transaction by a non-U.S. person where the transaction by that non-U.S. person would be prohibited if performed by a U.S. person or within the United States.

United Nations

The United Nations Security Council (the "**UNSC**") can take action to maintain or restore international peace and security under Chapter VII of the United Nations Charter. Sanctions measures encompass a broad range of enforcement options that do not involve the use of armed force. Since 1966, the UNSC has established 30 sanctions regimes.

The UNSC sanctions have taken a number of different forms, in pursuit of a variety of goals. The measures have ranged from comprehensive economic and trade sanctions to more targeted measures such as arms embargoes, travel bans, and financial or commodity restrictions. The UNSC has applied sanctions to support peaceful transitions, deter non-constitutional changes, constrain terrorism, protect human rights and promote non-proliferation.

There are 14 ongoing sanctions regimes which focus on supporting political settlement of conflicts, nuclear non-proliferation, and counter-terrorism. Each regime is administered by a sanctions committee chaired by a non-permanent member of the UNSC. There are ten monitoring groups, teams and panels that support the work of the sanctions committees. United Nations sanctions are imposed by the UNSC, usually acting under Chapter VII of the United Nations Charter. Decisions of the UNSC bind members of the United Nations and override other obligations of United Nations member states.

European Union

Under European Union sanction measures, there is no "blanket" ban on doing business in or with a jurisdiction targeted by sanctions measures. It is not generally prohibited or otherwise restricted for a person or entity to do business (involving non-controlled or unrestricted items) with a counterparty in a country subject to European Union sanctions where that counterparty is not a Sanctioned Person and not engaged in prohibited activities, such as exporting, selling, transferring or making certain controlled or restricted products available (either directly or indirectly) to, or for use in a jurisdiction subject to sanctions measures, provided that no funds and economic resources are made available to the Sanctioned Persons.

United Kingdom and United Kingdom overseas territories

As of January 1, 2021, the United Kingdom is no longer an EU member state. EU law including EU sanctions measures continued to apply to and in the United Kingdom until December 31, 2020. EU sanctions measures had also been extended by the United Kingdom on a regime-by-regime basis to apply in the United Kingdom overseas territories, including the Cayman Islands. Starting from January 1, 2021, the United Kingdom applies its own sanctions programs and has extended its autonomous sanctions regimes to apply to and in the United Kingdom overseas territories.

Australia

The Australian restrictions and prohibitions arising from the sanctions laws apply broadly to any person in Australia, any Australian anywhere in the world, companies incorporated overseas that are owned or controlled by Australians or persons in Australia, and/or any person using an Australian flag vessel or aircraft to transport goods or transact services subject to United Nations sanctions.

U.S. Export Controls

The United States has implemented and has proposed additional restrictions, some of which may impact Chinese companies, including us. The United States has increased export controls restrictions on China through the Export Administration Regulations (the "**EAR**"), administered by the Bureau of Industry and Security of the U.S. Department of Commerce (the "**BIS**"), which includes a list of foreign persons on which certain trade restrictions are imposed, including businesses, research institutions, government and private organizations, individuals and other types of legal persons (the "**Entity List**"). Where a foreign person is included on the Entity List, the export, re-export and/or transfer (in-country) of items which are subject to the EAR generally is prohibited unless the specified license requirements are met.

In addition, EAR also maintains a list of items, software, and technology that are subject to export controls (the "**Commerce Control List**"). The Commerce Control List is primarily based on multilateral export control lists, such as the Wassenaar Arrangement's List of Dual-Use Goods and Technologies and Munitions List, BIS can also implement unilateral licensing requirements and other controls on items subject to U.S. export controls jurisdiction that can restrict exports and reexports to certain countries, as well as transfers within a country to a different end-user or end-use. The Commerce Control List is divided into ten categories, represented by the first digit of the Export Control Classification Number ("**ECCN**"). Each ECCN is subject to the respective control(s) and licensing requirement applicable for sales to controlled countries and/or entities.

U.S. Tariffs

The U.S. imposes a variety of tariffs on imported goods. While the U.S. Constitution grants Congress the authority to impose tariffs, several statutes have shifted that authority to the President under certain circumstances. Within the U.S., agencies involved in international trade regulation include the CBP, the U.S. International Trade Commission ("**ITC**"), and the Office of the U.S. Trade Representative ("**USTR"**). CBP is responsible for collecting tariffs on goods imported to the U.S. during the customs clearance process. The ITC is a quasi-judicial agency that administers U.S. laws governing trade remedies and provides analysis, information, and other support concerning tariffs and other international trade matters for the President, U.S. Congress, and the USTR. The ITC also investigates alleged violations of U.S. trade law, including unfair trade practices under Section 337 of the Tariff Act of 1930, illegal foreign financial subsidies, and violations, and Section 201 of the Trade Act of 1974 (imports of goods into the U.S. at an increased quantity that is a substantial cause of serious injury to a U.S. domestic industry). The USTR is a cabinet-level position within the office of the President of the U.S., and serves as the President's principal advisor, negotiator, and spokesperson regarding matters of international trade.

The USTR is authorized to take certain action under Section 301 of the Trade Act of 1974 ("**Section 301**"), including without limitation the imposition of tariffs or other restrictions on imports, if it determines after investigation that a foreign government has engaged in unfair trade practices. In 2018, following a USTR investigation and report, the U.S. imposed tariffs on certain imported goods of Chinese Mainland-origin. Section 301 tariffs are assessed and collected in addition to any other duties that may apply (including, without limitation, anti-dumping duties).

In early 2025, President Trump separately invoked the IEEPA to impose additional tariff measures, including tariffs on imports from a wide range of products imported from most countries or regions, such as Chinese Mainland. On February 20, 2026, the U.S. Supreme Court issued its decision in Learning Resources, Inc. v. Trump, holding that IEEPA does not authorize the President to impose tariffs. Following the Supreme Court's ruling, President Trump imposed a 10% global tariff under Section 122 of the Trade Act of 1974 ("**Section 122**"), effective February 24, 2026. Section 122 permits the imposition of tariffs for up to 150 days absent further congressional authorization. The Section 122 tariffs expired on July 24, 2026 at the end of the 150-day statutory period, as Congress did not extend them. As of July 24, 2026, CBP ceased to collect the Section 122 Tariffs. Furthermore, in accordance with CBP's non-stacking instructions, Section 122 Tariffs may not be levied cumulatively on any imported articles that are concurrently subject to additional duties under Section 232 of the Trade Expansion Act of 1962.

On July 24, 2026, following the expiration of Section 122 tariffs, the administration imposed new tariffs of 10% to 12.5% under Section 301 of the Trade Act of 1974 targeting 60 economies, based on findings that each economy failed to impose or effectively enforce prohibitions on the importation of goods produced with forced labor. Given the attitude of the current administration and ongoing discussions between the United States and its trade partners, including Chinese Mainland, there remains uncertainty about future changes to the scope, levels, and administration of U.S. tariffs.

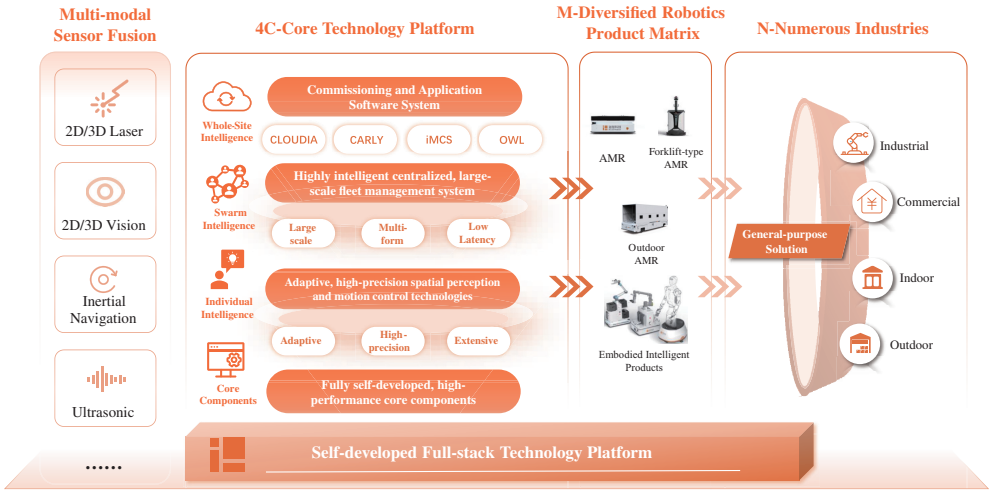
OVERVIEW

Who We Are

We are an intelligent mobile robotics provider, dedicated to enabling the widespread adoption of robotics across diverse environments, industries and use cases. Operating primarily within the midstream segment of the industry, we provide customers with one-stop solutions comprising our self-developed core technology platform, intelligent mobile robots and integrated software systems. We also offer intelligent mobile robots and embodied intelligence robotics products based on pre-defined specifications and configurations. According to CIC, we ranked among the top ten intelligent mobile robotics companies globally in terms of revenue in 2025. In the industrial intelligent mobile robotics segment, according to CIC, we were one of the top five domestic companies in terms of revenue globally in 2025.

We are one of the few companies globally with full-stack, self-developed technologies in intelligent mobile robot solutions, according to CIC. All of our products and solutions are built on a unified core technology platform that integrates multi-modal sensing, a proprietary core technology architecture and a scalable software-hardware stack. This platform enables reliable operation in complex environments, high-precision spatial perception and motion control, as well as large-scale centralized fleet orchestration. The shared technological foundation enables us to rapidly develop and commercialize a diversified portfolio of intelligent mobile robots, including standard AMRs, omni-directional heavy-load AMRs, forklift AMRs, outdoor AMRs, and industry specific AMRs. As our core technologies continue to generalize and extend, they demonstrate strong adaptability across different robot types, unlocking the opportunities in the embodied intelligence robotics market, for which we offer a suite of products, including embodied-robot controllers, mobile manipulation robots and embodied-robot mobile chassis.

The diagram below illustrates our core business architecture:



We possess proven commercialization capabilities that support the large-scale delivery and deployment of intelligent mobile robots, integrated systems and application-specific solutions. According to CIC, we are one of the few companies globally with the capability to deploy intelligent mobile robotic solutions across large-scale fleets involving more than 2,500 robots. As of the Latest Practicable Date, we have delivered a diversified range of solutions to hundreds of customers across multiple industries, including electronics, automotive, semiconductor, new energy, commercial and pharmaceuticals. Our customers are (i) intelligence system integrators that incorporate our robotic products into broader automation solutions, and (ii) end users across diverse industries who leverage our robotic solutions and products to improve the efficiency of their operations. As of the Latest Practicable Date, our robots had been sold in over 20 countries and regions, including China, Japan, South Korea, Southeast Asia, North America, and Europe, with customers comprising leading global enterprises across industries.

The following chart highlights some of our key achievements to date:

Established Industry Position	**Top 10**[1] Global Intelligent Mobile Robotics Companies	**No. 4**[2] 2025 Market Share of Intelligent Mobile Robots in Industrial Scenarios	**Top 3 Global Customers**[3] Experience Serving Top Three Global Customers in Industries such as Lithium Battery, Display Panel, and 3C Electronics
Strong Technical Capabilities	**Globally Leading**[4] Large-scale, High-precision Spatial Perception Technology for Indoor and Outdoor Multi-scenarios	**2,500+ units** Heterogeneous Robot Centralized Fleet Management Capability	**200+** Core Intellectual Property
Solid Industry Practice and Commercial Expansion	**88%+** Revenue CAGR from 2023 to 2025	**20+** Countries/Regions with Project Implementation	**20+** Global 500 Client Coverage

Notes:

(1) According to CIC.

(2) We ranked No.6 globally and No.4 among Chinese companies based on revenue in 2025, according to CIC.

(3) According to CIC. Top three global players in the lithium battery, display panel, and 3C electronics industries are determined by volume in 2025, according to CIC.

(4) According to CIC.

Our Market Opportunities

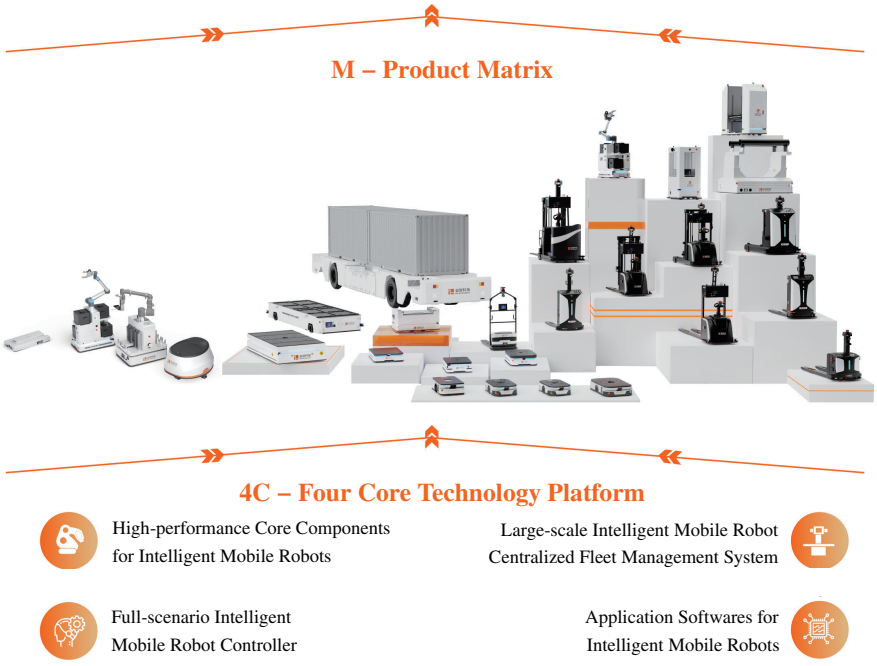
According to CIC, recent technological advancements in artificial intelligence, AIoT, cloud computing and autonomous driving have sparked a new wave of innovation, prompting global high-technology companies and leading enterprises across industries to increase capital expenditures in pursuit of productivity upgrades. At the same time, rising labor costs, higher ESG standards and increasing costs of key production factors have placed sustained pressure on traditional production models worldwide. As the intelligent robotics industry chain and technology ecosystem continue to mature, intelligent mobile robots are becoming increasingly capable, versatile and scalable. As a result, intelligent robots and other advanced automation and intelligent systems are driving a global shift toward automation, fundamentally enhancing operational efficiency across industrial, commercial and broader societal applications.

The total size for intelligent mobile robotics market is expected to expand significantly globally. According to CIC, the total size for global intelligent mobile robotics market reached RMB48.6 billion in 2025 and is expected to grow to RMB176.3 billion by 2030, representing a CAGR of 28.3% from 2026 to 2030. Within this market, the global industrial intelligent mobile robotics market reached RMB20.2 billion in 2025 and is projected to grow to RMB80.9 billion by 2030, representing a CAGR of 30.7% over the same period.

Key success factors and competitive barriers in the intelligent mobile robot industry primarily arise from technological capabilities, operational experience and ecosystem integration. Sustained R&D and innovation in core technologies underpin product performance and operational efficiency, while the ability to deliver integrated solutions enhances differentiation and customer stickiness. Extensive downstream application experience across multiple industries further enables implementation and reliable operation in complex environments, supporting scalable commercialization. In addition, strong ecosystem partnerships, effective supply chain management and localized global operations strengthen execution capabilities and barriers to entry. As a global leader in general-purpose intelligent mobile robotics, we are well positioned to capitalize on the rapid growth of the industry by leveraging our core technology strengths, modular product architecture and efficient delivery capabilities. Through deeper penetration into a broader range of industrial and commercial applications, we aim to further expand our market share and achieve sustainable growth.

Our Platform-Driven Approach

Our business is built on an integrated platform-driven approach that connects our core technologies, product portfolio and application solutions. We describe this approach as the "4C×M×N" framework. Under this framework, "4C" represents our four core technology pillars: (i) fully self-developed, high-performance **core components**, (ii) adaptive and high-precision spatial perception and motion **control technologies**, (iii) a highly intelligent, large-scale **centralized fleet management system**, and (iv) intelligent **commissioning and application software**. These core technologies form the foundational layer of our platform and are applied across our product offerings. This shared technological foundation enables us to efficiently iterate and scale our product platforms, while flexibly deploying them across diverse industry verticals and application environments. Building on this foundation, "M" represents our mobile robotics product matrix, covering intelligent mobile robots, comprising standard AMRs, omni-directional heavy-load AMRs, forklift AMRs, outdoor AMRs and certain industry-specific AMRs, as well as embodied intelligent robotics products, including embodied-robot controllers, mobile manipulation robots and embodied-robot mobile chassis. "N" represents our application solutions, in which our products are integrated, configured and deployed to address specific customer use cases across a broad range of industries and application scenarios. This platform-driven approach enables us to leverage the same core technologies across multiple products and applications, facilitating efficient product development, commercialization and deployment.



Our Core Technology Platform (4C)

Core Components. Leveraging our product-design principles and deep industry knowledge, we have self-developed high-performance core components that form the hardware foundation of our robots and support reliable, stable and high-quality operation. These include high-performance low-voltage DC servo drivers, high-precision absolute encoders, industrial-grade vision modules, reusable modular drive-wheel assemblies and an integrated perception–planning–control edge-computing platform. By developing these components in-house and adopting domestic chipsets, we enhance supply-chain resilience, reduce procurement costs and reliance on imported technologies, while maintaining performance comparable to mainstream international platforms for industrial applications. For example, our

integrated perception–planning–control edge-computing platform is built on domestic chipsets, which deliver performance comparable to mainstream international platforms for industrial intelligent mobile robot applications while meeting real-time operational requirements. Furthermore, leveraging advanced process nodes, certain domestic chipsets also achieve energy efficiency approximately 10% to 30% higher than comparable international solutions under equivalent performance constraints, according to CIC. In addition, domestic chipsets provide greater control over component availability, lifecycle management and customization, enhancing supply-chain resilience, reducing exposure to supply disruptions and export-control restrictions, shortening procurement cycles and supporting more predictable cost structures, without resulting in any material adverse impact on product performance. Accordingly, the adoption of domestic chipsets has not resulted in different performance compared to other comparable products in the market. Collectively, these components form a localized and scalable core component system that provides a stable technological foundation for our products and supports deployment across a wide range of robot types and configurations. Through integration with our proprietary algorithms, these components deliver enhanced performance, faster responsiveness and lower production costs compared with standardized market alternatives.

Controller. According to CIC, we are among a limited number of companies capable of delivering large-scale, high-precision spatial perception and motion control across both indoor and outdoor environments. Leveraging multi-sensor fusion, multi-modal perception and lightweight representation techniques, our intelligent mobile robots integrate LiDAR, vision, inertial measurement and ultrasonic sensing to enable high-precision perception and motion planning with efficient computing resources. Our systems achieve indoor positioning accuracy of no more than ±0.2 cm and outdoor positioning accuracy of no more than ±3 cm, outperforming the industry average of above ±0.5 cm and ±5 cm, respectively. Our systems also achieve operational accuracy of no more than ±1 mm, compared with industry benchmarks generally ranging from ±2 to ±10 mm. Our unified indoor-outdoor spatial perception framework, together with our self-developed dynamic map segmentation and joint optimization algorithms, enables the same algorithmic architecture to operate across diverse indoor and outdoor environments, supporting seamless deployment and stable performance in complex, large-scale application scenarios

Centralized Fleet Management System. We believe that a fleet management system functions as the "brain" and "nervous system" of an intelligent mobile robot platform, and we have proactively invested in the research, development and deployment of related technologies. We have established a clear technological advantage in high-barrier areas such as multi-robot collaboration and cross-domain scheduling. For example, powered by a spatiotemporal state-search algorithm, our CLOUDIA fleet management system is capable of supporting real-time path planning, task allocation and conflict management for more than 2,500 heterogeneous robots, including robots with different sizes, capacities and form factors, within a single deployment scenario. The system also integrates with customers' existing operational and management systems to support increasingly complex workflows.

Commissioning and Application Software System. To streamline both the deployment and daily operation of mobile robots, we have developed a suite of intelligent application software systems, including CARLY, iMCS and OWL. CARLY serves as the robot configuration and commissioning platform, providing no-code configuration, digital-twin visualization and diagnostic tools to enable efficient deployment and maintenance of individual robots. iMCS serves as the workflow orchestration platform, bridging customers' enterprise systems, such as MES, WMS and ERP systems, with our fleet management system to translate business requirements into executable material-handling workflows. OWL serves as the inventory and warehouse management platform, providing real-time visibility into inventory, storage locations and material movements to support warehouse operations. Together, these software systems form an integrated software stack that supports the scalable deployment and efficient operation of intelligent mobile robots across diverse application scenarios.

Our Diversified Robotics Product Matrix (M)

Leveraging our full-stack, self-developed general-purpose core technology platform, we have developed a diversified portfolio of robotic products. Through this diversified and heterogeneous product portfolio, our robots can be deployed across a wide range of sub-scenarios within customers' operational workflows, while supporting seamless integration and coordinated operation across different application scenarios. Our robotic products are centered on two product lines:

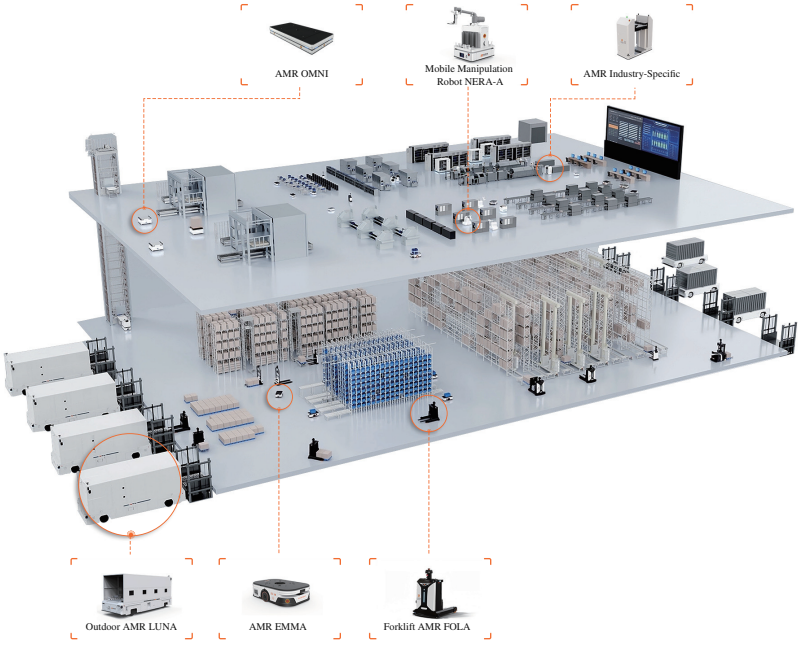
- **Intelligent Mobile Robots:** Our intelligent mobile robots designed to perform core intralogistics functions, including material handling, pallet transport, stacking and storage, heavy-load transport and cross-scenario logistics. Our product suite includes standard AMRs such as EMMA for high-precision intralogistics and line-side material distribution, OMNI for heavy-load and large-dimension transport in manufacturing environments, FOLA for pallet handling, stacking and high-bay storage in warehouses and factories, and LUNA for large-scale outdoor transport and integrated indoor–outdoor logistics across industrial parks and logistics hubs.
- **Embodied Intelligent Robotics Products:** Our NERA series comprises a portfolio of embodied intelligent robotics products, including mobile manipulation robots, embodied-robot controllers, embodied-robot mobile chassis and fleet management systems. Our mobile manipulation robots (NERA-A) are complete embodied intelligent robots that integrate autonomous mobility with high-precision manipulation capabilities to perform tasks requiring both movement and object interaction. Our embodied-robot controllers (NERA-C) provide a unified control architecture that enables multimodal perception and coordinated control across sensing, decision-making and actuation. Our embodied-robot mobile chassis (NERA-P) provides a modular mobility platform for embodied robotic applications, while our fleet management systems enable the coordinated deployment and operation of multiple embodied robots. Together, these products support applications such as CNC material loading and unloading, electronics manufacturing, laboratory automation and other scenarios requiring flexible, adaptive automation.

For details of each of our products, see "— Our Products".

Our Robotic Solutions Across Numerous Industries (N)

Based on our standardized and modular hardware architecture and the flexible coordination between our software and hardware systems, we are able to rapidly configure and deploy solutions tailored to customer needs. We provide solutions across manufacturing intralogistics, general warehousing and commercial applications, significantly shortening deployment timelines, effectively controlling implementation and operating costs, and delivering long-term value to customers.

The following diagram summarizes our representative industrial application solutions.



We have accumulated extensive implementation experience and a strong track record in complex, high-technology manufacturing environments. As of the Latest Practicable Date, our products were deployed to more than 20 countries and regions. Leveraging our established sales and service network, we have served a total of more than 500 customers, including over 20 Fortune Global 500 companies. Our solutions have been successfully deployed at scale across industries including, among others, electronics, automotive, semiconductor, new energy, and pharmaceuticals. These successful implementations demonstrate our ability to deliver meaningful and measurable operational value to customers operating in demanding, high-complexity scenarios. See "Business – Our Solutions" for details.

Our Efficient Execution Capabilities

We understand our customers' stringent requirements for delivery efficiency and reliability. Taking into account differentiated application scenarios and diverse operating conditions, we tailor and deliver efficient one-stop solutions to meet specific customer needs. Since our inception, we have focused on building a general-purpose hardware and software product system, accumulating deep domain expertise and establishing reliable and scalable execution capabilities.

We systematically review and distill experience from completed projects and have developed a standardized implementation methodology that can be adapted across different customer requirements and application scenarios. This framework covers the full lifecycle of a project, from consulting and solution design, to product development, manufacturing and deployment, and through to ongoing lifecycle management. Our solutions have been successfully deployed across a wide range of industries and have continued to be replicated across new application areas and industries, supporting the sustainable growth of our business. Our customers include manufacturers that apply our robotic solutions directly in their factories, and system integrators that incorporate our robotic products into broader automation solutions to serve their clients' end applications.

Our Achievement and Financial Performance

During the Track Record Period, we achieved strong growth in our operating performance, as reflected in the following key indicators:

- *Rapid revenue growth*. Driven by the expansion of our application scenarios, accelerated global deployment and high customer repeat purchase rates resulting from our differentiated solutions, our revenue amounted to RMB75.0 million, RMB114.8 million, RMB265.5 million, RMB135.0 million and RMB169.2 million for the year ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively. Our revenue increased by 53.2% in 2024, by 131.2% in 2025, and by 25.3% in the six months ended June 30, 2026, as compared with the corresponding prior periods. In particular, our overseas business generated revenue of RMB10.1 million, RMB10.7 million, RMB31.5 million, RMB11.2 million and RMB11.5 million in 2023, 2024, and 2025, and the six months ended June 30, 2026, respectively, with overseas revenue accounting for 11.9% of total revenue in 2025 and 6.8% of that in the six months ended June 30, 2026.
- *Improving gross margin*. Our gross margin was 19.7%, 24.2%, 29.7%, 27.1% and 29.4% in 2023, 2024, 2025, and the six months ended June 30, 2026, respectively. The gross profit in 2025 increased by 183.4% compared to the corresponding prior period, and that in the six months ended June 30, 2026 increased by 35.9% compared to the corresponding prior period.
- *Significant narrowing of losses*. Our adjusted net loss (Non-IFRS measure) amounted to RMB78.5 million and RMB78.4 million for the year ended December 31, 2023 and the year ended December 31, 2024, respectively. Benefiting from improved operating efficiency driven by enhanced commercialization and scaling of our products, our adjusted net loss (Non-IFRS measure) for the year ended December 31, 2025 narrowed to RMB44.2 million from RMB78.4 million for the corresponding prior period, and remained at a relatively low level of RMB18.6 million for the six months ended June 30, 2026.

As of the Latest Practicable Date, our products were deployed to more than 20 countries and regions. Leveraging our established sales and service network, we have served a total of more than 500 customers, including over 20 Fortune Global 500 companies.

OUR STRENGTHS

We believe that the following competitive strengths contribute to our success and differentiate us from our competitors in the intelligent mobile robotics industry.

Our expertise in the intelligent mobile robotics industry

Since our establishment, we have strategically focused on the intelligent mobile robotics industry. We believe that adaptive, high-precision and large-scale coordinated mobility is the foundation for intelligent robots to achieve broad adoption across manufacturing intralogistics, general warehousing and commercial scenarios. Such capabilities address customers' increasing requirements for efficiency, safety and flexibility in complex environments, and position intelligent mobile robot as a market with significant long-term growth potential.

Benefiting from our dedicated investment and continuous innovation, we have become an established player in the intelligent mobile robotics industry and continue to advance technological innovation in the field. According to CIC, we were among the top ten intelligent mobile robotic companies globally and the top five in industrial intelligent mobile robotics companies among domestic players, in each case in terms of revenue in 2025. During the Track Record Period, we have shipped 4,728 robotic products across more than 20 countries or regions worldwide. As of the Latest Practicable Date, we have cumulatively served more than 500 customers.

We believe our future financial prospects have significant growth potential, supported by the projected rapid expansion of the industry. According to CIC, the global intelligent mobile robotics industry market reached RMB48.6 billion in 2025 and is expected to grow to RMB176.3

billion by 2030, representing a CAGR of 28.3% from 2026 to 2030. In addition, the global embodied intelligence robotics industry is expected to grow from RMB9.9 billion in 2025 and is expected to grow to RMB326.2 billion by 2030, at a CAGR of 94.5% from 2026 to 2030. As an established player in the intelligent mobile robotics industry, we are well-positioned to capture these industry trends by continuously enhancing our technology capabilities and product competitiveness, further expanding our business footprint coverage, and benefiting from the growth of the global industry, thereby achieving sustainable business growth and consolidating our market position.

Advanced technological innovation capabilities

Since our establishment, under the leadership of our founding team, our continued R&D efforts and sustained R&D investment has supported the advancement of our general-purpose intelligent mobile robotics solutions across diverse application scenarios.

We place great emphasis on robotics theory and technology exploration. We have deeply participated in the formulation of four national standards, one industry standard and nine group standards in the intelligent mobile robotics industry. Our robotic products and solutions have received recognition from authoritative industry awards for consecutive years, demonstrating our industry leadership and outstanding R&D and innovation capabilities. See "Business – Awards and Recognition" for details.

We have a strong and experienced R&D team with more than 130 R&D personnel as of the Latest Practicable Date, and bringing together top technical talent in multiple disciplines including control science, artificial intelligence, mechanical engineering and electrical engineering. Since our establishment, we have continuously dedicated resources to our end-to-end product and technology R&D. During the Track Record Period, our cumulative R&D expenses amounted to RMB182.3 million, representing an aggregate proportion of 24.0% of our revenue. As of the Latest Practicable Date, we have obtained 187 patents and 33 software copyrights, including 60 invention patents, and have filed 12 patent applications globally.

Building upon these capabilities, we have established a fully self-developed core technology platform that integrates multi-modal sensing, our proprietary 4C core technology architecture and a scalable software-hardware stack. This platform enables reliable operation in complex environments, high-precision spatial perception and motion control, as well as large-scale centralized fleet management, and forms the technological foundation of our general-purpose intelligent mobile robotics solutions. Through continuous iteration and sustained research and development, we have established a portfolio of core technologies covering adaptive high-precision spatial perception and mobility control, large-scale heterogeneous robot cluster scheduling, multi-degree-of-freedom high-precision motion servo control, localized high-performance core components and modular, reusable structural platform design. These technologies collectively enable intelligent perception, precise movement control and coordinated fleet operations across diverse application scenarios.

According to CIC, we are among a very limited number of companies in the industry that possess both (i) adaptive high-precision perception across full indoor and outdoor scenarios, and (ii) large-scale fleet management technologies. We have been able to achieve real-time scheduling and path planning for more than 2,500 heterogeneous robots.

Diversified product matrix and full-scenario solutions across multiple key operational settings

Since our establishment, we have placed strong emphasis on the generality and scalability of our technologies and products. As a result, we developed a diversified product matrix supported by modular design and integration capabilities, covering multiple robot types and application scenarios. Our product portfolio includes a range of general-purpose intelligent mobile robots, such as standard AMRs, forklift-type AMRs, outdoor AMRs and other industry-specific AMRs, which can be flexibly configured to address different operational requirements. Our self-developed and self-manufactured perception systems and power units are designed to support stable mobility under diverse working conditions, application scenarios and payload configurations. In addition, our modular chassis platforms can be integrated with a wide

range of upper-structure devices and end-effectors to perform complex tasks, including precision material handling, production operations and service-oriented functions.

In parallel, benefiting from our general-purpose underlying architecture, we have developed a comprehensive software portfolio, including CLOUDIA, CARLY, iMCS and OWL, which can be rapidly adapted to different robot types and seamlessly integrated with customers' existing business and management systems. This software layer supports heterogeneous fleet scheduling, centralized operation and maintenance, and efficient solution deployment, while enhancing system-level operational visibility and enabling continuous performance optimization.

Building on our modular hardware and software products, we provide full-scenario intelligent robotics solutions through scientific planning and flexible configuration. These solutions enable large-scale, coordinated operation of our robots across diversified scenarios and tasks, including indoor and outdoor environments, as well as industrial and commercial settings. We further apply artificial intelligence technologies to continuously learn and optimize robot behaviors through interactions between robots and their operating environments, thereby enhancing spatial perception, motion planning and control capabilities, as well as large-scale cluster scheduling efficiency.

Our general-purpose solutions enhance our ability to serve leading customers in a comprehensive and scalable manner, significantly improving the level of system integration, deployment efficiency and operational effectiveness of end users' intelligent robotic systems, while laying a solid foundation for expansion into additional application scenarios and downstream industries.

Broad commercialization expansion potential

Benefiting from our general-purpose underlying technologies and products, our solutions have been applied across multiple advanced manufacturing downstream industries, including 3C electronics, EV manufacturing, photovoltaics, display panels and transportation equipment manufacturing, achieving broad full-scenario coverage through practical experience accumulated from more than 800 projects. As intelligent manufacturing continues to penetrate from advanced manufacturing into broader traditional manufacturing industries, we have identified significant demand for intelligent upgrades of production systems and optimization of cost-effectiveness in sectors such as petroleum and petrochemicals, machining, and food and beverage, where our accumulated know-how can be effectively replicated. We believe that, supported by our general-purpose core technologies and products, our solutions can be gradually deployed in commercial scenarios, further expanding our long-term growth potential.

As of the Latest Practicable Date, our intelligent mobile robots have been recognized by more than 500 customers worldwide, among which 20 are Fortune Global 500 companies. At the same time, our solutions have been adopted by leading companies across multiple industry sub-sectors, including: (i) one of the world's leading 3C technology enterprise; (ii) one of the world's largest EV manufacturers; (iii) a leading global display panel manufacturer; (iv) one of the world's largest industrial robot manufacturers; (v) one of the world's leading intelligent communications equipment and solution providers; (vi) one of the world's largest comprehensive home appliance manufacturers; (vii) one of China's leading industrial control system providers; and (viii) one of the world's largest transportation equipment manufacturers. We have established close cooperative relationships with these leading customers and continuously review and distill our cooperation experience with them, accumulating and transforming such experience into cross-industry technical reserves and know-how, and continuously driving our technology upgrades and product iterations. We believe our high-quality customer base will continue to drive our performance growth and consolidate our market position in intelligent mobile robotics industry.

Moreover, we have long maintained a global perspective and adopted a globalization strategy of "China-based innovation, global deployment and local collaboration." Customer needs for intelligent mobile robots vary across countries and regions. For example, customers in Japan typically operate in more space-constrained scenarios and therefore have higher requirements on robot size; customers in Europe and the United States tend to have stringent safety standards and larger operating spaces and therefore place greater emphasis on reliability

and safety. To address varying requirements across regions, we focus on the standardization and generality of our technologies and core components at the product development stage while developing targeted products and solutions for specific overseas requirements. We have obtained the Full CE Directives Certification issued by TÜV Rheinland, a recognized EU notified body, which covers multiple core directives and includes verification of conformity with ISO 3691 and other international standards, which strengthens product credibility and supports more efficient global deployment. We have earned high recognition from many overseas customers and partners. We are committed to building localized sales and service networks, strengthening our capability to serve leading customers and complex projects, and leveraging our know-how accumulated in China to expand and implement in overseas markets efficiently, steadily advancing toward our goal of becoming a global robotics company.

Comprehensive in-house manufacturing capabilities and a stable and reliable supply chain system

We have established a comprehensive, in-house, manufacturing system centered around planning, procurement, manufacturing, quality, process engineering and logistics, enabling us to deliver reliable, high-standard products with strong timeliness. We currently operate a self-owned factory of over 16,000 square meters in Quzhou, Zhejiang Province, and have achieved in-house control over certain key core components. Leveraging our in-house production capabilities, we are able to respond to market demands more efficiently and flexibly while maintaining reliable delivery of our products. We implement stringent quality controls throughout multiple stages of the production process, adhere to multiple stringent international and domestic quality standards, and perform 100% factory outgoing inspection to strictly control production quality. Through these measures, we aim to deliver products with consistent performance, reliability and timeliness, which has earned us long-term trust from leading customers.

We are also committed to improving the localization of components to build a stable and efficient supply chain system and optimize product costs. Over 95% of our product supply chain is sourced domestically. We have established long-term cooperation relationships with leading suppliers in the industry to ensure stable supply of high-quality materials. We improve operational efficiency and reduce product costs by building a partner ecosystem. We have maintained strict supplier selection criteria and standardized incoming inspection procedures to ensure efficient supply chain operation.

Top-tier management team combining technical depth and strategic vision

Our founding members combine forward-looking strategic vision, solid technical accumulation and strong commercial execution capabilities. Our core management team comes from Zhejiang University, one of China's top universities in robotics. Our founder is a leading scholar in China's robotics field with deep insight and decades of industry experience. Based on a shared conviction in the broad prospects of intelligent mobile robotics, our founding members have maintained close collaboration and focused on the R&D and commercialization of intelligent mobile robotics technologies. Their deep technical capabilities and extensive industry experience have guided us to become a leading player in the intelligent mobile robotics industry.

Our strong business performance also benefits from a stable and dedicated management team. Our core management team has diversified backgrounds and a global perspective, with extensive experience in technology, sales, marketing, operations and capital markets. A number of our executives have management experience at globally renowned enterprises, which together underpin our business operations and long-term success.

OUR STRATEGIES

Continue to invest in intelligent mobile robotics and embodied intelligence technologies to reinforce our technological capabilities

Technological innovation has been the core driving force behind our goal of becoming a world-class robotics company since our establishment. We will focus on continuous R&D investment and innovation in core technologies, including adaptive high-precision spatial perception and mobility control, large-scale heterogeneous robot cluster scheduling,

multi-degree-of-freedom high-precision motion servo control, localized high-performance core components, and highly reusable modular structural platform design. We will continue exploring frontier technology applications to drive continuous iteration of our products and solutions toward stronger performance, higher intelligence, broader generality and better cost efficiency. We will also continue to optimize our implementation toolchain and further upgrade our delivery capabilities through software innovation.

In addition, we have identified strategic opportunities arising from the rapid development of AI and embodied intelligence technologies. We intend to promote the integration of our core technologies with embodied robots to build a general-purpose embodied intelligent mobility technology platform, thereby expanding our addressable opportunities across industrial and commercial scenarios. Such technological investments represent our core initiatives to capture the wave of technological innovation and market opportunities and consolidate our market position.

Further ride the wave of intelligent transformation and expand the full-scenario application potential of intelligent mobile robotics

We believe intelligent mobile robots have significant penetration potential in industrial scenarios and represent a key foundation for productivity transformation. Building on our established strengths in sectors such as electronics, automotive, semiconductor and new energy, we have also identified broad demand from traditional manufacturing industries for building intelligent manufacturing systems from initial deployment to full-scale adoption. Companies in these industries are typically large in scale, well-capitalized and globally distributed, while their intelligent manufacturing deployments are still at an early stage, representing substantial penetration potential.

According to CIC, the global intelligent mobile robotics market size reached RMB48.6 billion in 2025, and is expected to further grow to RMB176.3 billion by 2030, representing a CAGR of 28.3% from 2026 to 2030. Leveraging our extensive experience in high-end manufacturing scenarios with stringent performance requirements and high technological barriers, we believe we are well-positioned to develop more general-purpose solutions, thereby expanding the application boundaries of our intelligent mobile robot solutions into more diversified industrial scenarios.

We will continue to identify customer needs across a full range of application scenarios and develop products covering broader scenarios in commercial fields such as education, public services, healthcare and retail. According to CIC, the global intelligent mobile robotics market size in commercial scenarios is expected to grow from RMB13.2 billion in 2025 to RMB34.6 billion by 2030, representing a CAGR of 19.4% from 2026 to 2030. Leveraging our leading advantages in robot hardware technologies, software capabilities and industry know-how, we believe we are well-positioned to provide more intelligent and general-purpose products and solutions for these potential commercial scenarios.

Deepen our international business footprint to build global influence

We will continue to accelerate our global expansion. In the global market, we have formed mature implementation practices across multiple industries and have become a top ten intelligent mobile robot provider globally in terms of revenue in 2025. According to CIC, the global intelligent mobile robotics market size reached RMB48.6 billion in 2025 and is expected to further grow to RMB176.3 billion by 2030. Building on our general-purpose underlying technologies and integrated hardware-software foundation, we will develop products and solutions that meet the needs of international customers.

We will further increase investment in global market expansion through strengthening localized sales, delivery and after-sales networks in high-potential markets, and through working with partners to expand service capacity. We plan to rely on our local branches in high-potential markets to expand our sales and service network, and together with local partners to strengthen sales, delivery and after-sales capabilities. We also plan to enhance brand awareness and recognition to increase influence in the China and international markets through brand marketing efforts both domestically and overseas. We will actively participate in industry exhibitions and

academic conferences to showcase our brand and share industry trends, building our brand image among a broader customer base. In addition, when appropriate, we will also consider establishing overseas manufacturing capabilities and deploying a global supply chain to strengthen global production and delivery capabilities and continuously expand our influence worldwide.

Strengthen ecosystem cooperation and talent recruitment to jointly promote long-term innovation and development

We will continue to explore additional cooperation models through strategic partnerships and selective investments, working with industry peers, customers, suppliers and service providers to build a collaborative ecosystem. We believe such an ecosystem can promote standardization and broader, general-purpose adoption across the industry and support the long-term, sustainable development of the intelligent mobile robotics industry. We also plan to strengthen cooperation with leading companies in embodied intelligence to explore innovative cooperation models and accelerate the penetration of embodied intelligence in industrial and commercial scenarios.

We will further attract and cultivate outstanding top talent to establish a technically strong, experienced and diversified talent pipeline. Through competitive compensation and long-term incentive mechanisms and structured training programs, we aim to recruit and retain high-end R&D talent in key technical fields such as control science, AI, mechanical engineering and electrical engineering. We will also strengthen internal training mechanisms to fully develop employee potential.

Through these initiatives, we aim to establish a robust talent engine that supports our long-term goal of becoming a world-class intelligent mobile robotics company.

OUR PRODUCTS

Intelligent Mobile Robots

We provide a broad portfolio of intelligent mobile robots designed to operate across a wide range of indoor and outdoor environments. Built on a fully self-developed embedded hardware-software platform, our robots construct detailed environmental models through multi-sensor fusion, including 2D/3D LiDAR, cameras and IMU sensors, and perform motion planning and movement control using proprietary algorithms. This enables high-precision, reliable and adaptable large-area autonomous operation without the need for magnetic strips, QR codes, reflectors or other artificial markers.



Standard AMRs (EMMA)

EMMA series represents our flagship line of standard AMRs designed for agile, high-precision material handling in factories and warehouses, covering typical payload ranges from 400 kg to 2,000 kg. Built on a unified chassis and drive-control architecture, EMMA robots deliver consistent docking accuracy, dynamic obstacle-avoidance performance and motion stability across different payloads and mechanical configurations. This common platform significantly improves product scalability and lifecycle maintenance efficiency.

Structurally, our EMMA robots adopt a modular structural design featuring a segmented high-pressure-cast chassis, with the drive-control unit, power battery and lifting actuators developed under standardized product-family specifications to ensure industrial-grade reliability and ease of maintenance. The proprietary chassis also incorporates terrain-adaptation features that reduce vibration and improve stability when traversing gaps, slopes or uneven surfaces, supporting the safe transport of sensitive goods such as electronic components and precision equipment.

With a consistent software architecture, EMMA robots integrate seamlessly with our fleet management and application-software systems, enabling large-scale fleet coordination, cross-line flexible deployment and rapid multi-site replication. This interoperability supports plant-wide visibility into material flows, automated task release and end-to-end operational traceability.

Our EMMA series features the following capabilities:

- *High Precision and Flexible Deployment*. Powered by our spatial-intelligence technology, EMMA supports LiDAR-centric positioning with optional vision and IMU fusion, delivering positioning accuracy of up to ±2 mm for high-precision industrial logistics applications.
- *Advanced Safety Features.* Safety is a core design principle of the EMMA series. The robots are equipped with dual front-and-rear LiDARs, 360° safety bumper coverage, emergency stop functions and optional 3D depth cameras. These features enable safe human-robot collaboration in dynamic environments and support compliance with strict workplace safety standards, such as ISO 3691-4.
- *Wide Payload Coverage*. With payload options ranging from 400 kg to 2,000 kg, EMMA enables customers to address diverse intralogistics tasks using a single product family, simplifying fleet management and reducing supplier fragmentation.
- *Highly Extensible Configurations*. EMMA supports multiple upper-structure attachments and transfer modules, enabling deployment across manufacturing, warehousing, commercial and educational scenarios. This flexibility enhances cost efficiency and broadens application coverage for customers with varied operational needs.

Omnidirectional Heavy-Load AMRs (OMNI)

Our OMNI series is a family of heavy-duty AMRs designed for large-dimension and high-payload material-handling scenarios in advanced manufacturing environments. With payload capacities ranging from one ton to ten tons, the OMNI series combines heavy-load capability, omnidirectional mobility and flexible configuration as its core advantages.

Built on a modular architecture that decouples the drive system, load-bearing system and upper-structure carrier system, the OMNI platform enables flexible "building-block" combinations of these subsystems. This design allows the robots to accommodate diverse load specifications, oversized workpieces, narrow aisles and multi-station workflows commonly found in sectors such as transportation-equipment manufacturing and EV production. In these settings, OMNI robots support tasks such as transporting vehicle frames, large subassemblies and oversized structural components where traditional forklifts or cranes face space, stability or maneuverability constraints.

The OMNI series offers the following key features:

- *Omnidirectional Maneuverability and Agility*. OMNI robots provide omnidirectional movement capability, enabling smooth handling of large and heavy materials in confined aisles, narrow pathways and complex floor layouts. Supported by our high-accuracy autonomous mobility technologies, OMNI robots maintain precise alignment and docking even under heavy-load conditions.
- *Proven Stability and Industrial Reliability.* With professional structural design and extensive validation through thousands of units delivered and deployed across industrial sites, the OMNI platform provides durable and stable performance under long-term operation in demanding environments.
- *Rapid Customization and Scenario Adaptation*. Leveraging our mature modular structural platform and standardized software framework, the OMNI series supports rapid customization for different load sizes, shapes and application requirements. This significantly shortens project implementation timelines while maintaining high product consistency and reliability.

Industry-Specific AMR Products

Building upon our standardized AMR platforms, we have developed a series of industry-specific products tailored for high-end manufacturing sectors such as lithium batteries, photovoltaics, 3C electronics and panel display production. Leveraging our highly reusable hardware–software modular architecture, we incorporate deep understanding of each industry's process flow, such as cleanliness requirements, ESD standards and safety protocols to deliver specialized AMRs that precisely match the operational needs of each application scenario.

For example, in the lithium-battery sector, our industry-specific models are designed for winding-and-cutting and coating processes, featuring dual-lift mechanisms, high dust-resistance structures and high-precision positioning algorithms to ensure continuous and reliable operation within complex production chains.

In the photovoltaic industry, our models incorporate a wide-body top-load structure, high-precision alignment mechanisms and a flexible buffering system to safely transport large glass panels and cells, reducing the risk of secondary damage to fragile materials.

In the 3C industry, our dedicated robots are tailored for high-throughput SMT loading and unloading, using a gantry-style structure with ultra-low docking height and dual-layer liftable roller interfaces, enabling synchronized loading and unloading across different SMT placement machines.

For LCD panel manufacturing, our robots adopt anti-vibration designs, panel-level cushioned gripping and high-precision posture-control technologies to achieve end-effector accuracy better than ±2 mm, ensuring stable transport of large, high-value workpieces in cleanroom environments.

Leveraging our unified hardware–software module system, these industry-specific models retain the reliability and maintenance consistency of our standard platforms while incorporating deep customization to meet the stringent requirements of customers' production processes. This approach establishes strong technological barriers and significant deployment advantages, laying a solid foundation for our continued expansion in various industries.

Forklift AMR (FOLA)

Our FOLA series is a family of autonomous forklift AMRs designed to meet the growing demand for pallet and container automation in global manufacturing and warehouse environments. The product line includes pallet-transport, stacking, reach, counterbalance and other scenario-specific models, combining the lifting strength and operational range of traditional forklifts with the autonomy, flexibility and connectivity of next-generation mobile robots.

Equipped with high load-bearing capacity, precise lifting control and stable autonomous mobility, FOLA robots enable fully automated and intelligent material-handling across warehouse logistics, smart manufacturing and production workflows. By connecting ground-level

logistics with high-bay storage, the FOLA series serves as a critical automation node within modern flexible manufacturing and warehousing systems, supporting safer, more efficient and scalable operations. FOLA robots are widely used in emerging sectors such as new energy and lithium batteries, where they automate the transport of heavy or hazardous materials under strict handling requirements, and are also deployed across warehouses and logistics centers to increase throughput, reduce labor intensity and integrate seamlessly with existing systems.



Forklift FOLA Series

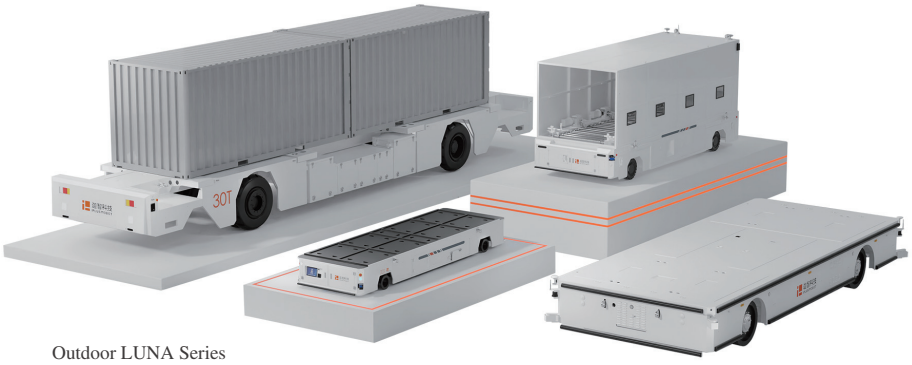
Our FOLA series offers the following key features:

- *Advanced Autonomous Mobility.* FOLA robots use our high-precision multi-sensor SLAM positioning system and operate without relying on reflectors, QR codes or other artificial markers. This reduces deployment and infrastructure-modification costs, and allows factory layouts to be reconfigured easily as workflows evolve.
- *Robust Perception and Intelligent Safety Controls.* Equipped with Lidars, depth cameras and multiple safety sensors, FOLA robots achieve accurate environmental awareness and multi-layer protection. This enables millimeter-level pallet engagement, dynamic obstacle avoidance and smooth human–robot collaboration. One of the FOLA series complies with CE standards for autonomous industrial trucks.
- *Modular Design for Demanding Scenarios.* Through modular chassis, lifting and mast configurations, the FOLA series supports specialized variants for narrow aisles, low-temperature environments, heavy-load operations and other demanding use cases. Key components are engineered for rapid replacement to support high uptime and efficient maintenance during continuous production operations.

Outdoor AMR (LUNA)

Our LUNA series is a family of outdoor mobile robots designed to meet the growing demand for automated material handling in large industrial parks, logistics hubs and port terminals. Built on our self-developed indoor–outdoor multi-sensor fusion framework, our LUNA series integrates 3D LiDAR, RTK and IMU sensing to deliver robust and precise localization and fully autonomous mobility across operational spaces exceeding one million square meters.

The LUNA series supports payloads ranging from 1 ton to 60 tons. It combines a reinforced structural design with high ground-clearance stability to ensure reliable operation on mixed outdoor surfaces and under variable traffic and weather conditions. LUNA robots have been deployed at scale in metallurgy, energy-storage and automotive manufacturing.



Outdoor LUNA Series

Our LUNA series offers the following features:

- *Holistic Intelligent Positioning and Movement*. Our LUNA robots can achieve centimeter-level absolute positioning accuracy in large outdoor areas, supporting optimal route planning and efficient movement along site roadways. At the same time, they deliver reliable positioning and motion control in confined or indoor environments, ensuring stable and precise operation across hybrid indoor–outdoor scenarios.
- *Local Intelligent Obstacle Detection*. Our LUNA robots perceive the surrounding 3D environment in real time, enabling dynamic obstacle avoidance, autonomous rerouting and precise docking, even under changing weather or poor lighting conditions.
- *Integrated Indoor–Outdoor Logistics Flow*. With unified management by our fleet management system, transported materials can transition smoothly between outdoor and indoor robots, delivering a comprehensive solution that spans all operating environments.

Embodied Intelligence Products (NERA)

Our NERA series represents the family of embodied-intelligence products designed to bring autonomous mobility, dexterous physical interaction and large-scale coordinated operation into complex real-world environments. The NERA series comprises a portfolio of embodied intelligent robotics products, including mobile manipulation robots, embodied-robot controllers, embodied-robot mobile chassis and fleet management systems.



Embodied Robot Controller

Embodied Robot

Fleet Management System for Embodied Robot

Mobile Manipulation Robots (NERA-A)

Our industrial embodied robot integrates autonomous mobility with high-precision physical manipulation, enabling robots to execute complex tasks in dynamic industrial environments. Designed for scenarios that require both movement and dexterous operation, the system combines our self-developed mobile chassis (the "**body**"), an integrated control and vision system (the "**brain**"), and robotic arms from multiple brands (the "**hands**"). This tightly coupled design addresses the long-standing separation of "eyes, hands and feet" in traditional industrial automation.

Through a full-body embodied-control framework that spans multimodal sensing, coordinated motion planning and real-time whole-body actuation, the robot adapts its operation dynamically to task objectives and environmental changes rather than relying solely on preset trajectories. This improves generalization, robustness and deployment efficiency. The NERA-A series has been deployed commercially in 3C electronics manufacturing, CNC material loading/unloading, laboratory automation and other advanced industrial workflows.

Our embodied robots offer the following key features:

- *Compact Omnidirectional Chassis.* To support mobile manipulation in confined industrial spaces, we adopted an integrated design rather than a traditional bolt-on architecture. The resulting mobile base features a compact footprint, high operational stability and full omnidirectional mobility, enabling precise and flexible movement during complex tasks. Standardized electrical and communication interfaces provide plug-and-play compatibility with robotic arms of different brands and payload classes, significantly shortening deployment cycles.
- *Whole-Body Coordinated Motion Planning.* Our embodied-control framework incorporates all robot degrees of freedom – from the chassis to the robotic arm – into motion planning and control, which enables faster task response, wider reach.
- *High-Precision Perception and Manipulation.* Our systems employ a real-time "vision–planning–control" loop to connect target detection with coordinated whole-body motion, supporting dynamic grasping, compliant assembly and precise trajectory execution, achieving end-effector accuracy of ±1 mm in complex operations.

Embodied-Robot Controller (NERA-C)

Our embodied-robot controller functions as the centralized control platform for embodied robots, integrating motion control, multimodal sensing and real-time decision-making within a unified architecture. Designed to support multiple robot morphologies, including quadruped, wheeled and wheel-arm hybrid forms, the controller enables consistent system behavior and reduces integration complexity across diverse hardware configurations.

Our embodied-robot controller offers the following key features:

- *Universal architecture for all robot forms.* The controller adopts a modular software architecture and standardized hardware interfaces that allow a single platform to support multiple robot morphologies. This unified architecture reduces development fragmentation, shortens integration cycles, and lowers system complexity and overall research and development cost.
- *Multimodal sensing capability.* The controller fuses 2D/3D vision, LiDAR and IMU inputs and integrates validated SLAM, motion-planning and force-control algorithms, enabling real-time perception, autonomous and coordinated movement, and compliant interaction with objects and environments. This multimodal capability is foundational for embodied-intelligence applications that require both mobility and dexterous physical operation.
- *Rapid deployment toolchain.* With built-in rapid-deployment tools validated across large fleets, the controller supports graphical programming and fleet deployment, significantly reducing integration workload and accelerating implementation in real-world scenarios.

- *Developer-Ready, Out-of-the-Box Integration*. Designed as a complete top-level control solution, the controller provides ready-to-use motion, perception and control frameworks. By eliminating the need to construct low-level motion-control pipelines from scratch, it meaningfully shortens time-to-market and improves development efficiency for our customers.

Embodied-Robot Mobile Chassis (NERA-P)

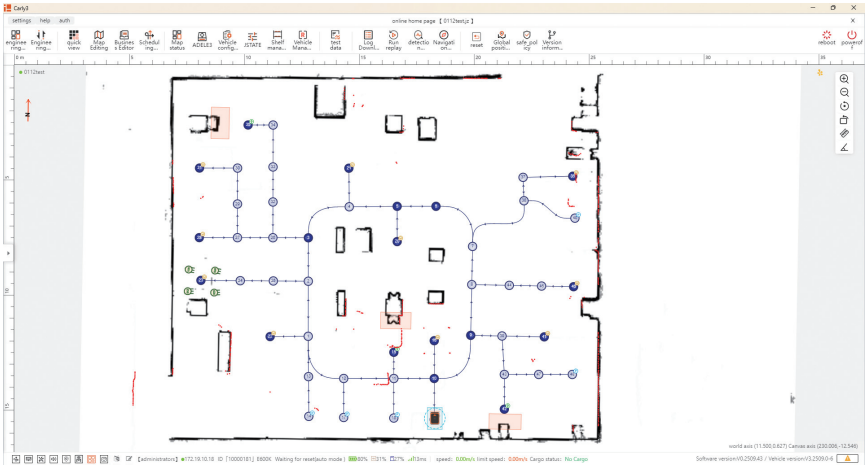
We have developed a series of differential-drive and omnidirectional mobile chassis purpose-built for wheel–arm embodied robots, reflecting the growing demand for embodied-intelligence applications. These chassis feature a compact, integrated mechanical–electrical design and incorporate high-capacity batteries to support long-duration operation. Each chassis is equipped with our multimodal embodied-robot controller, which provides the computing resources required for embodied-intelligence network inference. Our controller also provides high-speed data transmission interfaces that support both high-frequency state data, such as joint velocity and joint torque, and high-bandwidth perception data, enabling low latency, high-fidelity communication across multiple degrees of freedom.

Supported by an industrial-grade supply chain, the chassis is engineered for high stability and rigidity to support rapid arm and torso motions, enabling embodied-intelligence applications across advanced manufacturing, domestic services, logistics and other application scenarios.

Our Software

CARLY (Visual Commissioning System for Mobile Robots)

CARLY is our proprietary software platform engineered to simplify and accelerate the deployment, configuration and commissioning of mobile-robot systems. Integrating environment modeling, behavior configuration, workflow design and validation, diagnostic analysis and extensibility into a single toolchain, CARLY enables customers to bring mobile robots online quickly, reliably and with substantially reduced engineering overhead. Architected around industrial deployment requirements – from environment digitization to operational workflow generation – CARLY provides an intuitive, end-to-end deployment solution for industrial logistics, smart manufacturing and automated warehousing operations.



CARLY offers advanced 2D/3D SLAM-based map modeling and editing capabilities through an intuitive graphical interface. Users can create, update and merge maps, define navigation waypoints, routes and functional zones as needed. CARLY also supports incremental map building and multi-map alignment, which ensures stable and continuous robot operation in dynamic or large-scale facilities.

To simplify configuration, CARLY proposes a model that decomposes complex deployment tasks into pre-validated behavioral modules which can be assembled through drag-and-drop operations. This approach removes the need for low-level programming, allowing engineers with no software backgrounds to configure workflows, customize robot behaviors and optimize operational logics with ease.

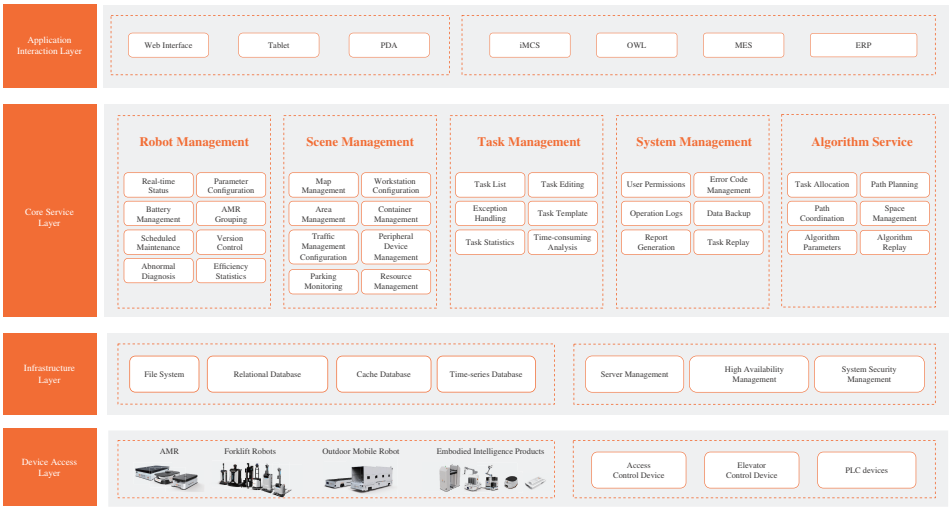
CARLY's virtual commissioning environment further reduces on-site debugging cycles and enhances system reliability. The platform provides real-time visualization of robot status, sensor inputs, mission progress and system alerts. Engineers can replay historical execution traces, diagnose anomalies and test navigation or behavioral responses in a virtual environment before applying changes in the field – significantly lowering trial-and-error costs and improving operational safety.

For advanced integration scenarios, CARLY offers a comprehensive suite of extensible APIs covering robot-state monitoring, task-scheduling communication and hardware control. These interfaces allow customers and partners to implement custom navigation or control strategies, or build specialized algorithms, or integrate third-party systems such as MES/WMS/ERP, all while remaining compatible with CARLY's core management framework.

As a browser-based platform, CARLY enables cross-device access to real-time robot status, environmental modeling, behavioral programming, and diagnostic tools. Its visual modular programming environment supports rapid workflow configuration through drag-and-drop commands, while mobile-device access and wireless connectivity enhance deployment flexibility. By combining user-centric design with industrial-grade stability, CARLY enables fast deployment, monitoring and optimization of robotic operations across both single-unit installation and large-scale fleet implementations.

CLOUDIA (Large-Scale Intelligent Mobile Robot Fleet Management System)

CLOUDIA is our proprietary integrated fleet-management and orchestration platform designed to coordinate large-scale heterogeneous mobile-robot fleets within complex environments. As mobile robot deployments achieve industrial scale and fleet sizes expand rapidly, reliance on isolated robot autonomy is no longer sufficient to ensure system-wide efficiency, operational safety or mission-critical reliability. CLOUDIA resolves these industrial challenges through a centralized, intelligent architecture delivering dynamic task allocation, conflict-free route coordination, resource-aware scheduling, and real-time panoramic monitoring.



At its computational foundation, CLOUDIA utilizes a spatiotemporal state-search algorithm engineered to coordinate a diverse range of robot classifications, including AMRs of varying dimensions and payloads, autonomous forklifts, quadrupedal robots, humanoid robots and other embodied robots. The system delivers task scheduling, multi-agent path finding (MAPF) and predictive traffic orchestration services, enabling anticipatory conflict detection and resolution within shared operating environments. When assigning tasks, CLOUDIA considers multiple parameters such as robot location, battery level, payload requirements and device capabilities to optimize for various objectives, including completion time, fleet utilization and energy efficiency. For path planning, CLOUDIA guarantees collision-free mobility through robot velocity modulation and dynamic rerouting when multiple robots converge in narrow aisles or

intersections. In addition, predictive congestion forecasting enables proactive task and traffic flow rebalancing based on live environmental data.

CLOUDIA provides comprehensive visibility into fleet operations. Through an integrated monitoring interface, users can track robot position, motion status, battery levels, task progress, equipment condition and the availability of shared resources such as charging points. Integrated dashboard analytics visualize critical performance indicators – including fleet utilization rates, task completion efficiency, and energy consumption profiles – to drive continuous operational optimization and strategic decision-making.

Architected on a containerized microservices framework, CLOUDIA's modular design enables independent deployment and elastic scaling of core components, such as the task allocator, traffic coordinator, state collector and map server. This ensures millisecond-level responsiveness and high-availability under peak operational throughput, establishing a resilient control backbone for industrial-scale mobile-robot deployments. By enhancing efficiency, operational resilience and safety, CLOUDIA constitutes the mission-critical coordination layer within our end-to-end robotics technology stack.

iMCS (Digital Material-Flow Control System)

iMCS is our material-flow control platform that is positioned between enterprise business systems and our robot-fleet management layer, enabling integrated orchestration of material transfer throughout manufacturing facilities. Whereas conventional automation solutions focus on individual equipment or robot execution, iMCS integrates process logic, material information and production requirements to ensure logistics operations maintain precise alignment with manufacturing workflows.

Leveraging real-time operational data, such as material classification, process recipe, priority and destination workstations, iMCS generates optimized transport strategies and dispatches corresponding tasks to CLOUDIA. During execution, iMCS monitors material status end-to-end, encompassing loading and unloading durations, in-transit positioning, and exception incidents, establishing comprehensive traceability records. For workflows that span multiple zones or facility levels, iMCS coordinates across CLOUDIA instances to ensure seamless task handover and consistent logistics performance.

By unifying material flow dynamics with production data streams, iMCS elevates factory logistics from fragmented equipment-centric automation to a unified plant-wide control system. This enhances synchronization between production cadence and material delivery, increases traceability and operational transparency, and improves overall system reliability. As manufacturers pursue digital and intelligent transformation, iMCS serves as the critical integration layer between digital planning systems and physical execution on the production floor, enabling the transition toward highly automated and data-driven smart-factory operations.

OWL (Inventory Management System for Mobile Robot)

OWL is our inventory management system that functions as the foundational data layer within our mobile-robot ecosystem. In contemporary smart warehouses and flexible manufacturing environments, the effectiveness of autonomous fleets depends beyond navigation accuracy. It requires precise, real-time awareness of container status, storage-slot availability and warehouse-zone attributes. OWL addresses this requirement by creating a digital-twin representation of the warehouse, assigning unique spatial coordinates and status records to every container and storage location. This ensures accurate mapping between material information and its physical location, providing reliable guidance for robot pickup, put-away and transfer tasks.



A key feature of OWL is its seamless integration with CLOUDIA. Through standardized data interfaces, OWL and CLOUDIA maintain synchronized views of both virtual inventory and physical warehouse conditions. During storage task execution, OWL verifies slot availability, validates compatibility between the container specifications and zone rules, and monitors operational progress. Upon completion, it autonomously updates inventory records and slot statuses, ensuring that operational decisions are always based on current and consistent data.

By integrating robotic operations with digital warehouse management, OWL enables synchronous coordination of information flow and material movement. It establishes the technological foundation for intelligent warehousing, supporting high-accuracy execution, increased throughput and enhanced operational transparency. Collectively with CARLY and CLOUDIA, OWL delivers an integrated, scalable and resilient ecosystem for deploying, managing and optimizing autonomous mobile-robot systems across logistics and manufacturing environments.

OUR SOLUTIONS

We provide one-stop integrated solutions designed to enhance efficiency and accuracy across diverse industries. Our methodology is anchored in deep customer workflow analysis, proprietary domain expertise, and accumulated operational intelligence. All of our solutions leverage a unified technology stack, with product configurations and functionalities adapted to specific requirements of different application scenarios and operating conditions.

Our solutions have undergone industrial validation, commercialization, and scaled deployment. As of the Latest Practicable Date, our products were deployed to more than 20 countries and regions. Leveraging our established sales and service network, we have served a total of more than 500 customers, including over 20 Fortune Global 500 companies. We maintain a diversified client portfolio spanning multiple sectors, including but not limited to electronics, automotive, new energy and semiconductor. Our clientele comprises manufacturers deploying our robotic systems directly within production facilities, and automation system integrators that embed our technologies into comprehensive solutions for end-user applications.

Our solution customization is highly customer-oriented, ensuring precise alignment with distinct market requirements. Within China's highly complex industrial landscape, our robotic products have been deployed across a wide range of scenarios in key downstream sectors, including electronics, automotive, new energy, and semiconductor manufacturing, generating extensive operational insights and adaptive capabilities. For international markets, we address region-specific demands: for example, in Japan we prioritize space-constrained facility optimization so that robots can operate efficiently in narrow factory layouts, while in Europe and North America we emphasize compliance with rigorous safety regulations despite reduced spatial density constraints. This market-adaptive strategy enables us to achieve globally competitive yet locally optimized deployments.

Our solutions leverage our extensive experience and proven success in developing advanced robotic solutions from complex, high-tech manufacturing scenarios to all industries. The following case studies demonstrate how our solutions deliver exceptional value and drive success for our customers.

Case Study 1: Solution for Manufacturing Section

Our customer is a globally leading Japanese industrial robotics manufacturer and the largest traditional robot manufacturer worldwide. For the customer's newly constructed production facility in Japan, we deployed a comprehensive automated intralogistics solution utilizing our platform to support end-to-end material movement across the entire robotic-arm production process – encompassing raw material delivery, in-process material transfers, and finished-goods warehousing.

Challenges

This project required navigating a highly complex production environment involving material movement across more than 20 production lines, multiple converging routes, and frequent transitions through automated portals and vertical lifts. While production lines exhibited varying equipment interfaces, the client mandated the use of a singular AMR model for maintenance efficiency, necessitating universal machine-level compatibility. The facility layout further imposed severely constrained docking tolerances – as little as 20 mm laterally and 7 mm vertically – demanding exceptionally precise AMR trajectory execution for collision avoidance. In addition, because the AMRs needed to operate in painting areas where no physical markers could be applied to pallets, requiring the system to sustain 5mm repeat positioning accuracy to prevent cumulative drift during multi-stage transfers.

Solution

We deployed 20 units of our EMMA-series AMRs, integrated with our CLOUDIA fleet management system and a custom-configured iMCS layer aligned with client production workflows. Leveraging our proprietary high-precision autonomous mobility technology, we delivered 5mm repeat docking accuracy, guaranteed safe navigation within constrained spaces, and enabled orchestrated synchronized control of automated portals and lifts to support complex, full-process material flow.

Value Proposition

Through rigorous dimensional and positioning-accuracy inspections, all AMR units met the client's stringent technical criteria, ensuring hardware standardization and operational longevity. Our deployment engineering team completed core deployment within approximately one month, validating our capability to deliver large-scale international projects efficiently. Supported by our fleet management system, the fleet achieved optimized routing, near-line empty-load shuttling, and timely material distribution, significantly improving overall fleet efficiency and manufacturing logistics performance.

Case Study 2: Solution for Hybrid Indoor-Outdoor Mobile Robotics Deployment

For a leading next-generation energy-storage battery manufacturer, we facilitated the intelligent-logistics transformation of its indoor–outdoor material transfer workflow.

Solution

The project implemented two LUNA-20T outdoor heavy-duty mobile robots and two OMNI-5T indoor AMRs across two major scenarios: (i) outdoor pallet-rack handling and automated container transfer between raw-material, assembly, and finished-goods warehouses across the campus; and (ii) indoor flexible transfer of empty and full pallet racks from production line buffer zones to the assembly warehouse.

Value Propositions

By precisely orchestrating the joint deployment of LUNA-20T and OMNI-5T, we established a fully unmanned, end-to-end transfer system that seamlessly covers both indoor and outdoor logistics. The solution upgraded the customer's outdoor transfer processes by reducing labor dependence, alleviating high-intensity manual workloads, minimizing safety hazards, and

enhancing operational throughput. LUNA-20T's all-weather capability ensured uninterrupted and stable outdoor operations under varying environmental conditions, while OMNI-5T's omnidirectional mobility delivered flexible lateral and diagonal movement with millimeter-level positioning accuracy for secure and efficient pallet-rack handling and warehouse access. In addition, the unified architecture consolidated indoor-outdoor logistics intelligence, enabling comprehensive traceability of material locations, operational status, and transfer histories while establishing foundational data infrastructure for lean manufacturing.

Case Study 3: Power Battery Manufacturing Automation

The customer is a globally prominent manufacturer of EV and energy-storage systems, operating large-scale industrial battery production facilities. We have cumulatively delivered and deployed over 1,000 AMRs to the customer supporting automated material transportation and automated loading/unloading operations across power battery pack assembly processes, enabling end-to-end intralogistics automation and facilitating plant-wide production logistics.

Value Propositions

- *Flexible AMR Deployment Across Diverse Material Types*. Power battery production involves materials of significant dimensional and weight variations. The solution implements several specialized AMR models within a unified control architecture, accommodating broad material-handling requirements while ensuring operational consistency.
- *Large-Scale Fleet Management Aligned with Production Requirements*. With a large number of AMRs operating concurrently, the system uses centralized fleet management and real-time routing optimization to manage traffic and prevent congestion. This ensures that material transport remains aligned with production line takt times and sustains stable output during high-demand operating periods.
- *Reliable Heavy-Load Handling with High Positioning Accuracy*. For heavy materials, with single-load weights of up to approximately 2.5 tons, the AMRs deliver consistent positioning accuracy and repeatable loading and unloading performance. This ensures consistent material flow and reduces production disruption risks associated with material handling.
- *Adaptation to Complex Factory Environments*. The AMRs operate reliably across uneven floor surfaces, long transfer routes, and visually homogeneous areas. The system integrates with manufacturing execution and warehouse management systems, enabling coordination between intralogistics operations and production planning without substantial facility modifications.

Case Study 4: Solutions for Embodied Humanoid Robots

For a nationally prominent developer of wheeled-arm humanoid robots, we designed and delivered two dedicated mobile chassis platforms – one omnidirectional and one differential – and achieved volume production delivery. We additionally implemented a tailored fleet management system for embodied robots, advancing the client's volume manufacturing initiatives and expediting development cycles, deployment processes, and scaled application across industrial and service applications.

Value Propositions

- *Industrial-Grade Reliability for Scaled Deployment*. Our chassis platforms provide repeatable, industrial-grade performance, providing a stable and robust foundation for high-volume production and extended operational lifespans.
- *Advanced Maneuverability and Terrain Adaptation.* Omnidirectional maneuverability and enhanced terrain-adaptation capabilities enable continuous functionality across varied indoor and outdoor environments, expanding the operational scope of wheeled–arm humanoid robots.

- *Seamless Integration with High-Level Planning and Real-Time Control*. The chassis architecture is engineered to interface with the robot's perception, planning and control systems, delivering high bandwidth, millisecond-level responsiveness and rich sensory support to facilitate simulation-to-production deployment transitions.
- *Scalable Multi-Robot Coordination*. With our industrial-grade fleet orchestration technology, fleet deployments scaling to thousands of embodied robots can be centrally coordinated across diverse scenarios, ensuring operationally efficient, safety-compliant, and intelligently coordinated group operations.

OUR BUSINESS MODEL

We are engaged in the design, development, manufacturing and commercialization of (i) robotic solutions, (ii) robotic products and (iii) others, which primarily consist of accessories and services, including technical support services and other parts, components and accessories which are required or essential for the functioning and/or enhancing the performance of the robots and robotic solutions supplied by us. We primarily offer integrated robotic solutions, which are typically built on standardized modules but may be customized to meet specific customer requirements. Such customization may include (i) software configuration or development, (ii) system integration, and (iii) in certain cases, redesign or modification of robot hardware. Our robotic solutions leverage standardized core modules to ensure scalability and cost efficiency, while allowing targeted customization to address specific operational needs. We also provide our customers with robots and related accessories sold as standardized products, based on pre-defined specifications and configurations. We have adopted a transaction-based model for the sales. Our customers comprise system integrators who procure our products and solutions for incorporation into broader automation or industrial systems, and downstream end customers who directly deploy our products and solutions to improve the efficiency of their operations. We employ a combination of value-based and cost-plus pricing model that considers factors such as product development, production and customization costs, after-sales service commitments, technological level involved, product competitiveness, market price and other market conditions. See "Business – Sales and Marketing – Pricing Policy" for details of pricing model.

The following table sets forth certain key operating metrics for the years/periods indicated.

	For the Year Ended December 31,			For the Six Months Ended June 30,
	2023	2024	2025	2026
		(RMB in thousands)		
For All Types of orders				
Contract value as at the beginning of the year/period[1] *(RMB in thousands)*	186,066	267,904	441,453	493,685
Contract value of new orders[2] *(RMB in thousands)*	156,789	288,391	317,761	180,014
Revenue Recognized[3] *(RMB in thousands)*	74,950	114,842	265,528	169,219
Contract value as of the end of the year/period[4] *(RMB in thousands)*	267,904	441,453	493,685	504,480
Number of robots shipped[5] *(number of units)*	1,015	1,294	1,528	891

Notes:

(1) "Contract value as at the beginning of year/period" means the total contract value before tax carried forward from the previous year/period.

(2) "Contract value of new orders" means the total contract value of new orders before tax obtained during the relevant year/period.

(3) "Revenue recognized" means the total revenue recognized from all types of orders during the relevant year/period.

(4) "Contract value as of the end of year/period" means the contract value before tax as of the beginning of year/period plus the total contract value of new orders awarded to our company minus total revenue recognized during the relevant year/period.

(5) Based on shipment volume.

The table below summarizes details of our material robotic solutions project during the Track Record Period:

Ranking	Project Location	Nature of Products Included in the Project	Served Industry	Contract Value *(RMB in millions)*	Project Status as of June 30, 2026
For the Year Ended December 31, 2023					
1.	Zhejiang	Robotic Solutions (AMRs, forklift AMRs, fleet management software)	Intelligent Logistics / Forklift Manufacturing	23.2	Completed
2.	Jiangsu	AMRs	New Energy	20.0	Completed
3.	Zhejiang	Robotic Solutions (AMRs, forklift AMRs, fleet management software)	Industrial	15.1	Completed
For the Year Ended December 31, 2024					
1.	Zhejiang	Robotic Solutions (AMRs, software, system integration)	Intelligent Manufacturing / Intralogistics	58.4	Ongoing (delivered; commissioning completed; pending trial run and acceptance)
2.	Zhejiang	Robotic Solutions (AMRs, forklift AMRs, fleet management software)	Intelligent Logistics / Forklift Manufacturing	57.9	Ongoing (partial acceptance completed; remainder in progress)
3.	Jiangsu	Robotic Solutions (AMRs, system integration)	Automotive	56.0	Ongoing
For the Year Ended December 31, 2025					
1.	Zhejiang	Robotic Solutions (AMRs, forklift AMRs, fleet management software)	Intelligent Logistics / Forklift Manufacturing	35.9	Ongoing (all goods dispatched; acceptance in progress)

Ranking	Project Location	Nature of Products Included in the Project	Served Industry	Contract Value *(RMB in millions)*	Project Status as of June 30, 2026
2.	Sichuan	Robotic Solutions (AMRs, forklift AMRs, fleet management software)	Manufacturing	29.5	Ongoing (scheme design)
3.	Zhejiang	Robotic Solutions (AMRs, forklift AMRs)	Intelligent Logistics / Forklift Manufacturing	23.5	Ongoing (acceptance expected Q4 2026)
For the Six Months Ended June 30, 2026					
1.	Zhejiang	Robotic Solutions (AMRs, forklift AMRs)	Intelligent Logistics/Forklift Manufacturing	66.3	Ongoing (partially delivered; implementation in progress)
2.	Zhejiang	Robots	Embodied Robot Manufacturing	13.8	Ongoing (scheme design)
3.	Guangzhou	Robotic Solutions (AMRs, forklift AMRs)	Smart Factory Solutions	10.8	Ongoing (contract signed)

As of June 30, 2026, our contract value as of the end of the period amounted to RMB504.5 million, which we expect to fulfill within the next two years.

Our Financial Performance

During the Track Record Period, our revenue was primarily derived from our robotic solutions, and to a lesser extent, from the sales of individual robots and other related products. In terms of geographical location, we generate a majority of our revenue from Chinese Mainland and have been gradually expanding our overseas presence during the Track Record Period. For details of the revenue breakdown by product type and by geographical location, in an absolute amount and as a percentage of our total revenue, during the Track Record Period, see "Financial Information".

COMMERCIALIZATION

We started commercialization of our robotic technology in 2018, when we commercialized EMMA V1, the first generation of our flagship line of standard AMRs. We now have a diversified customer base across various industries, particularly high-tech sectors such as 3C, automotive, and semiconductor. The following table illustrates the key commercialization timeline for each of our robotic products:

Product Category	Product/Series	Commercialization Timeline[1]	Current Status
Intelligent Mobile Robots . .	EMMA (Standard AMRs)	December 2018 – EMMA 200 June 2019 – EMMA 400 October 2022 – EMMA 600K December 2023 – EMMA 1000K April 2024 – EMMA 400K August 2024 – EMMA 1500K	Commercialized

[1] The commercialization timeline is determined based on the date on which the first commercial order for the relevant product was received.

Product Category	Product/Series	Commercialization Timeline[1]	Current Status
	OMNI (Omni-directional Heavy-load AMRs)	June 2021 – OMNI 1T April 2023 – OMNI 2.5T March 2025 – OMNI 300 June 2025 – OMNI 10T	Commercialized
	FOLA (Forklift AMRs)	November 2021 – FOLA BN/PN Series September 2024 – FOLA SN Series June 2026 – new-generation FOLA QN Series	Commercialized
	LUNA (Outdoor AMRs)	October 2020 – LUNA 2 October 2023 – LUNA 20T October 2025 – LUNA 2T April 2026 – LUNA 1T	Commercialized
Embodied Intelligent Robotics Products (NERA Series)	NERA-A (Mobile Manipulation Robots)	November 2024 – NERA-A 12	Commercialized
	NERA-P (Embodied-Robot Mobile Chassis)	June 2026 – NERA-P	Commercialized
	NERA-C (Embodied-Robot Controllers)	August 2026 – NERA-C	Commercialized

Eligibility Assessment Under Chapter 18C Framework

The table below sets out a summary of how our products fall within acceptable sectors of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules:

Specialist Technology Products	Specialist Technology Industry Acceptable Sectors	Key Function Analysis	Major Customer Type and Customer Demand Driver
(1) Robotic Solutions . . .	Robotics and automation (robot technology)	Our tailored one-stop robotic solutions comprise our core robotic technology platform, our intelligent general purpose robotic products and software, including CLOUDIA, our centralized fleet management system, CARLY, our visual commissioning system for mobile robots, OWL, our inventory management system, and iMCS, our digital material-flow control system. Our core robotic technology, robotic products and software are self-developed. Our core robotic technology platform consists of our core components, controller, our proprietary operating system and algorithms. Our robotic products are built upon our core robotic technology platform by adding modules serving different functions to the core controller.	Our customers operate across a diverse range of industries, including, but not limited to, electronics, automotive, semiconductor, new energy, commercial and pharmaceuticals. According to the CIC, the development of the intelligent robotics industry is primarily driven by several pivotal factors.

Specialist Technology Products	Specialist Technology Industry Acceptable Sectors	Key Function Analysis	Major Customer Type and Customer Demand Driver
(2) Robots	Robotics and automation (robot technology)	Our general-purpose robots are designed to adapt to a wide range of industrial and commercial settings. Our robotic products, including AMRs, forklift robots, outdoor mobile robots and embodied robotic products, including controller and chassis for embodied robots, and mobile manipulation robots. With diverse payload capabilities and advanced navigation and safety features, our robots deliver autonomous mobility and precise physical operation, enabling tasks such as material handling, inspection, positioning and collaborative workflows.	Technological innovations, notably AGI integration, elevate robot capabilities and enable evolution from task-specific to robotics with higher generalization across complex tasks and different scenarios. The refinement and maturity of supply chains drive down costs and streamline production, while diverse industrial demands and applications fuel broad-scale market adoption and expansion.
(3) Others		We also provide our customers with related accessories and services, including technical support services and other parts, components and accessories which are required or essential for the functioning and/or enhancing the performance of the robots and robotic solutions supplied by us. Such other parts, components and accessories are either (i) designed by us, including controller, servo driver, vision module and encoder, which are critical to the performance and differentiation of our products, or (ii) externally sourced standard components (such as sensors, chips, batteries and other electronic or mechanical parts) that are commissioned, integrated or otherwise configured by us to suit the implementation and functioning of our robots and robotic solutions. Customers in this segment, except for new customers purchasing a single robot (along with related accessories and services) for trial purposes, are typically existing customers who need these products to work in conjunction with the robots that they previously bought from us.	

Our industry consultant, CIC, confirms and our Directors are of the view that based on the information above, each of (i) robotic solutions, (ii) robots and (iii) others fall within an acceptable sector of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules.

BUSINESS SUSTAINABILITY

We are at the early stage of commercialization of our robotic solutions. We have experienced sustained business growth as we successfully commercialized new products and solutions during the Track Record Period. During the Track Record Period, attributable to our continuous endeavors in R&D, product development, and continuously expanding high-quality customer base, the shipment volume of our robots increased from 1,015 units in 2023 to 1,294 units in 2024 and further to 1,528 units in 2025. The figure was 891 units in the six months ended June 30, 2026. Our revenue increased by 53.2% from RMB75.0 million in 2023 to RMB114.8 million in 2024, to RMB265.5 million in 2025, with gross profit increasing from RMB14.8 million in 2023 to RMB27.8 million in 2024 and RMB78.8 million in 2025. Our revenue increased by 25.3% from RMB135.0 million in the six months ended June 30, 2025 to RMB169.2 million in the same period in 2026, with gross profit increasing from RMB36.7 million in the six months ended June 30, 2025 to RMB49.8 million in the same period in 2026.

Historical Loss-Making

Despite our rapid growth, we were loss-making during the Track Record Period. In 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, we incurred losses for the period of RMB113.8 million, RMB117.9 million, and RMB99.7 million, RMB38.4 million and RMB63.7 million, respectively. As we continued to expand our customer base and improve operating efficiency, our loss decreased from RMB113.8 million in 2023 to RMB99.7 million in 2025, while increased from RMB38.4 million in the six months ended June 30, 2025 to RMB63.7 million in the six months ended June 30, 2026. Our adjusted net loss (non-IFRS measure) also narrowed from RMB78.5 million in 2023 to RMB44.2 million in 2025, and rebounded from RMB17.2 million in the six months ended June 30, 2025 to RMB18.6 million in the same period in 2026. Our losses during the Track Record Period were primarily attributed to our stage of development, business model and long-term growth strategy. During the Track Record Period, we made substantial investments in research and development, manufacturing capabilities, sales and service infrastructure and organizational development to establish our technological foundation, expand our market presence and support future scalable growth, while our business remained in the early stages of commercialization and had not yet fully achieved economies of scale. In addition, our business model typically involves relatively long deployment, commissioning and acceptance cycles, which may delay revenue realization and profitability during the early stages of commercialization. Specifically:

- ***Significant investment in R&D and supply chain capabilities***. The intelligent mobile robotics market is characterized by rapid technological advancements, intense competition, and significant growth potential. See "Industry Overview" for details of the markets in which we operate and the competition we face. To succeed, market players must invest heavily to build a strong technological foundation and expertise in R&D, develop and establish supply chain capabilities, attract and retain talent with the requisite technical expertise and accumulate a strong customer base and industry expertise for effective market expansion. We have made substantial investments in developing our technological capabilities and comprehensive product portfolio. In the period from 2023 to 2024, our R&D efforts were primarily focused on establishing core technological building blocks, including perception, localization and navigation capabilities such as visual recognition and marker-free SLAM, as well as foundational motion control algorithms. We also initiated development of core components, including controllers and drive modules, to support stable operation under demanding industrial conditions. Building on these foundations, we expanded our R&D to system-level capabilities, with a focus on multi-robot coordination and large-scale fleet scheduling technologies. In 2024, we expanded our R&D to system-level capabilities, with a focus on multi-robot coordination and large-scale fleet scheduling technologies. We further enhanced multi-sensor fusion, dynamic obstacle avoidance

and high-precision motion control, enabling more efficient and reliable operation in complex, multi-robot environments. In 2025, our R&D efforts shifted toward improving performance, scalability and reliability at a system level. We developed more advanced onboard computing capabilities, allowing robots to process data and make decisions faster and more independently. In addition, we strengthened our use of domestically sourced chips, which helps improve supply stability and cost control. By focusing on these foundational technologies and progressively enhancing our capabilities across different layers of the technology stack, we have developed a modular, scalable and extensible platform that supports continuous product iteration and expansion into new application scenarios. This approach enhances our ability to maintain technological competitiveness, improve cost efficiency and support long-term commercialization across a broad range of use cases. In addition, unlike companies that may outsource production or focus on narrow product segments, we have built our own manufacturing facility in Quzhou, which comprises production, testing, quality control and warehousing functions. This approach, while requiring more substantial upfront investments and a longer development cycle, positions us to capture greater value across the supply chain and maintain competitive advantages as the market matures. Our supply chain strategy has evolved gradually, as we built up our self-production capabilities and ramped up manufacturing capacity, enabling better cost control and deployment efficiency. Such investments have enhanced our ability to optimize production costs while improving response time and quality control in project deployment.

- ***Operational optimization for scalable growth***. During the Track Record Period, we incurred substantial expenses related to operational initiatives to support scalable growth. Specifically:
  - *R&D expenses:* During the Track Record Period, we incurred R&D expenses of RMB36.2 million, RMB44.5 million, RMB50.6 million, RMB22.0 million and RMB29.0 million in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively, representing 48.3%, 38.8%, 19.1%, 16.3% and 17.1% of revenue for the respective periods. Our R&D expenditure comprised staff costs (being the largest component), depreciation and amortization of R&D equipment, technical service fees, travel costs and other R&D-related expenses. The increase in staff costs was primarily driven by the expansion of our R&D team to support our advanced technology development. The primary focus areas of our R&D investment during the Track Record Period included: (i) core components, including self-developed controllers, drive-wheel modules and computing platforms; (ii) spatial perception and motion control algorithms; (iii) fleet management and scheduling software; and (iv) intelligent commissioning and application software. These investments were essential to develop the proprietary technology platform that underlies all of our products and solutions and upon which our competitive differentiation is based, but were expensed in full as incurred under IFRS and represented a primary contributor to losses, particularly in 2023 and 2024 when revenue was at a lower absolute level.
  - *Selling and Distribution Expenses:* During the Track Record Period, we incurred selling and distribution expenses of RMB46.2 million, RMB49.5 million, RMB59.9 million, RMB25.4 million and RMB25.1 million in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively, representing 61.7%, 43.1%, 22.6%, 18.8% and 14.8% of revenue for the respective periods. These expenses were primarily incurred in connection with expanding our customer base and strengthening our market presence, and mainly included staff costs for sales and customer service personnel, customer service fees, traveling and business development expenses, as well as provisions for expected liabilities arising from after-sales support. Such expenditures were necessary to build and scale our sales, delivery and customer support capabilities, particularly as we expanded into new industries and deployment scenarios. As our business grows, we expect these investments to support revenue expansion and improved

customer retention, while benefiting from increased efficiency through more standardized delivery and service processes. For example, selling and distribution expenses as a percentage of revenue declined significantly from 61.7% in 2023 to 43.1% in 2024 and further to 22.6% in 2025, and decreased from 18.8% in the six months ended June 30, 2025 to 14.8% in the same period in 2026, demonstrating improving efficiency as our revenue base expanded.

- *Administrative Expenses:* During the Track Record Period, our administrative expenses were RMB18.1 million, RMB18.9 million, RMB30.9 million, RMB9.4 million and RMB23.0 million in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively, representing 24.2%, 16.5%, 11.6%, 7.0% and 13.6% of revenue for the respective periods. Our administrative expenses were primarily incurred to support the development of our internal management and control systems and overall corporate infrastructure, and mainly comprised staff costs for administrative personnel, professional and consulting fees, depreciation and amortization, office expenses and other general administrative costs. These investments were made to establish robust governance, financial management and operational support functions required for a growing and increasingly complex business. While such expenses increased in line with our organizational expansion, they are intended to support scalable operations and are expected to exhibit operating leverage as our revenue base grows.

  These operational investments were necessary to build the organizational infrastructure required to support our rapid business growth and to position us for scalable operations. While such initiatives increased our operating cost base during periods of rapid expansion, they were designed to establish a repeatable, scalable operating model capable of supporting higher volumes of deployments and a broader customer base. We expect such investments to generate increasing operational leverage as our business scale expands and as standardized processes and systems are deployed across a broader revenue base.

- *Cost structure of early-stage solution projects*. During the earlier part of the Track Record Period, our robotic solution projects were delivered at lower gross margins, reflecting: (i) the relatively immature project delivery methodology and longer commissioning cycles for complex industrial environments; (ii) higher unit component costs prior to the full realization of procurement scale economies and supplier diversification; and (iii) deliberate pricing strategies to secure initial deployments and establish reference customers in key industry verticals. Gross margin improved from 19.7% in 2023 to 24.2% in 2024 and 29.7% in 2025 and stayed relatively stable at 27.1% in the six months ended June 30, 2025 and 29.4% in the same period in 2026, as we standardized our delivery workflows, localized key components and realized procurement economies of scale.

- *Net operating cash outflows*. We recorded net cash used in operating activities of RMB77.0 million, RMB94.5 million, RMB65.3 million, RMB46.6 million and RMB32.6 million in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively. Our net operating cash outflows were inherently tied to our rapid development stage. As we are currently in a rapid growth phase, we typically require upfront procurement of components and production inputs, as well as the deployment and installation of robotic solutions prior to customer acceptance and settlement. As a result, cash outflows relating to procurement, manufacturing and project implementation are generally incurred ahead of cash inflows from customers. Operating cash outflows reflected our continued loss-making operations, compounded by working capital absorption arising from: (i) the build-up of contract fulfillment costs within inventories in respect of projects delivered but pending customer acceptance; (ii) increases in trade receivables as revenue grew and credit terms were granted to established customers; and (iii) growth in other receivables and prepayments. These outflows were partially offset by increases in trade and bills payables and contract

liabilities (customer advance payments), reflecting the milestone-based payment structure of our solution projects. The improvement in operating cash outflows from RMB94.5 million in 2024 to RMB65.3 million in 2025 and from RMB46.6 million in the six months ended June 30, 2025 to RMB32.6 million in the same period in 2026 reflects the acceleration of project acceptances during the periods, which reduced the working capital locked in contract fulfillment costs.

We expected to record a net loss in 2026 for the following reasons:

- Continued investment in R&D: We intend to continue investing in technology development, including embodied intelligence products and software capabilities, which will result in ongoing R&D expenditure that may not be fully offset by revenue growth in 2026.
- Revenue recognition timing: Our solution-based projects have multi-stage delivery and acceptance cycles. Revenue from a number of large projects signed in 2024 and 2025 is expected to be recognized progressively through 2026 and beyond upon customer acceptance, and the timing of such recognition is subject to customer-side factors outside our control.
- Non-cash items: Share-based compensation expenses and finance costs on redemption financial liabilities are expected to continue to be recognized through profit or loss in 2026 under IFRS, contributing to the reported net loss.

Excluding non-cash and non-recurring items on an adjusted basis, the trajectory of improvement in our adjusted net loss (Non-IFRS measure) has been consistent and material across the Track Record Period. We expect this improvement trajectory to continue in 2026, driven by revenue growth, continued gross margin improvement and declining operating expense ratios, but cannot confirm that we will achieve adjusted net profit in 2026.

Business Strategies

Driving Sustainable Revenue Growth and Business Scale

Our total revenue grew from RMB75.0 million in 2023 to RMB114.8 million in 2024, and further to RMB265.5 million in 2025, and from RMB135.0 million in the six months ended June 30, 2025 to RMB169.2 million in the same period in 2026. We expect to maintain such momentum through the following measures:

- *Capitalize on Favorable Market Conditions*. Advancements in artificial intelligence, AIoT, cloud computing and autonomous driving technologies, together with rising labor costs, increasing operational complexity and higher ESG requirements, are accelerating the global shift toward automation. The intelligent mobile robotics industry has entered a phase of rapid growth as technologies continue to mature and application scenarios expand. According to CIC, the global intelligent mobile robotics market reached RMB48.6 billion in 2025 and is expected to grow to RMB176.3 billion by 2030, representing a CAGR of 28.3% from 2025 to 2030. Within this, the global industrial intelligent mobile robotics market reached RMB20.2 billion in 2025 and is projected to grow to RMB80.9 billion by 2030, representing a CAGR of 30.7% over the same period. We believe our comprehensive robots and solutions, technology base and implementation experience will enable us to capture these market opportunities to continuously grow our market share and business scale.
- *Leveraging Technological Advantages to Enhance Competitiveness*. We continuously iterate our solutions to extend capabilities into broader scenarios, greater payload ranges and more complex operating environments. For example, heavy-load omni directional AMRs have been progressively upgraded from kilogram-scale to ton-scale and beyond, enabling expansion from indoor-only to both indoor and outdoor deployment. These enhancements have broadened the range of customer requirements and application scenarios that our products and solutions can address, supporting both new customer acquisition and additional demand from existing customers. The introduction of outdoor-capable models enabled us to secure new orders of over

RMB20.0 million in aggregate for outdoor transportation applications. Our enhanced heavy-load capabilities also enabled us to secure new orders of approximately RMB16.0 million in 2025 for heavy-load applications, expand into new industry verticals and generate additional purchases from existing customers. For details of the evolution and commercialization of our products, see "Business – Our Business Model – Commercialization." Our continuous product iteration, together with increasing production scale and reductions in procurement costs, has also contributed to improving the profitability of our AMR-related products and solutions. The gross margin of our AMR-related products and solutions increased from 11.5% in 2023 to 21.1% in 2024 and further to 24.4% in 2025. In parallel, we are investing in next-generation product categories, including embodied intelligence products, which are currently under active R&D and are expected to create additional addressable market opportunities in the medium to long term.

- *Expanding Revenue Scale*. As of June 30, 2026, our contract value as of the end of the period amounted to RMB504.5 million, representing the total values of orders which had not been recognized as revenue. We plan to expand revenue by continuing to acquire new customers and increasing order intake. For domestic market, we are both expanding our customer base and deepening engagement with existing customers by strengthening customer stickiness and generating lifecycle revenue through integrated solutions and ongoing services. We are expanding our sales coverage from primary to secondary markets through exhibitions, referral networks and targeted marketing. In the six months ended June 30, 2026, we acquired approximately 50 new customers whose orders resulted in RMB48.8 million of recognized revenue. Our focus on key enterprise customers allows us to provide comprehensive, scenario-specific solutions that address complex operational requirements across multiple production lines and facilities. By prioritizing these relationships, we are able to scale alongside our customers as they expand into new operational scenarios and locations. For example, in serving our largest customer in 2025, we conducted in-depth analysis of the customer's operational requirements and rapidly delivered a customized, end-to-end solution supported by a dedicated service team. This approach increased customer reliance on our solutions, strengthened customer stickiness and raised barriers to entry for competing suppliers, resulting in progressively increasing procurement volumes from this customer. For overseas market, we have actively expanded into higher-margin regions by establishing local branches in Japan, Singapore and the United States. These localized operations enhance our ability to access customers, execute projects efficiently and support ongoing service needs. As a result, our overseas revenue grew by 212.8% from RMB10.1 million in 2023 to RMB31.5 million in 2025, and remained relatively stable at RMB11.2 million and RMB11.5 million in the six months ended June 30, 2025 and 2026, respectively. We intend to further expand in Southeast Asia, Europe and North America, where projects generally command higher average selling prices and gross margins compared to domestic projects. Specifically, we plan to (i) establish or expand local subsidiaries and regional teams to enhance customer access and project execution capabilities; (ii) strengthen partnerships with local distributors, system integrators and industry participants to accelerate market penetration; (iii) tailor our solutions to local regulatory requirements and industry standards to facilitate deployment; and (iv) enhance local after-sales service and technical support capabilities to improve customer satisfaction and drive repeat orders. Through these initiatives, we aim to improve our conversion of overseas opportunities into revenue and support sustainable growth in higher-margin markets.

Continually Improving Profitability and Enhancing Operational Efficiency

Our gross margin improved from 19.7% in 2023 to 24.2% in 2024, and further to 29.7% in 2025, and improved from 27.1% in the six months ended June 30, 2025 to 29.4% in the same period in 2026. We expect to continue improving gross margin by implementing the following key initiatives:

- *Product innovation and margin enhancement.* We enhance our profitability by strengthening our core technology platform and improving cost efficiency through product and system-level optimization. As our core hardware technologies have matured, we have progressively adopted standardized modules across our product portfolio, enabling us to reuse proven hardware designs and technologies across different products and projects and thereby reduce repetitive customized development work and shorten product development and delivery cycles. For example, for selected projects involving our FOLA series, as we progressively adopted self-developed standardized modules, the period from project initiation to final design output decreased from 53 days for a project initiated in 2022 to 46 days for a project initiated in 2024 and further to 35 days for a project initiated in 2025. Similarly, for our EMMA series, the development cycle from project initiation to product launch decreased from 186 days for EMMA600K V1.0 initiated in 2022 to 97 days for the modularized EMMA600K V2.1 launched in January 2025. Subsequent development and iteration of standardized modules and products also generally required shorter development cycles, including 65 days for the PMU-600 V2.0 electrical control system and 88 days for EMMA600K V2.3. These improvements demonstrate the increasing maturity and reusability of our hardware platform, which enable us to continue product iteration while improving R&D efficiency. At the same time, as hardware technologies mature, competitive differentiation increasingly depends on system-level capabilities. Accordingly, we have progressively allocated more of our R&D resources toward these areas while continuing to upgrade and iterate our underlying hardware platform. During the Track Record Period, R&D expenses as a percentage of revenue declined from 48.3% in 2023 to 38.8% in 2024 and 19.1% in 2025, and rebounded slightly from 16.3% in the six months ended June 30, 2025 to 17.1% in the same period in 2026. The decrease in our R&D expenses as a percentage of revenue during the Track Record Period therefore primarily reflected (i) revenue growth outpacing the increase in our R&D expenses and (ii) the increasing maturity, standardization and reusability of our underlying hardware platform, rather than a reduction in our R&D efforts. This allows us to continue expanding and iterating our product portfolio without a proportionate increase in hardware R&D expenditure, while focusing our R&D resources on areas that we believe are increasingly important to our technological competitiveness. According to the CIC, the industry-wide R&D expense ratio typically ranges between 10% and 20%. Our R&D expense ratio is consistent with this industry benchmark and the levels reported by comparable peers, demonstrating a healthy progression toward commercialized growth as technology matures and industry applications deepen. In addition, our intellectual property strategy has evolved in line with our technology development stage. Following a phase of active patent filings to establish our core technology framework through 2023, our recent R&D efforts have increasingly focused on advancing more complex, system-level technologies, including the integration of software and hardware and the development of proprietary core components. These areas typically involve longer development cycles and may not immediately translate into a high volume of new patent filings, but are critical to strengthening technological barriers, enhancing product performance and supporting long-term competitiveness. We will continue to pursue intellectual property protection in a manner aligned with our technology roadmap and commercialization strategy.
- *Optimize supplier management.* We have reduced unit purchase prices for key components, including LiDAR sensors, batteries and motor reducers, through centralized procurement, active supplier substitution and domestication of supply sources. Growing order volumes have increased our bargaining power with suppliers, resulting in lower procurement prices and extended credit terms. We have established annual procurement agreements with three key suppliers, securing favorable pricing. We have also optimized our supply chain structure by introducing lower-cost alternative suppliers. In addition, certain components previously sourced externally were progressively replaced with optimized in-house or domestically sourced

alternatives. As a result, cost of sales as a percentage of revenue decreased from 80.3% in 2023 to 75.8% in 2024 and further to 70.3% in 2025, and decreased from 72.9% in the six months ended June 30, 2025 to 70.6% in the same period in 2026. Looking forward, we intend to further enhance our supply chain efficiency by (i) deepening strategic partnerships with key suppliers to secure stable supply and more favorable pricing; (ii) continuing to promote localization and selective in-house development of core components to reduce reliance on imported products; (iii) expanding our supplier base to improve sourcing flexibility and cost competitiveness; and (iv) leveraging increasing procurement scale to negotiate improved pricing and commercial terms. Through these initiatives, we aim to further reduce procurement costs, enhance supply chain resilience and support continued improvement in our gross margin.

- *Improving delivery efficiency and strengthening operating leverage.* As our project execution capabilities matured, delivery efficiency improved and labor costs per project declined, driven by better project planning, higher deployment automation and accumulated operational experience. As our project experience has grown, we have developed standardized deployment methodologies across an increasing number of industrial scenarios, reducing per-project engineering and commissioning labor costs. Selling and distribution expenses as a percentage of revenue decreased from 61.7% in 2023 to 43.1% in 2024 and 22.6% in 2025, and decreased from 18.8% in the six months ended June 30, 2025 to 14.8% in the same period in 2026. Administrative expenses declined from 24.2% in 2023 to 16.5% in 2024 and 11.6% in 2025, while increased from 7.0% in the six months ended June 30, 2025 to 13.6% in the same period in 2026. Our adjusted net loss for the period narrowed from RMB78.5 million in 2023 to RMB44.2 million in 2025, while increased from RMB17.2 million in the six months ended June 30, 2025 to RMB18.6 million in the same period in 2026. We intend to further enhance delivery efficiency by continuing to standardize project implementation processes, increase automation in deployment and optimize resource allocation across projects. We also expect to benefit from continued operating leverage as our revenue scale grows, which is expected to further improve our cost structure and support our path toward profitability.

Increasing Project Turnover Rate and Delivery Efficiency.

Faster project acceptance directly reduces working capital absorption in contract fulfillment costs and improves operating cash generation. We have materially shortened our project execution, commissioning and acceptance cycles by standardizing deployment methodologies, expanding our field engineering team and accumulating project management experience. Driven by our enhanced delivery capabilities, the efficiency of our project execution has continuously improved, as evidenced by the proportion of our projects with an execution cycle of within one year increasing from 27.45% in 2024 to 27.93% in 2025, and further to 50.66% in the six months ended June 30, 2026. Consequently, our inventory turnover days declined from 989 days in 2023 and 964 days in 2024 to 487 days in 2025, and further to 317 days in the six months ended June 30, 2026, with contract fulfillment costs declining from RMB227.4 million as of December 31, 2024 to RMB175.7 million as of December 31, 2025 and further to RMB116.5 million as of June 30, 2026. Trade receivables turnover days also improved from 118 days in 2023 to 81 days in 2025, and edged up to 106 days in the six months ended June 30, 2026. We intend to continue this trajectory through further optimization of our solution delivery, expansion of our field engineering capacity and the development of remote commissioning and diagnostic capabilities.

Financial Management Optimization.

We will accelerate receivables collection and shorten payment cycles, optimize inventory turnover through closer alignment of procurement and project timelines, and improve overall capital efficiency. We will also seek to reduce financing costs, extend the maturity profile of our debt obligations where possible, and improve overall profitability quality. The effectiveness of our financial management and operational scaling is demonstrated by the significant improvement in our cost and expense metrics. Driven by our improved cost management, our

gross profit margin improved from 19.7% in 2023 to 24.2% in 2024 and 29.7% in 2025, and from 27.1% in the six months ended June 30, 2025 to 29.4% in the same period in 2026. Simultaneously, as our revenue scale expanded, selling and distribution expenses as a percentage of revenue declined materially from 61.7% in 2023 to 22.6% in 2025, and further from 18.8% in the six months ended June 30, 2025 to 14.8% in the same period in 2026. As our revenue continues to grow, the fixed and semi-fixed components of our cost base will be further spread across a larger revenue base, driving continued improvement in operating expense ratios and accelerating our trajectory toward adjusted net profit breakeven.

Based on the foregoing, our Directors believe that our business is sustainable. Based on the due diligence conducted, nothing has come to the attention of the Sponsor that would reasonably cause them to disagree with the Directors' view as set out above in any material respects.

OUR CORE TECHNOLOGIES

We are one of a few companies in the industry with fully self-developed, full-stack technology capabilities to deliver intelligent mobile robotic solutions for diverse operational scenarios, according to CIC. Our technology system integrates perception, navigation, motion control, scheduling and deployment across both indoor and outdoor environments. This comprehensive approach allows us to maintain complete intellectual property ownership while delivering efficient, scalable and flexible robotics solutions. At the same time, we derive operational feedback from real-world deployments in diverse and complex environments – such as semiconductor cleanrooms, automotive manufacturing plants, and multi-level warehouses – which feed continuous improvement cycles through our learning pipeline and drive continuous improvement. Through solving practical operational challenges for our customers, our engineering teams derive and accumulate such operational feedback, which primarily consists of enhanced product performance, intelligent and technological capabilities, as well as direct insights into new product requirements and refinement directions. We have established robust internal data security and confidentiality management mechanisms, including our Data Security and Confidentiality Management Mechanism and Information Security and Prototype Protection Management Strategy, to strictly govern our data security management practices.

Proprietary Core Components

We focus on developing key components related to control, perception and precision sensing in-house, where differentiation is most critical, while sourcing standardized components such as power and energy components from external suppliers to leverage established supply chains and cost efficiencies.

The following table illustrates our in-house developed, proprietary suite of core components:

Core Components	Function	Development/ Sourcing
Integrated perception-computation-control unit	Our perception-computation-control unit serves as the "brain" of our robots. It receives and processes data from LiDAR, cameras, inertial measurement units and other sensors, and runs mapping, localization, path-planning and motion-control functions to enable autonomous navigation and operation. It processes data directly on the robot, enabling efficient operation in both indoor and outdoor environments	Developed in-house
Low-voltage DC servo drivers . . .	Our servo driver family spans multiple product categories, including high-power drivers and high-power-density drivers. They convert control commands from the robot controller into current and voltage outputs that drive the motors and actuators, enabling precise acceleration, steering, braking and other motion-control functions	Developed in-house

Core Components	Function	Development/ Sourcing
Vision modules . . .	Capture visual information and apply our proprietary computer-vision algorithms to detect and track pallets, racks, people and other objects, supporting environmental perception, positioning and obstacle avoidance	Developed in-house, using CMOS image sensors and other standardized components sourced from third parties
High-precision encoders	These components provide real-time feedback on position and movement. By continuously measuring the robot's operating state, they support high-precision control and ensure stable and reliable operation	Developed in-house

We source certain components from external suppliers where mature technologies and economies of scale provide efficiency advantages, including LiDAR sensors, motors and reducers and power batteries, which supply stable and efficient energy for continuous operation.

Modular Structural Platform

To address the diverse payload requirements and spatial constraints of mobile-robot applications, we have developed a modular structural platform decoupling the robot's three core subsystems:

- *Drive system*: compatible with differential, steering, hybrid steering-differential, and Mecanum configurations to support varying operational conditions and robot morphologies.
- *Load-bearing system*: modular chassis architecture covering payloads from 400 kg to 10,000 kg.
- *Carrier system*: supports a wide range of upper-structure configurations for industry-specific functional expansion.

This patented platform significantly reduces component complexity through modular design and integrated manufacturing, enhancing manufacturability and serviceability. It also enables rapid prototyping and shorter customization cycles, improving delivery predictability. The platform underpins our full product portfolio, enabling high-precision operation, diverse robot configuration and broad payload coverage. Through multi-degree-of-freedom drive-unit integration, it facilitates omnidirectional mobility for applications demanding substantial load capacity and constrained-space maneuvering.

Unified High-precision Localization for Indoor and Outdoor Environments

We have developed a proprietary localization framework that achieves unified coverage across both indoor and outdoor environments using a unified algorithmic architecture and flexible sensor configurations. According to CIC, we are one of the few companies capable of large-scale SLAM map modeling and localization across indoor and outdoor campus-level environments exceeding one million square meters, without requiring infrastructure modifications. Our framework incorporates adaptive map segmentation, sub-map optimization and map distillation to maintain stable localization in complex and dynamic environments, including those with frequent human–robot interaction. Our technology has been validated by academician-led expert panels and third-party institutions and recognized as reaching an advanced international level.

We have developed a proprietary motion control architecture that integrates vision, LiDAR and other sensing technologies with multi-degree-of-freedom (multi-DoF) motion control. This enables our robots to recognize and track pallets, racks and other industrial containers and

dynamically adjust their movements to achieve precise material handling. For high-precision applications, including semiconductor and panel manufacturing, our multi-sensor perception and multi-DoF control technologies enable end-to-end pick-and-place accuracy of ≤±1 mm across different payload configurations. This supports automated material transfer from warehouses to production workstations in semiconductor fabrication, precision manufacturing, automotive production and electronics assembly.

Spatiotemporal Multi-Robot Scheduling and Path-Planning for Large-Scale Heterogeneous Fleets

To address the industry challenge of large-scale fleet coordination, we have developed a spatiotemporal state-space multi-agent planning algorithm capable of coordinating thousands of heterogeneous robots – including AMRs of different dimensions and payloads, autonomous forklifts, industrial vehicles, quadrupeds, humanoids and wheeled-arm robots.

Our algorithm abstracts multi-robot path planning into a multi-dimensional state-space search problem, enabling conflict prediction and resolution across shared pathways. We have also developed reinforcement-learning-based multi-robot planning methods, trained using automatically generated problem samples, improving computational efficiency and solution generalization beyond conventional search-based approaches. These technologies establish foundations for next-generation embodied-intelligence fleet deployments.

Visual Rapid Commissioning System

Our visual commissioning system redefines the implementation workflow and significantly elevates deployment efficiency. It introduces three key innovations:

- *No-code behavior editing*. Robot actions are modularized into drag-and-drop components, enabling engineers to build complex task logic without specialized programming knowledge.
- *Digital-twin diagnostics*. Robot states, map information and behavior logic are visualized for intuitive troubleshooting, while playback functionality facilitates rapid diagnosis of anomalies and performance issues.
- *Distributed deployment architecture*. For large industrial sites, deployment tasks can be partitioned and executed in parallel, mitigating bottlenecks of traditional linear deployment methods and enabling accelerated fleet-scale rollout.

This system also enables large-scale deployment of wheeled and legged embodied robots, supporting expanded industrial commercialization.

Factory-Wide Intelligent Management and Decision-Making System

As mobile robots become widely deployed in manufacturing environments, logistics networks comprehensively interconnect all phases of automated factory operations. However, legacy software systems typically operate in silos, constraining system-wide coordination. Our factory-wide operations management and coordination system integrates production, warehousing and logistics into a unified operational workflow. The system connects information and equipment across different stages of factory operations to facilitate coordinated management of production processes, material flows and robotic fleets. The system integrates digital-twin visualization, scheduling optimization and coordinated control of heterogeneous equipment. Based on BOM information, production schedules, real-time inventory levels and robot availability, it supports task scheduling, inventory management and material delivery. Digital-twin simulation further supports the optimization of multi-stage production processes, helping improve delivery timeliness, equipment utilization and overall operational efficiency.

RESEARCH AND DEVELOPMENT

We have established comprehensive in-house research and development capabilities spanning mechanical design, electronics, software, and algorithms, formed by a professional robotics R&D team with extensive experience. Our R&D infrastructure and equipment support efficient development, testing and iteration. We focus on two major directions: (i) adapting robotic technologies for different robotic forms and application scenarios, and (ii) advancing the implementation toolchain to improve system integration and performance. Through systematic

software and hardware development, we have built comprehensive in-house capabilities covering robotic control systems, perception and navigation algorithms, and intelligent scheduling platforms, supporting technological self-reliance and continuous product innovation. During the Track Record Period, our R&D expenses were RMB36.2 million, RMB44.5 million, RMB50.6 million, RMB22.0 million and RMB29.0 million, respectively, representing 48.3%, 38.8%, 19.1%, 16.3% and 17.1% of our revenue in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively. All of these expenses were solely related to our Specialist Technology Products.

Our Ongoing R&D Projects

We place great emphasis on technological innovation and product roadmap. Based on our long-term R&D strategy and three-year product and technology plan, we are actively advancing the following key R&D projects during the current stage. These projects are designed to consolidate our technological capabilities, reduce production costs, and expand our global market share.

The table below sets forth the details of our major ongoing R&D projects:

Project Name	Primary Objectives	Current Status and Timeline	Impact on Operations and Product Portfolio
Next-Generation Mobile Robot Hardware Architecture and Cost Optimization	Developing a dual-track architecture: a new platform for overseas markets meeting strict safety standards (e.g., EU/US), and a modular architecture for the domestic market utilizing localized core components (e.g., high-power density motor drivers, heterogeneous AI controllers) to reduce marginal manufacturing costs.	Status: Core component testing and infrastructure design for the overseas platform are underway. Timeline: Completion of first prototype and domestic production process switch within the next 12 months.	Product: Enhances international competitiveness and landing capabilities. Operations: Continued cost optimization of domestic products is expected to directly improve our overall gross profit margin and profitability.
Next-Generation Embodied AI Core Technology and Platform	Strengthening our technical moat by developing next-generation embodied robot controllers (e.g., new NERA-C) and intelligent mobile chassis (e.g., new NERA-P) using multi-modal perception and reinforcement learning to break through generalization limits in complex environments.	Status: Design and development stage. Timeline: Expected release of the next-generation controller within 3 to 5 months; commercialization of the chassis within 6 to 9 months.	Product: Enriches our embodied AI product matrix and establishes our first-mover advantage in embodied intelligence infrastructure. Operations: Creates a new revenue growth engine and lowers the barrier for industrial enterprises to adopt embodied AI.

Project Name	Primary Objectives	Current Status and Timeline	Impact on Operations and Product Portfolio
"New Species" of Warehousing Logistics and Industry-Specific Robots	Expanding from horizontal to 3D spatial logistics by developing new intelligent warehousing products such as four-way shuttles and climbing robots to meet the demand for high-density storage and vertical logistics.	Status: Currently in the mechanical design and initial kinematic simulation stage. Timeline: Engineering prototype and internal testing within 6 months; pilot production finalized within 12 months.	Product: Significantly broadens our application boundaries, enabling us to provide "one-stop" full-scenario solutions (N) for large manufacturing and warehousing customers. Operations: Drives a positive business cycle of "tech iteration - scenario expansion - scale effect."
Next-Generation Deployment and Large-Scale Cluster Scheduling Software	Upgrading core software to achieve zero-code visual deployment (iteration of CARLY) and building a platform capable of scheduling thousands of heterogeneous robots (including embodied AI and various AMRs) for mixed collaborative operations (iteration of CLOUDIA).	Status: Undergoing Sim2Real closed-loop optimization and software architecture restructuring. Timeline: Rolling release of software versions and customer system upgrades within 12 to 18 months.	Product: Strengthens customer stickiness and consolidates our technical barriers in ultra-large-scale scheduling. Operations: Shortens on-site implementation and delivery cycles, significantly reducing labor costs per project and enhancing operating leverage.

Our R&D Team

Our research and development department comprises over 133 personnel as of June 30, 2026, organized into four principal divisions – mechanical engineering, electrical engineering, software development and algorithm development – supported by dedicated product and testing teams. Each division operates under a collaborative management structure to ensure integration across hardware design, control systems, software architecture and intelligent algorithms, thereby facilitating efficient product development and system innovation. Our research and development team is led by Dr. Sun Yichao, our chief technology officer, together with four other core members. Details set forth as follows:

Dr. Xiong Rong is our founder and chairperson. She founded our Company and is responsible for our long-term strategy and roadmap. She also serves as a Qiushi Distinguished Professor and doctoral supervisor at the College of Control Science and Engineering of Zhejiang University. Dr. Xiong graduated from Zhejiang University with a bachelor's degree in applied computer science in 1994, a master's degree in computer organization and architecture in 1997 and a doctorate in control science and engineering in 2009.

Mr. Chen Shouxian is our chief executive officer, responsible for overall corporate strategy and operations. He obtained his bachelor's degree in electronic information engineering from Zhejiang University in 2006, his master's degree in power electronics and electric drives from Zhejiang University in 2008, and his MBA from Zhejiang University in 2021. He has extensive experience in electronics and robotic intelligent technologies. Prior to 2017, he held technical and managerial positions at Zhejiang Nurotron Biotechnology Co., Ltd. (浙江諾爾康神經電子科技股份有限公司), and the Kunshan Innovation Center of Zhejiang University (浙大昆山創新中心).

Dr. Sun Yichao is our chief technology officer. He joined our Company in 2017 and leads the design and development of our core robotic systems, algorithms and platform architecture. He obtained his bachelor's and doctoral degrees from Zhejiang University. Prior to joining our Company in 2017, he worked as a technical manager at Hangzhou Nanjiang Robot Co., Ltd. (杭州南江機器人股份有限公司). He has also contributed to national and group robotics standards, including participation in the drafting of standards under the logistics robotics working group of the National Technical Committee on Automation Systems and Integration.

Mr. Zhan Jianbo is our software director. He obtained his master's degree in control theory and control engineering from Zhejiang University in 2013. Prior to joining our Company in 2017, he worked at NetEase (網易), where he gained experience in large-scale software system development and project management. He leads the development of our core software architecture for industrial logistics robots and oversees R&D team management and development processes.

Mr. Li Wenhua is our mechanical director. He obtained his bachelor's degree in mechanical design, manufacturing and automation from Hangzhou Dianzi University in 2011. He previously worked at Hangzhou Hirobot Co., Ltd. (杭州海康機器人股份有限公司) and Zhejiang Guozi Robotics Technology Co., Ltd. (浙江國自機器人技術股份有限公司), and is an early pioneer in China's AGV industry. He is responsible for mechanical system design across our product portfolio. He holds more than ten patents in robotics and intelligent equipment.

We prioritize the retention of our R&D team through a competitive "Equity Incentive + Market-Based Compensation" framework, supplemented by dual-track career development and continuous professional training. To safeguard our core interests, all full-time employees enter into Confidentiality and Non-competition Agreements upon joining. Under these agreements, relevant personnel are subject to non-competition obligations for 24 months and non-solicitation restrictions for 12 months following their departure. To mitigate risks associated with staff turnover, we have established a systematic contingency mechanism encompassing position backup, standardized handovers, and knowledge institutionalization. We confirm that no core members of our management or R&D teams have departed the Group during the Track Record Period.

We maintain the long-term stability of our management and R&D teams through structured employment arrangements and a robust incentive framework. The principal terms applicable to management and technical staff include:

- *Confidentiality.* Employees must keep confidential the Company's proprietary, technical, financial and operational information during and after employment.
- *Invention and Intellectual Property.* Intellectual property created in the course of, or in connection with, employment belongs to the Company, and employees shall promptly disclose such results and assist with rights assignment.
- *Non-competition.* After termination of employment, employees may be subject to a non-competition period during which they must not engage in competing businesses or join identified competitors.
- *Non-solicitation.* During employment and for a prescribed period following termination, employees must not solicit the Company's employees, customers or business partners.
- *Training and Service Period.* Where the Company sponsors training, a service period and related obligations are implemented in accordance with applicable laws and the relevant training service agreements.

Our R&D Process

Our R&D process follows a structured and systematic framework that integrates technology research, product design, validation, and commercialization. The process begins with project initiation, where potential new products or technology upgrades are identified based on market research and customer needs collected by our product and marketing teams. Each project is

subject to feasibility analysis and internal review before approval, ensuring that development efforts are strategically aligned with the Company's technological roadmap.

Once a project is initiated, we form a dedicated cross-functional team composed of mechanical, electrical, software, and algorithm engineers. The team defines detailed design objectives and technical specifications, then proceeds through development and testing phases involving prototype design, functional verification, and iterative optimization. Throughout this process, our R&D department conducts continuous performance evaluation, focusing on functionality, timeliness, and quality indicators such as software stability, hardware reliability, and integration efficiency.

After successful validation, the project enters the review and acceptance stage, where the results are assessed through structured R&D evaluations and testing records. Completed projects undergo a comprehensive acceptance review before being finalized for production or commercialization. The entire R&D process is documented, with clear records of project establishment, budget planning, testing, and closure to ensure traceability and accountability.

Our R&D philosophy emphasizes independent innovation and modular design, combining our strengths in both hardware and software. We pursue a self-development approach for all core technologies and components, while selectively cooperating with external institutions on specific customer-oriented modules or academic research projects. This process ensures that our innovations remain aligned with market demand while maintaining technological depth and long-term competitiveness.

Our Industry Standard Participation

Our position in innovation is supported by our active participation in shaping industry standards. Participation in defining technical specifications reflects the depth of our R&D capabilities, particularly in industrial mobile robotics, fleet management systems, and intelligent logistics. As of June 30, 2026, we have contributed to 15 standards, including five national standards, one industry standard and nine group standards, primarily focusing on industrial mobile robots, safety specifications, and scheduling systems. Our technical experience, recognized by relevant government authorities, industry associations and standardization committees, has contributed to our participation in industry benchmark development for robotics.

The following table sets forth our national standards we participated in developing:

No.	Standard ID.	Standard Name	Category	Issue Date
1.	GB/T 47245–2026 . .	General framework for intelligent control system of robot (機器人智能控制系統總體架構)	National Standard	February 27, 2026
2.	GB/T 30029-2023 . .	Automated guided vehicle-General rule of design (自動導引車設計通則)	National Standard	May 23, 2023
3.	GB/T 30030-2023 . .	Automated guided vehicle-Vocabulary (自動導引車術語)	National Standard	May 23, 2023
4.	GB/T 20721-2022 . .	Automatic guided vehicles-General specifications (自動導引車通用技術條件)	National Standard	April 15, 2022
5.	GB/T 41402-2022 . .	Logistics robots-General technical specification for information system (物流機器人信息系統通用技術規範)	National Standard	April 15, 2022

Our R&D Collaborations

Our core technologies and products are primarily developed in-house. We also participate in several provincial- and municipal-level R&D programs in collaboration with universities and research institutions. The ownership of intellectual property under these joint projects is determined according to the terms of the relevant agreements, based on the respective technical contributions of each party. These collaborations enable us to complement our internal capabilities, strengthen our research foundation, and expand the industrial application of our technologies.

The following table sets forth the details of our major ongoing joint R&D programs during the Track Record Period:

Program Name	Type and Period	Key Objectives and Results	IP Ownership and Profit Sharing
Heavy-duty Roll Lifting Vision-based Navigation Mobile Robot	Municipal Major Innovation Project (Hangzhou) (2023.01–2024.12)	Developing heavy-duty mobile robots with visual positioning and natural navigation for automated transfer and high-precision loading of raw materials and semi-finished products in key manufacturing sectors.	Pre-existing IPs belong to respective parties. IPs developed during the project are jointly owned. No specific profit-sharing arrangements upon commercialization.
High-precision Mobile Robot Operation and Swarm Application for Lights-out Factories	Zhejiang Provincial "Pioneer/Lead Goose" R&D Plan (2024.01–2025.12)	Researching perception-control integrated controllers and high-precision target detection based on domestic embedded chips; designing swarm scheduling systems for flexible manufacturing logistics.	Pre-existing IPs belong to respective parties. For IPs developed during the project, those derived from independent research and development belong to the developing party, while those derived from collaborative research and development are jointly owned. No specific profit-sharing arrangements upon commercialization.
Intelligent Positioning and Navigation for Outdoor Operation Robots	Municipal Key R&D Plan (Hangzhou) (2024.01–2026.6)	Developing stable navigation boards and systems using domestic components for outdoor operation robots across landscaping, agriculture, and other scenarios.	Jointly owned by the parties if intellectual property is applied for jointly. No specific profit-sharing arrangements upon commercialization.
High-performance Integrated Sensing and Computing Intelligent Edge Controller	Municipal Key R&D Plan (Hangzhou) (2025.01–2026.12)	Developing integrated controllers that combine LiDAR, domestic cameras, domestic IMUs, and domestic AI inference cards for edge intelligence.	Pre-existing IPs belong to respective parties. For IPs developed during the project, those derived from independent research and development belong to the developing party, while those derived from collaborative research and development are jointly owned. No specific profit-sharing arrangements upon commercialization.

Pursuant to the relevant collaboration agreements, we typically lead or participate in the R&D process alongside our partners, with each party responsible for specific technical modules. The proportion of outsourced R&D expenses for these programs is minimal, representing approximately 1.00% for the relevant projects. We are generally entitled to use the research results for further independent development, and the resulting IPs from such subsequent research belong to the developing party. As of the Latest Practicable Date, there were no profit-sharing arrangements with our collaboration partners upon the commercialization of the project results.

SALES AND MARKETING

Sales and Marketing Team

We have established a dedicated sales and marketing team with a clear organizational structure and defined responsibilities. Our sales and marketing department consists of domestic and overseas sales divisions. The domestic sales division is primarily responsible for developing and maintaining customer relationships across major regions and industries. The domestic sales division is organized into three main lines, including regional management, industry management and key account management, and comprised of approximately 52 employees as of June 30, 2026. The overseas sales division oversees sales activities in Southeast Asia, Japan and Korea, Australia, North America and Europe, and had approximately 14 employees as of June 30, 2026. Internally, each business line has dedicated managers responsible for regional oversight, team management, and performance assessment. The sales department collaborates closely with the product department to ensure that customer feedback and product updates are effectively aligned.

Our Sales

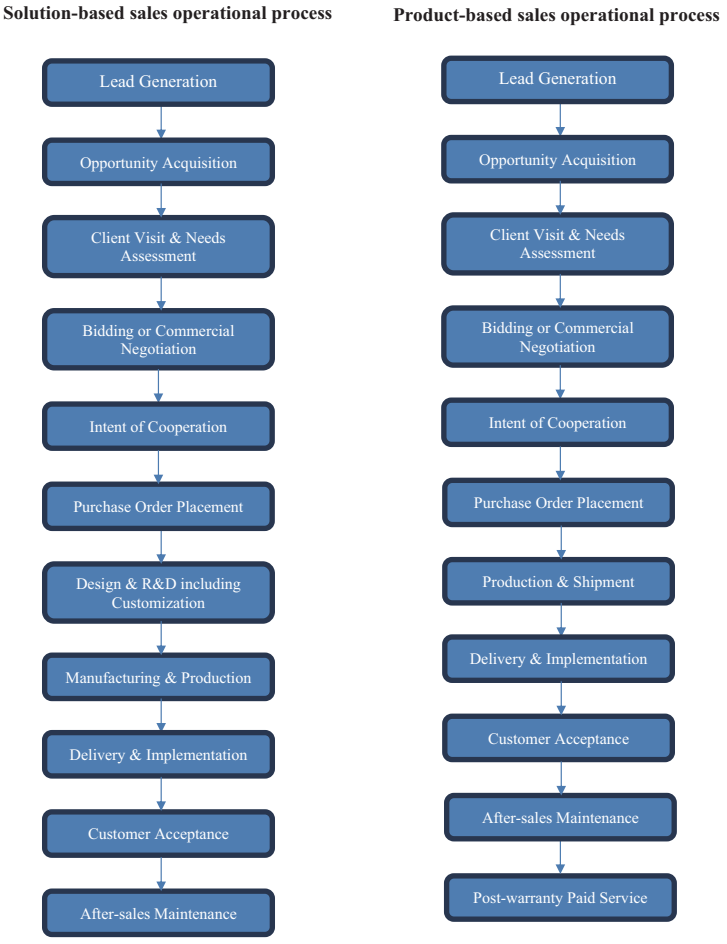
During the Track Record Period, we conducted all of our sales through direct sales to our customers, which enabled us to reach end customers directly and respond promptly to their needs. Our sales personnel provide services across major regions in Chinese Mainland, Southeast Asia, Japan, Korea and other regions. During the Track Record Period, substantially all of our projects were implemented, delivered and accepted under the direct oversight of our teams. We manage customer relationships through regional, industry and key account lines and align customer feedback with product updates through close coordination with the product department.

We had 194, 187, 231 and 136 customers in 2023, 2024, 2025, and the six months ended June 30, 2026, respectively. Despite a slight decrease in the number of our customers from 2023 to 2024, the increase in the number of our customers during the Track Record Period was primarily due to our active business expansion and increased market penetration. The project duration for our products and services varies among different categories. Our robot solutions typically involve a longer project cycle and spans several months to over one year from contract signing to formal customer acceptance. In comparison, our robotic products and other product categories generally have a shorter cycle.

We primarily acquire our customers through direct business negotiation and tendering, while referrals do not constitute a significant portion of our customer acquisition strategy. During the Track Record Period, a substantial majority of our revenue was generated from direct business negotiation, with the remaining portion primarily derived from successful tenders. We continue to leverage our strong technical expertise and established market reputation to secure projects through both acquisition channels.

Sales Models

Our revenue is primarily derived from two distinct sales models: (i) the solution-based model; and (ii) the product-based model. We offer comprehensive and integrated robotic solutions through our solution-based model, while providing robotic products and peripheral components through our product-based model. The following flowcharts illustrate the operational processes of our two sales models.



The following table summarizes the key characteristics of our sales models, including major customer types, charging methods, and revenue recognition policies.

Sales Model	Major Product/ Service	Major Customer Type	Sales Cycle	Charging Method	Revenue Recognition
Solution-based Model	Robotic solutions	Customers across electronics, automotive, semiconductor, new energy, and pharmaceutical industries requiring integrated systems	Typically several months to over one year	Payable in installments based on milestones, such as contract execution, prior to shipment, customer acceptance, and warranty expiry	upon customer acceptance

Sales Model	Major Product/ Service	Major Customer Type	Sales Cycle	Charging Method	Revenue Recognition
Product-based Model	Robotic products and others	Distributors and enterprise customers seeking standardized robotic products and components	Typically spanning a few weeks to a few months	Typically payable in full prior to shipment or upon customer acceptance for selected long-standing creditworthy customers	upon customer acceptance

Pricing Policy

We employ a combination of value-based and cost-plus pricing model that considers factors such as product development, production and customization costs, after-sales service commitments, technological level involved, product competitiveness, market price and other market conditions. Our pricing strategies reflect comprehensive market and cost factors, including customer segments, technical complexity, scope of customization, implementation requirements across regions and industries, prevailing market prices, cost elements such as materials, R&D, manufacturing, logistics and after-sales support, and strategic considerations such as customer relationship value, product differentiation and target margins. In terms of our product categories, for hardware products, we determine our prices based on a comprehensive assessment of hardware costs and prevailing market conditions. For software, we adopt a market-based pricing approach for standardized software products, while for customized software products, we primarily determine the price based on the estimated labor hours and associated costs. We closely monitor market trends and procurement dynamics and adjust pricing periodically. We also adapt pricing in response to tender processes and bidding outcomes while maintaining internal profitability thresholds and disciplined approval procedures.

MANUFACTURING

Our Production Process

We formulate our production plans according to customer orders and project specifications, taking into account product type and production complexity. Standard models are manufactured using an assembly-line process, with an average production cycle of approximately 35 days from order placement to completion. For large or customized models, which require additional design and assembly processes, the production cycle generally extends to around 60 days.

Our Quzhou manufacturing base integrates multiple production functions, including component processing, assembly, testing, and warehousing. Manufacturing activities are supported by a quality management system that covers raw material inspection, process control, and final product testing. For each product, process records are maintained to ensure full traceability throughout the production cycle.

The following diagram illustrates the principal steps of the production process generally applicable to our robotics products.



Our Production Facility and Capacity

As of the Latest Practicable Date, we have one production facility in operation located in Quzhou, Zhejiang Province, with a gross floor area of approximately 16,557.61 square meters. Our Quzhou manufacturing base comprises production, testing, quality control and warehousing functions. In February 2026, we entered into a lease agreement for a new facility in Taizhou, Zhejiang Province, which is intended for office and production use. As of the Latest Practicable Date, this Taizhou facility was undergoing renovation, and has not yet commenced production. As of June 30, 2026, we employed approximately 64 personnel, who collectively form our production and supply chain management team. This integrated team is responsible for the entire production lifecycle, including production assembly, quality control, testing, and warehousing logistics. During the Track Record Period, we did not outsource any production processes. Staff outsourcing was limited to certain positions, primarily assembly and warehouse staff. As of December 31, 2023, 2024, and 2025 and June 30, 2026, we had 20, 29, 29, and 47 outsourced staff for production positions, respectively. The Quzhou manufacturing base covers all major product lines of the Company. While all final products are assembled in-house, certain component machining is outsourced to qualified third-party suppliers to enhance efficiency.

The following table sets forth the details of our production capacity, production volume and utilization rate during the Track Record Period.

Period	Designed Production Capacity[1]	Production Volume[2]	Utilization Rate[3]
Year ended December 31, 2023	2,000 units	1,652 units	82.6%
Year ended December 31, 2024	2,000 units	1,825 units	91.3%
Year ended December 31, 2025	4,000 units	3,522 units	88.0%
Six months ended June 30, 2026	3,000 units	2,995 units	99.8%

Notes:

(1) The designed capacity for each period is calculated based on the hourly capacity and the operating hours of relevant product lines for such period. During the Track Record Period, the operating hours are calculated by multiplying 10 hours per day by the number of working days in the period, with each year approximately based on 265 working days. For the six months ended June 30, 2026, the calculation is based on 132.5 working days.

(2) The production volume refers to the actual output for the relevant period.

(3) Utilization rate is calculated by dividing the actual production volume by the designed production capacity for the relevant year.

QUALITY CONTROL

We operate a comprehensive quality management system that governs materials, processes, finished goods, and traceability across the production lifecycle. The framework covers key aspects including product and process monitoring and measurement, control of non-conforming items, document control, and record management, and sets out clear roles and responsibilities, inspection stages, documentation requirements, approval flows, and record-retention standards.

- *Product and Process Monitoring and Measurement.* We conduct incoming inspections for major raw materials and outsourced components under defined criteria. During production, quality control includes first-article checks when a new batch, operator change or process adjustment occurs to closely monitor these critical production phases involving changes and ensure consistent manufacturing quality, in-process inspections carried out by operators and patrol inspectors, and final inspections against product inspection standards before storage or shipment. All inspection and test results are recorded in standardized forms to ensure full traceability across the production lifecycle.
- *Control of Non-Conforming Items.* Materials, work-in-progress goods or products identified as non-conforming are labeled and segregated promptly. Disposition follows defined steps, including evaluation, corrective measures and re-inspection before any release for production or delivery.
- *Document and Record Control.* Quality documents are created, reviewed, approved and retained in accordance with controlled procedures. Quality records, including inspection reports, corrective-action logs and calibration records, are accurately maintained and stored under suitable conditions with retention periods set by our record-retention schedule and applicable requirements.

Our quality control procedures are supplemented by our External Provision Process Control Program, which sets out the evaluation, selection and control requirements for external providers, ensuring that any outsourced positions or services meet our quality standards. To maintain production flexibility, we utilize outsourcing arrangements for certain limited production positions, and outsourcing personnel are subject to the same rigorous quality control and supervision measures as our internal staff. During the Track Record Period, we have not experienced any material product recalls, sales returns or legal claims arising from product safety or quality issues, nor have we had any product or service recalls up to the Latest Practicable Date.

LOGISTICS AND INVENTORY MANAGEMENT

We engage third-party logistics providers to handle deliveries to our customers, arranging for finished products to be delivered from our production facility directly to customers or to locations designated by them. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material delays, disputes, or transportation-related losses that materially and adversely affected our business operations.

We store work-in-progress, finished products, and selected components and raw materials in our warehouse. Our warehouse operates under defined intake, storage and issuance controls: materials are received against purchase orders and delivery notes, released to stock only after the incoming materials have passed quality inspection, and non-conforming items are segregated for disposition. Inventory is stored by zone with clear identification and issued on a first-in,

first-out basis against authorized requisitions and bills of materials. We maintain complete warehouse records and conduct planned stock counts to ensure accuracy and traceability, and we enforce safety and housekeeping requirements, including controlled access and fire-safety measures.

Our inventories include contract fulfillment costs, raw materials, finished goods, and work in progress goods. We have set up a comprehensive inventory management system to manage the process of inventory storage, acceptance and dispatch, monitor the status of inventories and conduct inventory counting. We have established a rigorous inventory management and impairment policy to monitor our inventory levels and minimize obsolescence. For raw materials, work in progress, and finished goods, we assess potential obsolescence based on an aging analysis, where we generally make provisions of 25%, 50%, and 100% for inventories aged 1–2 years, 2–3 years, and over 3 years, respectively. For contract fulfillment costs, we perform a project-by-project analysis to identify any projects that are stagnant, cancelled, or where estimated total costs exceed expected revenue, and make specific impairments accordingly. As of December 31, 2023, 2024, and 2025 and June 30, 2026, our inventories were RMB179.2 million, RMB256.7 million, RMB209.6 million, and RMB174.6 million, respectively. See "Financial Information – Discussion of Certain Key Items on Consolidated Statements of Financial Position – Assets – Inventories" for details. We have a strict inventory control policy to monitor our inventory levels to minimize obsolete inventory.

OUR CUSTOMERS

Major Customers

During the Track Record Period, our revenue was derived from our robotic solutions, and to a lesser extent, from the sales of robotic products and other related products. See "Financial Information – Key Components of Our Consolidated Statements of Profit or Loss – Revenue" for details.

For the years ended December 31, 2023, 2024, and 2025 and the six months ended June 30, 2026, our revenue generated from our five largest customers in each period in aggregate accounted for 21.6%, 44.0%, 55.7% and 55.2% of our total revenue for the respective period. Our revenue generated from our largest customer in each period accounted for 4.8%, 16.5%, 26.7%, and 16.4% of our total revenue for the respective period.

The growing customer concentration during the Track Record Period was primarily attributable to our sales model, which focuses on delivering high-quality robotic solutions to large-scale enterprises. As we successfully implemented and delivered various projects, we achieved higher customer satisfaction and established strong track records with our major customers. Consequently, the demand from these leading customers, particularly domestic large-scale enterprises, evolved from sporadic, small-scale purchases to large-scale deployments, leading to a significant increase in revenue contribution from our top customers. According to CIC, this trend is generally in line with the industry norm for robotic solution providers, where large-scale customers tend to consolidate their procurement with proven and reliable solution providers as their digital and automation needs scale up.

To mitigate the risks associated with customer reliance, we have implemented several strategic measures. We continue to enhance our service quality and upgrade our product performance, functions, and application scenarios to maintain high satisfaction and retention among our existing major customers. Simultaneously, we are intensifying our market development efforts to diversify our customer base across various industry verticals. We are also actively expanding our international presence to capture growing demand in overseas markets, thereby reducing our dependence on any single market or group of customers.

The following tables summarize information about our customers and our revenue from them during each period of the Track Record Period:

For the year ended December 31, 2023

Customer	Commencement of business relationship	Background	Products/ Services provided	Credit Term and Payment Method	Revenue contribution	Percentage of total revenue
					(RMB in thousands)	*(%)*
Customer A . .	2021	A China-based company primarily engaged in the development of smart factory software systems, intelligent logistics systems, and the customization of AGVs and industrial robot integrations	Robotic solutions	Bank transfer; 15 days	3,540	4.8
Customer B . .	2021	A China-based company primarily engaged in the development of high-end CNC systems, industrial robots, and new energy vehicle drive systems	Robotic solutions	Bank transfer/banker's acceptance; 60 days	3,523	4.7
Customer C . .	2023	A global company primarily engaged in providing automated intralogistics and material handling solutions, with a focus on the food & beverage and grocery industries	Robotic products	Bank transfer; 30 days	3,330	4.4
Customer D . .	2021	A China-based company primarily engaged in the R&D, manufacturing, and sales of refrigerators, air conditioners, and other home appliances, listed on both the Hong Kong Stock Exchange and the Shenzhen Stock Exchange	Robotic solutions	Bank transfer; 15 days	3,065	4.1
Customer E . .	2022	A China-based company primarily engaged in the R&D, manufacturing, and sales of high-end built-in kitchen appliances	Robotic solutions	Bank transfer; 30 days	2,729	3.6
Total					**16,187**	**21.6**

For the year ended December 31, 2024

Customer	Commencement of business relationship	Background	Products/ Services purchased	Credit Term and Payment Method	Revenue contribution	Percentage of total revenue
					(RMB in thousands)	*(%)*
Customer F . .	2021	A China-based company primarily engaged in providing intelligent logistics integrated solutions and the R&D and manufacturing of forklifts, AGVs, and related smart systems	Robotic solutions	Bank transfer/banker's acceptance; 180 days	18,951	16.5
Customer G . .	2018	A China-based industrial AI platform company primarily engaged in providing intelligent solutions for process industries, listed on the Shanghai Stock Exchange and the SIX Swiss Exchange	Robotic solutions	Bank transfer/ banker's acceptance; 30 days	17,648	15.4
Customer H . .	2022	A China-based technology company primarily engaged in providing intelligent IoT products and services focused on video technology and security systems, listed on both the Shenzhen Stock Exchange	Robotic solutions	Bank transfer/ banker's acceptance; 90 days	5,619	4.9
Customer I . . .	2021	A China-based company primarily engaged in the R&D, production, and sales of industrial robots, intelligent equipment, and automation devices	Robotic solutions	Bank transfer; 30 days	4,359	3.8
Customer J . . .	2022	A China-based high-tech company primarily engaged in providing integrated intelligent logistics solutions, including the stacker cranes, telescopic forks, conveyor lines, and WMS/WCS software systems	Robotic solutions	Bank transfer/ banker's acceptance; 20 days	3,915	3.4
Total					**50,492**	**44.0**

For the year ended December 31, 2025

Customer	Commencement of business relationship	Background	Products/ Services purchased	Credit Term and Payment Method	Revenue contribution	Percentage of total revenue
					(RMB in thousands)	*(%)*
Customer F[(1)]	2021	A China-based company primarily engaged in providing intelligent logistics integrated solutions and the R&D of forklifts, AGVs, and related smart systems	Robotic solutions	Bank transfer/banker's acceptance; 180 days	70,847	26.7
Customer K	2020	A China-based company primarily engaged in information system integration services, software development, and building materials sales	Robotic solutions	Bank transfer; 30 days	33,186	12.5
Customer L	2021	A China-based company primarily engaged in the provision of automated production solutions and logistics systems	Robotic solutions	Bank transfer; 60 days	17,480	6.6
Customer A	2021	A China-based company primarily engaged in the development of smart factory software systems, intelligent logistics systems, and the customization of AGVs and industrial robot integrations	Robotic solutions	Bank transfer; 15 days	15,203	5.7
Customer M	2021	A China-based company primarily engaged in the manufacturing and sales of optoelectronic devices, display components, and televisions	Robotic solutions	Bank transfer; 30 days	11,107	4.2
Total					**147,823**	**55.7**

Note:

(1) The substantial increase in our sales to Customer F from 2024 to 2025 was primarily attributable to the successful delivery of our previous projects and solutions which enhanced customer satisfaction, leading to a shift in Customer F's procurement demand from sporadic, small-scale purchases to large-scale deployments.

For the six months ended June 30, 2026

Customer	Commencement of business relationship	Background	Products/ Services purchased	Credit Term and Payment Method	Revenue contribution	Percentage of total revenue
					(RMB in thousands)	*(%)*
Customer F . .	2021	A China-based company primarily engaged in providing intelligent logistics integrated solutions and the R&D of forklifts, AGVs, and related smart systems	Robotic solutions	Bank transfer/banker's acceptance; 180 days	27,677	16.4
Customer N. . .	2024	A China-based company primarily engaged in providing core actuators, control components, and sensors for smart home appliances	Robotic solutions	Bank transfer/banker's acceptance; 60 days	19,181	11.3
Customer O. . .	2025	A China-based company primarily engaged in battery manufacturing, battery sales, and new energy power equipment manufacturing	Robotic solutions	Bank transfer/banker's acceptance; 30 days	17,655	10.4
Customer P. . .	2024	A China-based company primarily engaged in providing manufacturing and marketing of metal packaging containers, and related technical services	Robotic solutions	Bank transfer/banker's acceptance; 30 days	17,543	10.4
Customer Q . .	2022	A China-based company primarily engaged in providing intelligent factory full-chain products, including industrial robots and complete sets of automation equipment, surface treatment equipment, smart logistics equipment, and digital factories	Robotic solutions	Bank transfer/banker's acceptance; 30 days	11,412	6.7
Total					**93,469**	**55.2**

To the best of our knowledge, (i) all of our five largest customers for each period during the Track Record Period are Independent Third Parties, and (ii) none of our Directors, their respective associates or any shareholder who owned more than 5% of our issued share capital as of the Latest Practicable Date has any interest in any of our five largest customers for each period during the Track Record Period.

During the Track Record Period, we recorded product refund and return costs of approximately RMB0.3 million, RMB1.0 million, RMB0.3 million and nil in 2023, 2024, 2025 and the six months ended June 30, 2026, respectively, which were primarily arising from mutual settlements, project cancellations, or adjustments in project scope with certain customers. We did not experience any material disputes with our customers, and the aforementioned returns and

refunds were resolved through standard commercial negotiations or settlement agreements without resulting in any litigation or significant adverse impact on our operations.

Key Terms of our Agreement with Major Customers

Set forth below is a summary of key terms of the typical service agreement signed with our direct sales customers:

- *Term.* Generally set on project based.
- *Delivery.* We are generally responsible for delivering products to customer-designated locations in accordance with the agreed schedule, coordinating logistics and on-site delivery as needed.
- *Installation, Commissioning, and Training.* We generally provide on-site installation, commissioning, and technical training to ensure that system performance meets contractual specifications.
- *Payment.* Payments are generally made in stages, such as upon contract effectiveness or order confirmation, delivery, installation, and final acceptance.
- Payment terms generally include an initial payment upon order confirmation, with subsequent payments settled in stages upon achieving milestones of the agreement, and late payment beyond a grace period shall incur interest charges.
- *Warranty and After-sales Services.* We generally provide a warranty period of 12 to 24 months from acceptance, under which we repair or replace defective products at our own cost, excluding issues arising from misuse, unauthorized modification, or force majeure.
- *Product Return or Replacement.* Customers generally have the right to return or reject the products with defects specified in the agreement by notifying us during the warranty period following inspection and confirmation of defects.
- *Confidentiality and Intellectual Property.* Both parties are required to maintain confidentiality of technical and commercial information. Intellectual property rights in our products, software, and system designs remain exclusively with us, and customers are prohibited from reverse engineering or unauthorized use.
- *Termination.* Contracts may be terminated by either party upon mutual consent or for material breach, such as failure to deliver or pay, non-compliance with technical standards, or violation of confidentiality obligations.

OUR SUPPLIERS

Major Suppliers

During the Track Record Period, our suppliers primarily included providers of raw materials, including components and other raw materials, and manufacturing services. The components we procure from our suppliers primarily include mechanical parts, electromechanical standards, sensors, electronic components, motors, reducers, and batteries. During the Track Record Period, we did not experience any material disputes with our suppliers, difficulties in the procurement of raw materials and components, disruptions to our operations due to a shortage of or delay in supply of raw materials or services, or significant fluctuations in raw material and components prices. While there have been global discussions regarding chip shortages, we expect the impact on our operational and financial performance to be minimal, as we have successfully achieved domestic substitution for the vast majority of chips and sensors used in our products, significantly reducing our reliance on international semiconductor supplies.

For the years ended December 31, 2023, 2024, and 2025, and the six months ended June 30, 2026, our purchases from our five largest suppliers in each period in aggregate accounted for 31.5%, 36.2%, 28.3%, and 22.3% of our total purchases for the respective period. Our purchases from our largest supplier in each period accounted for 8.3%, 10.6%, 8.7%, and 6.3% of our total purchases for the respective period.

The following tables summarize information about our five largest suppliers and our purchases from them during each period of the Track Record Period:

For the year ended December 31, 2023

Supplier	Commencement of business relationship	Background	Major purchases	Credit Term and Payment Method	Purchase amount	Percentage of total purchase
					(RMB in thousands)	*(%)*
Supplier A . . .	2021	A China-based company primarily engaged in the manufacturing of forklift and intelligent material handling equipment	Forklifts and manufacturing services	Bank transfer/ banker's acceptance; 10 days	6,326	8.3
Supplier B . . .	2019	A China-based company primarily engaged in the R&D, manufacturing and sales of industrial safety sensors	Laser sensors	Banker's acceptance; 60 days	5,477	7.2
Supplier C . . .	2019	A China-based company primarily engaged in the R&D, manufacturing and sales of high-precision planetary reducers	Speed reducers	Bank transfer; 30 days	5,091	6.7
Supplier D . . .	2022	A China-based company primarily engaged in the rental of warehouse equipment and storage services and the supply of warehousing and material handling equipment	Conveyors	Bank transfer; 10 days	3,691	4.9
Supplier E . . .	2019	A China-based company primarily engaged in the R&D, manufacturing and sales of lithium-ion, battery packs, and battery management systems (BMS)	Battery packs	Bank transfer/ banker's acceptance; 30 days	3,306	4.4
Total					**23,891**	**31.5**

For the year ended December 31, 2024

Supplier	Commencement of business relationship	Background	Major purchases	Credit Term and Payment Method	Purchase amount	Percentage of total purchase
					(RMB in thousands)	*(%)*
Supplier F . . .	2021	A China-based company primarily engaged in providing intelligent logistics integrated solutions and the R&D and manufacturing of forklifts and related smart systems	Forklifts and hoists and manufacturing services	Bank transfer; 30 days	14,491	10.6

Supplier	Commencement of business relationship	Background	Major purchases	Credit Term and Payment Method	Purchase amount	Percentage of total purchase
					(RMB in thousands)	*(%)*
Supplier G . . .	2024	A China-based company primarily engaged in the R&D and manufacturing of industrial automation equipment	Integrated pipe shaping lines	Banker's acceptance; 45 days	13,274	9.7
Supplier H . . .	2024	A China-based company primarily engaged in the manufacturing of industrial automation control systems and industrial robots	Integrated production lines	Banker's acceptance; 45 days	7,950	5.8
Supplier A . . .	2021	A China-based company primarily engaged in the manufacturing of forklift and intelligent material handling equipment	Forklifts and manufacturing services	Bank transfer/ banker's acceptance; 10 days	6,122	4.6
Supplier I . . .	2023	A China-based company primarily engaged in the technical R&D and sales of smart products, electronics, and logistics equipment	Overhead Hoist Transport	Bank transfer; 30 days	7,522	5.5
Total					**49,359**	**36.2**

For the year ended December 31, 2025

Supplier	Commencement of business relationship	Background	Major purchases	Credit Term and Payment Method	Purchase amount	Percentage of total purchase
					(RMB in thousands)	*(%)*
Supplier J . . .	2025	A China-based company primarily engaged in the R&D, design, and production of logistics systems and warehouse equipment	Stacker cranes	Bank transfer/ banker's acceptance; 15 days	10,159	8.7
Supplier K . . .	2025	A China-based modern high-tech private enterprise primarily engaged in providing intelligent logistics solutions and system integration	Stereoscopic racks	Banker's acceptance	6,872	5.8
Supplier C . . .	2019	A China-based company primarily engaged in the R&D, manufacturing and sales of high-precision planetary reducers	Speed reducers	Bank transfer; 90 days	5,951	5.0

Supplier	Commencement of business relationship	Background	Major purchases	Credit Term and Payment Method	Purchase amount	Percentage of total purchase
					(RMB in thousands)	*(%)*
Supplier A . . .	2021	A China-based company primarily engaged in the manufacturing of forklift and intelligent material handling equipment	Forklifts and manufacturing services	Bank transfer/ banker's acceptance; 10 days	5,286	4.5
Supplier L . . .	2025	A China-based company primarily engaged in providing intelligent logistics system solutions and equipment integrating robotic handling equipment, AGV/RGV conveying systems, and integrated warehouse management software	Automated stereoscopic warehouses	Bank transfer; 15 days	5,115	4.3
Total					**33,383**	**28.3**

For the six months ended June 30, 2026

Supplier	Commencement of business relationship	Background	Major purchases	Credit Term and Payment Method	Purchase amount	Percentage of total purchase
					(RMB in thousands)	*(%)*
Supplier C . . .	2019	A China-based company primarily engaged in the R&D, manufacturing and sales of high-precision planetary reducers	Speed reducers	Bank transfer; 90 days	4,576	6.3
Supplier M . . .	2025	A China-based company primarily engaged in the design, manufacturing and optimization of automated logistics solutions	Automated warehousing and storage equipment	Banker's acceptance; prepayment of 30% of the contract amount, 30% upon delivery, 30% upon acceptance and 10% upon expiry of warranty	3,673	5.0
Supplier N . . .	2022	A China-based company primarily engaged in providing high-performance, smarter LiDAR products and solutions	Laser	Bank transfer/banker's acceptance; prepayment of 20% of the contract amount, with the balance due 60 days after invoice arrives	3,503	4.8

Supplier	Commencement of business relationship	Background	Major purchases	Credit Term and Payment Method	Purchase amount	Percentage of total purchase
					(RMB in thousands)	*(%)*
Supplier O . . .	2018	A China-based company primarily engaged in the production and sales of miniature AC geared motors, small AC geared motors, brushed DC geared motors, BLDC brushless DC geared motors, and precision planetary gearboxes	speed reducer	Bank transfer/banker's acceptance; 90 days	2,497	3.4
Supplier P . . .	2025	A China-based company primarily engaged in software development, automotive parts research and development, and manufacturing	Vehicle body	Bank transfer; 65% upon entering into the contract, 35% upon acceptance and 5% upon expiry of warranty	2,017	2.8
Total					**16,266**	**22.3**

To the best of our knowledge, (i) all of our five largest suppliers for each period during the Track Record Period are Independent Third Parties, and (ii) none of our Directors, their respective associates or any shareholder who owned more than 5% of our issued share capital as of the Latest Practicable Date has any interest in any of our five largest suppliers for each period during the Track Record Period.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant fluctuation in prices set by our suppliers, material breach of contract on the part of our suppliers, or material delay in delivery of our orders from our suppliers.

Procurement and Supplier Management

We generally adopt a sales-driven procurement model, under which procurement is carried out based on confirmed customer orders or demand forecasts. Our procurement department prepares material requests monthly or by project, taking into account sales projections and actual inventory levels. Purchase requisitions are approved prior to implementation. Procurement staff identify qualified suppliers through inquiry, quotation comparison and price negotiation, ensuring compliance with technical specifications, delivery requirements and quality standards. Upon contract execution, suppliers arrange delivery in accordance with agreed schedules, and goods are subject to inspection by our quality department before being accepted into warehouse.

We typically enter into purchase contracts on a project or batch basis. These contracts generally specify product types, quantities, prices, delivery timelines, payment terms, and quality assurance obligations, as well as anti-corruption, confidentiality and other standard terms that our suppliers should comply with.

We have established a supplier management framework to ensure product quality, supply reliability and cost efficiency. Our evaluation process covers supplier qualifications, technical capabilities, product quality, delivery performance, pricing and service responsiveness. For components, we generally maintain two to three qualified suppliers to ensure supply stability and mitigate concentration risk. We conduct ongoing monitoring of supplier performance and maintain records of procurement history, inspection results and settlement status. We continue to optimize procurement efficiency through standardized approval and quality inspection procedures while maintaining robust control over supplier performance and cost.

During the Track Record Period, our supplier relationships remained stable and we did not experience any material disputes, shortages or supply disruptions.

Key Terms of our Agreement with Major Suppliers

Set forth below is a summary of key terms of the typical service agreement signed with our major suppliers:

- *Term.* Generally set on a per project or per batch basis.
- *Quality Assurance.* All materials and components must comply with our technical standards and inspection requirements. Suppliers are responsible for rectifying or replacing defective goods within the agreed period.
- *Delivery.* Suppliers are responsible for the timely delivery of goods to our designated facility. Delivery must conform to the agreed schedule and be accompanied by valid delivery documentation, including invoices and inspection certificates.
- *Payment.* Payment is made by bank acceptance bills or bank transfers, typically within 30 to 90 days after delivery and inspection.
- *Warranty.* Suppliers generally provide warranty coverage for a defined period following acceptance, during which they remain responsible for repairing or replacing defective components at their own expense.
- *Confidentiality and Compliance.* Suppliers are required to keep all technical and commercial information confidential and to comply with applicable laws, including anti-bribery and business-integrity obligations.
- *Termination.* The contracts allow termination upon mutual agreement or in the event of a material breach, including failure to deliver on schedule, supply non-conforming goods, or violate confidentiality or compliance undertakings.

OVERLAPPING CUSTOMERS AND SUPPLIERS

The intelligent robotics industry comprises multiple specialized segments, including component design and manufacturing, robot design and development, manufacturing, assembly and integration, and algorithm and software development. To meet increasingly diverse and sophisticated customer requirements, industry participants commonly source products or services from peer companies to provide integrated and end-to-end solutions. Accordingly, it is a market practice for enterprises operating at different points along the industry value chain to transact with one another in dual capacities, acting as both suppliers and customers.

We operate as a provider of intelligent mobile robotic products and solutions within the broader industrial intelligent robotics ecosystem. In the ordinary course of business, we procure raw materials and components from other industry participants to support our product development and solution delivery. At the same time, certain of these industry participants may also purchase our robotic solutions, robotic products and related products to strengthen or complement their own technological and operational capabilities. Such reciprocal commercial relationships are a natural consequence of the highly interconnected and collaborative nature of the intelligent robotics ecosystem, which promotes mutual development and innovation across the industry. For reporting purposes, transactions involving sales to and procurements from affiliate entities within the same group are aggregated at the group level, which results in the observed overlap between our customers and suppliers.

Customer F, being our largest customer in 2024, 2025 and for the six months ended June 30, 2026, which was also our Supplier F. We mainly sold robotic solutions to Customer F, and procure raw materials, including machining parts and electromechanical standards and manufacturing services from them. In 2024, 2025 and for the six months ended June 30, 2026, our sales to Customer F amounted to RMB19.0 million, RMB70.8 million and RMB27.7 million, accounting for 16.5%, 26.7% and 16.4% of our total revenue, respectively. In 2023, 2024, 2025 and for the six months ended June 30, 2026, our purchases from Customer F amounted to RMB1.7 million, RMB14.5 million, RMB0.2 million and RMB5 thousand, respectively, and accounted for 2.2%, 10.6%, 0.1% and 0.1% of our total procurement costs for the corresponding periods.

Customer G, being our second largest customer in 2024, which was also our supplier in 2024, 2025 and the six months ended June 30, 2026. We mainly sold robotic solutions to Customer G, and procure raw materials, including machining parts and electromechanical standards, from them. In 2024, our sales to Customer G amounted to RMB17.6 million, accounting for 15.4% of our total revenue. In 2024, 2025 and the six months ended June 30, 2026, our purchases from Customer G amounted to RMB1.0 million, RMB59 thousand and RMB130 thousand, respectively, and accounted for 0.7%, 0.05% and 0.2% of our total procurement costs for the corresponding periods.

Customer H, being our third largest customer in 2024, which was also our supplier in 2023. We mainly sold robotic solutions to Customer H, and procure raw materials, including sensors and electronic components, from them. In 2024, our sales to Customer H amounted to RMB5.6 million, accounting for 4.9% of our total revenue. In 2023, our purchases from Customer H amounted to RMB2 thousand, and accounted for less than 0.1% of our total procurement costs for the corresponding periods.

Supplier O, being our fourth largest supplier for the six months ended June 30, 2026, which was also our customer in 2025. We mainly procure speed reducers from Supplier O, and sold motors and drives. In the six months ended June 30, 2026, our purchases from Supplier O amounted to RMB2.5 million, accounting for 3.4% of our total procurement costs for the corresponding period. In 2025, our sales to Supplier O amounted to RMB2 thousand.

Negotiations of the terms of our sales to and purchases from the customer-supplier were conducted on an individual basis, and the sales and purchases were not inter-connected or inter-conditional with each other. Our Directors confirmed that all of our sales to and purchases from the customer-supplier were entered into after due consideration taking into account the prevailing purchase and selling prices at the relevant times, conducted in the ordinary course of business under normal commercial terms and on arm's length basis. The gross profit margins and material terms of our transactions with overlapping customers and suppliers were generally comparable to those of our transactions with other independent third parties. Our Directors confirm that, saved as disclosed above, none of our major suppliers was our customers, or vice versa, during the Track Record Period.

BUSINESS ACTIVITIES IN RELATION TO ENTITIES SUBJECT TO INTERNATIONAL SANCTIONS

Sales

During the Track Record Period, we have sold and provided robotic solutions, navigation modules and related components for production purposes (such as goods-handling tasks) to certain end customers ("**Relevant Customers**") who were designated on (i) the Entity List and Military End User ("**MEU**") List maintained by the Bureau of Industry and Security ("**BIS**"); (ii) the Chinese Military Companies ("**CMC**") List maintained by the U.S. Department of War; and (iii) the SDN List maintained by OFAC ("**SDN List**"). Our sales to the Relevant Customers during the Track Record Period amounted to RMB3,413 thousand, RMB797 thousand, RMB461 thousand and RMB7,219 thousand in the years ended December 31, 2023, 2024, and 2025 and the six months ended June 30, 2026, respectively.

In relation to our Group's sales to certain Relevant Customers who were designated on the BIS Entity List, sales of products subject to the EAR to the Relevant Customers designated on the BIS Entity List are prohibited unless authorized (the "**Entity List Restrictions**"). In relation to our Group's sales to certain Relevant Customers who were designated on the BIS Entity List and with footnote 4 and footnote 1 designation, provision of items subject to the EAR under de-minis rule and/or under the foreign direct product rule for footnote 4 and footnote 1 entities set out in 15 C.F.R. § 734.9(e) (the "**Footnote Entities FDP Rule**") to such Relevant Customers are prohibited unless authorized. Our Group did not sell any U.S.-origin items, or any non-U.S.-origin items subject to the EAR (including items that are specified in the Footnote Entities FDP Rule) to such Relevant Customers who were designated on the BIS Entity List (including those with footnote 4 and footnote 1 designation).

In relation to our Group's sales to certain Relevant Customer designated on the MEU List, the transfer of certain listed products subject to the EAR to the Relevant Customer designated as

a Military End User without a license is prohibited. For our transactions with such Relevant Customer on the MEU List, we did not sell any items listed on the List of Items Subject to the Military End Use or End User License Requirement (Supplement No. 2 to Part 744, which listed out the types of items subject to license for sales to Military End Users, the "**MEU Items List**").

U.S. government agencies are prohibited to transact with entities listed on the CMC List. Given we are not the type of entities restricted to transact with such entities listed on the CMC List, our sales to such Relevant Customers were not subject to such restriction.

U.S. persons are prohibited to have any dealings with or facilitate dealings with parties designated on the SDN List unless authorized. During the Track Record Period, we have sold our robotic solutions to one customer designated on the SDN List and its wholly owned subsidiaries (collectively referred as "**SDN Customers**"; in particular, these wholly owned subsidiaries are subject to the same sanctions restrictions as SDNs pursuant to OFAC's 50 Percent Rule due to direct or indirect SDN ownership of 50% or more). Our sales to such SDN Customers during the Track Record Period amounted to RMB3,227 thousand, RMB795 thousand, RMB287 thousand and RMB117 thousand in the years ended December 31, 2023, 2024, and 2025, and the six months ended June 30, 2026, respectively. Our transactions with such SDN Customers were (i) denominated solely in RMB and did not involve any U.S. nexus; (ii) did not involve transfer of any items that are subject to the EAR; and (iii) did not involve transfer of any items that is listed on the Common High Priority Items List issued by the BIS ("**CHPL**") or The Russia Critical Items Determination issued pursuant to subsection 11(a)(ii) of E.O. 14024 which identifies certain items that support Russia's military-industrial base ("**Russia Critical Items List**").

Procurement

During the Track Record Period, we have procured GPS positioning module, printed circuit board, charging socket assembly, Light Detection and Ranging ("**LiDAR**"), vision camera, and forklift from certain suppliers ("**Relevant Suppliers**") who were designated on the on the BIS Entity List, Chinese Military-Industrial Complex Companies ("**CMIC**") List maintained by OFAC, the CMC List, and the SDN List. Our purchases from the Relevant Suppliers during the Track Record Period amounted to RMB215 thousand, RMB337 thousand, RMB382 thousand and RMB85 thousand in the years ended December 31, 2023, 2024, and 2025, and the six months ended June 30, 2026, respectively.

Certain Relevant Suppliers who were designated on the BIS Entity List are subject to the Entity List Restrictions. Our Group's purchase from such Relevant Suppliers did not involve any items that are subject to the EAR.

United States persons are prohibited from the purchase or sale of any publicly traded securities, derivative of such securities or those designed to provide investment exposure to such securities, of entities designated on the CMIC List unless licensed. Our activities with such Relevant Supplier designated on the CMIC List, were limited to sales of our products, and did not involve any purchase or sale of any publicly traded securities, or restricted financial activities in relation to such Relevant Supplier.

U.S. government agencies are prohibited to transact with entities listed on the CMC List. Given we are not the type of entities restricted to transact with such entities listed on the CMC List, our procurement from such Relevant Suppliers were not subject to such restriction.

U.S. persons are prohibited to have any dealings with or facilitate dealings with parties designated on the SDN List unless authorized. During the Track Record Period, we have made procurement from one supplier designated on the SDN List ("**SDN Supplier**"). Such procurement from SDN Supplier during the Track Record Period amounted to RMB47 thousand, RMB169 thousand, RMB238 thousand and RMB10 thousand in the years ended December 31, 2023, 2024, and 2025, and the six months ended June 30, 2026, respectively. Our transactions with such SDN Supplier did not involve transfer of any items subject to the EAR, were denominated in RMB and did not involve any U.S. nexus. Our transactions with such SDN supplier were (i) denominated solely in RMB and did not involve any U.S. nexus; (ii) did not

involve transfer of any items that are subject to the EAR; and (iii) did not involve transfer of any items that is listed on the CHPL or the Russia Critical Items List.

Summary

As advised by our International Sanctions Legal Advisors, given that (i) our transactions with the Relevant Customers and the Relevant Suppliers did not involve transfer of any items subject to the EAR (including the Footnote Entities FDP Rule and the MEU Items List); (ii) our transactions with Relevant Customers and the Relevant Suppliers designated on the CMIC List and/or CMC List were limited to the sales of our products and procurement made by us; (iii) our transactions with certain Relevant Supplier and certain Relevant Customer who are designated on the SDN List were denominated in RMB and did not involve any U.S. nexus; and (iv) our transactions with SDN Customers and SDN Suppliers did not involve transfer of any items that is listed on the CHPL or the Russia Critical Items List our Group's activities did not represent a violation of any of the applicable International Sanctions and the U.S. export controls.

We have been gradually ceasing our transactions with the Relevant Customers and Relevant Suppliers and expect all such transactions to cease by the end of 2026. We are actively identifying and engaging non-sanctioned alternative suppliers whose products offer competitive pricing and performance advantages. Our Directors are thus of the view that the cessation of transactions with the Relevant Customers and Relevant Suppliers will not have a material adverse effect on our Group's business operations.

Impact on U.S. Tariffs

In April 2025, the United States announced broad tariffs on imports from all countries, comprising a 10% so-called "baseline" tariff on all countries, varying so-called "reciprocal" tariffs on certain trade partners, and a so-called "fentanyl-related" tariff of 20% on goods from China, Mexico and Canada. As of early April 2025, the U.S. had imposed tariffs of 145% on most imports from China, and China responded with tariffs of 125% on most goods from the United States. On May 12, 2025, following bilateral negotiations, China and the United States announced a 90-day suspension for most of these higher tariffs levied on each other's goods, during which the U.S. will continue a 30% tariff on Chinese imports and China will keep a 10% tariff on U.S. goods. This suspension was further extended by the two countries for an additional 90 days until November 10, 2025. As advised by our International Sanctions Legal Advisors, following the two countries' trade negotiations on October 30, 2025, the U.S. agreed to suspend for one year a 24% reciprocal tariff on Chinese products and reduce the fentanyl-related tariff on Chinese products by 10%. In addition, China agreed to adjust its counter measures related to the above U.S. tariffs, and the two countries agreed to continue extending certain tariff exemptions. On February 20, 2026, the U.S. Supreme Court held that the International Emergency Economic Power Act does not authorize the President to impose tariffs, including the reciprocal and fentanyl-related tariffs. Effective from February 24, 2026, the U.S. customs authority will cease to collect these tariffs. President Trump issued a proclamation to impose a temporary import surcharge of 10% on all imports to the U.S. effective from February 24, 2026 for a period of 150 days. On July 23, 2026, the U.S. Trade Representative ("**USTR**") announced final Section 301 tariffs on non-exempt products from 60 investigated economies addressing certain economies' failure to adopt and/or effectively enforce prohibitions on imports produced with forced labor ("**Section 301 Forced Labor Tariffs**"). Effective from July 24, 2026, the U.S. Trade Representative is imposing Section 301 Forced Labor Tariffs on all products from 60 investigated economies to address forced labor concerns, subject to specific exemptions in Annexes I and II, with either 10% or 12.5% tariff rate (subject to potentially additional Most-Favored-Nation rate).

During the Track Record Period, we have sold our products including intelligent mobile robotics to the U.S. The applicable Product-specific Section 301 Tariff rate on our products imposed by the U.S. government is 25% (in addition to any of the applicable most favored nation rate and Section 301 Forced Labor Tariffs). Our revenue attributable to export to the United States was approximately RMB96 thousand, nil, nil, and RMB461 thousand in 2023, 2024, 2025 and six months ended June 30, 2026, respectively, representing roughly 0.13%, nil, nil, and 0.27% of our total revenue in the same year/period. Given (i) the sales revenue

generated from our U.S. exports is immaterial (less than 1%); and (ii) we do not plan to expand our U.S. exports and sales; therefore, our International Sanctions Legal Advisor is of the view that, the U.S. Product-Specific Section 301 tariffs and U.S. tariffs are unlikely to have a material adverse impact on our Group's business operations. Our Directors believe that the recent changes of U.S. tariff policies have not had and will not have any material adverse impact, directly or indirectly, on our business operations and financial performance.

TRANSFER PRICING ARRANGEMENTS

During the Track Record Period, we engaged in cross-border intra-group transactions to support our global business operations, which primarily comprised the sales of goods and the provision of intercompany services among our Group entities in the PRC, Singapore, Japan, and the United States. During the financial years ended December 31, 2023, 2024, and 2025 and the six months ended June 30, 2026, the aggregate transaction amounts for our cross-border intra-group transactions were nil, RMB0.8 million, RMB3.9 million, and RMB1.4 million, respectively. Compared to our total revenue these transaction amounts, as a percentage of total revenue, were nil, 0.7%, 1.7%, and 0.8%, respectively in 2022, 2023, 2024 and the six months ended June 30, 2026, which is immaterial to our overall financial results.

Our Directors confirm that (i) our transfer pricing arrangements during the Track Record Period were conducted on an arm's length basis and in compliance with all applicable transfer pricing laws and regulations in all material respects; (ii) there is no need for any transfer pricing adjustment or provision within our Group; and (iii) our transfer pricing arrangements have not been challenged or investigated by any relevant tax authority during the Track Record Period and up to the Latest Practicable Date.

INTELLECTUAL PROPERTY

As of the Latest Practicable Date, we had 186 issued patents, 11 pending patent applications, 33 registered software copyrights and 32 registered trademarks in the PRC. In addition, we have obtained overseas trademark registrations in 16 jurisdictions, including the United States, Canada, the European Union, the United Kingdom, Australia, Japan, Korea and other markets, and we hold one overseas patent as of the Latest Practicable Date.

We self-developed and self-owned all of our material intellectual property rights for our robotic solutions, robotic products and other related products. All of our material intellectual property rights are attributing to and protecting our robotic solutions, robotic products and other related products.

The table below sets out the portfolio of material granted patents for our core technologies in relation to our Specialist Technology Products as of the Latest Practicable Date, for which we are the registered owner:

No.	Patent Name	Application Number	Applicant	Place of Registration	Application Date
1	Docking device	CN2018103043153	the Company	PRC	March 28, 2018
2	AGV lifting device	CN2018103097223	the Company	PRC	April 9, 2018
3	Driving steering unit and chassis for guided transport vehicle	CN2018105571407	the Company	PRC	June 1, 2018
4	Moving body, working deviation compensation method and control device thereof	CN202010172594X	the Company	PRC	March 12, 2020
5	Servo control method, processor, storage medium and movable platform	CN2020104926743	the Company	PRC	June 3, 2020

No.	Patent Name	Application Number	Applicant	Place of Registration	Application Date
6	Positioning consistency method, apparatus and storage medium for at least two positioning objects	CN2020112430010	the Company	PRC	November 10, 2020
7	Laser-based depth camera external parameter calibration method, device and storage medium thereof	CN2020114210392	the Company	PRC	December 8, 2020
8	Movable platform capable of changing bearing area	CN2020115509518	the Company	PRC	December 24, 2020
9	Synchronous calibration method for external parameters of double steering wheel zero position and acquisition device and movable platform	CN2020115666769	the Company	PRC	December 25, 2020
10	Positioning method, positioning device and movable platform based on reference object	CN2021112320284	the Company	PRC	October 22, 2021
11	Material loading and unloading device of cantilever shaft type mobile robot and loading and unloading method	CN202111301011X	the Company	PRC	November 4, 2021
12	Docking correction method, docking correction device, docking device and computer equipment	CN2022100989174	the Company	PRC	January 27, 2022
13	Method, apparatus and electronic apparatus for identifying pallet height	CN2023111006710	the Company	PRC	August 29, 2023

See "Appendix VI – Statutory and General Information – Further Information about Our Business – Intellectual Property Rights" for details of our material intellectual property rights.

To safeguard our intellectual property rights, including unregistered rights such as software codes and trade secrets, we have implemented comprehensive management measures. These include (i) stringent clearance mechanisms such as mandatory patent searches before R&D commencement and compliance reviews for product launches to prevent infringement; (ii) proactive protection strategies involving systematic registration of patents, trademarks, and copyrights, alongside contractual arrangements to ensure ownership of work products; (iii) layered protection for trade secrets through confidentiality agreements and classified information management; and (iv) continuous market and database monitoring to identify and respond to potential infringements or unauthorized use of our intellectual property. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material disputes or claims for infringement upon third parties' intellectual property rights. As advised by our PRC Legal Advisor, we have been in compliance with all applicable intellectual property laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date.

COMPETITION

We operate in intelligent mobile robotics industry, which are highly competitive and concentrated. Driven by advancements in technologies, decreasing application costs and expanding application scenarios, the global intelligent robotics industry has entered a period of rapid growth. According to CIC, the global intelligent mobile robotics market increased from RMB14.8 billion in 2021 to RMB48.6 billion in 2025 in terms of sales revenue, and is expected to reach RMB176.3 billion by 2030. China represents one of the fastest-growing markets, supported by strong downstream demand from manufacturing upgrades, logistics automation and service industries.

The intelligent mobile robotics industry remains highly competitive and relatively fragmented. According to CIC, in terms of revenue in 2025, the top ten players in the global intelligent mobile robot market collectively accounted for approximately 12.0% of total market share, reflecting a competitive landscape with numerous international and domestic participants. According to CIC, by revenue in 2025, we were one of the top ten players globally in the intelligent mobile robotics market. Among the top ten players in the global industrial intelligent mobile robotics industry, we were the only one with full-scenario coverage across indoor and outdoor spanning across a wide range of industrial and commercial environments, supported by high-precision positioning and operation accuracy and the widest payload range, according to CIC.

The intelligent mobile robotics industry continues to undergo rapid technological iteration. Advances in large-model AI, multimodal perception and generalized algorithms are accelerating the transition of intelligent mobile robots from task-specific products to more flexible and scalable platforms capable of operating across multiple scenarios. Drawing on our unified core technology platform, self-developed capabilities, diversified robotics product matrix and proven ability to deliver and scale solutions across complex and heterogeneous environments, we believe we are able to sustain effective competition in a fragmented and rapidly evolving intelligent mobile robot market while continuing to expand our application coverage and global footprint.

See "Industry Overview – Competitive Landscape" for details.

EMPLOYEES

As of the June 30, 2026, we had a total of 410 full-time employees, five of which were based in Japan and all remaining employees were based in China. The following table sets forth the number of our employees by function as of June 30, 2026:

Function	Number	Percentage
Research and Development	133	32.4%
Production and Supply Chain Management	64	15.6%
Deployment Services	99	24.1%
Sales and Marketing	83	20.2%
General and Administrative	31	7.6%
Total	**410**	**100.0%**

Our success depends on our ability to attract, retain, and motivate qualified personnel. We offer employees competitive salaries, performance-based bonuses, and other benefits. We recruit employees primarily through campus recruitment for R&D positions, social recruitment for marketing functions, as well as online platforms and referrals, while delivery and production personnel are flexibly adjusted according to business requirements. Since 2023, our core management team has remained stable, and we plan to further strengthen our governance structure by introducing a board secretary position.

We offer employee orientation training, regular on-the-job training, and tailored programs according to employees' functions and positions, covering both technical and managerial skills. In addition, we organize internal activities to provide employees with a deeper understanding of our corporate culture. Our human resources department is responsible for business partnering functions and services including onboarding, transfers, and resignations, and coordinates closely with other departments to ensure our training and talent development are aligned with business needs.

In line with PRC laws and regulations, we participate in government-mandated employee benefit plans, including social insurance covering pensions, medical care, unemployment, work-related injury, and maternity, as well as housing provident funds. During the Track Record Period, we complied with these requirements in all material respects without incurring any significant administrative fines or penalties.

During the Track Record Period, we engaged third-party agencies to make social insurance and housing provident fund contributions for certain of our employees in certain locations where they work, which was primarily attributable to the wide geographical coverage of our sales network and the preferences of certain employees to have their contributions made in the locations where they were actually working or habitually residing for personal convenience. As of December 31, 2023, 2024 and 2025 and June 30, 2026, the number of such employees was 66, 63, 74, and 66, respectively. In 2023, 2024, 2025, and the six months ended June 30, 2026, the contributions made by the third-party agencies amounted to RMB2.7 million, RMB2.5 million, RMB2.6 million and RMB1.4 million, respectively. Utilizing third-party agencies to make social insurance contributions or housing provident fund contributions may be deemed a failure to pay in full and on time. In respect of social insurance, pursuant to the Social Insurance Law of the PRC, where an employer fails to pay social insurance premiums in full and on time, the social insurance premium collection agency shall order it to make the payment or make up the shortfall within a prescribed time limit, and shall impose a late payment surcharge at a daily rate of 0.05% from the date on which the payment becomes overdue; if payment is still not made within the prescribed time limit, the relevant administrative department may impose a fine of not less than one time and not more than three times the amount overdue.

As of the Latest Practicable Date, we have not been penalized or fined for above non-compliance issues, or received any notice of supplementary payment, fines or other penalties in relation to the above, and there are no material employee complaints or labor disputes associated therewith. Based on the certificate issued by the relevant competent authority, we have not been subject to any administrative penalty during the Track Record Period and up to the Latest Practicable Date. Based on the above, provided that there are no material changes to the current social insurance and housing provident fund policies and regulations, or to the enforcement and supervision requirements of local governments, our PRC Legal Advisor is of the view that the likelihood of us being fined due to above non-compliance issues is remote.

Our PRC Legal Adviser is of the view that the "Interpretation II on Legal Issues in the Trial of Labor Dispute Cases" issued by the Supreme People's Court of the PRC will not have a material adverse impact on the Company's operations and financial condition. Based on the views of the PRC Legal Adviser, our Directors are of the view that the Interpretation II on Legal Issues in the Trial of Labor Dispute Cases issued by the Supreme People's Court of the PRC would not have a material adverse impact on our operations and financials.

We maintain an amicable and stable relationship with our employees. Our employees have set up a labor union in China according to the relevant PRC labor law. During the Track Record Period and up to the Latest Practicable Date, we did not have any strikes, protests or other material labor conflicts that may materially and adversely affect our business, financial condition or results of operations.

PROPERTIES

Leased Properties

As of the Latest Practicable Date, we and our PRC subsidiaries leased six properties in the PRC with an aggregate gross floor area of approximately 26,577 square meters, which are primarily used for R&D, production, office, warehouse and dormitory purposes.

As of June 30, 2026, we did not have any single property with a carrying amount of 15% or more of our consolidated total assets. Accordingly, pursuant to Chapter 5 of the Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Cap. 32L of the Laws of Hong Kong), we are exempted from the requirement to include a valuation report with respect to all of our Group's interests in land or buildings in this document.

INSURANCE

We consider our insurance coverage to be adequate and consistent with the commercial practices of the industry in which we operate. We have purchased a variety of commercial insurance policies to cover our principal assets, employees and operations, including accident insurance, product liability insurance, and liability insurance for senior management personnel. In addition, all of our employees, including those on probation, are covered by statutory social insurances as required under the PRC laws, and retired re-hired employees and interns are provided with accident insurance. We will continue to review and assess our risk exposures and make adjustments to our insurance plans as necessary and appropriate to align with our business needs and industry practice. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material insurance claims in relation to our business.

However, there can be no assurance that our insurance coverage will be sufficient to cover all potential losses or liabilities. We may be subject to losses or claims that exceed the insured limits, or fall outside the scope of our existing insurance policies. In such circumstances, we could suffer significant costs or business interruptions that could adversely affect our financial condition and results of operations. See "Risk Factors – Risks Relating to Our Business and Industry – Our limited insurance coverage may not be sufficient to cover the risks related to our operations or any losses beyond our coverage".

DATA PRIVACY AND SECURITY

During the use of our robotic products, we do not collect any personal data or information from customers. During the course of our business operation, with the prior consent of our customers, suppliers and other business partners, we collect and maintain their contact information to the extent necessary and in accordance with the applicable laws and regulations on data privacy and security. Our PRC Legal Advisor is of the view that the contact information collected by us does not fall under the scope of personal sensitive information based on the basis that such information is limited to the names, positions, and professional contact details (such as mobile numbers and email addresses) of the contact persons of our business partners, which are voluntarily provided by them through emails or contract execution for the sole purpose of business coordination.

We have taken measures to maintain the confidentiality of such information to ensure regulatory compliance. We collect such information during routine business interactions, and it is transmitted and stored within our internal business systems (such as ERP and CRM) located on our local servers in the PRC. We have set up an access control system for personal information in our internal system so that it cannot be viewed without proper authorization or exported in bulk. We set up firewalls to prevent information loss or leakage caused by cyber-attacks. In addition, we from time to time examine the security of our data storage system. We strictly restrict the range of data that our employees are authorized to access based on their role and function. The transaction data we handle primarily consists of order data (such as product models, quantities, and delivery times), performance data (such as logistics tracking and acceptance certificates), and settlement data (such as payment status), none of which involves personal data.

As advised by our PRC Legal Advisor, we are not subject to a mandatory cybersecurity review by the Cyberspace Administration of China (the "**CAC**"), based on the basis that we are not a critical information infrastructure operator and that our **[REDACTED]** in Hong Kong does not constitute a "**[REDACTED]** in a foreign country" as defined under the Measures for Cybersecurity Review. We continue to pay close attention to the legislative and regulatory developments in cybersecurity and data protection and conduct routine cybersecurity and data protection compliance checks and rectification to keep pace with regulatory developments.

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' personal information. During the same periods, our information technology and software systems had not encountered any malfunction, unexpected system failure, interruption or security breach.

LICENSES, PERMITS AND OTHER CERTIFICATES

We are required to maintain various licenses, permits and approvals in order to operate our business. We continually monitor our compliance with the requirements related to licenses, permits and approvals in order to ensure that we have all such licenses, permits and approvals which are necessary to operate our business. As advised by our PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant authorities in China that are material to the operation of our existing business.

Holder	License/Permit	Issuing Authority	Issuance Time	Expiration Time
Our Company	High and New Technology Enterprise Certificate	Department of Science and Technology of Zhejiang Province, Zhejiang Provincial Department of Finance, and State Taxation Administration of Zhejiang Province	December 2021	December 2024
Our Company	High and New Technology Enterprise Certificate	Zhejiang Provincial Department of Economy and Information Technology, Zhejiang Provincial Department of Finance, and State Taxation Administration of Zhejiang Province	December 2024	December 2027
Our Company	Business License	Taizhou Municipal Administration for Market Regulation	May 2026[1] (Date of Incorporation: July 2016)	N/A
Quzhou Iplusmobot Technology Co., Ltd. (衢州迦智科技有限公司) ("**Quzhou Jiazhi**").	Business License	Changshan County Municipal Administration for Market Regulation	March 2026[1] (Date of Incorporation: May 2024)	N/A
Taizhou Jizhi Robot Co., Ltd. (台州璣智機器人有限公司).	Business License	Yuhuan Municipal Administration for Market Regulation	January 2026[1] (Date of Incorporation: January 2026)	N/A
Our Company	ISO20000 Information Technology Service Management System Certification	ZhongBiao HuaXin (Beijing) Certification Center	August 2025	August 2028
Our Company	ISO27001 Information Security Management System Certification	ZhongBiao HuaXin (Beijing) Certification Center	August 2025	August 2028

Holder	License/Permit	Issuing Authority	Issuance Time	Expiration Time
Our Company	ISO9001:2015 Quality Management System Certification	Xingyuan Certification Center	January 2025	January 2028
Quzhou Jiazhi	ISO9001:2015 Quality Management System Certification	Xingyuan Certification Center	June 2025	June 2028
Quzhou Jiazhi	ISO14001:2015 Environmental Management System Certification	Xingyuan Certification Center	June 2025	June 2028
Quzhou Jiazhi	ISO45001:2018 Occupational Health and Safety Management System Certification	Xingyuan Certification Center	June 2025	June 2028

Note:

(1) Business licenses were reissued by the relevant authorities upon completion of respective corporate changes. The dates listed above reflect the issuance dates of the latest valid business licenses, rather than their respective dates of incorporation.

AWARDS AND RECOGNITION

During the Track Record Period, we received awards and recognitions in respect of our products, solutions and operations. The following table sets forth the major awards and recognition we received as of the Latest Practicable Date:

Award/Recognition	Award Year	Awarding Authority
National-level Specialized, Refined, Differentiated and Innovative "Little Giant" Enterprise	2022 & 2025	MIIT
Provincial Key Enterprise Research Institute	2024 & 2025	Zhejiang Provincial Department of Economy and Information Technology
High-Precision Semiconductor Manufacturing Composite Mobile Robot Recognized as Zhejiang First (Set) Equipment	2024	Zhejiang Provincial Department of Economy and Information Technology
Zhejiang Typical Robot Application Scenario "Integrated Intelligent Mobile Robot for Multi-Dimensional Automated Material Handling and Trackless Navigation for 5G Production Lines"	2022	Zhejiang Provincial Department of Economy and Information Technology
Zhejiang Manufacturing First (Set) Product Program for "EMMA Series: Multi-dimensional Automatic Material Handling & Trackless Navigation Integrated Intelligent Mobile Robot"	2020	Zhejiang Provincial Department of Economy and Information Technology

Award/Recognition	Award Year	Awarding Authority
Hangzhou Quasi-Unicorn Enterprise	2022–2025	Hangzhou Entrepreneurship & Venture Association
Ningbo Science and Technology Progress Award	2024	Ningbo Municipal Government
Chinese Association of Automation Science and Technology Progress Award	2023	Chinese Association of Automation (CAA)
11 Women Shaping the Future of Robotics in 2026 for our founder, Dr. Xiong Rong	2026	International Federation of Robotics (IFR)
Best Delivery Reputation Product Award	2025	China Robot Industry Alliance
Top 20 Most Commercially Promising Tech Vendors in Advanced Manufacturing and High-end Equipment in China	2022	Jiazi Lightyear
Mobile Robot Technology Leadership Award	2022	China Robotics and Intelligent Manufacturing Industry Summit
EMMA Omnidirectional Flexible Mobile Robot – Mobile Robot Product Innovation Award	2021	China AI & Robotics Developer Conference

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

We recognize that fulfilling Environmental, Social, and Governance ("**ESG**") responsibilities is not only a corporate duty, but also fundamental to achieving long-term, sustainable growth. We are committed to embedding ESG principles into our corporate strategy, operational management and business practices. We will continue to enhance our ESG-related management systems and policies, and intend to maintain transparent communication with our stakeholders – such as shareholders, customers and employees – through the annual publication of ESG report, to actively respond to their expectations and concerns.

ESG Governance

We have established a three-tier organizational structure of "Board of Directors – Audit Committee – ESG Working Group" to coordinate ESG governance matters and strengthen our capabilities in identifying and managing ESG risks.

- The Board of Directors is primarily responsible for overseeing and guiding our overall ESG strategy and performance, including (i) reviewing and assessing material ESG risks and opportunities; (ii) approving sustainability strategies and targets; (iii) overseeing the implementation and performance of ESG policies and action plans; and (iv) approving public disclosures of ESG-related information.
- The Audit Committee is responsible for identifying, determining and assessing ESG risks and materiality, and reporting material matters to the Board on a regular basis; formulating and reviewing ESG targets, policies and action plans; and regularly receiving and evaluating reports from the ESG Working Group.

- The ESG Working Group is responsible for executing ESG management, managing ESG risks in day-to-day operations, supporting the development of ESG-related targets, policies and action plans, and regularly reporting ESG progress to the Audit Committee.

The Board of Directors fully recognizes the significance of ESG risks to the company's business strategy, financial performance and daily operations. Based on the company's current business model and development stage, we continuously pay attention to the concerns of internal and external stakeholders, benchmark against leading ESG practices in the industry, identify and analyze ESG issues that may have a significant impact on the company's business, and prudently incorporate them into the formulation and implementation of the company's strategic, financial and operational plans.

We consider ESG risks to be an integral part of our overall risk management. We have established a closed-loop ESG risk management process of "identification – assessment – response – monitoring" to continuously and dynamically monitor changes in risk exposure. Our key ESG risks identified to date include environmental risks, extreme weather risks and supplier disruption risks. To address our key ESG risks, we have established corresponding management systems with clear objectives and assessment indicators, and are taking proactive measures to mitigate their potential negative impacts. This includes enhancing our environmental management system, strengthening contingency planning and drills for climate-related extreme events, and improving supplier diversification to build resilient risk response capabilities. For further details, please refer to the respective ESG issue chapters below.

Environmental Protection

We strive to operate in an environmentally responsible manner and maintain full compliance with applicable requirements. We aim to achieve end-to-end compliant management of emissions and adopt a systematic management framework to identify, manage and reduce the environmental impacts arising from our operations. Quzhou Iplusmobot Technology Co., Ltd., one of our subsidiaries, has obtained ISO 14001 certification for its environmental management system. In 2023, 2024, 2025, and the six months ended June 30, 2026, we incurred no environmental compliance costs.

Environmental Targets

We have established the following environmental targets for emissions, energy and resources, and greenhouse gases, under the assumptions that our core business structure and production activities remain stable and that our energy- and water-saving measures are feasible and can be effectively implemented:

- **Emissions:** we will maintain end-to-end compliant management of waste emissions, with no material environmental violations; and maintain a 100% ongoing compliance rat**e** with our pollutant discharge permit requirements.

  For the disposal of non-hazardous waste, we have set the goal of 'using 2023 as the base year, we plan to reduce the intensity of non-hazardous waste generation by 5% by 2027.' We ensure the achievement of this goal through the following measures: (1) Source reduction control, comprehensively promoting green office practices, strictly controlling the use of paper supplies, optimizing product and material packaging, and selecting lightweight and biodegradable materials to reduce waste generation at the source; (2) Improving recycling efficiency, expanding the coverage of classified recycling in office areas, strengthening employee environmental awareness campaigns, and increasing the sorting rate and utilization of recyclable waste.
- **Energy and resources:** our water and electricity consumption will comply with the applicable regulatory requirements on total energy consumption and energy consumption intensity targets, as well as the local standards on water intake quotas, in the jurisdictions where we operate.

For the use of water resources, we have set the goal of 'using 2023 as the base year, and planning to reduce the electricity and water consumption per unit of operating income across the group's global operations by 5% by 2027.' We will ensure the achievement of this goal through the following measures: (1) Energy-saving management, gradually replacing energy-efficient equipment, and regularly inspecting abnormal energy consumption points; (2) Water resource-saving management, arranging personnel for irregular inspections, conducting employee water-saving awareness campaigns, and fostering a consciousness of conserving water.

- **GHG emissions:** we will benchmark against Zhejiang Province's carbon peaking and carbon neutrality action plan and local requirements on carbon intensity control, advance energy-saving and carbon reduction projects and measures, and ensure that our carbon emissions intensity does not exceed the applicable local upper limit.

  For greenhouse gas emission reduction, we have set the goal of 'using 2023 as the base year, and planning to reduce the greenhouse gas emission intensity per unit of global operating revenue of the group by 5% by 2027.' We ensure the achievement of this goal through the following measures: (1) regular promotion; (2) closely monitoring the rules and guidelines related to greenhouse gas emissions at our operating locations and complying with them in a timely manner; (3) encouraging employees to travel green, avoiding unnecessary business trips to reduce greenhouse gas emissions from business travel.

To achieve the above targets, we will strictly implement our internal environmental management requirements, further enhance our environmental management system, advance the implementation of energy-saving and water-saving measures in an orderly manner, and strengthen the monitoring and evaluation of environmental data to continuously improve our environmental management standards.

Emissions

We strictly adhere to the *Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Water Pollution* and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, among other relevant laws and regulations, and has formulated the *Environmental Protection Policy* to set out standardized requirements and process controls for the management of waste management. Our production activities mainly involve robot manufacturing and do not generate industrial wastewater or waste gas. Domestic sewage arising from our operations is discharged in strict accordance with local environmental requirements, connected to the municipal sewage pipeline network and ultimately treated by municipal wastewater treatment plants.

Our production activities do not generate industrial hazardous waste. Waste arising from our operations mainly comprise non-hazardous waste, such as household waste, used packaging materials and recyclable waste. We strictly comply with local waste management requirements, implement waste classification, collection and management, and entrust local sanitation authorities for unified collection, transportation and disposal. In line with the principle of resource recovery, recyclable waste such as wastepaper and wood are transferred to recycling enterprises for processing into recycled raw materials for reuse.

We have recorded the following emissions data during the Track Record Period:

	Unit	For the Year Ended December 31,			For the Six Months Ended June 30,
		2023	2024	2025	2026
Non-hazardous Waste	Tons	13.21	20.95	30.14	19.27
Non-hazardous Waste Generation Intensity	Ton/RMB million of revenue	0.17	0.18	0.11	0.11

The increase in the total volume of non-hazardous waste is primarily due to the growth in our employee numbers and the expansion of production and operational sites. In light of our established reduction targets for non-hazardous waste, we will continue to implement measures to progressively reduce the waste intensity and ensure the achievement of the target.

Resource Utilization

We place great emphasis on the efficient use of resources, including energy, water and packaging materials. We comply with the *Energy Law of the People's Republic of China* and the *Water Law of the People's Republic of China*, among other applicable laws and regulations, and regulate the management of energy and resource use through our *Environmental Protection Policy*. Our energy consumption mainly consists of purchased electricity, and our water is sourced from municipal water supply. We incorporate energy conservation and consumption reduction into our day-to-day operations, and strive to ensure that our water and electricity consumption complies with the applicable regulatory requirements on total energy consumption caps and energy consumption intensity targets, as well as local standards on water intake quotas, in the jurisdictions where we operate. To this end, we have implemented a range of measures to enhance resource efficiency:

- We prioritize high-efficiency and energy-saving equipment when selecting energy-using equipment;
- We regulate electricity use in office and production areas through internal requirements, including requirements on lighting and air-conditioning to reduce operating energy consumption;
- We organize targeted energy-saving and water-saving trainings on a regular basis, and reinforce employees' awareness of resource conservation through posters and signage, as well as guidance in our employee handbook;
- We follow the principles of waste reduction and recyclability by collecting and reusing recyclable used packaging materials to support the development of a circular economy.

Our resource usage data during the Track Record Period are as follow:

	Unit	For the Year Ended December 31,			For the Six Months Ended June 30,
		2023	2024	2025	2026
Total Energy Consumption[1]	MWh	484.4	501.7	988.8[2]	455.42
Energy Consumption Intensity	MWh/RMB million of revenue	6.31	4.29	3.72	2.69
Total Water Consumption	m^3	1,109	1,171	3,668	1,670.00
Water Consumption Intensity	m^3/RMB million of revenue	14.44	10.00	13.81	9.87
Packaging Material Consumption[2]	Tons	5.32	5.77	14.76	5.15
Packaging Material Consumption Intensity	Ton/RMB million of revenue	0.07	0.05	0.06	0.03

[1] As we do not use or operate company vehicles or staff canteens, our total energy consumption consists solely of electricity.

[2] Packaging materials used in our operations mainly comprise plastic and paper-based packaging materials.

Product Lifecycle Sustainability

We attach great importance to the sustainability of our products throughout their entire lifecycle, spanning R&D and manufacturing to downstream applications. By deeply integrating green and low-carbon philosophies into our operations and value chain, we are committed to reducing the carbon footprint of our products through full-chain green synergy, thereby driving the green transformation of the industry.

In 2023, 2024, 2025, and the six months ended June 30, 2026, our products have a recyclability rate of 85% and a reuse rate of 80%. At the same time, we take the pass rate of factory safety inspections as an indicator of product quality and safety, systematically monitoring product quality and safety levels to provide a solid guarantee for product reliability and user safety.

Research and Development (R&D)

During the R&D stage, we focus on energy efficiency optimization and environmental compatibility of our mobile robots. Our intelligent handling equipment is powered by high-efficiency, energy-saving systems, achieving zero tailpipe emissions throughout the product lifecycle compared to traditional internal combustion forklifts. To address complex industrial demands, our products feature adaptive energy consumption adjustment, which intelligently allocates power across various operating conditions – such as standby and active tasks – to minimize energy waste. Furthermore, our robots utilize a modular design architecture, allowing core components to be disassembled, reused, or upgraded, which significantly reduces resource consumption associated with equipment decommissioning.

Manufacturing

We have established a proprietary manufacturing facility in operation exceeding 16,000 square meters in Quzhou, Zhejiang Province, achieving vertical integration and self-sufficiency in core components. This internal production capability enables "zero-distance" transport and assembly of core parts, effectively realizing low-carbon logistics. Additionally, the facility employs advanced energy-saving manufacturing processes and intelligent production systems designed to minimize energy and resource intensity during the fabrication process.

Product Application and Impact

Through the deployment of our mobile robot solutions, we empower customers across various industries to upgrade their production and logistics scenarios, facilitating decarbonization across the downstream value chain. Notable achievements include:

- Green Factory Project in the Aluminum Alloy Industry: We developed a smart logistics system for a leading domestic aluminum processing enterprise. By deploying our QN1416 reach-type intelligent forklifts to replace traditional fuel-powered fleets, we automated the entire transport process from production lines to warehousing. This project eliminated workshop tailpipe emissions and significantly enhanced cleanliness, logistics efficiency, and energy conservation.
- Intelligent Transformation Project in the Printing and Packaging Industry: We implemented a fleet of FOLA intelligent forklifts and an integrated dispatch management system for a renowned domestic printing and packaging company, replacing manual handling for semi-finished and finished goods. The project enables 24/7 continuous operations and leverages precision scheduling to reduce idle time, optimize warehouse capacity, and increase inventory turnover, thereby indirectly reducing the carbon footprint of the entire production process.

Responding to Climate Change

As a high-tech enterprise focused on the research, development and manufacturing of intelligent mobile robots, we recognize the systemic challenges and transition opportunities arising from global climate change. We will progressively incorporate climate change considerations into our operational decision-making, enhance our mechanisms for identifying and assessing climate-related risks and opportunities, and strengthen our climate resilience. Based on our business and operating characteristics, our identified climate-related risks and corresponding mitigation measures are as follows:

Physical Risks

Extreme weather events such as typhoons, heavy rainstorms and prolonged high temperatures may adversely affect our business operations. Such events may cause disruptions to power and water supply and hinder logistics and transportation, affecting office operations and production activities, and in turn potentially impacting our product delivery capabilities and the stability of customer services. To mitigate the potential impacts of such physical risks, we conduct emergency drills for extreme weather on a regular basis, with a view to enhancing our emergency response capability and safeguarding the stability of our operations and production activities.

Transition Risks

As climate-related policies and regulations continue to evolve and regulatory requirements become increasingly stringent, we may need to allocate additional resources to strengthen compliance management. In addition, in response to global low-carbon transition trends and evolving customer preferences, adopting advanced high-efficiency and energy-saving models in selecting energy-using equipment, and developing energy-saving products and solutions, may also increase our costs. To address such transition risks, we will continue to assess the benefits and feasibility of relevant technology adoption and product and solution innovation, enhance our core competitiveness, and ensure that our development strategy remains aligned with low-carbon transition trends.

We actively respond to China's carbon dioxide peaking and carbon neutrality strategy, and benchmark against Zhejiang Province's carbon dioxide peaking and carbon neutrality initiatives and local requirements on carbon intensity control. We will advance energy-saving and carbon reduction projects and measures and progressively achieve a scientific reduction of greenhouse gas emissions.

Our greenhouse gas emissions data during the Track Record Period are as follows:

	Unit	For the Year Ended December 31,			For the Six Months Ended June 30,
		2023	2024	2025	2026
Scope 2 Greenhouse Gas Emissions[3]	tCO_2e	257.02	266.20	524.66	241.65
Scope 3 Greenhouse Gas Emissions[4]	tCO_2e	384.73	435.46	592.73	218.75
Total Greenhouse Gas Emissions	tCO_2e	641.75	701.66	1,117.39	460.40
Greenhouse Gas Emission Intensity (Scope 1 + Scope 2)	tCO_2e/RMB million of revenue	3.35	2.27	1.98	1.43

[3] Our Scope 2 greenhouse gas emissions come from indirect emissions generated by purchased electricity. The greenhouse emission factor for purchased electricity is calculated according to the factor as set out in the "Announcement on the Release of the Carbon Dioxide Emission Factor of Electricity in 2023" issued by the Ministry of Ecology and Environment of the People's Republic of China and National Bureau of Statistics.

[4] Within our current capabilities, we have collected and calculated Scope 3 greenhouse gas emissions data for fuel- and energy-related activities and business travel. We will gradually expand the coverage and improve the statistics of Scope 3 emissions data in the future.

Corporate Social Responsibility

We recognize that fulfilling social responsibilities is important to our long-term development, and we are committed to creating shared value among our stakeholders. We focus on innovative products and solutions to create value for our customers, and support employee development by fostering an equal and inclusive workplace and providing a career platform for high-potential talent. We also actively respond to community needs and strive to achieve mutual progress between the Company and society.

Employment

We strictly adhere to the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other relevant laws and regulations. We have established and implemented an employee management system framework, including the *Recruitment Management Policy*, the *Compensation and Performance Management Policy* and the *Benefits Management Policy*, to standardize our management processes relating to recruitment, compensation, performance, working hours and employee benefits.

We strictly prohibit child labor and forced labor. In our recruitment process, we conduct stringent verification of candidates' resumes and supporting documents. We uphold a non-discrimination principle and implement equal pay for equal work based on job value and performance, to safeguard fair and equitable employment and benefits opportunities. We make

statutory contributions for employees' social insurance and housing provident funds, and provide additional benefits, including health check-ups, holiday benefits and department team-building activities.

We are committed to supporting our employees' long-term development. We have formulated the *Employee Training Management Policy*, under which our training system covers multiple dimensions, including professional skills enhancement, product knowledge and management capability development. We also implement a six-month talent development program (the "**Qingmiao Program**"), which focuses on key pain points and needs in career development, and supports employees' professional growth through offline courses, mentoring and coaching, and co-learning initiatives.

We place great emphasis on employees' occupational health and safety. We strictly comply with the *Work Safety Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, among other applicable laws and regulations, and have formulated safety management systems, including the *Safety Production Target Management Policy* and the *Safety Production Responsibility System*. We implement measures such as providing personal protective equipment, organizing regular health check-ups and conducting testing for occupational hazard factors, with a view to systematically preventing occupational health risks. We also conduct external audits of our occupational health and safety system on a regular basis, and Quzhou Iplusmobot Technology Co., Ltd., one of our subsidiaries, has obtained ISO 45001 certification for its occupational health and safety management system. During the Track Record Period and up to the Latest Practicable Date, we did not have any material safety incidents resulting in work-related fatalities.

Our employee-related records during the Track Record Period are as follows:

		Unit	For the Year Ended December 31,			For the Six Months Ended June 30,
			2023	2024	2025	2026
Employment		Persons	324	359	420	410
By gender	Male	Persons	255	283	340	326
	Female	Persons	69	76	80	84
By age group	30 years and below	Persons	181	189	216	207
	31 to 50 years	Persons	142	169	201	201
	Above 50 years	Persons	1	1	3	2
By region	Chinese Mainland	Persons	324	359	417	405
	Other regions	Persons	0	0	3	5
Work-related fatalities		Persons	0	0	0	0

Supply Chain Management

We have established procurement-related policies, including the *IPLUSMOBOT Procurement Management Procedures and the IPLUSMOBOT Procurement Management Implementing Measures* to standardize supplier admission management and mitigate environmental and social risks across our supply chain. In the supplier onboarding process, we require suppliers to meet applicable compliance and qualification requirements, and conduct dedicated on-site social responsibility inspections. We treat ESG indicators – such as environmental compliance and labor practices – as key prerequisites for onboarding and ongoing assessments, and manage identified issues through routine monitoring, periodic re-assessments and closed-loop remediation to prevent and mitigate supply chain environmental and social risks. We also incorporate green and sustainable development concepts into our supplier management process. When selecting and working with suppliers, we prioritize partners with green manufacturing capabilities, low-carbon practices and strong social responsibility performance, with a view to jointly promoting a responsible and sustainable industrial chain.

We have established a supplier classification and grading management system centered on strategic coordination and controllable risk. First, we scientifically categorize procurement activities, matching different procurement projects such as materials, fixed assets, and services with differentiated processes and resources. On this basis, suppliers are quantitatively evaluated quarterly based on key dimensions such as quality, delivery, cooperation, and price, and classified into four grades: A (excellent), B (qualified), C (emergency), and D (unqualified), implementing differentiated cooperation strategies ranging from priority procurement to rectification and elimination. Through quarterly dynamic evaluations and annual comprehensive reviews, the company continuously optimizes the supplier structure, strengthens supply chain resilience, and is committed to building a long-term stable and mutually beneficial supply ecosystem.

During six months ended June 30, 2026, we had a total of 55 key suppliers with procurement amounts exceeding RMB350,000 yuan, and their total transaction amount accounted for 81.9% of the annual procurement total. Among them, 38 suppliers had obtained ISO-related certifications, and their transaction amount accounted for 71.6% of the total transactions of these 55 suppliers, reflecting the company's emphasis on the coordination and compliance of quality management systems in the management of core suppliers.

Innovation and Industry Development

We view innovation as the primary engine of our growth. We are committed to continuously advancing our robotics technologies to broaden the application of our robotic solutions across diverse environments, industries, and tasks. By delivering intelligent products and solutions, we empower manufacturing facilities to reduce costs and enhance operational efficiency.

Driven by our proprietary, intelligent mobile robot technology platform, we have achieved high-precision autonomous mobility and large-scale cluster scheduling. Under the guidance of our "4C×M×N" framework, we have developed a diversified product portfolio – including standard AMRs, omni-directional heavy-load AMRs, industry specific AMRs, forklift AMRs, outdoor AMRs, and embodied intelligence products. These are integrated with our proprietary software systems, such as CLOUDIA, CARLY, iMCS, and OWL, to create universal, all-scenario solutions.

We are one of the few enterprises in the industry possessing in-house R&D capabilities for universal intelligent mobile robot solutions. We place a high premium on the exploration of robotics theory and technology, having played a key role in drafting four national standards and over ten group standards within the robotics sector.

Our products and solutions have consistently earned prestigious industry accolades. In recent years, we have received the 2023 Science and Technology Progress Awards from the Chinese Association of Automation, the LeadeRobot 2024 Mobile Robot Scenario Pioneer Award, and the 2025 Top Enterprise for SLAM Navigation Stability in China's mobile robot industry. Furthermore, our Intelligent Mobile Robot Enterprise Research Institute was officially

recognized as a Provincial Key Enterprise Research Institute in 2024, underscoring our leadership in technological innovation.

Product Responsibility

Product safety and quality is a core commitment of the Company. We have formulated quality inspection policies and procedures, including the *Control Procedure for Monitoring and Measurement of Products and Processes,* to support comprehensive quality control. We have established a full-process quality inspection system covering raw material admission, manufacturing and finished product release, with tiered inspection standards. During production, we conduct first-piece inspection, in-process inspections and final inspections of finished products to ensure end-to-end control over product quality. With a sound quality management system and organizational structure, the Company has obtained ISO 9001 certification for its quality management system.

In terms of intellectual property protection, we have established a full-process protection and risk control framework covering research and development, procurement, production and marketing in intellectual property protection. We implement ongoing management mechanisms, including pre-R&D patent searches and analysis, intellectual property training, reviews of product launches and marketing activities, and emergency response procedures for infringement risk incidents, to prevent and mitigate intellectual property non-compliance risks. In addition, we safeguard our innovations by clarifying intellectual property ownership arrangements, implementing graded management of trade secrets, and conducting ongoing market monitoring and database surveillance.

In terms of information security and privacy protection, we implement data classification and graded management, together with stringent access controls and technical safeguards, to protect information security and privacy. Relevant departments conduct periodic audits and third-party assessments, and we maintain emergency response plans and drills to manage security risks and monitor the effectiveness of our controls. We also require suppliers to comply with our information security and privacy requirements, and incorporate privacy considerations into supplier onboarding reviews and audits. We have obtained ISO/IEC 27001 certification for our information security management system and ISO/IEC 20000 certification for our IT service management system.

Customer Management

Guided by a customer-centric philosophy, we integrate ESG principles throughout the entire life-cycle of our client partnerships. We advance customer management through three core initiatives, aiming to build a responsible ecosystem and achieve sustainable, win-win outcomes with our clients.

- Leveraging certifications such as ISO 20000, CMMI Level 3, and CS2 (Information System Integration and Service Capability), we have established a standardized service framework. We provide end-to-end services – from solution design and delivery to operations and maintenance – supported by a robust customer satisfaction tracking mechanism to ensure high-quality service and efficient project execution;
- Rooted in our ISO 27001 certification, we have constructed a full-chain information security defense system across organizational, procedural, and technical dimensions. Through technologies such as data encryption and rigorous access controls, we safeguard the security of clients' production and logistics data while ensuring business continuity;
- We proactively align with our clients' decarbonization goals by leveraging our expertise in mobile robotics to customize green intelligent logistics solutions, such as unmanned handling and path optimization in the printing, packaging, and aluminum processing industries to help clients reduce carbon emissions. Simultaneously, we have established an ESG communication mechanism to continuously iterate our products, enabling clients to achieve a dual enhancement in both environmental performance and operational efficiency.

In terms of customer service, we have established diversified feedback channels and a standardized complaint resolution process. We strictly follow a closed-loop procedure consisting of "Verification – Responsibility Assignment – Specialized Handling – Result Feedback – Satisfaction Follow-up" to drive problem resolution and continuously optimize the customer experience.

Business Ethics

We strictly comply with the *Anti-Money Laundering Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*, among other applicable laws and regulations. We have formulated the *Anti-bribery and Anti-corruption Policy* and the *Anti-money Laundering and Anti-sanctions Policy* to prohibit any misconduct, including commercial bribery and improper transfer of benefits. We regulate employees' performance of duties, gift acceptance and supplier engagement processes, and fulfill compliance obligations such as customer due diligence and transaction monitoring. We maintain whistleblowing channels and an investigation mechanism, and protect whistleblowers by keeping report information confidential and prohibiting retaliation. We also provide ongoing business ethics and anti-corruption training to all employees to strengthen compliance awareness and risk prevention capabilities.

Public Welfare and Charity

We actively fulfill our social responsibilities and continuously pay attention to public welfare needs, including education, healthcare and rural revitalization. As our business grows and our capabilities strengthen, we will proactively plan and explore community investment and philanthropic initiatives aligned with our expertise, with a view to better giving back to society and contributing positively to community development in the future.

LEGAL PROCEEDINGS AND REGULATORY COMPLIANCE

From time to time, we may become involved in legal proceedings and claims that arise in the ordinary course of our business activities. We cannot predict the results of litigation and claims. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management's time and attention. See "Risk Factors – Unfavorable results of administrative and legal proceedings and commercial dispute could adversely affect our business, results of operations and financial condition." During the Track Record Period and up to the Latest Practicable Date, there were no legal proceedings pending or threatened 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.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material non-compliance incidents that have led to fines, enforcement actions, or other penalties that would have a material adverse effect on our business, results of operations, financial condition or reputation.

RISK MANAGEMENT AND INTERNAL CONTROL

We are exposed to various risks during our operations. We have put in place a set of internal control and risk management policies and procedures to address potential operational, financial, legal and market risks identified in relation to our operations. We also periodically review these procedures to ensure their effectiveness. Our policies and procedures relate to managing our procurement and production, as well as monitoring our sales performance and product quality.

To monitor the ongoing implementation of our risk management policies and corporate governance measures after the **[REDACTED]**, we have adopted, or will continue to adopt, 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 details of the qualifications and experience of the committee members, see "Directors and Senior Management – Board Committees – Audit Committee;"

- adopt policies to ensure compliance with the Listing Rules, including but not limited to aspects related to risk management, connected transactions and information disclosure;
- organize training sessions for our Directors, supervisors and senior management in respect of the relevant requirements of the Listing Rules and duties of directors of companies **[REDACTED]** in Hong Kong;
- provide trainings periodically to our senior management and employees on professional behavior requirements and ethics standards to enhance their knowledge and compliance with applicable laws and regulations, and include relevant policies against non-compliance in our employee discipline measures and supervision guidelines;
- set clear guidelines and processes for identifying, measuring and addressing price and currency risks, ensuring that all hedging activities are conducted within a structured and consistent framework;
- enhance our reporting and records system for factories, including centralizing their quality control and safety management systems and conducting regular inspections of the facilities;
- establish a set of emergency procedures in the event of major quality-related issues;
- provide enhanced training programs on quality assurance and product safety procedures;
- distribute employee handbooks to enhance employees' awareness of complying with laws and regulations; and
- enhance key risk management and internal controls by implementing rigorous qualification screening for service providers and executing comprehensive service agreements with explicit liability allocation and indemnification clauses, conducting monthly, transaction-by-transaction reconciliations of official payment receipts against bank payment records, establishing a jointly controlled account to safeguard fund disbursements, proactively obtaining compliance confirmations from relevant regulatory authorities, quantifying any outstanding contribution amounts and maximum potential regulatory penalties on a quarterly basis for risk disclosure, and concurrently developing and executing a phased transition plan to migrate all employees to the Group's direct corporate accounts for benefit contributions.

OVERVIEW

Upon **[REDACTED]**, the Board will consist of seven Directors, including two executive Directors, two non-executive Directors and three independent non-executive Directors. The Directors serve for a term of three years and shall be subject to re-election upon retirement. The Board is responsible for and has the general power over the management and operation of our business, including determining our business strategies and investment plans, implementing resolutions passed at our general meetings, and exercising other powers, functions and duties as conferred by the Articles of Association. The Board also assumes the responsibilities for developing and reviewing the policies and practices of the Company on corporate governance, risk management, internal control and compliance with legal and regulatory requirements.

The senior management currently consists of four members who are responsible for our day-to-day management and operations.

DIRECTORS

The following table sets forth the key information about the Directors:

Name	Age	Position	Responsibilities	Date of the appointment as a Director	Date of joining the Group
Dr. Xiong Rong (熊蓉)	54	Chairperson of the Board, executive Director	Responsible for the overall strategic planning of our Group, and supervising and overseeing the management of our business operations	July 4, 2016	July 4, 2016
Mr. Chen Shouxian (陳首先)	42	Executive Director, chief executive officer of the Company	Responsible for the overall management and participating in major decisions on our Group's business operations	March 2, 2017	August 29, 2016
Ms. Chen Qunying (陳群英)	43	Non-executive Director	Responsible for providing advice and making recommendations to the Board	September 30, 2021	July 14, 2021
Ms. Zhao Dongmei (趙冬梅)	43	Non-executive Director	Responsible for providing advice and making recommendations to the Board	December 25, 2025	December 25, 2025
Dr. Yu Li (俞立)	65	Independent non-executive Director	Responsible for providing independent opinion and judgment to the Board	December 25, 2025	December 25, 2025
Dr. Zhang Li (張立)	47	Independent non-executive Director	Responsible for providing independent opinion and judgment to the Board	December 25, 2025	December 25, 2025
Dr. Chen Linrong (陳林榮)	54	Independent non-executive Director	Responsible for providing independent opinion and judgment to the Board	December 25, 2025	December 25, 2025

Executive Directors

Dr. Xiong Rong (熊蓉), aged 54, the founder of the Group, has been serving as the chairperson of the Board since July 4, 2016.

Dr. Xiong served as a teacher at Zhejiang University (浙江大學) from December 2009 to December 2012, and has been serving as professor there since May 2013. From December 2020

to December 2024, she served as a standing member of the First Committee of the Chinese Mechanical Engineering Society Space Mechanism Branch Committee (中國機械工程學會空間機構分會第一屆委員會).

Dr. Xiong has been serving as a standing committee member at the Intelligent Decision-Making Professional Committee of Chinese Association for Artificial Intelligence (中國人工智能學會智能決策專業委員會) since September 2024, at the National & Local Joint Humanoid Robotics Innovation Center (國家地方共建人形機器人創新中心) since June 2024, and as a standing committee member of the Robotics Branch of the Chinese Mechanical Engineering Society (中國機械工程學會機器人分會) since July 2023. Dr. Xiong was appointed as a member of the Expert Committee on Intelligent Human-Computer Interaction of the Chinese Institute of Electronics (中國電子學會智能人機交互專家委員會) in March 2021. She has also held the positions of deputy chairperson of the Robotics Technical Committee of the Chinese Association of Automation (中國自動化學會機器人專委會) since August 2024.

Dr. Xiong obtained a bachelor's degree in applied computer science from Zhejiang University in the PRC in April 1994. She then obtained a master's degree in computer organization and architecture in March 1997 and a doctoral degree in control science and engineering in June 2009 from the same university. Dr. Xiong was awarded the First Prize of Zhejiang Science and Technology Award (浙江省科學技術獎一等獎) by Zhejiang Provincial People's Government (浙江省人民政府) in 2013. In February 2017, she received the National May 1st Women's Pioneer Medal (全國五一巾幗獎章) from the All-China Federation of Trade Unions (中華全國總工會). In June 2018, she was designated as a Leading Talent under the Zhejiang Provincial Special Support Program for High-Level Talents (浙江省高層次人才特殊支持計劃領軍人才) by the Office of the Leading Group for Talent Development of the CPC Zhejiang Provincial Committee (中共浙江省人才工作領導小組辦公室). In October 2022, she was granted the Second Prize of the China Invention & Entrepreneurship Award (中國發明創業創新獎二等獎) by China Association of Inventions (中國發明協會).

Mr. Chen Shouxian (陳首先), aged 42, joined the Company on August 29, 2016 and has been serving as the chief executive officer of the Company since July 2019.

From November 2008 to April 2009, Mr. Chen served at Hangzhou Huiersen Technology Co., Ltd. (杭州惠爾森科技有限公司). He joined INTERSIL CHINA LIMITED (英特矽爾半導體中國有限公司), now known as Renesas Electronics Asia Pacific Limited (瑞薩電子亞太有限公司), in April 2009, and served as a senior application engineer from April 2013 to December 2013. From February 2014 to May 2015, he served at Zhejiang Nurotron Biotechnology Co., Ltd. (浙江諾爾康神經電子科技股份有限公司). From March 2016 to June 2016, he served as a director of the electronics department at Bituo E-commerce Co., Ltd. (必拓電子商務有限公司). From September 2016 to April 2017, he served as the deputy director of the research center at the Kunshan Innovation Center of Zhejiang University (浙江大學崑山創新中心).

Mr. Chen was honored as an Emerging Hangzhou Entrepreneur (新銳杭商) by Organizing Committee of the Hangzhou Business Internationalization & Innovation Forum (杭商國際化創新論壇組委會) in March 2022. He was named one of Fortune China's "40 Under 40" Business Elites (《財富》中國40位40歲以下的商界精英) in June 2022. Mr. Chen was also selected for the 2024 Hangzhou Municipal Talent Project (2024年度杭州市級人才項目) by Hangzhou Municipal Science and Technology Bureau (杭州市科技局) in December 2024.

Mr. Chen obtained a bachelor's degree in electronic and information engineering in June 2006, a master's degree in power electronics and electric drives in September 2008 and a master's degree in business administration in June 2021 from Zhejiang University in the PRC. He obtained the senior engineer qualification in information technology (technology development) by the Zhejiang Software Industry Association (浙江省軟件行業協會) in January 2023.

Non-executive Directors

Ms. Chen Qunying (陳群英), aged 43, joined the Company as assistant of general manager on July 14, 2021 and has been serving in the position since then.

From March 2015 to February 2019, Ms. Chen served as deputy general manager at Hangzhou Nanjiang Robotics Co., Ltd (杭州南江機器人股份有限公司). From June 2019 to June 2021, she served as a sales director at Hangzhou Yunshenchu Technology Co., Ltd. (杭州雲深處科技股份有限公司).

Ms. Chen obtained an associate degree in tourism management from Zhejiang Normal University (浙江師範大學) in the PRC in July 2002 and a bachelor's degree in business administration from the Central Radio & TV University (中央廣播電視大學) in the PRC in January 2011. She obtained the senior engineer qualification by the Zhejiang Provincial Qualification Review Committee for Senior Professional Posts of Information-Technology Engineering Staff (浙江省信息技術工程技術人員高級職務任職資格評審委員會) in January 2025. Ms. Chen was awarded the Second Prize of the CAA Science and Technology Progress Award (中國自動化學會科技進步獎二等獎) by Chinese Association of Automation (中國自動化學會) in November 2023.

Ms. Zhao Dongmei (趙冬梅), aged 43, joined the Company as non-executive Director on December 25, 2025.

From July 2005 to February 2019, Ms. Zhao served as director at the Beijing office and worked at the Hong Kong and Boston offices of Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所). From February 2019 to July 2021, Ms. Zhao serve as the post-investment management lead at Beijing Jishun Engineering Consulting Co., Ltd. (北京集順工程諮詢有限公司). Since August 2021, she has been serving as the chief operating officer of LFC Fund Management Limited (瀧梧私募基金管理(北京)有限公司).

Ms. Zhao obtained a bachelor's degree in accounting from Nankai University (南開大學) in the PRC in June 2005 and a master's degree in business administration from Tsinghua University (清華大學) in the PRC in June 2026. She also obtained the certified public accountant qualification from the Chinese Institute of Certified Public Accountants (中國註冊會計師協會) in September 2010 and the United States certified public accountant qualification in April 2013, respectively.

Independent Non-executive Directors

Dr. Yu Li (俞立), aged 65, was appointed as an independent non-executive Director on December 25, 2025.

From July 1993 to July 1995, Dr. Yu worked as a visiting scholar at the Swiss Federal Institute of Technology in Lausanne. From October 1995 to October 1999, he served as an associate professor at Zhejiang University of Technology. Since November 1999, he has been serving as a professor at Zhejiang University of Technology. Dr. Yu has also been serving as an independent director at Hangzhou Huaxing Chuangye Communication Technology Co., Ltd. (杭州華星創業通信技術股份有限公司) (a company listed on Shenzhen Stock Exchange (stock code: 300025)) since November 2023 and at Zhejiang Nurotron Biotechnology Co., Ltd. (浙江諾爾康神經電子科技股份有限公司) since June 2024.

Dr. Yu obtained a bachelor's degree in control theory from Nankai University (南開大學) in the PRC in December 1982. He then obtained a master's degree in industrial automation from Zhejiang University in the PRC in June 1988, and a doctoral degree in industrial automation from the same university in January 1999. He obtained the title of professor by the Zhejiang Provincial Department of Human Resources and Social Security (浙江省人力資源和社會保障廳) in November 1999. Dr. Yu was admitted as a fellow of the Chinese Association of Automation (中國自動化學會) in November 2023.

Dr. Zhang Li (張立), aged 47, was appointed as an independent non-executive Director on December 25, 2025.

Dr. Zhang served as assistant professor in the department of mechanical and automation engineering at The Chinese University of Hong Kong (香港中文大學) from August 2012 to August 2017, as associate professor in the same university from August 2017 to August 2021, and has been serving as professor since August 2021, respectively. Dr. Zhang has been serving as director of the SIAT-CUHK Joint Laboratory of Robotics and Intelligent Systems (深圳先進技術研究院–香港中文大學機器人與智能系統聯合實驗室) since April 2022.

Dr. Zhang obtained a bachelor's degree in materials science and engineering from Zhejiang University in the PRC in June 2000, a master's degree in materials science and engineering from the University of Kiel in Germany in August 2002, and a doctoral degree in physics from the University of Basel in Switzerland in January 2007, respectively. He was also elected as a fellow of the Institute of Electrical and Electronics Engineers (電氣電子工程師學會) in January 2023.

Dr. Chen Linrong (陳林榮), aged 54, was appointed as an independent non-executive Director on December 25, 2025.

From May 2010 to December 2014, Dr. Chen worked as a teacher at Hangzhou Dianzi University (杭州電子科技大學). Dr. Chen served as a teacher at the Zhejiang Gongshang University(浙江工商大學) from December 2014 to December 2024, and has been serving as professor there since December 2024. He has also been serving as an independent director at Zhejiang Founder Motor Co., Ltd. (浙江方正電機股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 002196)) since April 2023, at HENGYI Petrochemical Co., Ltd. (恆逸石化股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 000703)) since September 2023, and at Shenzhen Transsion HOLDINGS Co., Ltd. (深圳傳音控股股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 688036)) since October 2023, respectively.

Dr. Chen obtained a bachelor's degree in agricultural economics and management from Jiangxi Agricultural University (江西農業大學) in July 1994, a master's degree in accounting from the Jiangxi University of Finance and Economics (江西財經大學) in July 2003, and a doctoral degree in accounting from the Central South University (中南大學) in December 2009, in the PRC, respectively. He also obtained the certified public accountant qualification from the Chinese Institute of Certified Public Accountants (中國註冊會計師協會) in March 2010, and certified qualification for independent directors of listed companies from the ChiNext Training Center of Shenzhen Stock Exchange (深圳證券交易所創業企業培訓中心) in October 2022.

SENIOR MANAGEMENT

The following table sets forth the key information about the senior management of the Company.

Name	Age	Position	Responsibilities	Date of the appointment as senior management	Date of joining the Group
Dr. Xiong Rong (熊蓉)	54	Chairperson of the Board, executive Director	Responsible for the overall strategic planning of our Group, and supervising and overseeing the management of our business operations	July 4, 2016	July 4, 2016
Mr. Chen Shouxian (陳首先)	42	Executive Director, chief executive officer of the Company	Responsible for the overall management and participating in major decisions on our Group's business operations	July 17, 2019	August 29, 2016
Dr. Sun Yichao (孫逸超)	39	Deputy general manager and chief technology officer of the Company	Responsible for setting the company's overarching technology strategy, directing innovation-focused R&D, and leading teams to accelerate the industrial deployment and market expansion of intelligent robotics technologies	September 1, 2017	September 1, 2017

Name	Age	Position	Responsibilities	Date of the appointment as senior management	Date of joining the Group
Ms. Zhang Yexi (張燁茜)	36	Chief financial officer of the Company, secretary to the Board	Responsible for overseeing the overall financial management of the Company and Board governance	November 16, 2025	October 27, 2025

For the biographical details of Dr. Xiong and Mr. Chen Shouxian, see "Directors and Senior Management – Directors".

Dr. Sun Yichao (孫逸超), aged 39, joined the Company as a chief technology officer and deputy general manager on September 1, 2017, and has been serving in that position since then. From September 2018 to December 2025, he served as a Director of the Company. Since June 2023, he has been the president of Iplusmobot Technology Co., Ltd. (アイプラスモボット株式会社).

Prior to joining our Group, from August 2015 to August 2017, Dr. Sun served as the R&D manager at Hangzhou Nanjiang Robotics Co., Ltd. (杭州南江機器人股份有限公司), where he led the R&D team, optimized product-development workflows and drove technical innovation to ensure efficient design, testing and mass production of robotic products.

Dr. Sun was granted the First Prize of the Zhejiang Science and Technology Award (浙江省科學技術獎一等獎) by the People's Government of Zhejiang Province (浙江省人民政府) in 2013. In December 2020, he received the Provincial First (Set) Equipment recognition under the 2020 Zhejiang Manufacturing First (Set) Product Program (2020年度浙江省製造業首台(套)產品省內首台(套)裝備) from the Zhejiang Provincial Department of Economy and Information Technology (浙江省經濟和信息化廳) for the project "EMMA Series: Multi-dimensional Automatic Material Handling & Trackless Navigation Integrated Intelligent Mobile Robot". In October 2022, he was awarded the Second Prize of the China Invention & Entrepreneurship Award (中國發明創業獎創新獎二等獎) by the China Association of Inventions (中國發明協會). Dr. Sun has also been serving as a member of the Logistics Robot Working Group (WG15) under the Sub-committee on Robot and Robot Equipment of the National Technical Committee 159 on Automation Systems and Integration (SAC/TC159/SC2/WG15) since April 2021.

Dr. Sun obtained a bachelor's degree in automation from Zhejiang University in the PRC in June 2008 and a doctoral degree in control science and engineering from the same university in December 2014. He was conferred the title of senior engineer by the Zhejiang Provincial Qualification Review Committee for Senior Professional Posts of Information-Technology Engineering Staff (浙江省信息技術工程技術人員高級職務任職資格評審委員會) in January 2023.

Ms. Zhang Yexi (張燁茜), aged 36, joined the Company on October 27, 2025 and was appointed as chief financial officer and secretary to the Board on November 16, 2025.

From November 2013 to June 2015, Ms. Zhang served as an audit manager at Beijing Xingzhonghai Certified Public Accountant Co., Ltd. (北京興中海會計師事務所有限公司). From December 2015 to June 2019, she served as the securities affairs representative at Beijing Changjiu Logistics Corp. (北京長久物流股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code 603569)). From July 2019 to December 2021, she served as an investment director at Beijing Yingpu Technology Co., Ltd. (北京影譜科技股份有限公司). From December 2021 to March 2025, she served as an executive director, vice president and board secretary at Changjiu Holdings Limited (長久股份有限公司) (a company listed on the Hong Kong Stock Exchange (stock code 06959)). From April 2025 to October 2025, she served as a vice president and board secretary at Ftxt Energy Technology Co., Ltd. (未勢能源科技有限公司).

Ms. Zhang obtained a bachelor's degree in accounting and management from Shanxi University of Finance and Economics (山西財經大學) in the PRC in October 2011. She also obtained a bachelor's degree in international accounting and business administration from Hochschule für Oekonomie und Management (德國埃森經濟與管理高等學院) in Germany in September 2011, and a master's degree in accounting and finance from the same university in July 2013. Ms. Zhang obtained the board secretary qualification certificate from the Shanghai Stock Exchange in April 2018 and the securities practitioner qualification from the Securities Association of China (中國證券業協會) in April 2019. She also passed the qualification examinations of fund practitioner from Asset Management Association of China (中國證券投資基金業協會) in October 2021. Ms. Zhang completed the KPMG CFO Accelerator Program in December 2024. She is currently a member of The Hong Kong Chartered Governance Institute for the 2025–2026 term.

GENERAL

As of the Latest Practicable Date, to the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries,

(i) save as disclosed above, none of the Directors or senior management has held any directorship in any public company the securities of which are listed on any securities market in Hong Kong or overseas during the three years immediately preceding the date of this document;

(ii) none of the Directors or members of the senior management of the Company was related to any other Directors and members of the senior management;

(iii) save as disclosed in "Statutory and General Information," none of the Directors or chief executive officer of the Company held any interest in the Shares which would be required to be disclosed pursuant to Part XV of the Securities and Futures Ordinance; and

(iv) there was no additional matter with respect to the appointment of the Directors that needs to be brought to the attention of the Shareholders, and there was no additional information relating to the Directors that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

As of the Latest Practicable Date, none of our Directors and their respective close associates had any interest in any business which competes or is likely to compete, either directly or indirectly with our Group's business which would require disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirmed that he or she (i) had obtained the legal advice referred to under Rule 3.09D of the Listing Rules on January 10, 2026; and (ii) understood his or her obligations as a director of a **[REDACTED]** issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of our independent non-executive Directors had confirmed (i) his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules; (ii) that he or she had no past or present financial or other interest in the business of the Company or its subsidiary or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date; and (iii) that there were no other factors that may affect his or her independence at the time of his or her appointments. Each of our independent non-executive Directors will inform us and the Stock Exchange as soon as practicable if there is any subsequent change of circumstances which may affect his or her independence.

JOINT COMPANY SECRETARIES

The Company has appointed Ms. Zhang Yexi and Ms. Tam Wing Tsz as our joint company secretaries on January 6, 2026, with effective from the **[REDACTED]**.

For details of Ms. Zhang Yexi's biography, see "Directors and Senior Management – Senior Management".

Ms. Tam Wing Tsz (譚詠子), has over 13 years of experience in company secretarial services and corporate governance in both Hong Kong and multinational corporations, serving a wide array of clients across different regions and covered various types of companies. She is skilled in managing corporate entities and their compliance, as well as overseeing subsidiaries across various industries.

Ms. Tam currently serves as the joint company secretary of Xiamen Jihong Co., Ltd (a company listed on the Hong Kong Stock Exchange (stock code: 2603)) and CaoCao Inc. (a company listed on the Hong Kong Stock Exchange (stock code: 2643)). She also currently serves as the manager of global entity compliance at Computershare Hong Kong Investor Services Limited. In this role, she continues to utilize her extensive expertise in corporate governance and compliance to support clients in navigating complex regulatory environments and strategic initiatives.

Ms. Tam holds a bachelor's degree in corporate administration from Hong Kong Metropolitan University and a master's degree in corporate governance from Hong Kong Polytechnic University. She is an associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

BOARD COMMITTEES

We have established three Board Committees in accordance with the relevant PRC laws and regulations, the Articles of Association and the Corporate Governance Code, namely the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee.

Audit Committee

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the Corporate Governance Code. The Audit Committee consists of three Directors, namely Dr. Chen Linrong, Dr. Yu Li and Ms. Chen Qunying, with Dr. Chen Linrong currently serving as the chairperson. Dr. Chen Linrong has the appropriate professional experiences as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee include, but are not limited to (i) proposing the appointment or change of external auditors to our Board, monitoring the independence of external auditors and evaluating their performance; (ii) examining the financial information of the Company and reviewing financial reports and statements of the Company; (iii) examining the financial reporting system, the risk management and internal control system of the Company, overseeing their rationality, efficiency and implementation and making recommendations to our Board; and (iv) dealing with other matters that are authorized by the Board.

Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and paragraph B.3 of the Corporate Governance Code. The Nomination Committee consists of three Directors, namely Dr. Xiong, Dr. Yu Li and Dr. Zhang Li, with Dr. Xiong currently serving as the chairperson. The primary duties of the Nomination Committee include, but are not limited to (i) conducting extensive search and providing our Board with suitable candidates for our Directors, general managers and other members of the senior management; (ii) reviewing the structure, size and composition of our Board (including but not limited to, gender, age, cultural and educational background, ethnicity, skills, knowledge and experience) at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (iii) researching and developing standards and procedures for the election of our Board members, general managers and members of the senior management, and making recommendations to our Board; (iv) assessing the independence of the independent non-executive Directors; and (v) dealing with other matters that are authorized by the Board.

Remuneration and Appraisal Committee

We have established a Remuneration and Appraisal Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of the Corporate Governance Code. The Remuneration and Appraisal Committee consists of three Directors, namely Dr. Yu Li, Dr. Zhang Li and Mr. Chen Shouxian, with Dr. Yu Li currently serving as the chairperson. The primary duties of the Remuneration and Appraisal Committee include, but are not limited to (i) advising our Board on the overall remuneration plan and structure of our Directors and senior management and the establishment of transparent and formal procedures for determining the remuneration policy of the Company; (ii) monitoring the implementation of the remuneration system of the Company; (iii) making recommendations on the remuneration packages of our Directors and senior management; and (iv) other duties conferred by our Board.

BOARD DIVERSITY POLICY

We have adopted the board diversity policy which sets out the objective and approach for achieving and maintaining the diversity of the Board in order to enhance its effectiveness. In accordance with the board diversity policy, the Company seeks to achieve board diversity by taking into account a number of factors, including but not limited to gender, age, industry experience, cultural and education background, professional experience, skills, knowledge and/or length of service. The ultimate selection of Board candidates will be based on merit and potential contribution to our Board having due regard to the benefits of diversity on the Board and also the specific needs of the Company without focusing on a single diversity aspect. Our Directors have a balanced mix of knowledge and skills, including overall management and strategic development as well as knowledge and experience in different areas. They obtained degrees in various areas including applied computer science, control science and engineering, power electronics and power transmission, automation, business administration and accounting. Furthermore, our Board has a diverse age and gender representation. Upon **[REDACTED]**, Our Board will comprise three female Directors and four male Directors, ranging from 42 years old to 64 years old.

With regard to gender diversity on the Board, we recognize the particular importance of gender diversity. We have taken and will continue to take steps to promote and enhance gender diversity at all levels of the Company, including but without limitation at our Board and senior management levels. We will maintain a focus on gender diversity when recruiting staff at the mid to senior level so as to develop a pipeline of potential female successors to our Board. The Group will also identify and select several female individuals with a diverse range of skills, experience and knowledge in different fields from time to time, and maintain a list of such female individuals who possess qualities to become our Board members, which will be reviewed by the Nomination Committee periodically to maintain gender diversity of our Board. Taking into account our existing business model and specific needs as well as the different backgrounds of our Directors, the composition of our Board satisfies our board diversity policy.

Upon the **[REDACTED]**, the Nomination Committee will from time to time discuss and agree on expected goals to ensure board diversity, and review and, where necessary, update the board diversity policy to ensure that the policy remains effective. The Company will disclose the biographical details of each Director and report on the implementation of the board diversity policy (including whether we have achieved board diversity) in its annual corporate governance report.

DIRECTORS' REMUNERATION AND REMUNERATION OF THE FIVE HIGHEST-PAID INDIVIDUALS

The Directors and senior management members who receive remuneration from the Company are paid in the forms of salaries and other benefits in kind, discretionary bonuses, retirement benefit scheme contributions and share-based payment. The remuneration of the Directors and senior management members is determined with reference to the remuneration paid by comparable companies and the achievement of major operating indicators of the Company.

The aggregate amount of remuneration (including salaries and other benefits in kind, discretionary bonuses, retirement benefit scheme contributions and share-based payment) and other benefits in kind paid to the Directors for the years ended December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026 amounted to RMB5.0 million, RMB4.3 million, RMB4.0 million and RMB1.7 million, respectively. The aggregate amount of remuneration (including salaries and other benefits in kind, discretionary bonuses, retirement benefit scheme contributions and share-based payment) and other benefits in kind incurred by the five highest-paid individuals (including two, three, two and one Directors, respectively) of the Group for the years ended December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026 amounted to RMB6.3 million, RMB5.6 million, RMB5.1 million and RMB3.7 million , respectively.

Under the current compensation arrangement, we estimate the total compensation before taxation, including estimated share-based compensation, to be accrued to our Directors for the year ended December 31, 2026 to be approximately RMB2.9 million. The actual remuneration of Directors for 2026 may be different from the expected remuneration.

For the years ended December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026, there were two, three, two and one Directors among the five highest paid individuals, respectively. The total emoluments for the remaining individuals among the five highest paid individuals amounted to RMB4.2 million, RMB2.4 million, RMB3.0 million and RMB3.1 million, for the years ended December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026, respectively.

We confirmed that during the Track Record Period, no remuneration was paid by the Company to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining the Company or as compensation for loss of office in connection with the management positions of the Company or any subsidiary of the Company.

During the Track Record Period, none of our Directors waived any remuneration. Save as disclosed above, no other payments have been paid, or are payable, by the Company or our subsidiary to our Directors or the five highest-paid individuals during the Track Record Period.

COMPLIANCE ADVISER

The Company has appointed Rainbow Capital (HK) Limited as our Compliance Adviser in compliance with Rules 3A.19 of the Listing Rules. The Compliance Adviser 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 Adviser will advise the Company in certain circumstances including (i) before the publication of any regulatory announcement, circular or financial report; (ii) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases; (iii) where we propose to use the **[REDACTED]** from 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 (iv) where the Stock Exchange makes an inquiry to the Company in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Adviser will, on a timely basis, inform the Company of any amendment or supplement to the Listing Rules that are announced by the Stock Exchange. The Compliance Adviser will also inform the Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the continuing requirements under the Listing Rules and applicable laws and regulations.

The term of the appointment will commence on the **[REDACTED]** and is expected to end on the date on which the 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]**.

BEFORE THE COMPLETION OF THE [REDACTED]

As of the Latest Practicable Date, the issued share capital of the Company was RMB62,647,060 comprising 62,647,060 Shares with a nominal value of RMB1.00 each.

UPON THE COMPLETION OF THE [REDACTED]

Immediately following the completion of the **[REDACTED]** and conversion of Domestic Shares into H Shares, assuming that 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 total share capital of the Company
		(%)
Domestic Shares	–	–
H Shares to be converted from Domestic Shares(1)	**[REDACTED]**	**[REDACTED]**
H Shares to be issued under the **[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Total	**[REDACTED]**	**100.00**

(1) For details of the identities of the Shareholders whose Shares will be converted into H Shares upon the **[REDACTED]**, see "History, Development and Corporate Structure – Capitalization of the Company."

Immediately following the completion of the **[REDACTED]** and conversion of Domestic Shares into H Shares, assuming that the **[REDACTED]** is fully exercised, the share capital of the Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the total share capital of the Company
		(%)
Domestic Shares in issue	–	–
H Shares to be converted from Domestic Shares(1)	**[REDACTED]**	**[REDACTED]**
H Shares to be issued under the **[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Total	**[REDACTED]**	**100.00**

(1) For details of the identities of the Shareholders whose Shares will be converted into H Shares upon the **[REDACTED]**, see "History, Development and Corporate Structure – Capitalization of the Company."

OUR SHARES

The H Shares, to be issued following the completion of the **[REDACTED]** and converted from the Domestic Shares, and the Domestic Shares are ordinary Shares in the share capital of the Company. Apart from certain qualified domestic institutional **[REDACTED]** in the PRC, qualified PRC **[REDACTED]** under the Shanghai-Hong Kong Stock Connect and the 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 **[REDACTED]** for by, or **[REDACTED]** between, **[REDACTED]** of the PRC. H Shares may only be **[REDACTED]** for and **[REDACTED]** in Hong Kong dollars.

Domestic 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. Dividends in respect of our Shares may be paid by us in Hong Kong dollars or Renminbi, as the case may be. In addition to cash, dividends may be distributed in the form of Shares.

CONVERSION OF DOMESTIC SHARES INTO H SHARES

The Domestic Shares are currently not **[REDACTED]** or **[REDACTED]** on any stock exchange.

According to the regulations by the CSRC and our Articles of Association, the holders of these Domestic Shares may, at their own option, authorize the Company to apply to the CSRC for conversion of their respective Domestic Shares to H Shares upon the **[REDACTED]**, and such converted Shares may be **[REDACTED]** and **[REDACTED]** on an overseas stock exchange provided that the conversion, **[REDACTED]** and **[REDACTED]** of such converted Shares have been approved by the securities regulatory authorities of the State Council. Additionally, such conversion, **[REDACTED]** and **[REDACTED]** shall meet any requirement of internal approval process and in all respects comply with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

If any of the Domestic Shares are to be converted, **[REDACTED]** and **[REDACTED]** as H Shares on the Stock Exchange, the approvals of any internal approval process and/or the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange are necessary for such conversion. Based on the procedures for the conversion of Domestic Shares into H Shares as set forth below, we will apply for the **[REDACTED]** of all or any portion of the Domestic Shares on the Stock Exchange as H Shares in advance of any proposed conversion after the **[REDACTED]** to ensure that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of Shares for entry on the **[REDACTED]**. As the **[REDACTED]** of additional Shares after the **[REDACTED]** on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it does not require such prior application for **[REDACTED]** at the time of our **[REDACTED]** in Hong Kong. No Shareholder voting is required for the conversion of such Shares or the **[REDACTED]** and **[REDACTED]** of such converted Shares on an overseas stock exchange. Any application for **[REDACTED]** of the converted shares on the Stock Exchange after our initial **[REDACTED]** is subject to prior notification by way of announcement to inform our Shareholders and the public of any proposed conversion.

After all the requisite approvals have been obtained, the relevant Domestic Shares will be withdrawn from the Domestic Share register, and the Company will re-register such Shares on the **[REDACTED]** maintained in Hong Kong and instruct the **[REDACTED]** to issue H Share certificates. Registration on the **[REDACTED]** of the Company will be on the conditions that (i) the **[REDACTED]** lodges with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the **[REDACTED]** and the due dispatch of H Share certificates; and (ii) the admission of the H Shares to be **[REDACTED]** on the Stock Exchange complies with the Listing Rules and the General Rules of HKSCC and the HKSCC Operational Procedures in force from time to time. Until the converted Shares are re-registered on the **[REDACTED]** of the Company, such Shares would not be **[REDACTED]** as H Shares.

DOMESTIC PROCEDURES

The Shareholders who apply for H Share Full Circulation ("**Full Circulation Participating Shareholders**") may only deal in 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 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) We will engage a domestic securities company (the "**Domestic Securities Company**") to provide services such as the transmission of sale orders and trading messages in respect of the converted H Shares. The Domestic Securities Company will engage a Hong Kong securities company (the "**Hong Kong Securities Company**") for settlement of share transactions. We will make an application to CSDC, Shenzhen Branch for the maintenance of a detailed record of the initial holding of the converted H Shares held by our Shareholders. Meanwhile, we will submit applications for a domestic transaction commission code and abbreviation, which shall be confirmed by CSDC, Shenzhen Branch as authorized by the Shenzhen Stock Exchange;

(iii) The Shenzhen Stock Exchange shall authorize Shenzhen Securities Communication Co., Ltd. to provide services relating to transmission of trading orders and trading messages in respect of the Converted H Shares between the Domestic Securities Company and the Hong Kong Securities Company, and the real-time market forwarding services of the H Shares;

(iv) According to the Notice of the 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 that held Domestic Shares 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

(v) 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, the shareholding of the relevant Full Circulation Participating Shareholders in our share capital registered shall be reduced by the number of Domestic Shares converted and increased by the number of H Shares so converted.

A Shareholder holding Domestic Shares not converted into H Shares can work with the Company according to the Articles of Association and follow the procedures set out in this document to convert the Domestic Shares into H Shares after the **[REDACTED]** if they want, provided that such conversion of Domestic Shares into and **[REDACTED]** and **[REDACTED]** of H Shares will be subject to the approval of the relevant PRC regulatory authorities, including the CSRC, the approval of the Stock Exchange and the satisfaction of the public float requirement under the Listing Rules by the Company.

RESTRICTIONS OF SHARE TRANSFER

In accordance with the PRC Company Law, the shares issued prior to any **[REDACTED]** of shares by a company cannot be transferred within one year from the date on which such publicly **[REDACTED]** shares are **[REDACTED]** and **[REDACTED]** on the relevant stock exchange. As such, the Shares issued 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]**.

The Directors and members of the senior management of the Company shall declare their shareholdings in the Company and any changes in their shareholdings. Shares transferred by the Directors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in the Company. The Shares that the aforementioned persons held in the Company cannot be transferred within one year from the date on which the Shares are **[REDACTED]** and **[REDACTED]**, nor within half a year after they leave their positions in the Company. The Articles of Association may contain other restrictions on the transfer of the Shares held by the Directors and members of senior management of the Company.

As far as the Directors are aware, immediately following the completion of the **[REDACTED]** (assuming that the **[REDACTED]** is not exercised) and the conversion of the Domestic Shares into H Shares, the following persons will have an interest and/or short position in the Shares or underlying Shares which will be required to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, 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 the Company:

		As of the Latest Practicable Date		Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised)				
Name of Shareholder	Nature of interest	Number of the Domestic Shares	Approximate percentage of interest in the Company	Number and description of the Domestic Shares	Approximate percentage of interest in the Domestic Shares[(1)]	Number and description of the H Shares	Approximate percentage of interest in the H Shares[(1)]	Approximate percentage of interest in the Company[(1)]
Dr. Xiong	Beneficial owner	6,133,505	9.79%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
	Interest in controlled corporation[(2)]	12,414,671	19.82%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Ningbo Jiachuang	Beneficial owner[(2)]	6,716,617	10.72%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Hangzhou Jiarui	Beneficial owner[(2)]	5,698,054	9.10%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Quzhou High Quality	Beneficial owner	4,411,765	7.04%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Quzhou High Quality Shareholders	Interest in controlled corporation[(3)]	4,411,765	7.04%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Lenovo Fund	Beneficial owner	3,634,614	5.80%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Lenovo Fund Shareholders	Interest in controlled corporation[(4)]	3,634,614	5.80%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Yuhuan Caitong	Beneficial owner	3,529,412	5.63%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Caitong Capital	Interest in controlled corporation[(5)]	3,529,412	7.04%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Caitong Securities Co., Ltd. (財通證券股份有限公司) ("**Caitong Securities**")	Interest in controlled corporation[(5)]	4,411,765	7.04%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Yuhuan State Owned Investment	Beneficial owner	1,087,782	1.74%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
	Interest in controlled corporation[(5)]	4,411,765	7.04%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
Yuhuan City Finance Bureau (SASAC Office)	Interest in controlled corporation[(5)]	5,499,547	8.78%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%

Notes:

(1) The calculation is based on the total number of **[REDACTED]** H Shares in issue upon **[REDACTED]** comprising (i) an aggregate of **[REDACTED]** H Shares to be converted from the Domestic Shares and (ii) **[REDACTED]** H Shares to be issued pursuant to the **[REDACTED]** (without taking into account the H Shares which may be issued upon the exercise of the **[REDACTED]**).

(2) As of the Latest Practicable Date, Dr. Xiong was the general partner of Ningbo Jiachuang and Hangzhou Jiarui. There were no limited partners who held more than 30.00% of the limited partnership interests in Ningbo Jiachuang or Hangzhou Jiarui. As a result, Dr. Xiong is deemed to be interested in the 12,414,671 Shares held by Ningbo Jiachuang and Hangzhou Jiarui under the SFO.

(3) As of the Latest Practicable Date, the general and executive managing partner of Quzhou High Quality is Xin'an Capital. Xin'an Capital was wholly-owned by Quzhou Jinyuan, which was in turn owned as to approximately 56.49% by Quzhou Holding and approximately 43.51% by Quzhou Dayuan Construction Investment and Development Group Co., Ltd. (衢州市大花園建設投資發展集團有限公司) ("**Quzhou Dayuan**"). Quzhou Holding was wholly-owned by Quzhou Industrial, which was in turn wholly-owned by Quzhou SASAC. Quzhou Dayuan was owned as to 51.00% by Quzhou State-owned Capital Operation Co., Ltd. (衢州市國有資本運營有限公司) ("**Quzhou Capital Operation**") and 49.00% by Quzhou Holding. Quzhou Capital Operation was owned as to approximately 98.77% by Quzhou State Owned Assets Holding Group Co., Ltd. (衢州市國資控股集團有限公司) ("**Quzhou Assets Holding**"), which was in turn wholly-owned by Quzhou SASAC.

Quzhou Tongfu held approximately 39.97% of the limited partnership interests in Quzhou High Quality and was managed by Quzhou Liangshan as its general partner. Quzhou Liangshan was wholly-owned by Quzhou Jinyuan. There were no limited partners who held more than 30.00% of the limited partnership interests in Quzhou High Quality or Quzhou Tongfu.

As a result, each of Xin'an Capital, Quzhou Jinyuan, Quzhou Holding, Quzhou Industrial, Quzhou SASAC, Quzhou Dayuan, Quzhou Capital Operation, Quzhou Assets Holding, Quzhou Tongfu, Quzhou Liangshan and Quzhou Jinyuan (collectively, the "**Quzhou High Quality Shareholders**") is deemed to be interested in the 4,411,765 Shares held by Quzhou High Quality under the SFO.

(4) As of the Latest Practicable Date, Lenovo Fund was managed by Zhiji Xingyuan as its general partner, which was in turn managed by Zhiji Xingyuan (Tianjin) Technology Co., Ltd. (知己行遠(天津)科技有限公司) ("**Tianjin Zhiji Xingyuan**") as its general partner. Tianjin Zhiji Xingyuan was owned as to approximately 31.00% by Yasheng Changqing (Tianjin) Technology Co., Ltd. (雅勝長青(天津)科技有限公司) ("**Yasheng Changqing**"), which was in turn owned as to 50.00% and 50.00% by Huang Yalu (黃雅璐) and Kang Sheng (康勝), respectively. There were no other shareholders who held more than 30.00% of the equity interests in Tianjin Zhiji Xingyuan.

As of the Latest Practicable Date, (i) Lenovo Zhiyuan held 45.00% of the limited partnership interests in Zhiji Xingyuan and was wholly-owned by Lenovo Zhixing (Tianjin) Technology Co., Ltd. (聯想知行(天津)科技有限公司) ("**Lenovo Zhixing**"), which was in turn wholly-owned by Beijing Nayuan Mingzhi Information Technology Consulting Co., Ltd. (北京納遠明志信息技術諮詢有限公司) ("**Nayuan Mingzhi**"). Nayuan Mingzhi was controlled by Tianjin Lianchuang Zhiyuan Technology Partnership (Limited Partnership) (天津聯創志遠科技合夥企業(有限合夥)) ("**Lianchuang Zhiyuan**"). Lianchuang Zhiyuan was managed by Tianjin Lianchuang Borui Technology Co., Ltd. (天津聯創博瑞科技有限責任公司) ("**Lianchuang Borui**") as its general partner, which was in turn owned as to 50.00% and 50.00% by Wang Lingyun and Kang Sheng, respectively. Wang Lingyun (王淩雲) and Kang Sheng held 49.50% and 49.50% of the limited partnership interests in Lianchuang Zhiyuan, respectively; and (ii) Songhe Changqing (Tianjin) Management Consulting Center (Limited Partnership) (松鶴長青(天津)管理諮詢中心(有限合夥)) ("**Songhe Changqing Consulting**") held 30.00% of the limited partnership interests in Zhiji Xingyuan and was managed by He Zhiqiang (賀志強) as its general partner. Songhe Changqing (Tianjin) Technology Co., Ltd. (松鶴長青(天津)科技有限公司) ("**Songhe Changqing Technology**") and Yan Yan (閆巖) held approximately 33.34% and 33.33% of the limited partnership interests in Songhe Changqing Consulting, respectively. Songhe Changqing Technology was owned as to 50.00% and 50.00% by He Zhiqiang and Yan Yan, respectively. Both of Zhiji Xingyuan and Lenovo Zhiyuan are controlled by Lenovo Group Limited, a company listed on the Stock Exchange (stock code: 0992).

As of the Latest Practicable Date, Lenovo Zhiyuan and Tianjin Haihe Industrial Fund Management Co., Ltd. (天津市海河產業基金管理有限公司) ("**Haihe Fund Management**") held 50.00% and 49.00% of the limited partnership interests in Lenovo Fund, respectively. Haihe Fund Partnership was managed by Haihe Fund Management as its general partner. None of the shareholders owned more than 30.00% of the equity interests in Haihe Fund Management. Tianjin Finance Bureau (天津市財政局) held approximately 99.75% of the limited partnership interests in Haihe Fund Partnership.

As a result, each of Zhiji Xingyuan, Tianjin Zhiji Xingyuan, Yasheng Changqing, Huang Yalu, Kang Sheng, Lenovo Zhiyuan, Lenovo Zhixing, Nayuan Mingzhi, Lianchuang Zhiyuan, Lianchuang Borui, Wang Lingyun, Songhe Changqing Consulting, He Zhiqiang, Songhe Changqing Technology, Yan Yan, Lenovo Group, Haihe Fund Partnership, Haihe Fund Management and Tianjin Finance Bureau (collectively, the "**Lenovo Fund Shareholders**") is deemed to be interested in the 3,634,614 Shares held by Lenovo Fund under the SFO.

(5) As of the Latest Practicable Date, Yuhuan Caitong and Taizhou Caitong were managed by Caitong Capital, which was in turn wholly-owned by Caitong Securities, a company listed on the Shanghai Stock Exchange (stock code: 601108). The sole limited partner of Yuhuan Caitong was Yuhuan State Owned Investment, which was owned as to 90.00% by Yuhuan City Finance Bureau (SASAC Office). Yuhuan State Owned Investment held 49.80% of the limited partner interests in Taizhou Caitong. There were no other limited partners who held more than 30.00% of the limited partnership interests in Taizhou Caitong. As a result, each of Caitong Capital, Caitong Securities and Yuhuan State Owned Investment is deemed to be interested in the 4,411,765 Shares held by Yuhuan Caitong and Taizhou Caitong; and Yuhuan City Finance Bureau (SASAC Office) is deemed to be interested in the 5,499,547 Shares held by Yuhuan Caitong, Taizhou Caitong and Yuhuan State Owned Investment under the SFO.

Save as disclosed above, the Directors are not aware of any person who will, immediately following the completion of the **[REDACTED]** (assuming that the **[REDACTED]** is not exercised) and the conversion of the Domestic Shares into H Shares, have any interest and/or short position in the Shares or underlying shares of the Company which will be required to be disclosed to the Company pursuant to 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 nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company or any other member of the Group.

The following discussion and our analysis should be read in conjunction with our consolidated financial statements included in the Accountants' Report in Appendix I, together with the accompanying notes. Our consolidated financial statements have been prepared in accordance with IFRS.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. 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, and our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors. In evaluating our business, you should carefully consider the information provided in this document, including but not limited to the sections headed "Risk Factors" and "Business."

For the purposes of this section, unless the context otherwise requires, references to 2023, 2024 and 2025 refer to our fiscal years ended December 31 of such years, respectively.

OVERVIEW

We are an intelligent mobile robotics provider primarily engaged in the design, development, manufacturing and commercialization of robotic products and solutions. During the Track Record Period, we experienced steady revenue growth and improved gross profitability. Our revenue increased from RMB75.0 million in 2023 to RMB114.8 million in 2024 and RMB265.5 million in 2025, and from RMB135.0 million in the six months ended June 30, 2025 to RMB169.2 million in the corresponding period of 2026. Our gross profit increased from RMB14.8 million in 2023 to RMB27.8 million in 2024 and RMB78.8 million in 2025, and from RMB36.7 million in the six months ended June 30, 2025 to RMB49.8 million in the six months ended June 30, 2026. In 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026. Our gross profit margin was 19.7%, 24.2%, 29.7%, 27.1% and 29.4%, respectively, for the respectively periods. We recorded net loss of RMB113.8 million, RMB117.9 million, RMB99.7 million, RMB38.4 million, and RMB63.7 million in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively. Our adjusted net loss (non-IFRS measure) was RMB78.5 million, RMB78.4 million, RMB44.2 million, RMB17.2 million, and RMB18.6 million for the respective periods.

BASIS OF PREPARATION

The Historical Financial Information and the Interim Financial Information have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board ("**IASB**"). All IFRS accounting standards effective for the accounting period commencing from 1 January 2026, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information and the Interim Financial Information throughout the Relevant Periods and in the period covered by the Interim Financial Information. Material accounting policies are set out in Note 2.3 of Appendix I to this Document.

The Historical Financial Information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss ("**FVTPL**"), debt investments at fair value through other comprehensive income and equity investments at fair value through other comprehensive income which have been measured at fair value.

The preparation of the Historical Financial Information in conformity with IFRS accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying our accounting policies. The areas involving judgement 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.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, results of operations and financial condition have been, and are expected to continue to be, affected by the following significant factors.

Development of the Global Intelligent Robotics Sector and Market Penetration

We operate within the global intelligent robotics sector, which has experienced rapid expansion in recent years and continues to undergo significant technological and commercial evolution, driven by advancements in technologies, decreasing application costs and expanding application scenarios. According to CIC, in terms of sales revenue, the size of the global intelligent robotics market increased from RMB20.6 billion in 2021 to RMB68.3 billion in 2025, representing a CAGR of 35.0% from 2021 to 2025, and is projected to reach RMB530.4 billion by 2030, representing a CAGR of 54.3% from 2026 to 2030. The development trajectory of this sector, together with the growth dynamics of the industries served by our customers, has a direct bearing on our business operations, financial performance, results of operations and long-term growth prospects.

Within the global intelligent robotics market, the global intelligent mobile robotic solution market in terms of sales revenue increased at a CAGR of 34.6% from RMB14.8 billion in 2021 to RMB48.6 billion in 2025, and is expected to continue growing at a CAGR of 28.3% to reach RMB176.3 billion in 2030, according to CIC. In China, the market increased from RMB4.2 billion in 2021 to RMB14.2 billion in 2025, at a CAGR of 35.8%, and is expected to reach RMB57.8 billion by 2030, at a CAGR of 30.2% from 2026 to 2030. The global market size for embodied intelligence robotic solutions surged from RMB1.3 billion in 2021 to RMB9.9 billion in 2025, representing a CAGR of 66.1%, and is projected to increase to RMB326.2 billion in 2030 at a CAGR of 94.5%. Factors such as increasing smart manufacturing system upgrades demand, maturing supply chain and industrial ecosystem and strengthened policy support are driving demand and incentivizing the utilization of robotic products.

During the Track Record Period, our revenue was primarily generated from providing robotic solutions to enterprise customers in the electronics, semiconductor, automotive and new energy industries. Our results of operations are highly dependent on the development and performance of these underlying industries of our customers, which are subject to a wide range of factors such as fluctuations in capital expenditures, regulatory changes, supply chain efficiencies and macroeconomic conditions.

Technology Leadership and Product Development Capabilities

The intelligent robotics industry is characterized by rapid technological advancement, frequent product iteration and evolving customer requirements. In order to maintain our competitive positioning and support sustainable growth, we must continuously enhance our robotic solutions to respond to changes in technology, application scenarios and customer demand in a timely and effective manner. Accordingly, our ability to develop and commercialize advanced robot models, as well as to refine and upgrade existing solutions, plays an important role in our long-term development.

Our R&D capabilities are the cornerstone of our ability to enhance and develop intelligent mobile robotic solutions. We have invested, and plan to continue investing, significant resources in our R&D efforts. During the Track Record Period, our R&D expenses were RMB36.2 million, RMB44.5 million, RMB50.6 million, RMB22.0 million, and RMB29.0 million in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively, accounting for 48.3%, 38.8%, 19.1%, 16.3% and 17.1% of revenue for the corresponding periods. Given the R&D-intensive nature of the robotics industry, it requires substantial investments in developing proprietary core technologies, product development and upgrades and R&D talent to build competitiveness.

Customer Acquisition and Commercialization Capabilities

Our ability to reinforce relationship with existing customers and acquire new customers to broaden our customer base across both domestic and international markets, as well as effectively commercializing our robotic solutions, is crucial to our results of operations and continued growth.

We strategically focus on high-tech sectors such as electronics, semiconductor, automotive and new energy. These industries are characterized by complex processes, high precision requirements and rapid technological advancements, and demand intelligent robotic system that can operate autonomously and collaboratively in complex manufacturing scenarios. By aligning closely with the evolving needs of our existing customers, we have cultivated long-standing partnerships with key customers, driving significant business through repeat orders and large-scale deployments.

In domestic markets, we benefit from established customer relationships, localized service networks, and a deep understanding of regional industry needs. Meanwhile, overseas markets present substantial growth potential, driven by rising automation adoption in emerging economies, global supply chain reconfiguration, and increasing labor costs in various jurisdictions.

Competition and Pricing

We operate in an increasingly competitive intelligent mobile robotic solution market. We face competition with international and domestic players with diverse capabilities, some of which may have longer operating history, greater business scale and resources, higher market recognition and more effective pricing strategies than us.

Our pricing strategy directly affects our revenue generation, gross margins and overall profitability. Our pricing approach is designed to reflect the technological sophistication and value proposition of our intelligent mobile robotic solutions while remaining competitive in both domestic and overseas markets. We employ a combination of value-based and cost-plus pricing model that considers factors such as product development, production and customization costs, after-sales service commitments, technological level involved, product competitiveness, market price and other market conditions.

Cost Management and Operational Efficiency

Our ability to achieve profitability and sustainable growth depends in part on our management of cost of sales. In 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, our cost of sales was RMB60.2 million, RMB87.0 million, RMB186.8 million, RMB98.4 million, and RMB119.4 million, respectively, accounting for 80.3%, 75.8%, 70.3%, 72.9%, and 70.6% of our revenue for the corresponding periods, respectively. Our cost of sales primarily consists of cost of raw materials, production and deployment expenses, logistics expenses and inventory write-down.

Our business and results of operations are also significantly affected by our operating expenses, which primarily comprised selling and distribution expenses, administrative expenses and R&D expenses during the Track Record Period. Our operating expenses ratio, defined as total operating expenses (consisting of selling and distribution expenses, administrative expenses and R&D expenses) divided by total revenue, decreased from 134.1% in 2023 to 98.4% in 2024, and 53.3% in 2025. Our operating expenses ratio stayed relatively stable at 42.0% in the six months ended June 30, 2025 and 45.6% in the six months ended June 30, 2026.

Other Factors Affecting Our Results of Operations

In addition, our results of operations and financial position have been and are expected to be affected by the following general factors:

- Macro-economic conditions on customer capital expenditures and warehouse system upgrades. Our financial performance is closely tied to the capital expenditure decisions of our customers, which are influenced by broader macroeconomic factors. These factors, including economic growth rates, inflation, interest rates, and currency stability, affect the willingness and ability of businesses across various sectors to invest in advanced warehouse automation solutions.
- Legal, regulatory, and government policy support. Compliance with legal and regulatory requirements is a critical factor influencing our financial performance. As an AMR solutions provider operating globally, we must adhere to a range of local and international regulations across its target markets, as data privacy, workplace safety, import/export standards, and product certifications.

- Foreign exchange fluctuations. We currently generate a limited but growing portion of revenue from customers based outside Chinese Mainland. These revenues are denominated in foreign currencies other than RMB, such as Japanese yen, and U.S. dollars. As our reporting and functional currency is the RMB, financial results from our subsidiaries using other functional currencies are translated into RMB for reporting purposes.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

We have identified certain accounting policies that are significant to the preparation of our financial statements. In the application of our accounting policies, our management is required to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. For a detailed description of our material accounting policy information, as well as our key source of estimation uncertainties, see Notes 2.3 and 3 to the Accountants' Report in Appendix I to this document.

RESULTS OF OPERATIONS

The following table sets forth a summary of our consolidated statements of profit or loss for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Revenue	74,950	100.0	114,842	100.0	265,528	100.0	135,019	100.0	169,219	100.0
Cost of sales	(60,165)	(80.3)	(87,046)	(75.8)	(186,755)	(70.3)	(98,362)	(72.9)	(119,388)	(70.6)
Gross profit	14,785	19.7	27,796	24.2	78,773	29.7	36,657	27.1	49,831	29.4
Other income and gains	10,355	13.8	13,321	11.6	19,338	7.3	6,307	4.7	3,354	2.0
Selling and distribution expenses	(46,208)	(61.7)	(49,510)	(43.1)	(59,879)	(22.6)	(25,394)	(18.8)	(25,077)	(14.8)
Administrative expenses	(18,137)	(24.2)	(18,927)	(16.5)	(30,917)	(11.6)	(9,417)	(7.0)	(23,021)	(13.6)
Research and development expenses	(36,190)	(48.3)	(44,513)	(38.8)	(50,636)	(19.1)	(21,959)	(16.3)	(29,000)	(17.1)
Impairment losses on financial and contract assets	(4,524)	(6.0)	(5,675)	(4.9)	(3,951)	(1.5)	(1,623)	(1.2)	(3,931)	(2.3)
Other expenses	(132)	(0.2)	(66)	(0.1)	(940)	(0.4)	(37)	(0.0)	(1,761)	(1.0)
Finance costs	(1,235)	(1.6)	(2,595)	(2.3)	(4,320)	(1.6)	(1,995)	(1.5)	(1,005)	(0.6)
Finance costs on redemption financial liabilities	(32,483)	(43.3)	(37,687)	(32.8)	(47,176)	(17.8)	(20,950)	(15.5)	(33,092)	(19.6)
Loss before income tax	(113,769)	(151.8)	(117,856)	(102.6)	(99,708)	(37.6)	(38,411)	(28.4)	(63,702)	(37.6)
Income tax expenses	–	–	–	–	(22)	0.0	–	–	–	–
Loss for the year/period	(113,769)	(151.8)	(117,856)	(102.6)	(99,730)	(37.6)	(38,411)	(28.4)	(63,702)	(37.6)

Non-IFRS Measures

To supplement our consolidated financial statements which are presented under IFRS, we also use adjusted net loss (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that such non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impact of certain items and provides useful information to **[REDACTED]** and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of the adjusted net loss (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as analytical tools, 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 IFRS.

We define adjusted net loss (non-IFRS measure) as loss for the year/period adjusted for share-based payments, **[REDACTED]** expenses and finance costs on redemption financial liabilities. Share-based payment expenses consist of non-cash expenses arising from granting share options and restricted share units to eligible individuals through our employee incentive platform. See Note 36 to the Accountants' Report in Appendix I to this document. **[REDACTED]** expenses represent the fees incurred in relation to the **[REDACTED]**. Finance costs on redemption financial liabilities mainly represented redemption liabilities in relation to the redemption rights to certain investors. The redemption financial liabilities will be converted into equity upon the **[REDACTED]**.

The following table sets forth a reconciliation of our loss for the year/period to adjusted net loss (a non-IFRS measure) for the years/periods indicated.

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	(RMB in thousands)				
				(unaudited)	
Loss for the year/period	(113,769)	(117,856)	(99,730)	(38,411)	(63,702)
Adjusted for:					
Share-based payments	2,833	1,733	762	279	1,385
[REDACTED] expense	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Finance costs on redemption financial liabilities	32,483	37,687	47,176	20,950	33,092
Non-IFRS measures: Adjusted net loss for the year/period	(78,453)	(78,436)	(44,206)	(17,182)	(18,633)

KEY COMPONENTS OF OUR CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

Revenue

Revenue by Product Type

During the Track Record Period, our revenue was primarily derived from our robotic solutions, and to a lesser extent, from the sales of robotic products and other related accessories and services.

The following table sets forth the revenue breakdown by solution and product in absolute amount and as a percentage of our total revenue for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Robotic solutions										
Standard AMR and omnidirectional heavy-load AMR solutions	39,905	53.3	51,436	44.8	173,119	65.3	103,715	76.8	92,567	54.7
Forklift AMR solutions	8,486	11.3	18,227	15.9	36,296	13.7	11,507	8.5	47,187	27.9
Embodied Intelligence robotic solutions	951	1.3	5,039	4.4	912	0.3	391	0.3	–	–
Outdoor AMR solutions	1,304	1.7	631	0.5	1,711	0.6	–	–	–	–
Software solutions	2,199	2.9	22,135	19.3	7,616	2.9	432	0.3	7,971	4.7
Subtotal	**52,845**	**70.5**	**97,468**	**84.9**	**219,654**	**82.8**	**116,044**	**85.9**	**147,726**	**87.3**
Robotic Products										
Standard AMR and omnidirectional heavy-load AMR robotic products	15,238	20.3	8,734	7.6	26,348	9.9	9,365	6.9	4,528	2.7
Embodied Intelligence robotic products	970	1.3	241	0.2	6,301	2.4	5,066	3.8	8,500	5.0
Forklift robotic products	3,059	4.1	3,904	3.4	4,340	1.6	1,578	1.2	4,302	2.5
Subtotal	**19,267**	**25.7**	**12,879**	**11.2**	**36,989**	**13.9**	**16,009**	**11.9**	**17,330**	**10.2**
Sales of accessories and others										
Technical support services	493	0.7	169	0.1	1,226	0.4	7	–	1,256	0.7
Accessories	2,345	3.1	4,326	3.8	7,659	2.9	2,959	2.2	2,908	1.7
Subtotal	**2,838**	**3.8**	**4,495**	**3.9**	**8,885**	**3.3**	**2,966**	**2.2**	**4,163**	**2.5**
Total	**74,950**	**100.0**	**114,842**	**100.0**	**265,528**	**100.0**	**135,019**	**100.0**	**169,219**	**100.0**

Revenue by Industry Sector

The following table sets forth a breakdown of our revenue by industry sector for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Electronics	27,598	36.9	38,470	33.5	70,476	26.5	56,462	41.8	43,326	25.6
Pan-semiconductor	4,814	6.4	8,376	7.3	22,708	8.6	3,379	2.5	6,300	3.7
Automotive and Components	5,928	7.9	22,399	19.5	66,833	25.2	41,018	30.4	22,410	13.2

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
New Energy	5,265	7.0	13,190	11.5	27,610	10.4	9,998	7.4	46,884	27.7
General Manufacturing	31,345	41.8	32,407	28.2	77,901	29.3	24,162	17.9	50,300	29.7
Total	**74,950**	**100.0**	**114,842**	**100.0**	**265,528**	**100.0**	**135,019**	**100.0**	**169,219**	**100.0**

Revenue by Customer Type

Our customers include both integrators and enterprise customers. The following table sets forth a breakdown of our revenue by customer type in absolute amount and as a percentage of our total revenue for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Integrator	43,645	58.2	75,018	65.3	195,674	73.7	104,867	77.7	98,433	58.2
Enterprise customers	31,305	41.8	39,824	34.7	69,854	26.3	30,152	22.3	70,786	41.8
Total	**74,950**	**100.0**	**114,842**	**100.0**	**265,528**	**100.0**	**135,019**	**100.0**	**169,219**	**100.0**

Revenue by Geographic Location

In terms of geographical location, we generate a majority of our revenue from Chinese Mainland and have been gradually expanding our overseas presence during the Track Record Period. The following table sets out a breakdown of our revenue by geographical location, in an absolute amount and as a percentage of our total revenue, for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Chinese Mainland	64,883	86.6	104,149	90.7	234,036	88.1	123,837	91.7	157,761	93.2
Others[(1)]	10,067	13.4	10,693	9.3	31,492	11.9	11,182	8.3	11,458	6.8
Total revenue	**74,950**	**100.0**	**114,842**	**100.0**	**265,528**	**100.0**	**135,019**	**100.0**	**169,219**	**100.0**

Note:

(1) Primarily consists of Japan, South Korea, Southeast Asia and Australia.

Cost of Sales

Our cost of sales consists primarily of (i) material costs, primarily representing the costs of electronic components, structural components and other raw materials procured for the production of our intelligent mobile robots and systems, (ii) manufacturing and deployment costs, primarily representing labor costs associated with the production and deployment of our robotic products, (iii) inventory write-down, representing costs of inventories exceeding the net realizable value, and (iv) others, primarily including logistic costs associated with shipping and delivering our products and solutions.

The following table sets forth a breakdown of our cost of sales by nature, in absolute amounts and as percentages of total revenue, for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)									
							(unaudited)			
Material costs	42,398	70.4	68,471	78.7	147,057	78.7	74,667	75.9	97,449	81.6
Manufacturing and deployment costs	11,588	19.3	12,423	14.3	34,327	18.4	15,279	15.5	24,235	20.3
Inventory write down	5,231	8.7	5,261	6.0	2,191	1.2	6,497	6.6	(4,226)	(3.5)
Others	948	1.6	891	1.0	3,180	1.7	1,919	2.0	1,930	1.6
Total	**60,165**	**100.0**	**87,046**	**100.0**	**186,755**	**100.0**	**98,362**	**100.0**	**119,388**	**100.0**

Gross Profit and Gross Margin

Our gross profit represents our revenue less our cost of sales, and our gross margin represents gross profit divided by our revenue, expressed as a percentage. In 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, our gross profit was RMB14.8 million, RMB27.8 million, RMB78.8 million, RMB36.7 million, and RMB49.8 million, respectively, representing a gross margin of 19.7%, 24.2%, 29.7%, 27.1%, and 29.4%, respectively. Our overall gross margin increased from 19.7% in 2023 to 24.2% in 2024, and increased from 24.2% in 2024 to 29.7% in 2025, primarily due to improvements in cost structure and delivery efficiency as our business scaled. First, the maturation of our solution offerings led to reductions in project delivery costs. In particular, procurement costs declined as a result of centralized purchasing, substitution of alternative suppliers and increased localization of key components, including LiDAR, batteries and motor reducers, as well as cost reductions achieved through iterative upgrades of our self-developed controllers. Second, we benefited from economies of scale as project volume increased, which enabled better absorption of fixed costs and improved overall cost efficiency. Our overall gross margin stayed relatively stable at 27.1% and 29.4% in the six months ended June 30, 2025 and 2026, respectively.

Gross Profit and Gross Profit Margin by Product Type

The following table sets forth the gross profit and gross profit margin by product type for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Robotic solutions										
Standard AMR and Omnidirectional Heavy-Load AMR solutions	4,590	11.5	10,863	21.1	42,282	24.4	25,617	24.7	26,226	28.3
Forklift AMR solutions	1,152	13.6	6,148	33.7	9,899	27.3	202	1.8	11,171	23.7
Embodied Intelligence robotic solutions	(336)	(35.3)	2,182	43.3	529	58.0	326	83.2	–	–
Outdoor AMR solutions	220	16.9	259	41.0	530	31.0	–	–	–	–
Software solutions	98	4.5	1,492	6.7	2,536	33.3	354	82.0	518	6.5
Subtotal	**5,724**	**10.8**	**20,944**	**21.5**	**55,776**	**25.4**	**26,499**	**22.8**	**37,914**	**25.7**
Robotic Products										
Standard AMR and omnidirectional heavy-load AMR robotic products	5,467	35.9	2,414	27.6	13,329	50.6	4,926	52.6	2,740	60.5
Embodied Intelligence robotic products	114	11.7	90	37.2	2,817	44.7	2,435	48.1	3,980	46.8
Forklift robotic products	1,854	60.6	2,005	51.3	2,136	49.2	878	55.6	2,092	48.6
Subtotal	**7,435**	**38.6**	**4,509**	**35.0**	**18,282**	**49.4**	**8,239**	**51.5**	**8,811**	**50.8**
Sales of accessories and others										
Technical support services	374	75.7	148	87.7	1,180	96.2	(8)	(102.7)	1,073	85.5
Accessories	1,252	53.4	2,195	50.7	3,535	46.2	1,928	65.2	2,032	69.9
Subtotal	**1,626**	**57.3**	**2,343**	**52.1**	**4,715**	**53.1**	**1,920**	**64.7**	**3,105**	**74.6**
Total	**14,785**	**19.7**	**27,796**	**24.2**	**78,773**	**29.7**	**36,657**	**27.1**	**49,831**	**29.4**

During the Track Record Period, the gross profit margin of our robotic solutions accounted for 10.8%, 21.5%, 25.4%, 22.8%, and 25.7%. The relatively lower gross profit margin of our robotic solutions was primarily attributable to (i) higher hardware procurement costs, as well as significant system integration, implementation and on-site deployment efforts arising from the project-based and customized delivery, and (ii) our strategic choice of projects with lower gross profit to expand into emerging markets and establish a market presence. We believe the gross profit margin of our robotic solutions will continue increasing as we continue improving our cost efficiency and achieve economies of scale.

Our gross profit margin for standard AMR and omnidirectional heavy-load AMR solutions increased from 11.5% in 2023 to 24.4% in 2025, primarily due to increased repeat purchases from major customers, which further unlocked economies of scale, as well as our enhanced delivery efficiency. Our gross profit margin for standard AMR and omnidirectional heavy-load AMR robotic products significantly increase from 27.6% in 2024 to 50.6% in 2025, primarily due to the strong growth in gross profit contributions from overseas orders. Our gross profit margin for software solutions increased from 6.7% in 2024 to 33.3% in 2025, and decreased from 82.0% in the six months ended June 30, 2025 to 6.5% in the same period in 2026, which was mainly because our software during 2023 and 2024 and the six months ended June 30, 2026 was mainly delivered as a part of our overall solutions which yielded lower margins, whereas in 2025, we generated an increasing proportion of revenue from software-focused solutions, where software accounted for a higher share of the order value, that carried higher gross profit margins.

Gross Profit/(Loss) and Gross Profit/(Loss) Margin by Industry Sector

The following table sets forth a breakdown of our gross profit and gross profit margin by industry sector for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Electronics	2,149	7.8	6,592	17.1	13,426	19.1	11,570	20.5	10,140	23.4
Pan-semiconductor	1,563	32.5	2,853	34.1	6,551	28.9	1,751	51.8	1,560	24.8
Automotive and Components	942	15.9	4,954	22.1	22,179	33.2	11,201	27.3	8,793	39.2
New Energy	(680)[1]	(12.9)	1,842	14.0	9,567	34.6	2,243	22.4	12,448	26.6
General Manufacturing	10,811	34.5	11,555	35.7	27,050	34.7	9,892	40.9	16,890	33.6
Total	**14,785**	**19.7**	**27,796**	**24.2**	**78,773**	**29.7**	**36,657**	**27.1**	**49,831**	**29.4**

Note:

(1) We recorded gross loss from new energy sector of RMB680 thousand in 2023, which was primarily due to the prolonged implementation cycles in providing robotic solutions for a certain new energy sector customer, where substantial costs were incurred prior to final acceptance and revenue recognition.

Our gross profit margin for the new energy sector improved significantly from a negative 12.9% in 2023 to 14.0% in 2024, and further increased to 34.6% in 2025, primarily reflecting our enhanced delivery efficiency. Our gross profit margin for the automotive and components sector significantly increased from 15.9% in 2023 to 33.2% in 2025, and further increased to 39.2% in the same period in 2026, primarily due to increased repeat purchases from our major customers.

Gross Profit and Gross Profit Margin by Customer Type

The following table sets forth a breakdown of our gross profit and gross profit margin by customer type for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Integrator	11,671	26.7	17,124	22.8	65,532	33.5	32,452	30.9	33,374	33.9
Enterprise customers	3,114	9.9	10,672	26.8	13,241	19.0	4,205	13.9	16,457	23.2
Total	**14,785**	**19.7**	**27,796**	**24.2**	**78,773**	**29.7**	**36,657**	**27.1**	**49,831**	**29.4**

Our gross profit margin from integrators increased from 22.8% in 2024 to 33.5% in 2025, primarily driven by economies of scale and reduced implementation difficulty. In contrast, the gross profit margin from enterprise customers decreased from 26.8% in 2024 to 19.0% in 2025, primarily due to prolonged implementation cycles and substantial costs incurred for certain solutions delivered in 2025, which dragged down the overall gross profit margin for enterprise customers. Our gross profit margin from enterprise customers increased from 13.9% in the six months ended June 30, 2025 to 23.2% in the same period in 2026, primarily due to economies of scale and reduced implementation difficulty.

Other Income and Gains

We recorded other income and gains of RMB10.4 million, RMB13.3 million, RMB19.3 million, RMB6.3 million and RMB3.4 million in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively. Other income and gains consist primarily of (i) government grants, mainly representing subsidies received from local governmental authorities to encourage our R&D activities, (ii) bank interest income, (iii) other gains, mainly consisted of gains on disposal of financial assets at FVTPL, gain on disposal of a subsidiary, and foreign exchange gains. The following table sets forth a breakdown of our other income for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Government grants	5,512	53.2	10,641	79.9	16,899	87.4	5,038	79.9	1,542	46.0
Bank interest income	3,688	35.6	2,214	16.6	1,453	7.5	614	9.7	690	20.6
Other gains	1,155	11.2	466	3.5	986	5.1	655	10.4	1,122	33.4
Total	**10,355**	**100.0**	**13,321**	**100.0**	**19,338**	**100.0**	**6,307**	**100.0**	**3,354**	**100.0**

Selling and Distribution Expenses

Our selling and distribution expenses consist primarily of (i) staff costs, mainly representing salaries, wages, share-based payments and welfare contributions to our selling and distribution personnel, (ii) provision for expected liabilities, representing after-sales service costs, mainly including costs of repair and replacement materials incurred in providing after-sales support and labor costs for after-sales services, (iii) customer service fees, primarily

representing fees paid to third-party providers for after-sales service costs to ensure the stable operation of our products and provide immediate on-site troubleshooting, (iv) traveling and business development expenses, primarily including travel expenses and service fees we paid for the advertising and promotion services, and (v) others, which mainly consists of depreciation of property, plant and equipment and right-of-use assets, as well as, utilities and miscellaneous expenses.

The following table sets forth a breakdown of our selling and distribution expenses in absolute amount and as a percentage of our total revenue for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Staff costs	24,990	54.0	26,449	53.5	25,630	42.8	8,870	34.9	10,525	41.9
Provision for expected liabilities	6,326	13.7	6,482	13.1	15,612	26.1	8,101	31.9	9,241	36.9
Customer services fees	1,751	3.8	7,285	14.7	8,438	14.1	4,219	16.6	1,228	4.9
Traveling and business development expenses	11,725	25.4	8,039	16.2	8,753	14.6	3,655	14.4	3,152	12.6
Others	1,416	3.1	1,255	2.5	1,446	2.4	549	2.2	931	3.7
Total	**46,208**	**100.0**	**49,510**	**100.0**	**59,879**	**100.0**	**25,394**	**100.0**	**25,077**	**100.0**

The percentages of our selling and distribution expenses to our revenue decreased from 61.7% in 2023 to 43.1% in 2024, and further to 22.6% in 2025 and 14.8% in the six months ended June 30, 2026, primarily due to the continuous significant increase of our revenue during the Track Record Period contributed by the increased customer repurchase rates and the growth in our domestic sales.

Administrative Expenses

Our administrative expenses consist primarily of (i) staff costs, mainly representing salaries, wages, share-based payments and welfare contributions to our administrative personnel, (ii) consulting and other professional service fees, (iii) depreciation and amortization in relation to property, plant and equipment, right-of-use assets and intangible assets, (iv) office expenses, (v) traveling expenses, and (vi) others, which mainly consists of lease expenses, recruitment expenses, patent application fees, and other miscellaneous expenses.

The following table sets forth a breakdown of our administrative expenses in absolute amount and as a percentage of our total revenue for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)						*(unaudited)*			
Staff costs	11,594	64.0	11,284	59.6	12,806	41.5	5,179	55.0	8,403	36.5
Consulting and other professional service fees	1,180	6.5	1,965	10.4	12,809	41.4	2,058	21.9	10,981	47.7

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)									
							(unaudited)			
Depreciation and amortization	3,048	16.8	3,059	16.2	2,207	7.1	1,151	12.2	1,610	7.0
Office expenses	583	3.2	831	4.4	1,372	4.4	464	4.9	570	2.5
Traveling expenses	299	1.6	133	0.7	250	0.8	73	0.8	134	0.6
Others	1,433	7.9	1,655	8.7	1,473	4.8	492	5.2	1,323	5.7
Total	**18,137**	**100.0**	**18,927**	**100.0**	**30,917**	**100.0**	**9,417**	**100.0**	**23,021**	**100.0**

Research and Development Expenses

Our research and development expenses consist primarily of (i) staff costs, mainly representing salaries, wages, share-based payments and welfare contributions to our research and development personnel, (ii) depreciation and amortization in relation to property, plant and equipment and right-of-use assets, (iii) technical service fees, mainly representing fees paid to third-party service providers for R&D-related services, (iv) traveling expenses, and (v) others, which mainly consists of office expenses, utilities and other miscellaneous expenses.

The following table sets forth a breakdown of our research and development expenses in absolute amount and as a percentage of our total revenue for the years/periods indicated.

	For the Year Ended December 31,						For the Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)									
							(unaudited)			
Staff costs	30,742	84.9	35,005	78.7	39,488	78.0	19,022	86.7	20,812	71.7
Depreciation and amortization	2,881	8.0	2,600	5.8	3,250	6.4	1,344	6.1	1,705	5.9
Technical service fees	–	0.0	2,275	5.1	82	0.2	82	0.4	82	0.3
Traveling expenses	703	1.9	1,087	2.4	1,889	3.7	779	3.5	491	1.7
Others	1,864	5.2	3,546	8.0	5,927	11.7	732	3.3	5,910	20.4
Total	**36,190**	**100.0**	**44,513**	**100.0**	**50,636**	**100.0**	**21,959**	**100.0**	**29,000**	**100.0**

The percentages of our research and development expenses to our revenue decreased from 48.3% in 2023 to 38.8% in 2024, and further to 19.1% in 2025 and 17.1% in the six months ended June 30, 2026, primarily due to the continuous robust increase of our revenue during the Track Record Period contributed by the commercialization of our research and development efforts, coupled with increased customer repurchase rates and the growth in our domestic sales.

Impairment Losses on Financial and Contract Assets

We recorded impairment losses on financial and contract assets, representing provision for expected credit losses. We recorded this item of RMB4.5 million, RMB5.7 million, RMB4.0 million, RMB1.6 million and RMB3.9 million in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively.

Finance Costs

Our finance costs consist primarily of interest expenses on loans and lease liabilities. We recorded finance costs of RMB1.2 million, RMB2.6 million, RMB4.3 million, RMB2.0 million, and RMB1.0 million in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively.

Finance Costs on Redemption Financial Liabilities

Our finance costs on redemption financial liabilities mainly represented redemption liabilities in relation to special rights of our equity shares. We recorded finance costs of RMB32.5 million, RMB37.7 million, RMB47.2 million, RMB21.0 million, and RMB33.1 million in 2023, 2024, 2025, and the six months ended June 30, 2025 and 2026, respectively.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Six Months Ended June 30, 2026 Compare to Six Months Ended June 30, 2025

Revenue

Our revenue increased by 25.3% from RMB135.0 million in the six months ended June 30, 2025 to RMB169.2 million in the six months ended June 30, 2026, primarily attributable to the increased sales of our robotic solutions, robotic products and other related accessories and services in domestic market.

- *Robotic Solutions.* Our revenue generated from the sales of robotic solutions increased by 27.3% from RMB116.0 million in the six months ended June 30, 2025 to RMB147.7 million in the six months ended June 30, 2026, primarily due to an increase in sales volume. Specifically, the increase was primarily due to a substantially increase in revenue from forklift AMR solutions of RMB35.7 million, partially offset by a decrease in revenue from standard AMR and omnidirectional heavy-load AMR solutions of RMB11.1 million, as customers selected different robot types based on their specific deployment scenarios, while overall revenue from both robot types grew, primarily driven by a continuous increase and ongoing implementation of newly signed orders.
- *Robotic Products.* Our revenue generated from the sales of robotic products increased by 8.3% from RMB16.0 million in the six months ended June 30, 2025 to RMB17.3 million in the six months ended June 30, 2026, mainly attributable to increased downstream demand for standardized robotic products together with the growth in domestic sales and the commencement and scale-up of commercial supply of standardized embodied intelligent mobile chassis.
- *Others.* Our revenue generated from others increased by 40.4% from RMB3.0 million in the six months ended June 30, 2025 to RMB4.2 million in the six months ended June 30, 2026, which was in line with the increased sales of our robotic solutions and robotic products.

Our revenue from Chinese Mainland increased by 27.4% from RMB123.8 million in the six months ended June 30, 2025 to RMB157.8 million in the six months ended June 30, 2026, primarily attributable to higher revenue contribution from large-scale projects, as well as an increase in sales volume driven by acquisition of new customers and expanded procurement by existing customers. Our revenue from markets outside Chinese Mainland remained relatively stable at RMB11.2 million and RMB11.5 million in the six months ended June 30, 2025 and 2026, respectively.

Cost of Sales

Our cost of sales increased by 21.4% from RMB98.4 million in the six months ended June 30, 2025 to RMB119.4 million in the six months ended June 30, 2026, primarily due to (i) an increase of RMB22.8 million in material costs, resulting from the expansion of our sales scale and the corresponding increase in procurement of materials, and (ii) an increase of RMB9.0 million in manufacturing and deployment costs, which was in line with the increase of revenue during the corresponding periods. Such increases were partially offset by a decrease of RMB10.7 million in inventory write-down.

Gross Profit and Gross Margin

As a result of the foregoing, our gross profit increased by 35.9% from RMB36.7 million in the six months ended June 30, 2025 to RMB49.8 million in the six months ended June 30, 2026, primarily due to the increase in revenue during the corresponding periods. Our overall gross margin stayed relatively stable at 27.1% in the six months ended June 30, 2025 and 29.4% in the six months ended June 30, 2026.

Other Income and Gains

Our other income and gains decreased by 46.8% from RMB6.3 million in the six months ended June 30, 2025 to RMB3.4 million in the six months ended June 30, 2026, primarily attributable to a decrease in government grants of RMB3.5 million, mainly due to the non-recurring nature of certain government subsidies recognized in the prior period.

Selling and Distribution Expenses

Our selling and distribution expenses remained relatively stable at RMB25.4 million in the six months ended June 30, 2025 and RMB25.1 million in the six months ended June 30, 2026, respectively.

Administrative Expenses

Our administrative expenses increased significantly from RMB9.4 million in the six months ended June 30, 2025 to RMB23.0 million in the six months ended June 30, 2026, primarily attributable to an increase of RMB8.9 million in consulting and other professional service fees in relation to the **[REDACTED]** and an increase of RMB3.2 million in staff costs in line with the expansion of our administrative team.

Research and Development Expenses

Our research and development expenses increased by 32.1% from RMB22.0 million in the six months ended June 30, 2025 to RMB29.0 million in the six months ended June 30, 2026, primarily attributable to an increase of RMB5.2 million in others in relation to the increased materials consumed in our R&D activities, and an increase of RMB1.8 million in staff costs mainly due to the headcount expansion and increased personnel costs to support our R&D projects.

Impairment Losses on Financial and Contract Assets

We recorded impairment losses on financial and contract assets of RMB3.9 million in the six months ended June 30, 2026 compared to RMB1.6 million in the six months ended June 30, 2025, representing an increase of 142.2%, primarily due to increased trade receivables and contract assets, which was in line with our business expansion.

Other Expenses

Other expenses were RMB1.8 million in the six months ended June 30, 2026 compared to RMB37 thousand in the six months ended June 30, 2025, primarily due to foreign exchange losses and certain non-recurring non-operating expenses.

Finance Costs

Our finance costs decreased by 49.6% from RMB2.0 million in the six months ended June 30, 2025 to RMB1.0 million in the six months ended June 30, 2026, primarily due to a decrease of RMB0.6 million in our interest expenses on bank and other borrowings and a decrease of RMB0.4 million in our interest on other long-term payables, mainly due to the repayment of our bank borrowings and other long-term payables.

Finance Costs on Redemption Financial Liabilities

Our finance costs on redemption financial liabilities increased by 58.0% from RMB21.0 million in the six months ended June 30, 2025 to RMB33.1 million in the six months ended June 30, 2026, primarily due to the increase in redemption liabilities arising from equity financing activities during the period.

Loss for the Period

As a result of the foregoing, our loss for the period increased by 65.8% from RMB38.4 million in the six months ended June 30, 2025 to RMB63.7 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 significantly from RMB114.8 million in 2024 to RMB265.5 million in 2025, primarily attributable to the increased sales of our robotic solutions, robotic products and other related accessories and services in both domestic and overseas market.

- *Robotic Solutions.* Our revenue generated from the sales of robotic solutions increased by 125.4% from RMB97.5 million in 2024 to RMB219.7 million in 2025, primarily due to the accelerated revenue recognition of projects driven by the rapid growth in order intake in prior years, with revenue recognized in 2025 in accordance with project performance and acceptance milestones, as well as an overall increase in sales volume. Specifically, the increase was primarily due to a substantially increase in revenue from standard AMR and omnidirectional heavy-load AMR solutions of RMB121.7 million, as well as an increase in revenue from forklift AMR solutions of RMB18.1 million, as both AMR and forklift robots are the primary robot types deployed in our customers' industrial scenarios, with their revenue growth primarily driven by specific customer operational requirements.
- *Robotic Products.* Our revenue generated from the sales of robotic products increased by 187.2% from RMB12.9 million in 2024 to RMB37.0 million in 2025, mainly attributable to increased downstream demand for standardized robotic products together with the growth in overseas sales and the commencement of commercial supply of standardized embodied intelligent mobile chassis.
- *Others.* Our revenue generated from others increased by 97.7% from RMB4.5 million in 2024 to RMB8.9 million in 2025, which was in line with the increased sales of our robotic solutions and robotic products.

Our revenue from Chinese Mainland increased by 124.7% from RMB104.1 million in 2024 to RMB234.0 million in 2025, primarily attributable to higher revenue contribution from large-scale projects, as well as an increase in sales volume driven by acquisition of new customers and expanded procurement by existing customers. Our revenue from markets outside Chinese Mainland increased by 194.5% from RMB10.7 million in 2024 to RMB31.5 million in 2025, mainly due to increased sales to overseas customers in Japan, Thailand, Vietnam, Australia, South Korea and Indonesia markets.

Cost of Sales

Our cost of sales increased significantly RMB87.0 million in 2024 to RMB186.8 million in 2025, primarily due to (i) an increase of RMB78.6 million in material costs, resulting from the expansion of our sales scale and the corresponding increase in procurement of materials, and (ii) an increase of RMB21.9 million in manufacturing and deployment costs, which was in line with the increase of revenue during the corresponding periods.

Gross Profit and Gross Margin

As a result of the foregoing, our gross profit increased significantly from RMB27.8 million in 2024 to RMB78.8 million in 2025, primarily due to the significant increase in revenue during the corresponding periods. Our overall gross margin increased from 24.2% in 2024 to 29.7% in 2025, primarily due to improvements in cost structure and delivery efficiency as our business scaled. First, the maturation of our solution offerings led to reductions in project delivery costs. In particular, the unit purchase prices of key components declined as a result of centralized purchasing, substitution of alternative suppliers and increased localization of key components, including LiDAR, batteries and motor reducers, as well as lower costs resulting from iterative upgrades of our self-developed controllers. Second, we benefited from economies of scale as our business expansion.

Other Income and Gains

Our other income and gains increased by 45.1% from RMB13.3 million in 2024 to RMB19.3 million in 2025, primarily attributable to an increase in government grants of RMB6.3 million, mainly due to higher government subsidies received in relation to software tax refund, research and development projects and business achievements.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 21.0% from RMB49.5 million in 2024 to RMB59.9 million in 2025, primarily due to an increase in provision for expected liabilities of RMB9.1 million, which was generally reflected higher accrued after-sales service costs associated with the expanded scale of our business.

Administrative Expenses

Our administrative expenses increased by 63.3% from RMB18.9 million in 2024 to RMB30.9 million in 2025, primarily attributable to an increase in consulting and other professional service fees of RMB10.8 million, mainly due to higher professional service expenses incurred in connection with **[REDACTED]** expenses.

Research and Development Expenses

Our research and development expenses increased by 13.7% from RMB44.5 million in 2024 to RMB50.6 million in 2025, primarily attributable to (i) an increase in staff costs of RMB4.5 million, mainly due to headcount expansion and increased personnel costs to support our R&D projects, and (ii) an increase in others expenses of RMB2.4 million.

Impairment Losses on Financial and Contract Assets

We recorded impairment losses on financial and contract assets of RMB5.7 million in 2024 compared to RMB4.0 million in 2025, representing a decrease of 30.4%, primarily due to collection of certain long-aged outstanding trade receivables.

Other Expenses

Other expenses were RMB0.9 million in 2025 compared to RMB0.1 million in 2024, primarily due to foreign exchange losses and certain non-recurring non-operating expenses.

Finance Costs

Our finance costs increased by 66.5% from RMB2.6 million in 2024 to RMB4.3 million in 2025, primarily due to an increase in our interest expenses on borrowings and other long-term payables of RMB1.6 million, mainly driven by the increased amount of our bank borrowings and other long-term payables.

Finance Costs on Redemption Financial Liabilities

Our finance costs on redemption financial liabilities increased by 25.2% from RMB37.7 million in 2024 to RMB47.2 million in 2025, primarily due to the increase in redemption liabilities arising from equity financing activities during the period.

Loss for the Year

As a result of the foregoing, our loss for the year decreased by 15.4% from RMB117.9 million in 2024 to RMB99.7 million in 2025.

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

Revenue

Our revenue increased by 53.1% from RMB75.0 million in 2023 to RMB114.8 million in 2024, primarily attributable to the increased sales of our robotic solutions in domestic market.

Our revenue generated from the sales of robotic solutions increased by 84.4% from RMB52.8 million in 2023 to RMB97.5 million in 2024, primarily due to an increase in the number of orders completed and accepted. Specifically, the increase was primarily due to a substantially increase in revenue from standard AMR and omnidirectional heavy-load AMR solutions of RMB11.5 million, as well as an increase in revenue from forklift AMR solutions of RMB9.7 million, as both AMR and forklift robots are the primary robot types deployed in our customers' industrial scenarios, with their revenue growth primarily driven by specific customer operational requirements. Our revenue generated from the sales of robotic products decreased by 33.2% from RMB19.3 million in 2023 to RMB12.9 million in 2024, primarily due to a temporary decline in domestic sales of robotic products as domestic customers with mature

operational scenarios increasingly transitioned toward bulk purchasing of robotic products that required localized factory deployments, leading to fluctuations in domestic deliveries of robotic products.

Our revenue from Chinese Mainland increased by 60.4% from RMB64.9 million in 2023 to RMB104.1 million in 2024, primarily attributable to increased sales to existing customers and the acquisition of new customers.

Cost of Sales

Our cost of sales increased by 44.7% from RMB60.2 million in 2023 to RMB87.0 million in 2024, primarily due to an increase of RMB26.8 million in material costs, resulting from the expansion of our sales scale and the corresponding increase in procurement of materials.

Gross Profit and Gross Margin

As a result of the foregoing, our gross profit increased by 88.0% from RMB14.8 million in 2023 to RMB27.8 million in 2024. Our overall gross margin increased from 19.7% in 2023 to 24.2% in 2024, primarily due to improvements in cost structure and delivery efficiency as our business scaled.

Other Income and Gains

Our other income and gains increased by 28.6% from RMB10.4 million in 2023 to RMB13.3 million in 2024, primarily attributable to an increase in government grants of RMB5.1 million, mainly due to higher government subsidies received in connection with software tax rebates, research and development projects and business achievements.

Selling and Distribution Expenses

Our selling expenses increased by 7.1% from RMB46.2 million in 2023 to RMB49.5 million in 2024, primarily attributable to an increase in customer service fees of RMB5.5 million, mainly driven by increasing demand in after-sales services associated with our increased sales volume of our robotic solutions, partially offset by a decrease in traveling and business development expenses of RMB3.7 million due to optimization of cost control.

Administrative Expenses

Our administrative expenses increased by 4.4% from RMB18.1 million in 2023 to RMB18.9 million in 2024, primarily driven by an increase in consulting and other professional service fees of RMB0.8 million, mainly due to one-off appraisal and certification-related service fees.

Research and Development Expenses

Our research and development expenses increased by 22.9% from RMB36.2 million in 2023 to RMB44.5 million in 2024, primarily due to (i) an increase in staff costs of RMB4.3 million, mainly attributable to the recruitment of additional R&D personnel, (ii) an increase in technical service fees of RMB2.3 million, mainly due to outsourced technical services for certain R&D activities.

Impairment Losses on Financial and Contract Assets

We recorded impairment losses on financial and contract assets of RMB4.5 million in 2023 compared to RMB5.7 million in 2024, representing an increase of 25.4%, primarily due to increased trade receivables in line with our business development.

Other Expenses

Other expenses were RMB0.1 million and RMB0.1 million in 2023 and 2024, respectively.

Finance Costs

Our finance costs increased by 110.1% from RMB1.2 million in 2023 to RMB2.6 million in 2024, primarily due to an increase in our interest expenses on borrowings and other long-term payables of RMB1.5 million mainly because the amount of our borrowings and other long-term payables increased.

Finance Costs on Redemption Financial Liabilities

Our finance costs on redemption financial liabilities increased by 16.0% from RMB32.5 million in 2023 to RMB37.7 million in 2024, primarily due to the increase in redemption liabilities arising from equity financing activities during the year.

Loss for the Year

As a result of the foregoing, our loss for the year increased by 3.6% from RMB113.8 million in 2023 to RMB117.9 million in 2024.

DISCUSSION OF CERTAIN KEY ITEMS ON CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth our consolidated balance sheets as of the dates indicated.

	As of December 31,			As of June 30,
	2023	**2024**	**2025**	**2026**
	(RMB in thousands)			
ASSETS				
Non-current assets				
Property, plant and equipment	9,412	9,512	11,687	10,787
Right-of-use assets	4,012	11,400	7,622	8,956
Other intangible assets	843	642	441	340
Equity investments at fair value through other comprehensive income	–	39,878	38,128	38,491
Contract assets	346	2,912	4,488	5,182
Time deposits	–	–	10,148	10,253
Prepayments, other receivables and other assets	–	–	–	2,002
Total non-current assets	**14,613**	**64,344**	**72,514**	**76,011**
Current assets				
Inventories	179,188	256,707	209,640	174,614
Trade receivables	19,766	31,054	64,771	105,928
Bills receivable	3,069	9,673	3,314	5,656
Contract assets	5,163	7,828	24,171	35,330
Prepayments, other receivables and other assets	13,349	13,955	21,162	21,419
Debt investments at fair value through other comprehensive income	6,707	4,421	3,470	1,393
Financial assets at FVTPL	–	30,099	5,070	110,118
Restricted bank deposits	2,293	7,674	11,953	22,689
Time deposits	64,074	–	10,227	–
Cash and cash equivalents	29,249	130,092	336,355	217,870
Total current assets	**322,858**	**491,503**	**690,133**	**695,017**
Total assets	**337,471**	**555,847**	**762,647**	**771,028**

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
LIABILITIES				
Current liabilities				
Trade and bills payables	30,043	76,130	93,881	127,453
Other payables and accruals	22,219	30,251	27,458	29,639
Interest-bearing bank and other borrowings	49,956	96,931	86,391	72,989
Lease liabilities	1,836	4,782	4,005	5,272
Contract liabilities	102,986	127,764	91,105	72,151
Redemption financial liabilities	503,007	665,694	1,011,239	1,074,331
Tax payable	–	–	22	2
Provision	193	200	3,751	5,961
Total current liabilities	**710,240**	**1,001,752**	**1,317,852**	**1,387,798**
Net Current Liabilities	**(387,382)**	**(510,249)**	**(627,719)**	**(692,781)**
Non-current liabilities				
Lease liabilities	826	6,150	3,127	3,506
Other long-term payables	–	20,173	–	–
Total non-current liabilities	**826**	**26,323**	**3,127**	**3,506**
Total liabilities	**711,066**	**1,028,075**	**1,320,979**	**1,391,304**
Net Liabilities	**(373,595)**	**(472,228)**	**(558,332)**	**(620,276)**

We recorded net liabilities of RMB373.6 million, RMB472.2 million, RMB558.3 million, and RMB620.3 million as of December 31, 2023, 2024, and 2025 and June 30, 2026, respectively. Our net liabilities position as of December 31, 2023, 2024, and 2025 and June 30, 2026 were primarily due to redemption financial liabilities issued to investors subject to redemption and other special rights. We recorded net current liabilities of RMB387.4 million and RMB510.2 million, RMB627.7 million, and RMB692.8 million as of December 31, 2023, 2024, and 2025 and June 30, 2026, respectively. We expect our net liabilities position to turn into a net assets position, following the re-designation of redemption financial liabilities as equity upon the **[REDACTED]**.

Assets

Property, plant and equipment

Our property, plant and equipment primarily consist of machinery, leasehold improvements, other equipment mainly including molds, racks and pallets, electronic equipment mainly used for research and development purposes, and office equipment. The following table sets forth the breakdown 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)			
Machinery	3,163	3,307	6,632	6,105
Leasehold improvements	2,117	2,248	1,831	1,840
Other equipment	1,772	2,335	1,658	1,568
Office equipment	902	664	760	686
Electronic equipment	1,458	958	806	588
Total property, plant and equipment	**9,412**	**9,512**	**11,687**	**10,787**

Our property, plant and equipment remained relatively stable at RMB9.4 million and RMB9.5 million as of December 31, 2023 and 2024, respectively. Our property, plant and equipment further increased from RMB9.5 million as of December 31, 2024 to RMB11.7 million as of December 31, 2025, mainly driven by an increase in machinery, primarily attributable to the acquisition of additional production-related equipment to support the expansion of our operations. Our property, plant and equipment decreased by 7.7% from RMB11.7 million as of December 31, 2025 to RMB10.8 million as of June 30, 2026, mainly attributable to a decrease of RMB0.6 million in machinery due to depreciation.

Right-of-use Assets

Our right-of-use assets mainly represent our lease of leasehold buildings. Our right-of-use assets increased significantly from RMB4.0 million as of December 31, 2023 to RMB11.4 million as of December 31, 2024, primarily attributable to the recognition of right-of-use assets arising from newly entered lease agreements, mainly in connection with production facility in Quzhou. Our right-of-use assets decreased from RMB11.4 million as of December 31, 2024 to RMB7.6 million as of December 31, 2025, primarily attributable to the depreciation of right-of-use assets during the period. Our right-of-use assets increased by 17.5% from RMB7.6 million as of December 31, 2025 to RMB9.0 million as of June 30, 2026, primarily due to the commencement of a new lease in Taizhou.

The carrying amounts of our Group's non-financial assets mainly consisted of (i) property, plant and equipment, (ii) right-of-use assets, and (iii) intangible assets, and were reviewed by the management of our Group periodically to determine whether there is any indication of impairment throughout the Track Record Period according to IAS 36. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable at the end of each reporting period. Our Group had operating losses during the Track Record Period which was mainly due to the fact that our Group carried out strategic investments such as R&D, coupled with the inherent time lag in expanding the market and gaining market recognition. Our Group's operating performance during the Track Record Periods meets the expectations and judgments of our Group's management. Accordingly, our management did not consider operating losses as an indication of the impairment for the non-financial assets.

Equity Investments at Fair Value through Other Comprehensive Income

Our equity investments at fair value through other comprehensive income mainly represent our unlisted equity investment designated at fair value through other comprehensive income. In 2024, we completed an equity investment in an unlisted entity, which was irrevocably designated at fair value through other comprehensive income upon initial recognition. This unlisted entity, established in December 2023 and headquartered in Ningbo, is primarily engaged in the research, development, and sale of humanoid and industrial robotic systems. Please refer to Note 17 of the Accountant's Report in Appendix I to the document for details. Our equity investments at fair value through other comprehensive income decreased from RMB39.9 million as of

December 31, 2024 to RMB38.1 million as of December 31, 2025, primarily due to fair value changes of our equity investments during the period, which are subject to fluctuations based on the unlisted entity's technological milestones, commercialization progress, and prevailing market valuation environment. Our equity investments at fair value through other comprehensive income stayed relatively stable at RMB38.1 million and RMB38.5 million as of December 31, 2025 and June 30, 2026, respectively.

Inventories

Our inventories mainly represent (i) contract fulfillment costs, which mainly represent transportation and implementation costs incurred for products that have been delivered to customers' sites but pending final acceptance, (ii) raw materials, which mainly represent electronic components, structural components and other raw materials used in the production of our robotic products, (iii) finished goods, (iv) work in progress, which mainly represent robotic products under assembly or production, and (v) impairment, representing provisions for inventory write-downs based on net realizable value. In determining write-down of inventories, we consider factors such as inventory aging profiles, usability and condition of raw materials and products, as well as expected sales performance and net realizable value. The following table sets forth our inventories as of the dates indicated.

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Contract fulfillment costs	154,263	227,370	175,687	116,543
Raw materials	24,434	29,714	42,324	36,925
Work in progress	7,196	10,311	5,281	21,473
Finished goods	2,719	3,997	3,224	12,206
Impairment	(9,424)	(14,685)	(16,876)	(12,533)
Total inventories	**179,188**	**256,707**	**209,640**	**174,614**

Our inventories increased by 43.3% from RMB179.2 million as of December 31, 2023 to RMB256.7 million as of December 31, 2024, primarily attributable to an increase in contract fulfillment costs, which increased from RMB154.3 million to RMB227.4 million, reflecting a higher number of projects under implementation but not yet accepted by customers as of the end of 2024. Our inventories decreased by 18.3% from RMB256.7 million as of December 31, 2024 to RMB209.6 million as of December 31, 2025, primarily due to a decrease in contract fulfillment costs from RMB227.4 million to RMB175.7 million, as a number of projects reached acceptance milestones during the period. Our inventories decreased by 16.7% from RMB209.6 million as of December 31, 2025 to RMB174.6 million as of June 30, 2026, primarily due to a decrease in contract fulfillment costs from RMB175.7 million to RMB116.5 million and a decrease in raw materials from RMB42.3 million to RMB36.9 million during that period.

The following table sets forth our inventory turnover days for the years/periods indicated.

	For the Year Ended December 31,			For the Six Months Ended June 30,
	2023	2024	2025	2026
Inventory turnover days[(1)]	989	964	487	317

Note:

(1) Inventory turnover days is equal to the average of the beginning and ending inventory balances of a period divided by cost of sales for that period and multiplied by the number of days in that period (i.e., 365 days for a given year).

In 2023, 2024, 2025, and the six months ended June 30, 2026, our inventory turnover days were 989 days, 964 days, 487 days, and 317 days, respectively. Our inventory turnover days decreased from 964 days in 2024 to 487 days in 2025 and further to 317 days in the six months ended June 30, 2026, primarily due to the decrease in our inventories resulting from a number of projects reached acceptance milestones during the period. Our inventory turnover days are relatively long primarily because a significant portion of our inventories consists of contract fulfillment costs, which mainly represent costs incurred for projects with relatively long delivery and acceptance cycles robotic solution projects that are under implementation but have not yet reached customer acceptance. These projects typically have longer implementation and acceptance cycles, and inventory can only be recognized as cost of sales upon completion of acceptance in accordance with the relevant contractual arrangements. In addition, several major projects span across multiple accounting periods, resulting in the accumulation of contract fulfillment costs at period end and consequently extending inventory turnover days. As more projects reach acceptance milestones, the corresponding contract fulfillment costs are expected to be transferred to cost of sales, which may improve inventory turnover efficiency over time.

Our Group identifies inventory impairment indicators based on the following criteria: (i) for raw materials, work in progress, and finished goods, we primarily identify obsolescence risks based on the aging of the inventory; (ii) for net realizable value assessments, we evaluate estimated selling prices less any estimated costs to be incurred to completion and disposal; and (iii) for contract fulfillment costs, we monitor for indicators such as project stagnation, cancellation, or instances where the estimated total project costs are expected to exceed the contract revenue.

Our Directors are of the view that the inventory write-downs made during the Track Record Period were sufficient, taking into account (i) the fact that a significant portion of our inventories, particularly contract fulfillment costs, are supported by confirmed sales orders and ongoing project implementation; and (ii) the relatively low subsequent utilization rate of certain inventories is primarily due to alignment with customers' specific project installation and deployment schedules rather than any fundamental impairment issues.

As of July 31, 2026, RMB11.5 million, or 6.1% of our gross inventories outstanding as of June 30, 2026, had been subsequently consumed.

Our contract fulfillment costs primarily represent transportation and implementation costs incurred for products that have been delivered to customers' sites but remain pending final customer acceptance, at which point in time the revenue is recognized and these accumulated costs are transferred to cost of sales. The following table sets forth the aging analysis of our contract fulfillment costs as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within one year	151,541	206,475	94,202	65,488
Over one year	2,722	20,895	81,485	51,055
Total	**154,263**	**227,370**	**175,687**	**116,543**

We experience relatively longer aging profiles and accumulations for certain contract fulfillment costs primarily because a majority of our revenue from robotic solution projects is derived from customized projects with a total duration exceeding 12 months. Given the customized nature of our robotic solutions, particularly our intelligent robotic systems, and the complexity of our customers' specific operational scenarios, these projects involve extensive implementation, installation, and on-site deployment schedules that frequently span across multiple accounting periods before reaching final customer acceptance, which may occasionally be compounded by localized project alignment or milestone coordination lags. We closely monitor the progress of these ongoing projects and consider that there is no material impairment risk as the contract values exceed the accumulated contract fulfillment costs.

As of July 31, 2026, RMB11.5 million, or 9.9% of our contract fulfillment costs outstanding as of June 30, 2026, had been subsequently recognized as cost of sales upon successful customer acceptances.

Trade Receivables

Our trade receivables primarily represent (i) trade receivables from third parties in relation to our ordinary course of business, (ii) trade receivables from related parties in arising from routine trading transactions conducted in the ordinary course of business, less impairment on trade receivables. The following table sets forth a breakdown of our trade receivables by nature as of the dates indicated.

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Trade receivables – third parties	24,778	32,864	73,802	112,499
Trade receivables – related parties	1,841	8,297	2,695	7,653
Impairment	(6,853)	(10,107)	(11,726)	(14,224)
Total	**19,766**	**31,054**	**64,771**	**105,928**

Our trade receivables increased from RMB19.8 million as of December 31, 2023 to RMB31.1 million as of December 31, 2024, to RMB64.8 million as of December 31, 2025 and further to RMB105.9 million as of June 30, 2026, primarily due to the growth of our business scale and revenue during the corresponding periods and the resulting increase in outstanding receivables under our customer payment terms, which typically involve staged payments and a processing period after the relevant collection milestones are met.

Our Group applies the simplified approach in calculating ECLs for trade receivables. Trade receivables relating to customers that do not share similar credit risks with others are assessed individually for impairment allowance, for instance, customers with known financial difficulties or significant doubt on collection. The remaining trade receivables are grouped and collectively assessed for impairment allowance. Under the collective approach, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing analysis for grouping of customers that have similar loss patterns. The calculation reflects the age of the balances, existence of disputes, recent historical payment patterns, any other available information concerning the creditworthiness of counterparties and influence of macroeconomic conditions. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The following table sets forth our trade receivables turnover days for the years/periods indicated.

	For the Year Ended December 31,			For the Six Months Ended June 30,
	2023	2024	2025	2026
Trade receivables turnover days[(1)]	118	108	81	106

Note:

(1) The trade receivables turnover days are calculated by dividing the average of the opening and ending balance of our trade receivables in that period by revenue for the corresponding period and then multiplying by the number of days in that period (i.e., 365 days for a given year).

Our trade receivables turnover days were 118 days, 108 days, 81 days, and 106 days in 2023, 2024, 2025, and the six months ended June 30, 2026, respectively. Our trade receivables turnover days were primarily driven by our credit terms and collection arrangements with customers. We generally collect payments on a milestone basis, and after the relevant collection milestones are met, customers typically require to complete their internal approval and payment processes. Our trade receivables turnover days decreased from 108 days in 2024 to 81 days in 2025, primarily due to our strengthened customer payment management and increased efforts in the collection of accounts receivable. Our trade receivables turnover days increased from 81 days in 2025 to 106 days in the six months ended June 30, 2026, primarily due to the expansion of our customer base as we generally offered longer credit terms to customers in good standing to attract and retain customers.

The following table sets forth an aging analysis of our trade receivables 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 1 year	17,581	25,654	58,514	89,212
Over 1 but within 2 years	1,941	4,484	5,702	15,987
Over 2 but within 3 years	150	865	555	671
Over 3 years	94	51	–	58
Total	**19,766**	**31,054**	**64,771**	**105,928**

As of July 31, 2026, RMB13.9 million, or 11.6% of our gross trade receivables outstanding as of June 30, 2026, had been subsequently settled.

Bills Receivable

Our bills receivable primarily represent (i) bank acceptance bills and (ii) commercial acceptance bills received from our customers in settlement of amounts due under our sales in the ordinary course of business, net of impairment allowance. The following table sets forth a breakdown of our bills receivable by nature as of the dates indicated.

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Bank acceptance bills	3,011	9,673	3,314	5,656
Commercial acceptance bills	62	–	–	–
Less: Impairment allowance	(4)	–	–	–
Total	**3,069**	**9,673**	**3,314**	**5,656**

Our bills receivable increased from RMB3.1 million as of December 31, 2023 to RMB9.7 million as of December 31, 2024, and from RMB3.3 million as of December 31, 2025 to RMB5.7 million as of June 30, 2026, primarily due to the expansion of our sales scale. Our bills receivable decreased from RMB9.7 million as of December 31, 2024 to RMB3.3 million as of December 31, 2025, primarily due to our enhanced efforts in receivables management.

Contract Assets

Our contract assets are initially recognized for the revenue earned from sales of products and the receipt of retention consideration is conditional on expiration of the warranty period. Our total contract assets increased from RMB5.5 million as of December 31, 2023 to RMB10.7 million as of December 31, 2024, to RMB28.7 million as of December 31, 2025, and further to RMB40.5 million as of June 30, 2026, which was in line with our business expansion. As of July 31, 2026, RMB312 thousand, or 0.8% of our contract assets outstanding as of June 30,2026, had been subsequently settled.

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets primarily consist of (i) prepayments, which primarily consist of prepayments for supplies and third-party services for our ordinary business operations, (ii) other receivables, which mainly represent tender and performance deposits as well as rental deposits, (iii) deductible value-added tax, (iv) prepaid expenses, which mainly represent expenses to be amortized over the relevant periods, (v) **[REDACTED]** expenses, and (vi) impairment allowance. The following table sets forth the details of 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)			
Deductible value-added tax	966	5,379	12,675	11,626
Prepayments	10,120	6,016	4,485	7,285
Other receivables	2,451	4,409	4,922	4,328
[REDACTED] expenses	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Prepaid expenses	119	103	169	283
Impairment allowance	(307)	(1,952)	(1,928)	(2,114)
Total	**13,349**	**13,955**	**21,162**	**23,421**

Our prepayments, other receivables and other assets remained relatively stable at RMB13.3 million and RMB14.0 million as of December 31, 2023 and 2024, respectively. Our prepayments, other receivables and other assets increased to RMB21.2 million as of December 31, 2025 and further to RMB23.4 million as of June 30, 2026, primarily in connection with procurement activities required for order execution. As of July 31, 2026, RMB 7.0 million, or 27.4% of our prepayments, other receivables and other assets outstanding as of June 30, 2026, had been subsequently settled.

Debt Investments at Fair Value through Other Comprehensive Income

Our debt investments at fair value through other comprehensive income consist of bank acceptance bills received from customers, which are issued by major state-owned commercial banks and other well-known nationwide commercial banks with high credit ratings and low default risk. Our debt investments at fair value through other comprehensive income decreased from RMB6.7 million as of December 31, 2023 to RMB4.4 million as of December 31, 2024, to RMB3.5 million as of December 31, 2025, and further to RMB1.4 million as of June 30, 2026 primarily in relation to the ordinary course of business. See Note 23 of the Accountant's Report in Appendix I to the document.

Financial Assets at FVTPL

Our financial assets at FVTPL primarily related to wealth management products issued by reputable domestic commercial banks. Our financial assets at FVTPL decreased from RMB30.1 million as of December 31, 2024 to RMB5.1 million as of December 31, 2025, primarily due to the maturity of a RMB30.0 million structured deposit in early 2025, which was not renewed. Our financial assets at FVTPL significantly increased from RMB5.1 million to RMB110.1 million as

of June 30, 2026, primarily due to our additional subscription of structured deposit in early 2026. See Note 24 of the Accountant's Report in Appendix I to the document.

We adopt a prudent approach when purchasing wealth management products, with capital preservation and risk control as our primary considerations. We limit our investments to bank-issued products with a low risk rating of PR2 (low risk) or below, as classified under the internal risk rating systems commonly adopted by commercial banks, and give preference to products offered by state-owned banks, joint-stock commercial banks and other commercial banks with controllable risk profiles. We ensure that the investment tenors of such products are aligned with our funding plans and liquidity needs so as not to disrupt our normal cash flow. Following the purchase, we monitor the performance of wealth management products on an ongoing basis and may redeem products in a timely manner and reallocate funds to alternative low-risk products if their yield performance no longer meets our expectations. Headed by the finance manager and reporting to the CFO, our finance department determines policies and procedures for fair value measurement. At each reporting date, our finance department evaluates valuation movements and key inputs, subject to review and approval by the CFO.

Upon the **[REDACTED]**, our investment in wealth management products will be subject to compliance with Chapter 14 of the Listing Rules.

Restricted Bank Deposits

Our restricted bank deposits mainly represented security deposits for guarantees and deposits for bank bills. Our restricted bank deposits were RMB2.3 million, RMB7.7 million, RMB12.0 million and RMB22.7 million, respectively, as of December 31, 2023, 2024 and 2025 and June 30, 2026. The increase in our restricted bank deposits during the Track Record Period was mainly due to the expansion of our business operations and the corresponding increase in the issuance of bank guarantees and bank acceptance bills.

Time Deposits

Our time deposits were RMB64.1 million, nil, RMB20.4 million and RMB10.3 million as of December 31, 2023, 2024, and 2025 and June 30, 2026, respectively. The decrease in our time deposits during the Track Record Period was mainly due to the redemption of large-denomination time deposits upon maturity in 2024 and early 2026 and the absence of renewal in that year, followed by the placement of new large-denomination time deposits in 2025.

Cash and Cash Equivalents

Our cash and cash equivalents primarily consist of cash on hand and at bank. Our cash and cash equivalents increased from RMB29.2 million as of December 31, 2023 to RMB130.1 million as of December 31, 2024, and further increased to RMB336.4 million as of December 31, 2025, primarily reflecting the equity financing of approximately RMB125 million completed in 2024, as well as equity financing activities in 2025. Our cash and cash equivalents decreased from RMB336.4 million as of December 31, 2025 to RMB217.9 million as of June 30, 2026, primarily due to the allocation of cash to purchase wealth management products.

Liabilities

Trade and Bills Payables

Our trade and bills payables consist primarily of payables for purchase of materials and services. The following table sets forth 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	24,711	71,832	69,066	77,119
Bills payable	5,332	4,298	24,815	50,334
Total	**30,043**	**76,130**	**93,881**	**127,453**

Our trade and bills payables increased from RMB30.0million as of December 31, 2023 to RMB76.1 million as of December 31, 2024, further to RMB93.9 million as of December 31, 2025, and further to RMB127.5 million as of June 30, 2026, primarily due to the expansion of our business scale, which led to higher procurement volumes and a corresponding increase in amounts payable to suppliers.

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

	For the Year Ended December 31,			For the Six Months Ended June 30,
	2023	2024	2025	2026
Trade and bills payables turnover days[(1)]	220	223	166	170

Note:

(1) The trade and bills payables turnover days are calculated by dividing the average of the opening and ending balance of trade and bills payables in that period by cost of sales for the corresponding period and then multiplying by the number of days in that period (i.e., 365 days for a given year).

Our trade and bills payables turnover days were 220 days, 223 days, 166 days and 170 days in 2023, 2024, 2025, and the six months ended June 30, 2026, respectively. Our trade and bills payables turnover days decreased from 223 days in 2024 to 166 days in 2025, primarily because attributable to the recognition of costs associated with orders received in prior periods, which outpaced the increase of the corresponding payables balance at period end. Our trade and bills payables turnover days stayed relatively stable at 166 days in 2025 and 170 days in the six months ended June 30, 2026. The difference between our trade and bills payables turnover days and the credit terms for our top five suppliers during the Track Record Period was primarily due to efficient negotiation with our suppliers when carrying out the procurement contracts to adjust the actual payment schedule according to our project milestones, which does not indicate any material delay in payment or deterioration in our relationships with suppliers.

The following table sets forth an aging analysis of our trade and bills payables as of the date indicated.

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within one year	23,784	69,156	75,852	113,536
Over one year	6,259	6,974	18,029	13,917
Total	**30,043**	**76,130**	**93,881**	**127,453**

As of July 31, 2026, RMB12.3 million, or 16.0% of our trade payables outstanding as of June 30, 2026, had been subsequently settled.

Other Payables and Accruals

Other payables and accruals consist of (i) employee benefit payables, which represent outstanding employee compensation and bonus, (ii) value-added and other taxes payable, which represent taxes on revenue recognized without invoices, (iii) other payables, which represent unpaid expense reimbursements, and (iv) **[REDACTED]** expense payable.

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Employee benefit payables	14,907	13,430	16,231	20,350
[REDACTED] expense payable	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Other payables	4,458	6,161	7,147	2,884
Value-added and other taxes payable	2,854	10,660	462	1,391
Total	**22,219**	**30,251**	**27,458**	**29,639**

Our other payables and accruals increased from RMB22.2 million as of December 31, 2023 to RMB30.3 million as of December 31, 2024, and decreased to RMB27.5 million as of December 31, 2025, before rebounding to RMB29.6 million as of June 30, 2026. Such fluctuations were primarily attributable to changes in value-added tax and other taxes payable, which arose at period end in connection with the timing and progress of project implementation and revenue recognition. As of July 31, 2026, RMB10.9 million, or 36.9% of our other payables and accruals outstanding as of June 30,2026, had been subsequently settled.

Interest-bearing Bank and Other Borrowings

Our interest-bearing bank and other borrowings consist primarily of unsecured bank loans and other secured loans. Our interest-bearing bank and other borrowings increased from RMB50.0 million as of December 31, 2023 to RMB96.9 million as of December 31, 2024, and decreased to RMB86.4 million as of December 31, 2025, primarily due to continued funding requirements for business operations. Our interest-bearing bank and other borrowings decreased from RMB86.4 million as of December 31, 2025 to RMB73.0 million as of June 30, 2026, primarily due to the receipt of proceeds from equity financing, which reduced our need to obtain interest-bearing borrowings to fund our operations and business development. See "– Indebtedness" for details about our loans and borrowings.

Lease Liabilities

Lease liabilities represent the present value of outstanding lease payments under our lease agreements. The total of our non-current lease liabilities increased from RMB2.7 million as of December 31, 2023 to RMB10.9 million as of December 31, 2024, primarily due to the commencement of new lease arrangements in Quzhou. The amount decreased to RMB7.1 million as of December 31, 2025, mainly attributable to the repayment of lease principal and the amortization of lease liabilities during the period. Our lease liabilities increased from RMB7.1 million as of December 31, 2025 to RMB8.8 million as of June 30, 2026, primarily due to the commencement of new lease arrangements in Zhejiang Province.

Contract Liabilities

Our contract liabilities primarily represent advances received from customers. Our contract liabilities increased from RMB103.0 million as of December 31, 2023 to RMB127.8 million as of December 31, 2024, primarily due to increased customer advances arising from an increased number of orders. Our contract liabilities decreased to RMB91.1 million as of December 31, 2025, and further to RMB72.2 million as of June 30, 2026, primarily due to the acceptance of a number of projects with relatively long delivery and acceptance cycles. As of July 31, 2026, RMB 5.4 million, or 7.5% of our contract liabilities outstanding as of June 30, 2026, had been subsequently settled.

Redemption Financial Liabilities

Our redemption financial liabilities primarily related to equity shares issued to investors subject to redemption and other special rights. Our redemption financial liabilities increased from RMB503.0 million as of December 31, 2023 to RMB665.7 million primarily due to

financing activities during the period. This amount further increased to RMB1,011.2 million as of December 31, 2025, and further to RMB1,074.3 million as of June 30, 2026, primarily due to financing activities during the period.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash are to fund our procurement of raw material, research and development and sales activities, and other operational needs. During the Track Record Period, we financed our capital expenditures and working capital requirements principally with funds from equity financing, cash used in our operations and bank borrowings. After the **[REDACTED]**, we believe that our liquidity requirements will continue to be satisfied with a combination of these sources and **[REDACTED]** from the **[REDACTED]**. As of December 31, 2023, 2024, and 2025 and June 30, 2026, we had cash and cash equivalents of RMB29.2 million, RMB130.1 million, RMB336.4 million and RMB217.9 million, respectively. As of December 31, 2023, 2024, and 2025 and June 30, 2026, we had interest-bearing bank borrowings of RMB50.0 million, RMB96.9 million, RMB86.4 million and RMB73.0 million, respectively. As of June 30, 2026, we had unutilized banking facilities of RMB315.3 million and our borrowings and banking facilities were not secured by any guarantee.

Cash Flows

The following table sets forth our selected cash flow data for the years/periods indicated.

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(unaudited)*	
Net cash used in operating activities	(76,967)	(94,477)	(65,336)	(46,645)	(32,644)
Net cash generated from/(used in) investing activities	9,666	11,650	38,170	(6,984)	(96,580)
Net cash from financing activities	43,587	183,682	233,788	20,551	11,934
Net (decrease)/increase in cash and cash equivalents	(23,714)	100,855	206,622	(33,078)	(117,290)
Cash and cash equivalents at the beginning of the year/period	52,963	29,249	130,092	130,092	336,355
Effect of foreign exchange rate changes, net	–	(12)	(359)	258	(1,195)
Cash and cash equivalents at the end of the year/period	**29,249**	**130,092**	**336,355**	**97,272**	**217,870**

Net Cash used in Operating Activities

Net cash used in operating activities was RMB32.6 million in the six months ended June 30, 2026, primarily attributable to a loss before income tax of RMB63.7 million, as adjusted for (1) certain non-cash or non-operating items, mainly including (i) finance costs on redemption financial liabilities of RMB33.1 million and (ii) net impairment losses on financial and contract assets of RMB3.9 million, and (2) changes in working capital that negatively affected cash flow

from operating activities, primarily including (i) increase in trade receivables of RMB43.7 million, (ii) decrease in contract liabilities of RMB19.0 million, and (iii) increase in contract assets of RMB13.1 million. These were partially offset by changes in working capital that positively affected cash flow from operating activities, primarily including (i) decrease in inventories of RMB37.9 million and (ii) increase in trade and bills payables of RMB33.6 million.

Net cash used in operating activities was RMB65.3 million in 2025, primarily attributable to a loss before income tax of RMB99.7 million, as adjusted for (1) certain non-cash or non-operating items, mainly including (i) finance costs on redemption financial liabilities of RMB47.2 million, (ii) impairment losses on financial and contract assets of RMB4.0 million, and (iii) inventory provision of RMB8.0 million, and (2) changes in working capital that negatively affected cash flow from operating activities, primarily including (i) increase in trade receivables of RMB35.6 million, (ii) decrease in contract liabilities of RMB36.7 million, (iii) increase in prepayments, other receivables and other assets of RMB6.3 million, and (iv) increase in restricted bank deposits of RMB4.3 million. These were partially offset by changes in working capital that positively affected cash flow from operating activities, primarily including (i) decrease in inventories of RMB39.0 million, (ii) decrease in bills receivables of RMB6.4 million, and (iii) increase in trade and bills payables of RMB17.8 million.

Net cash used in operating activities was RMB94.5 million in 2024, primarily due to loss before income tax of RMB117.9 million, as adjusted for (1) certain non-cash or non-operating items, primarily including (i) finance costs on redemption financial liabilities of RMB37.7 million and (ii) impairment losses on financial and contract assets of RMB5.7 million, and (2) changes in the working capital that negatively affected the cash flow from operating activities, primarily including (i) increase in inventories of RMB82.8 million and (ii) increase in trade receivables of RMB14.5 million. These were partially offset by changes in working capital that positively affected the cash flow from operating activities, primarily including (i) increase in trade and bills payables of RMB46.1 million and (ii) increase in contract liabilities of RMB24.8 million.

Net cash used in operating activities was RMB77.0 million in 2023, primarily due to loss before income tax of RMB113.8 million, as adjusted for (1) certain non-cash or non-operating items, primarily including (i) finance costs on redemption financial liabilities of RMB32.5 million and (ii) impairment losses on financial and contract assets of RMB4.5 million, and (2) changes in the working capital that negatively affected the cash flow from operating activities, primarily including (i) increase in inventories of RMB54.4 million and (ii) increase in trade receivables of RMB8.3 million. These were partially offset by changes in working capital that positively affected the cash flow from operating activities, primarily including increase in contract liabilities of RMB60.9 million.

Net Cash Generated from Investing Activities

Net cash used in investing activities was RMB96.6 million in the six months ended June 30, 2026, primarily due to purchase of financial assets at FVTPL of RMB960.0 million, partially offset by disposal of financial assets at FVTPL of RMB856.1 million.

Net cash from investing activities was RMB38.2 million in 2025, primarily due to (i) disposal of financial assets at FVTPL of RMB120.3 million and (ii) proceeds from disposal of equity investments designated at fair value through other comprehensive income of RMB38.1 million, partially offset by purchases of financial assets at FVTPL of RMB95.0 million and purchases of items of property, plant and equipment of RMB5.3 million.

Net cash from investing activities was RMB11.7 million in 2024, primarily due to (i) disposal of financial assets at FVTPL of RMB121.2 million and (ii) proceeds from maturity of time deposits of RMB60.4 million, partially offset by purchases of financial assets at FVTPL of RMB151.0 million and purchases of equity investments designated at fair value through other comprehensive income of RMB20.0 million.

Net cash from investing activities was RMB9.7 million in 2023, primarily due to (i) proceeds from maturity of time deposits of RMB10.0 million, (ii) interest received of RMB0.6

million and disposal of financial assets at FVTPL of RMB1.2 million, partially offset by purchases of items of property, plant and equipment of RMB2.9 million.

Net Cash from Financing Activities

Net cash from financing activities was RMB11.9 million in the six months ended June 30, 2026, primarily due to (i) new bank and other borrowings of RMB49.0 million and (ii) proceeds of issue of shares of RMB30.0 million, partially offset by repayment of bank and other borrowings of RMB62.4 million.

Net cash from financing activities was RMB233.8 million in 2025, primarily due to (i) proceeds from issue of shares of RMB277.0 million and (ii) new bank and other borrowings of RMB150.3 million, partially offset by (i) repayment of bank and other borrowings of RMB160.8 million, (ii) repayment of other long-term payables of RMB20.0 million, (iii) interest paid of RMB4.2 million, and (iv) payment of lease liabilities of RMB5.9 million.

Net cash from financing activities was RMB183.7 million in 2024, primarily due to (i) proceeds from capital injection of RMB125.0 million, (ii) new bank and other borrowings of RMB139.8 million, and (iii) other long-term payables of RMB20.0 million, partially offset by repayment of bank and other borrowings of RMB92.9 million.

Net cash from financing activities was RMB43.6 million in 2023, primarily due to new bank and other borrowings of RMB49.9 million, partially offset by repayment of bank and other borrowings of RMB1.0 million and payment of lease liabilities of RMB4.5 million.

Cash operating costs

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

	For the Year Ended December 31,			For the Six Months Ended June 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	(RMB in thousands)				
				(unaudited)	
Direct production costs, including materials[(1)]	103,350	105,386	99,711	51,879	35,808
Workforce employment[(2)]	80,670	84,040	95,092	42,010	46,736
R&D costs[(3)]	3,335	7,341	8,037	1,669	6,521
Product and services marketing[(4)]	23,344	24,348	30,583	16,912	12,568
Non-income taxes and other charges	6,494	10,870	19,036	9,956	2,988
Total	**217,193**	**231,985**	**252,459**	**122,426**	**104,621**

Notes:

(1) Represents the direct production costs (excluding employee benefit expenses and non-cash items) adjusted by changes in working capital relating to production as of the previous and current year/period end.

(2) Represent the sum of employee compensation and benefits expenses under costs of sales, R&D expenses, administrative expenses, and selling and distribution expenses (excluding equity-settled share-based payments expenses) adjusted by changes in working capital relating to employee compensation and benefit expenses as of previous and current year/period end under the costs of sales and operating expenses.

(3) Represents R&D expenses (excluding employee compensation and benefit expenses and non-cash items under R&D expenses) adjusted by changes in working capital relating to R&D activities as of the previous and current year/period end.

(4) Represents the selling and marketing expenses (excluding employee compensation and benefits and non-cash items under selling and distribution expenses) adjusted by changes in working capital relating to sales and marketing activities as of the previous and current year/period end.

(5) We had no contingency allowances during the Track Record Period.

Current Assets and Current Liabilities

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

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Current assets				
Inventories	179,188	256,707	209,640	174,614
Trade Receivables	19,766	31,054	64,771	105,928
Bills Receivable	3,069	9,673	3,314	5,656
Contract assets	5,163	7,828	24,171	35,330
Prepayments, other receivables and other assets	13,349	13,955	21,162	21,419
Debt investments at fair value through other comprehensive income	6,707	4,421	3,470	1,393
Financial assets at FVTPL	–	30,099	5,070	110,118
Restricted bank deposits	2,293	7,674	11,953	22,689
Time deposits	64,074	–	10,227	–
Cash and cash equivalents	29,249	130,092	336,355	217,870
Total current assets	**322,858**	**491,503**	**690,133**	**695,017**
Current liabilities				
Trade and bills payables	30,043	76,130	93,881	127,453
Other payables and accruals	22,219	30,251	27,458	29,639
Interest-bearing bank and other borrowings	49,956	96,931	86,391	72,989
Lease liabilities	1,836	4,782	4,005	5,272
Contract liabilities	102,986	127,764	91,105	72,151
Redemption financial liabilities	503,007	665,694	1,011,239	1,074,331
Tax payable	–	–	22	2
Provision	193	200	3,751	5,961
Total current liabilities	**710,240**	**1,001,752**	**1,317,852**	**1,387,798**
Net current liabilities	**(387,382)**	**(510,249)**	**(627,719)**	**(692,781)**

Our net current liabilities increased from RMB627.7 million as of December 31, 2025 to RMB692.8 million as of June 30, 2026 due to the increase in current liabilities of RMB69.9 million, partially offset by the increase in current assets of RMB4.9 million. Our current liabilities increased from RMB1,317.9 million as of December 31, 2025 to RMB1,387.8 million as of June 30, 2026, primarily due to an increase in redemption financial liabilities of RMB63.1 million and an increase in trade and bills payables of RMB33.6 million, partially offset by a decrease in contract liabilities of RMB19.0 million and a decrease in interest-bearing bank and other borrowings of RMB13.4 million. Our current assets stayed relatively stable at RMB690.1 million as of December 31, 2025 and RMB695.0 million as of June 30, 2026.

Our net current liabilities increased from RMB510.2 million as of December 31, 2024 to RMB627.7 million as of December 31, 2025, primarily due to the increase in current liabilities of RMB316.1 million, which outpaced the increase in current assets of RMB198.6 million. Our

current assets rose from RMB491.5 million as of December 31, 2024 to RMB690.1 million as of December 31, 2025, mainly attributable to (i) an increase in cash and cash equivalents of RMB206.3 million, (ii) an increase in trade receivables of RMB33.7 million, and (iii) an increase in contract assets of RMB16.3 million. Our current liabilities increased from RMB1,001.8 million as of December 31, 2024 to RMB1,317.9 million as of December 31, 2025, primarily due to (i) an increase in redemption financial liabilities of RMB345.5 million, partially offset by (ii) a decrease in contract liabilities of RMB36.7 million and (iii) a decrease in interest-bearing bank and other borrowings of RMB10.5 million.

Our net current liabilities increased from RMB387.4 million as of December 31, 2023 to RMB510.2 million as of December 31, 2024, primarily due to the increase in current liabilities of RMB291.5 million, which outpaced the increase in current assets of RMB168.6 million. Our current assets increased from RMB322.9 million as of December 31, 2023 to RMB491.5 million as of December 31, 2024, primarily due to (i) an increase in cash and cash equivalents of RMB100.8 million, (ii) an increase in inventories of RMB77.5 million and (iii) an increase in financial assets at FVTPL of RMB30.1 million. Our current liabilities increased from RMB710.2 million as of December 31, 2023 to RMB1,001.8 million as of December 31, 2024, primarily due to (i) an increase in redemption financial liabilities of RMB162.7 million, (ii) an increase in trade and bills payables of RMB46.1 million and (iii) an increase in interest-bearing bank and other borrowings of RMB47.0 million.

Our net current liabilities were primarily attributable to the recognition of redemption financial liabilities. To improve our net current liability position and ensure sufficient working capital, we have consistently optimized our capital structure. Excluding the impact of redemption financial liabilities, which are expected to be reclassified to equity or extinguished upon the **[REDACTED]**, we recorded net current assets (excluding redemption financial liabilities) of RMB381.6 million as of June 30, 2026. Furthermore, our financial position continued to strengthen toward the end of the period, with our net current assets (excluding redemption financial liabilities) significantly improving to RMB381.6 million as of June 30, 2026. We intend to further improve our net current liabilities position by (i) enhancing our operational efficiency to generate stronger net cash inflows from operating activities, (ii) prudently managing the maturity profile of our interest-bearing borrowings, and (iii) utilizing the **[REDACTED]** from the **[REDACTED]** to strengthen our capital base.

INDEBTEDNESS

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				
Interest-bearing bank and other borrowings	49,956	96,931	86,391	72,989
Lease liabilities	1,836	4,782	4,005	5,272
Redemption financial liabilities	503,007	665,694	1,011,239	1,074,331
Subtotal	**554,799**	**767,407**	**1,101,635**	**1,152,592**
Non-current				
Lease liabilities	826	6,150	3,127	3,506
Other long-term payables	–	20,173	–	–
Total	**555,625**	**793,730**	**1,104,762**	**1,156,098**

Interest-bearing Bank and Other Borrowings

We had bank loans of RMB50.0 million, RMB96.9 million, RMB86.4 million and RMB73.0 million as of December 31, 2023, 2024, and 2025 and June 30, 2026, respectively, all of which were repayable within one year on demand. The effective interest rate of our interest-bearing bank loans ranged between 1.4% and 4.0% during the Track Record Period.

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 and up to the Latest Practicable Date.

Lease Liabilities

Our lease liabilities were primarily related to the present value of outstanding lease payments under our lease agreements. We recorded total of non-current and current lease liabilities of RMB2.7 million, RMB10.9 million, RMB7.1 million and RMB8.8 million, as of December 31, 2023, 2024 and 2025 and June 30, 2026, respectively, changes of which were primarily attributable to the lease of our Quzhou facility starting in 2024 and the lease of our facility in Taizhou starting in 2026.

Other Long-term Payables

We had other long-term payables of nil, RMB20.2 million, nil and nil as of December 31, 2023, 2024, and 2025 and June 30, 2026, respectively. These payables were amounts due to related parties, which are non-trade in nature and has been settled as of December 31, 2025.

Indebtedness Statement

Except as discussed above, as of June 30, 2026, being the indebtedness statement date, we did not have any outstanding mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar 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 or other contingent liabilities. As of the Latest Practicable Date, there was no material restrictive covenant in our indebtedness which could significantly limit our ability to obtain future financing. As of June 30, 2026, we did not have plans for other material external debt financing.

Our Directors confirm that (i) there has not been any material change in our indebtedness since June 30, 2026 and up to the Latest Practicable Date, and (ii) during the Track Record Period and up to the date of this document, we did not have any material default on our indebtedness or breach of covenant.

CAPITAL EXPENDITURE

Our capital expenditures during the Track Record Period were primarily related to purchases of items of property, plant and equipment. Our capital expenditures were RMB2.9 million, RMB3.9 million, RMB5.3 million and RMB2.9 million, respectively, in 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. We intend to fund our future capital expenditures with net proceeds from equity and debt financings and the cash on our consolidated statements of financial position.

CAPITAL COMMITMENT

As of December 31, 2023, 2024, and 2025 and June 30, 2026, we did not have any significant commitments.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

During the Track Record Period and up to the Latest Practicable Date, we did not have any material off-balance sheet commitments or arrangements.

CONTINGENT LIABILITIES

As of the Latest Practicable Date, we did not have any contingent liabilities or guarantee.

KEY FINANCIAL RATIOS

The following table sets forth our selected financial ratios for the periods and as of the dates indicated.

	For the Year Ended/As of December 31,			For the Six Months Ended/As of June 30,	
	2023	2024	2025	2025	2026
				(unaudited)	
Gross margin[(1)]	19.7%	24.2%	29.7%	27.1%	29.4%
Adjusted net loss margin (Non-IFRS measure)[(2)]	(104.7%)	(68.3%)	(16.6%)	(12.7%)	(11.0%)
Current ratio[(3)]	0.45	0.49	0.52	N/A	0.50
Gearing ratio[(4)]	13.4%	24.8%	15.5%	N/A	11.8%

Notes:

(1) Gross margin equals to gross profit divided by revenue for the period.

(2) Adjusted net loss margin (Non-IFRS measure) equals to adjusted net loss (Non-IFRS measure) divided by revenue for the period.

(3) Current ratio equals to current assets as of the last day of the period divided by current liabilities as of the last day of the period.

(4) Gearing ratio equals to interest-bearing bank and other borrowings and other long-term payables divided by net liabilities for the respective period and multiplied by 100%.

MATERIAL RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. Our amounts due to one related party, Ningbo Yunyi Enterprise Management Partnership (Limited Partnership), which are non-trade in nature, amounted to nil, RMB20.2 million and nil as of December 31, 2023, 2024 and 2025, respectively, which has been settled as of December 31, 2025. For details about our material related party transactions, see Note 39 to the Accountants' Report included in Appendix I to this document.

Our Directors are of the view that each of the material related party transactions set out in Note 39 to the Accountants' Report included in Appendix I to this document was conducted in the ordinary course of business on an arm's length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our material-related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

FINANCIAL RISKS

Our activities expose us to a variety of financial risks, including credit risk, liquidity risk, and currency risk. There are certain transactions denominated in currencies other than RMB which expose us to foreign currency risk. Besides, the concentration of trade receivables due from our customers exposes us to credit risk. In addition, We finance our working capital requirements primarily through bank borrowings and issue of shares, which expose us to liquidity risk. Our overall risk management procedures focus on the unpredictability of financial markets and seek to minimize potential adverse effects on our financial performance. See Note 43 to the Accountants' Report included in Appendix I to this document.

DIVIDENDS

We did not declare or pay dividends on our Shares during the Track Record Period. Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. We currently do not have any dividend policy or fixed dividend pay-out ratio. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. As confirmed by our PRC Legal Advisor, according to relevant PRC laws, 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. We will, therefore, only be able to declare dividends after: (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

DISTRIBUTABLE RESERVES

As of June 30, 2026, we had no retained profits available for distribution to our Shareholders.

WORKING CAPITAL SUFFICIENCY

Our Directors are of the opinion that, taking into account the estimated **[REDACTED]** from the **[REDACTED]** and other financial resources available to us, including cash and cash equivalents, current portion of time deposits, and financial assets at FVTPL, we have sufficient working capital to meet our present requirements and for the next 12 months commencing from the date of this document.

Our cash burn rate refers to the average monthly aggregate amount of (i) net cash used in operating activities, (ii) capital expenditures, and (iii) lease payment. The historical monthly cash burn rate amounted to RMB7.3 million, being the average monthly cash burn over the 36 months from January 1, 2023 to December 31, 2025. Although the Group expects future capital expenditures and lease payments to increase, it anticipates that its future losses will gradually narrow; accordingly, the future monthly cash burn rate is expected to decrease to RMB5.1 million. We had cash and cash equivalents, current portion of time deposits, and financial assets at FVTPL of RMB328.0 million in aggregate as of June 30, 2026. We estimate that we will receive **[REDACTED]** of approximately HK$**[REDACTED]** after deducting the **[REDACTED]** expenses payable by us in the **[REDACTED]**, assuming no **[REDACTED]** is exercised and assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the low-end of the indicative **[REDACTED]** in this document.

Using the aforementioned future monthly cash burn rate and based on the Group's profit forecast and future expansion plans, the Group estimates that its cash and cash equivalents, current portion of time deposits, and financial assets at FVTPL as of June 30, 2026 will be able to maintain its financial viability for approximately **[REDACTED]** months or, if taking into account **[REDACTED]**% of the estimated **[REDACTED]** from the **[REDACTED]** (namely, the portion allocated for our working capital and other general purposes), approximately **[REDACTED]** months or, taking into account **[REDACTED]**% of the estimated **[REDACTED]** (based on the low-end of the indicative **[REDACTED]**) from the **[REDACTED]**, for approximately **[REDACTED]** months. Our Directors and our management will continue to monitor our working capital, cash flows, and our business development status.

We have no immediate plan for future financing after the **[REDACTED]** for purpose of our commercialization plan as disclosed in this document taking into account our available cash, **[REDACTED]** from the **[REDACTED]** and based on our cash burn rate. However, with the continuing expansion of our business and development of our solutions or services, or if we discover suitable targets for acquisition or business collaboration, we could not exclude the possibility to require further funding through public or private equity offerings, debt financing and other sources. We will comply with applicable laws and regulations, including requirements under the Listing Rules, when we proceed with such financings.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, **[REDACTED]**, and other fees incurred in connection with the **[REDACTED]**. The estimated total **[REDACTED]** expenses (based on the mid-point of the **[REDACTED]** and assuming that the **[REDACTED]** is not exercised) for the **[REDACTED]** are approximately RMB**[REDACTED]** (equivalent to approximately HK$**[REDACTED]**), accounting for approximately **[REDACTED]**% of our gross **[REDACTED]** from the **[REDACTED]**. The estimated total **[REDACTED]** expenses consist of (i) **[REDACTED]** expenses (including but not limited to **[REDACTED]** and fees) of approximately RMB**[REDACTED]** (approximately HK$**[REDACTED]**), and (ii) **[REDACTED]** expenses of approximately RMB**[REDACTED]** (approximately HK$**[REDACTED]**), which consist of fees and expenses of legal advisors and Reporting Accountants of approximately

RMB**[REDACTED]** (approximately HK$**[REDACTED]**), and other fees and expenses of approximately RMB**[REDACTED]** (approximately HK$**[REDACTED]**). Approximately RMB**[REDACTED]** (equivalent to approximately HK$**[REDACTED]**) of the estimated **[REDACTED]** expenses is directly attributable to the issue of new Shares to the public and will be accounted for as a deduction from equity upon completion of the **[REDACTED]**. Approximately RMB**[REDACTED]** (equivalent to approximately HK$**[REDACTED]**) is expected to be charged in profit or loss before or upon completion of the **[REDACTED]**, of which we recorded **[REDACTED]** expense of RMB**[REDACTED]** in profit or loss during the Track Record Period. This calculation is subject to adjustment based on the actual amount incurred or to be incurred. The **[REDACTED]** expenses above are the best estimate as of the Latest Practicable Date and are for reference only. The actual amount may differ from such an estimate.

[REDACTED]

NO MATERIAL ADVERSE CHANGE

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 "Appendix I – Accountants' Report" to this document, and up to the date of this document.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, except as otherwise disclosed in this document, as of the Latest Practicable Date, there are no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS

See "Business – Our Strategies" for a detailed description of our future business plans and strategies.

USE OF [REDACTED]

We estimate that we will receive **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]**, after deducting estimated **[REDACTED]**, fees and expenses payable by us in connection with the **[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the mid-point of the **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]** per Share, and assuming the **[REDACTED]** is not exercised.

We currently intend to apply the **[REDACTED]** from the **[REDACTED]** for the following purposes:

- Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be used to advance R&D for our core components, fundamental technology platforms, robotic products and software systems. We aim to enhance our technological capabilities and accelerate product and solution upgrades, strengthening our position in the intelligent mobile robotics industry. To support these R&D initiatives, we plan to recruit approximately 30 additional R&D specialists by 2030, including experts in machine learning, algorithm engineers, and hardware architects, who generally possess advanced degrees or extensive industry experience. Specifically:
  - (i) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be allocated to the R&D of next-generation high-performance core components for robots, including heterogeneous AI controller systems, high-power-density motor drivers, high-performance multimodal synchronized low-latency multi-LiDAR/vision fusion sensors and intelligent vision systems. We focus on modular design and standardized interface development to enhance compatibility and rapid adaptation of core components, driving core components for robots towards higher precision and reliability, and contributing to our supply chain autonomy and controllability.
  - (ii) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be allocated to advancing the R&D and industrial application of a new-generation core algorithm system for general-purpose mobile robots. The focus is on three key technological directions: (1) constructing an integrated embodied intelligence technology stack to overcome generalization and decision-making limitations in complex dynamic industrial environments through reinforcement learning (RL)-based control frameworks; (2) designing a simulation training platform based on spatial intelligence technology and innovating a Sim2Real2Sim closed-loop optimization toolchain to enable bi-directional migration of virtual training data and real-world scenario experience, accelerating algorithm iteration efficiency; and (3) researching a Physical AI system based on the VLA framework, developing multimodal semantic perception and reasoning decision-making technologies to tackle autonomous decision-making challenges in unstructured environments. We aim to advance related algorithms in scenarios such as industrial logistics and intelligent inspection, facilitating the transition of mobile robots from automation to intelligence.
  - (iii) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be allocated to intelligent upgrades of our robotic products and expansion of our product portfolio to reinforce our technological advancement and market expansion. At the product iteration level, we seek to enhance core performance parameters through optimization of hardware architecture optimization, and improvement of optimization of hardware architecture optimization, and improvement of system reliability and adaptability to complex environments, and achieve sustained cost optimization through process and design enhancements coupled with vertical supply chain integration. At the product expansion level, we aim to explore demand in vertical sectors such as industrial manipulation,

commercial services, warehousing and logistics, and home applications, developing a product matrix that meets high-value application scenarios, promoting penetration into diverse business models, and establishing a virtuous cycle of "technology iteration – scenario expansion – scale effect" to achieve market scale growth.

(iv) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be allocated to core technology R&D for our embodied intelligence product series. This includes (1) the development of software and hardware of a new-generation embodied robot controller, achieving autonomous decision-making control through multimodal perception fusion and reinforcement learning frameworks to further enhance the functionality and performance of the embodied controller; (2) iterating the modular mobile chassis to further lower the cost barrier for enterprises adopting embodied intelligence and building the underlying infrastructure framework for embodied intelligence; and (3) development of a new-generation embodied intelligent robot fleet management system, creating a foundational platform for mixed cooperative operation of heterogeneous embodied robots to achieve breakthroughs in multi-robot collaboration efficiency. We aim to promote the scaled application of embodied intelligence technology through deep hardware-algorithm-system synergy.

(v) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be allocated to the procurement of high-performance computing servers and various specialized testing equipment to enhance our computing resource reserves and development design verification capabilities. This will support R&D activities such as model training and improve product functional stability.

We plan to allocate the **[REDACTED]** to the following key expected R&D projects to support our fundamental technology and product upgrades:

No.	Expected R&D Project	Primary R&D Objectives	Expected Year of Completion
1.	Next-generation hardware architecture and process cost optimization project	Developing a robotics platform tailored for overseas markets to meet international safety standards, and optimizing domestic hardware modularity to lower marginal manufacturing costs	2027
2.	Next-generation core technology and platform R&D for embodied intelligence	Developing next-generation embodied robot controllers with multimodal perception fusion, and iterating modular mobile chassis to enrich our embodied intelligence product matrix	2027
3.	High-density warehousing and vertical logistics specialized robotics project	Accessing incremental demand in vertical logistics by developing automated warehousing "new species" (e.g., four-way shuttles and climbing robots) to cover three-dimensional logistics scenarios	2027

No.	Expected R&D Project	Primary R&D Objectives	Expected Year of Completion
4.	New-generation robot deployment and large-scale fleet management software project	Upgrading core software systems to enable efficient, code-free deployment and to support mixed cooperative operations of thousands of heterogeneous robots	2028

- Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]** million, will be allocated to the enhancement of production capacity and digital upgrade, which we believe will strengthen our manufacturing capabilities and large-scale delivery of robotic core components and complete robots. Specifically:
  - (i) Approximately **[REDACTED]**% of this allocation, or HK$**[REDACTED]**, will be used for the construction of a multifunctional center, including land acquisition, construction, and improvements.
  - (ii) Approximately **[REDACTED]**% of this allocation, or HK$**[REDACTED]**, will be allocated to the procurement of equipments for production, assembly, and testing to enable the manufacturing of robotic core components and complete robots. We plan to purchase advanced automated production, assembly, and testing equipment to consolidate quality control requirements and enhance product precision, reliability, and consistency, including five production lines and intelligent warehousing systems, to increase our annual production capacity to approximately over 10,000 units in 2029.
  - (iii) Approximately **[REDACTED]**% of this allocation, or HK$**[REDACTED]**, will be allocated to expanding our production and supply chain management teams to meet delivery timeline requirements during the production period. We intend to recruit approximately 70 additional production-related personnel by 2029, including front-line assembly and testing workers, as well as specialists in PMC, quality control, and factory operations.
- Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be used to expand and strengthen our sales and service network, with a focus on enhancing brand awareness, expanding marketing channels, extending the sales network, and strengthening product deployment and delivery capabilities. Specifically:
  - (i) Approximately **[REDACTED]**% of this allocation, or HK$**[REDACTED]**, will be allocated to expanding our sales team network. We plan to recruit 35 additional sales and marketing personnel by 2030, focusing on domestic business development, regional sales, and overseas market expansion. We plan to retain and recruit experienced sales and marketing employees with strong regional customer resources and relevant industry experience to promote business cooperation with clients and expand our customer base. At the same time, we will continue to expand the geographic coverage of our sales and service teams and attract talent with industry-specific expertise, so as to enhance our customer service capabilities and service quality and drive sales growth in the industry.
  - (ii) Approximately **[REDACTED]**% of this allocation, or HK$**[REDACTED]**, will be used to strengthen our product deployment and delivery capabilities. We plan to continue recruiting personnel with industry-related technical expertise and to establish technical support and delivery centers in key regions to improve customer response efficiency, meeting customers' customized service needs and continuously enhancing our product deployment and delivery capabilities.

(iii) Approximately **[REDACTED]**% of this allocation, or HK$**[REDACTED]**, will be used for brand marketing and promotion. We plan to implement a multi-dimensional marketing strategy covering both domestic and overseas markets, including (a) organizing and participating in offline events and industry exhibitions to showcase our latest robotic solutions; (b) strengthening digital and content marketing through social media, local media partnerships, and the optimization of our official website and self-media platforms; and (c) conducting public relations activities to enhance our brand image and industry recognition. We will invest in diversified brand marketing activities to enhance our brand awareness in the industry and the market and promote business cooperation with more industry benchmark customers. We will allocate budget to strengthen digital marketing efforts, media partnerships, and local promotion methods to expand our customer base. Additionally, we plan to participate in industry seminars, exhibitions, and forums to showcase our advanced products and conduct business exchanges with potential customers and partners.

- Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be used to pursue strategic alliances, investments, and acquisition opportunities within the upstream and downstream segments of the robotics industry chain. This aims to further enhance our technological strength, enrich our product portfolio, increase our market share, and improve vertical integration capabilities, particularly in core components and the intelligent upgrade of traditional equipment. In assessing potential opportunities, we intend to prioritize targets that complement our product portfolio, enable vertical supply chain integration, and align with our corporate values and growth strategy. As of the Latest Practicable Date, we had not identified any investment or acquisition target, nor had we entered into any definitive agreement regarding any such transaction.
- Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used for working capital and general corporate purposes to support our business operations and growth.

The above allocation of the **[REDACTED]** from the **[REDACTED]** will be adjusted on a pro rata basis in the event that the **[REDACTED]** is fixed at a higher or lower level compared to the mid-point of the **[REDACTED]** stated in this document. If the **[REDACTED]** is set at HK$**[REDACTED]** per Share, being the high end of the **[REDACTED]**, the **[REDACTED]** from the **[REDACTED]** will increase by approximately HK$**[REDACTED]**. If the **[REDACTED]** is set at HK$**[REDACTED]** per Share, being the low end of the **[REDACTED]**, the **[REDACTED]** from the **[REDACTED]** will decrease by approximately HK$**[REDACTED]**.

If the **[REDACTED]** is exercised in full, the **[REDACTED]** that we will receive will be approximately HK$**[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the mid-point of the **[REDACTED]**. In the event that the **[REDACTED]** is exercised in full, we intend to apply the additional **[REDACTED]** to the above purposes in the proportions stated above.

To the extent that the **[REDACTED]** from the **[REDACTED]** are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we will only deposit the **[REDACTED]** in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions, as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions. We will issue an appropriate announcement if there is any material change to the above proposed use of **[REDACTED]**.

[REDACTED]

[REDACTED]

[REDACTED]

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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF ZHEJIANG IPLUSMOBOT TECHNOLOGY CO., LTD. AND CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED

Introduction

We report on the historical financial information of Zhejiang IPLUSMOBOT Technology Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-4 to [●], which comprises the consolidated statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2023, 2024 and 2025, and the six months ended 30 June 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 31 December 2023, 2024 and 2025 and 30 June 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 [●] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated **[REDACTED]** (the "Document") in connection with the **[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* as issued by the Hong Kong Institute of Certified Public Accountants ("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 31 December 2023, 2024 and 2025 and 30 June 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, statements of comprehensive income, statement of changes in equity and statement of cash flows for the six months ended 30 June 2025 and other explanatory information (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 Financial Information Performed by the Independent Auditor of the Entity* as 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 12 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
[●]

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 as 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.

(A) Consolidated statements of profit or loss

		Year ended 31 December			Six months ended 30 June	
		2023	2024	2025	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
					(unaudited)	
REVENUE	5	74,950	114,842	265,528	135,019	169,219
Cost of sales		(60,165)	(87,046)	(186,755)	(98,362)	(119,388)
Gross profit		14,785	27,796	78,773	36,657	49,831
Other income and gains	6	10,355	13,321	19,338	6,307	3,354
Selling and distribution expenses		(46,208)	(49,510)	(59,879)	(25,394)	(25,077)
Administrative expenses		(18,137)	(18,927)	(30,917)	(9,417)	(23,021)
Research and development expenses		(36,190)	(44,513)	(50,636)	(21,959)	(29,000)
Impairment losses on financial assets and contract assets		(4,524)	(5,675)	(3,951)	(1,623)	(3,931)
Other expenses		(132)	(66)	(940)	(37)	(1,761)
Finance costs	8	(1,235)	(2,595)	(4,320)	(1,995)	(1,005)
Finance costs on redemption financial liabilities		(32,483)	(37,687)	(47,176)	(20,950)	(33,092)
LOSS BEFORE TAX	7	(113,769)	(117,856)	(99,708)	(38,411)	(63,702)
Income tax expense	11	–	–	(22)	–	–
LOSS FOR THE YEAR/PERIOD		(113,769)	(117,856)	(99,730)	(38,411)	(63,702)
Attributable to:						
Owners of the parent		(113,769)	(117,856)	(99,730)	(38,411)	(63,702)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted *(RMB)*	13	(2.37)	(2.35)	(1.86)	(0.74)	(1.02)

(B) Consolidated statements of comprehensive income

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
LOSS FOR THE YEAR/PERIOD	(113,769)	(117,856)	(99,730)	(38,411)	(63,702)
OTHER COMPREHENSIVE INCOME					
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	–	(12)	(10)	18	10
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	–	(12)	(10)	18	10
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:					
Equity investments designated at fair value through other comprehensive income:					
Changes in fair value	–	19,878	36,377	8,122	363
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	–	19,878	36,377	8,122	363
OTHER COMPREHENSIVE INCOME FOR THE YEAR/PERIOD, NET OF TAX	–	19,866	36,367	8,140	373
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD	(113,769)	(97,990)	(63,363)	(30,271)	(63,329)
Attributable to:					
Owners of the parent	(113,769)	(97,990)	(63,363)	(30,271)	(63,329)

(C) Consolidated statements of financial position

	Notes	As at 31 December			As at 30 June
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	14	9,412	9,512	11,687	10,787
Right-of-use assets	15	4,012	11,400	7,622	8,956
Other intangible assets	16	843	642	441	340
Equity investments at fair value through other comprehensive income	17	–	39,878	38,128	38,491
Contract assets	21	346	2,912	4,488	5,182
Time deposits	25(c)	–	–	10,148	10,253
Prepayments, other receivables and other assets	18	–	–	–	2,002
Total non-current assets		14,613	64,344	72,514	76,011
CURRENT ASSETS					
Inventories	18	179,188	256,707	209,640	174,614
Trade receivables	19	19,766	31,054	64,771	105,928
Bills receivable	20	3,069	9,673	3,314	5,656
Contract assets	21	5,163	7,828	24,171	35,330
Prepayments, other receivables and other assets	22	13,349	13,955	21,162	21,419
Debt investments at fair value through other comprehensive income	23	6,707	4,421	3,470	1,393
Financial assets at fair value through profit or loss	24	–	30,099	5,070	110,118
Restricted bank deposits	25(b)	2,293	7,674	11,953	22,689
Time deposits	25(c)	64,074	–	10,227	–
Cash and cash equivalents	25(a)	29,249	130,092	336,355	217,870
Total current assets		322,858	491,503	690,133	695,017

	Notes	As at 31 December			As at 30 June
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
CURRENT LIABILITIES					
Trade and bills payables	26	30,043	76,130	93,881	127,453
Other payables and accruals	27	22,219	30,251	27,458	29,639
Interest-bearing bank and other borrowings	28	49,956	96,931	86,391	72,989
Lease liabilities	15	1,836	4,782	4,005	5,272
Contract liabilities	29	102,986	127,764	91,105	72,151
Redemption financial liabilities	30	503,007	665,694	1,011,239	1,074,331
Tax payable		–	–	22	2
Provision	31	193	200	3,751	5,961
Total current liabilities		710,240	1,001,752	1,317,852	1,387,798
NET CURRENT LIABILITIES		(387,382)	(510,249)	(627,719)	(692,781)
TOTAL ASSETS LESS CURRENT LIABILITIES		(372,769)	(445,905)	(555,205)	(616,770)
NON-CURRENT LIABILITIES					
Lease liabilities	15	826	6,150	3,127	3,506
Other long-term payables	32	–	20,173	–	–
Total non-current liabilities		826	26,323	3,127	3,506
NET LIABILITIES		**(373,595)**	**(472,228)**	**(558,332)**	**(620,276)**
EQUITY					
Paid-in capital/Share capital	33	47,956	51,632	61,765	62,647
Reserves	34	(421,551)	(523,860)	(620,097)	(682,923)
Total deficit		**(373,595)**	**(472,228)**	**(558,332)**	**(620,276)**

(D) Consolidated statements of changes in equity

Year ended 31 December 2023

	Attributable to owners of the parent							
	Paid-in capital	Capital reserve*	Other reserves*	Share-based payment reserve*	Exchange fluctuation reserve*	Fair value reserve of financial assets at fair value through other comprehensive income*	Accumulated losses*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(note 33)	*(note 34)*	*(note 34)*	*(note 34)*	*(note 34)*	*(note 34)*		
At 1 January 2023	47,956	314,619	(406,031)	10,853	–	–	(230,056)	(262,659)
Loss for the year	–	–	–	–	–	–	(113,769)	(113,769)
Total comprehensive loss for the year	–	–	–	–	–	–	(113,769)	(113,769)
Share-based payments	–	–	–	2,833	–	–	–	2,833
At 31 December 2023	47,956	314,619	(406,031)	13,686	–	–	(343,825)	(373,595)

Year ended 31 December 2024

		Attributable to owners of the parent							
	Note	Paid-in capital	Capital reserve*	Other reserves*	Share-based payment reserve*	Exchange fluctuation reserve*	Fair value reserve of financial assets at fair value through other comprehensive income*	Accumulated losses*	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
		(note 33)	*(note 34)*	*(note 34)*	*(note 34)*	*(note 34)*	*(note 34)*		
At 1 January 2024		47,956	314,619	(406,031)	13,686	–	–	(343,825)	(373,595)
Loss for the year		–	–	–	–	–	–	(117,856)	(117,856)
Other comprehensive income for the year:									
Change in fair value of equity investments at fair value through other comprehensive income, net of tax		–	–	–	–	–	19,878	–	19,878
Exchange differences arising on translation of foreign operations		–	–	–	–	(12)	–	–	(12)
Total comprehensive loss for the year		–	–	–	–	(12)	19,878	(117,856)	(97,990)
Capital contribution by shareholders		3,676	121,324	–	–	–	–	–	125,000
Share issue expenses		–	(2,376)	–	–	–	–	–	(2,376)
Share-based payments		–	–	–	1,733	–	–	–	1,733
Recognition of redemption financial liabilities	30	–	–	(125,000)	–	–	–	–	(125,000)
At 31 December 2024		51,632	433,567	(531,031)	15,419	(12)	19,878	(461,681)	(472,228)

Year ended 31 December 2025

		Attributable to owners of the parent							
	Note	Paid-in capital/Share capital	Capital reserve*	Other reserves*	Share-based payment reserve*	Exchange fluctuation reserve*	Fair value reserve of financial assets at fair value through other comprehensive income*	Accumulated losses*	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
		(note 33)	*(note 34)*	*(note 34)*	*(note 34)*	*(note 34)*	*(note 34)*		
At 1 January 2025		51,632	433,567	(531,031)	15,419	(12)	19,878	(461,681)	(472,228)
Loss for the year		–	–	–	–	–	–	(99,730)	(99,730)
Other comprehensive income for the year:									
Change in fair value of equity investments at fair value through other comprehensive income, net of tax		–	–	–	–	–	36,377	–	36,377
Exchange differences arising on translation of foreign operations		–	–	–	–	(10)	–	–	(10)
Total comprehensive loss for the year		–	–	–	–	(10)	36,377	(99,730)	(63,363)
Transfer of fair value reserve upon the disposal of equity investments at fair value through other comprehensive income		–	–	–	–	–	(14,127)	14,127	–
Proceeds from issue of shares		10,133	266,912	–	–	–	–	–	277,045
Conversion into a joint-stock company		–	(285,655)	–	(10,013)	–	(28,000)	323,668	–
Share issue expenses		–	(2,179)	–	–	–	–	–	(2,179)
Share-based payments		–	–	–	762	–	–	–	762
Recognition of redemption financial liabilities	30	–	–	(298,369)	–	–	–	–	(298,369)
At 31 December 2025		**61,765**	**412,645**	**(829,400)**	**6,168**	**(22)**	**14,128**	**(223,616)**	**(558,332)**

Six months ended 30 June 2025 (unaudited)

	Attributable to owners of the parent							
	Paid-in capital	Capital reserve	Other reserves	Share-based payment reserve	Exchange fluctuation reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
	(note 33)	*(note 34)*	*(note 34)*	*(note 34)*	*(note 34)*	*(note 34)*		
At 1 January 2025	51,632	433,567	(531,031)	15,419	(12)	19,878	(461,681)	(472,228)
Loss for the period (unaudited)	–	–	–	–	–	–	(38,411)	(38,411)
Other comprehensive income for the period:								
Change in fair value of equity investments at fair value through other comprehensive income, net of tax (unaudited)	–	–	–	–	–	8,122	–	8,122
Exchange differences arising on translation of foreign operations (unaudited)	–	–	–	–	18	–	–	18
Total comprehensive loss for the period (unaudited)	–	–	–	–	18	8,122	(38,411)	(30,271)
Share-based payments (unaudited)	–	–	–	279	–	–	–	279
At 30 June 2025 (unaudited)	**51,632**	**433,567**	**(531,031)**	**15,698**	**6**	**28,000**	**(500,092)**	**(502,220)**

Six months ended 30 June 2026

		Attributable to owners of the parent							
	Note	Share capital	Capital reserve*	Other reserves*	Share-based payment reserve*	Exchange fluctuation reserve*	Fair value reserve of financial assets at fair value through other comprehensive income*	Accumulated losses*	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
		(note 33)	*(note 34)*	*(note 34)*	*(note 34)*	*(note 34)*	*(note 34)*		
At 1 January 2026		61,765	412,645	(829,400)	6,168	(22)	14,128	(223,616)	(558,332)
Loss for the period		–	–	–	–	–	–	(63,702)	(63,702)
Other comprehensive income for the period:									
Change in fair value of equity investments at fair value through other comprehensive income, net of tax		–	–	–	–	–	363	–	363
Exchange differences arising on translation of foreign operations		–	–	–	–	10	–	–	10
Total comprehensive loss for the period		–	–	–	–	10	363	(63,702)	(63,329)
Proceeds from issue of shares		882	29,118	–	–	–	–	–	30,000
Share-based payments		–	–	–	1,385	–	–	–	1,385
Recognition of redemption financial liabilities	30	–	–	(30,000)	–	–	–	–	(30,000)
At 30 June 2026		**62,647**	**441,763**	**(859,400)**	**7,553**	**(12)**	**14,491**	**(287,318)**	**(620,276)**

* The reserve accounts comprise the deficiency in equity of RMB421,551,000, RMB523,860,000, RMB620,097,000, and RMB682,923,000 in the consolidated statements of financial position as at 31 December 2023, 2024, 2025 and 30 June 2026, respectively.

(E) Consolidated Statements of Cash Flows

	Notes	Year ended 31 December			Six months ended 30 June	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
					(unaudited)	
CASH FLOWS USED IN OPERATING ACTIVITIES						
Loss before tax		(113,769)	(117,856)	(99,708)	(38,411)	(63,702)
Adjustments for:						
Finance costs	8	1,235	2,595	4,320	1,995	1,005
Depreciation of items of property, plant and equipment	14	3,689	3,794	3,104	1,542	1,854
Depreciation of right of use assets	15	4,356	4,377	5,522	2,849	2,943
Amortisation of other intangible assets	16	265	201	201	101	101
Impairment losses on financial assets and contract assets, net	7	4,524	5,675	3,951	1,623	3,931
Inventory provision	7	5,231	5,261	8,048	7,745	(2,855)
Foreign exchange differences		–	–	373	(240)	1,176
Fair value gain on financial assets at fair value through profit or loss	6	–	(99)	(70)	(77)	(48)
Gain on disposal of a subsidiary	6	(944)	–	–	–	–
Share-based payment expenses	7	2,833	1,733	762	279	1,385
Interest income		(2,724)	(1,312)	(377)	(108)	(180)
Gains on disposal of financial assets at fair value through profit or loss	6	(34)	(158)	(223)	(42)	(1,074)
Finance costs on redemption financial liabilities		32,483	37,687	47,176	20,950	33,092
		(62,855)	(58,102)	(26,921)	(1,794)	(22,372)

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
(Increase)/decrease in inventories	(54,386)	(82,780)	39,019	20,111	37,881
Increase in trade receivables	(8,279)	(14,542)	(35,619)	(31,057)	(43,655)
(Increase)/decrease in bills receivable	(1,239)	(6,600)	6,359	(5,099)	(2,342)
Increase in contract assets	(2,182)	(6,011)	(19,993)	(11,506)	(13,094)
(Increase)/decrease in debt investments at fair value through other comprehensive income	(6,141)	2,286	951	3,400	2,077
(Increase)/decrease in prepayments, other receivables and other assets	(4,952)	(2,251)	(6,344)	(9,644)	731
Decrease/(increase) in restricted bank deposits	5,368	(5,381)	(4,279)	(8,157)	(10,736)
(Decrease)/increase in trade and bills payables	(12,394)	46,087	17,751	12,422	33,572
Increase/(decrease) in contract liabilities	60,869	24,778	(36,659)	(18,553)	(18,954)
Increase/(decrease) in other payables and accruals	10,659	8,032	(3,152)	3,186	2,058
(Decrease)/increase in provisions	(1,435)	7	3,551	46	2,210
Cash used in operations	(76,967)	(94,477)	(65,336)	(46,645)	(32,624)
Taxes paid	–	–	–	–	(20)
Net cash flows used in operating activities	(76,967)	(94,477)	(65,336)	(46,645)	(32,644)

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES					
Proceeds from maturity of time deposits	10,000	60,441	–	–	10,000
Purchases of time deposits	–	–	(20,000)	(20,000)	–
Interest received	607	4,945	–	–	302
Disposal of financial assets at fair value through profit or loss	1,244	121,158	120,321	30,140	856,074
Purchases of financial assets at fair value through profit or loss	–	(151,000)	(95,000)	(15,000)	(960,000)
Disposal of a subsidiary	701	–	–	–	–
Disposal of items of property, plant and equipment	3	–	–	–	–
Purchases of items of property, plant and equipment	(2,889)	(3,894)	(5,279)	(2,124)	(2,956)
Purchase of equity investments designated at fair value through other comprehensive income	–	(20,000)	–	–	–
Proceeds from disposal of equity investments designated at fair value through other comprehensive income	–	–	38,128	–	–
Net cash flows from/(used in) investing activities	9,666	11,650	38,170	(6,984)	(96,580)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares	–	125,000	277,045	–	30,000
Direct financing expenses	–	(2,376)	(2,179)	–	–
New bank and other borrowings	49,900	139,843	150,334	94,000	49,000
Other long-term payables	–	20,000	–	–	–
Repayment of bank and other borrowings	(1,000)	(92,900)	(160,843)	(69,000)	(62,388)
Repayment of other long-term payables	–	–	(20,000)	–	–
Interest paid	(843)	(2,187)	(4,190)	(1,450)	(884)
Payment of lease liabilities	(4,470)	(3,698)	(5,898)	(2,999)	(2,741)
Payment of **[REDACTED]** expenses	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Net cash flows from financing activities	43,587	183,682	233,788	20,551	11,934

	Note	Year ended 31 December			Six months ended 30 June	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
					(unaudited)	
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(23,714)	100,855	206,622	(33,078)	(117,290)
Cash and cash equivalents at beginning of year/period		52,963	29,249	130,092	130,092	336,355
Effect of foreign exchange rate changes, net		–	(12)	(359)	258	(1,195)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	25	29,249	130,092	336,355	97,272	217,870
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances		31,542	137,766	348,308	113,102	240,559
Less: Restricted bank deposits		2,293	7,674	11,953	15,830	22,689
Cash and cash equivalents as stated in the consolidated statements of financial position and the consolidated statements of cash flows	25	29,249	130,092	336,355	97,272	217,870

(F) Statement of Financial Position of the Company

	Notes	As at 31 December			As at 30 June
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	14	9,412	7,753	5,917	5,084
Right-of-use assets	15	4,012	3,220	2,412	5,233
Other intangible assets	16	843	642	441	340
Investments in subsidiaries	1	–	10,476	10,476	10,716
Equity investments at fair value through other comprehensive income	17	–	39,878	38,128	38,491
Contract assets	21	346	2,912	4,488	5,182
Time deposits	25(c)	–	–	10,148	10,253
Prepayments, other receivables and other assets	22	–	–	–	2,002
Total non-current assets		14,613	64,881	72,010	77,301
CURRENT ASSETS					
Inventories	18	179,188	231,286	171,919	120,450
Trade receivables	19	19,766	76,967	113,134	138,419
Bills receivable	20	3,069	9,673	3,314	1,323
Contract assets	21	5,163	7,828	24,171	35,330
Prepayments, other receivables and other assets	22	13,349	6,348	44,342	38,949
Debt investments at fair value through other comprehensive income	23	6,707	4,421	3,470	1,393
Financial assets at fair value through profit or loss	24	–	30,099	5,070	110,118
Restricted bank deposits	25(b)	2,293	7,674	11,953	22,689
Time deposits	25(c)	64,074	–	10,227	–
Cash and cash equivalents	25(a)	29,249	119,691	271,991	191,249
Total current assets		322,858	493,987	659,591	659,920

	Notes	As at 31 December			As at 30 June
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
CURRENT LIABILITIES					
Trade and bills payables	26	30,043	82,449	56,425	82,577
Other payables and accruals	27	22,219	27,835	22,688	36,084
Interest-bearing bank and other borrowings	28	49,956	96,931	86,391	72,989
Lease liabilities	15	1,836	1,902	1,819	2,381
Contract liabilities	29	102,986	127,764	91,048	71,073
Redemption financial liabilities	30	503,007	665,694	1,011,239	1,074,331
Provision	31	193	200	3,751	5,961
Total current liabilities		710,240	1,002,775	1,273,361	1,345,396
NET CURRENT LIABILITIES		(387,382)	(508,788)	(613,770)	(685,476)
TOTAL ASSETS LESS CURRENT LIABILITIES		(372,769)	(443,907)	(541,760)	(608,175)
NON-CURRENT LIABILITIES					
Lease liabilities	15	826	1,091	320	2,311
Other long-term payables	32	–	20,173	–	–
Total non-current liabilities		826	21,264	320	2,311
NET LIABILITIES		**(373,595)**	**(465,171)**	**(542,080)**	**(610,486)**
EQUITY					
Paid-in capital/Share capital	33	47,956	51,632	61,765	62,647
Reserves	34	(421,551)	(516,803)	(603,845)	(673,133)
Total deficit		**(373,595)**	**(465,171)**	**(542,080)**	**(610,486)**

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE AND GROUP INFORMATION

Zhejiang IPLUSMOBOT Technology Co., Ltd. (the "Company") is a limited liability company incorporated in the People's Republic of China (hereinafter referred to as the "PRC"). The registered office of the Company was located at Building 8, Jinsheng Industrial Park, No. 611, Dongguan Road, Binjiang District, Hangzhou, Zhejiang Province, PRC from establishment. On 11 May 2026, the registered office of the Company was changed to the West Side of Building I, No. 1261 Jinhai Avenue, Lupu Town, Yuhuan City, Taizhou City, Zhejiang Province, PRC.

During the Relevant Periods, the Group provided a comprehensive portfolio of mobile robotics products and application solutions.

The Company was converted into a joint stock company with limited liability on 26 November 2025.

As at 30 June 2026, the Company had direct and indirect interests in its subsidiaries as follows:

Name	*Notes*	Date and place of incorporation/ registration	Nominal value of registered share capital/issued ordinary shares	Percentage of equity interest attributable to the Company		Principal activities
				Direct	Indirect	
Iplusmobot Technology Co., Ltd.	(a)	Japan 22 June 2023	JPY10,000,000	100%	–	Sales in Japan and other overseas regions
Quzhou Jiazhi Technology Co., Ltd.* (衢州迦智科技有限公司)	(b)	Chinese mainland 13 May 2024	RMB10,000,000	100%	–	Production and manufacturing
Iplusmobot Technology Pte, Ltd.	(a)	Singapore 26 March 2025	USD100,000	100%	–	Sales in Singapore and other overseas regions
Iplusmobot Technology Inc. . . .	(a)	United States 7 May 2025	USD1	–	100%	Sales in the United States and other overseas regions
Taizhou Jizhi Robotics Co., Ltd.* (台州璣智機器人有限公司) . . .	(a)	Chinese mainland 23 January 2026	RMB3,000,000	100%	–	Production and manufacturing

(a) No audited financial statements have been prepared and issued for these entities as they are not subject to any statutory audit requirement under the relevant rules and regulations in their jurisdictions of incorporation.

(b) The statutory financial statements of the entity for the year ended 31 December 2024 and 2025, prepared in accordance with Accounting Standards for Business Enterprises and regulations in the Chinese mainland, have been audited by Zhejiang Zhengxin United Certified Public Accountants Firm.

* The English name of this PRC company represents management's best efforts in translating the Chinese name of the company as no English name has been registered.

2.1 BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board ("IASB"). All IFRS accounting standards effective for the accounting period commencing from 1 January 2026, together with the relevant transitional provisions, have been consistently adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

The Historical Financial Information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss ("FVTPL"), debt investments at fair value through other comprehensive income and equity investments at fair value through other comprehensive income which have been measured at fair value.

The Historical Financial Information has been prepared under the going concern basis notwithstanding the fact that, as at 30 June 2026, the Group and the Company recorded net current liabilities amounting to RMB692,781,000 and RMB685,476,000, respectively. And the Group and the Company had total deficits of RMB620,276,000 and RMB610,486,000 as at 30 June 2026, respectively, primarily due to the significant amount of the redemption financial liabilities of RMB1,074,331,000 arising from the financing with redemption rights from the investors before its initial submission of the **[REDACTED]** to the Stock Exchange for the purpose of the **[REDACTED]**. The directors of the Company are of the opinion that no payment is expected for the settlement of the redemption financial liabilities as the related redemption rights would be terminated and the redemption financial liabilities would be converted into equity upon the qualified **[REDACTED]** of the Company's H shares on the Stock Exchange.

The directors of the Company have given consideration to the future liquidity and financial resources available to the Group, which mainly include cash on hand and financial facilities, in assessing whether the Group will have sufficient financial resources to continue as a going concern and will not have any going concern issue as a result of the shortage of working capital. The directors of the Company have reviewed the Group's cash flow projection prepared by the management, which covered a period of not less than twelve months from 30 June 2026. In the opinion of the directors of the Company, taking into account (i) the Group's financial resources on hand, and (ii) the anticipated **[REDACTED]** from the **[REDACTED]** of the shares of the Company, the Group will have sufficient working capital to meet its present obligations as and when they fall due in the next twelve months from 30 June 2026. Accordingly, the directors of the Company consider it is appropriate to prepare the Historical Financial Information on a going concern basis.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the Relevant Periods. A subsidiary is an 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), liabilities, any non-controlling interest and the exchange fluctuation reserve; 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 amended 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*[1]
IFRS 20	*Regulatory Assets and Regulatory Liabilities*[3]
Amendments to IAS 28	*Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*[4]

1 No mandatory effective date yet determined but available for adoption
2 Effective for annual/reporting periods beginning on or after 1 January 2027
3 Effective for annual/reporting periods beginning on or after 1 January 2029
4 Effective when an entity first applies IFRS 18

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application. So far, the Group considers that these new and amended IFRS Accounting Standards, except for IFRS 18, may result in changes in certain accounting policies but no significant impact on the Group's financial performance and financial position. 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 disclosure will be included in the financial statements.

2.3 MATERIAL ACCOUNTING POLICIES

Fair value measurement

The Group measures certain of its financial assets at fair value 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, contract assets and financial 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.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

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 the statement of 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 the statement of 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 the statement of 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 annual rates used for this purpose are as follows:

Machinery	9.50%–31.67%
Office equipment	19.00%–31.67%
Electronic equipment	31.67%
Other equipment	19.00%–31.67%
Leasehold improvements	33.33%–50.00%

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 the statement of 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.

Other intangible assets (other than goodwill)

Other intangible assets acquired separately are measured on initial recognition at cost. The cost of other intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of other intangible assets are assessed to be either finite or indefinite. Other 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. The principal annual rate used for this purpose is as follows:

Patents	10%–20%

Research and development expenses

All research costs are charged to the statement of profit or loss as 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:

Buildings	2–3years

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 equipment (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 office equipment that is 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.

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 statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt instruments 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 designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

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 the statement of 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 90 days past due.

The Group considers a financial asset in default when contractual payments are 365 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, bills receivable, contract assets and debt instruments at fair value through other comprehensive income 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 and bills receivables, contract assets and debt instruments at fair value through other comprehensive income 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.

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 bills payables, financial liabilities included in other payables and accruals, interest-bearing bank and other borrowings, redemption financial liabilities and other long-term payables.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost ((trade and other payables, borrowings, redemption financial liabilities and other long-term payables)

After initial recognition, trade and other payables, borrowings, redemption financial liabilities and other long-term payables 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 the statement of 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 the statement of 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 the statement of 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 each 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 the statement of profit or loss.

The Group provides for warranties in relation to the sale of certain products and the provision of services 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, discounted to their present values as appropriate. The warranty-related cost is revised annually.

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, 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, 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.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

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.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

(a) Sales of robotic solutions

Robotic solutions involve the design, production, deployment and commissioning of customised robotic systems, which can complete required tasks in specified scenarios as indicated in the sales contract.

Revenue from the sale of robotic solutions is recognised at the point in time when control of the asset and service is transferred to the customers, generally on acceptance and delivery of the robotic solutions as agreed in the sales contracts. The installation and commissioning services significantly modify or customise the goods, therefore, the products and the services are highly interrelated and instead combined as one single performance obligation which is satisfied at a point in time.

(b) Sales of robotic products and others

Revenue from the sale of robots and others is recognised at the point in time when control of the product or service is transferred to the customers, generally on delivery and acceptance of the products or services as agreed in the sales contracts.

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).

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;

(b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

(c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

Share-based payments

Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange 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 at which they are granted. The fair value is determined by an external valuer using a back-solve model and equity allocation based on the option pricing model ("OPM"), further details of which are given in note 36 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 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 the statement of 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 awards, 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 or performance conditions.

For awards that do not ultimately vest because non-market performance or service conditions have not been met, no expense is recognised. Where awards 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 or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award 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 award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

Other employee benefits

Pension scheme

The employees of the Company and 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. The Company and the subsidiaries in the Chinese mainland are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

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.

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue about conditions that existed at the end of each reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Foreign currencies

These financial statements 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 the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than the RMB. As at the end of each reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements 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.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Classification of financial assets

The classification of financial assets at initial recognition depends on the Group's business model for managing the financial assets and the financial assets' contractual cash flow characteristics:

(1) Management needs to make significant judgement when assessing its business model, including but is not limited to (a) how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; (b) the risks that affect the performance of the business model and the financial assets held within that business model and, in particular, the way in which those risks are managed; and (c) how managers of the business are compensated. In determining whether cash flows are going to be realised by collecting the financial assets' contractual cash flows, management needs to consider the reasons for the sales, timing of sales, frequency and value in prior periods; and

(2) Management needs to make significant judgement on whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding, such as whether contractual cash flows could be significantly different from the benchmark cash flows involves judgement when assessing a modified time value of a money element, and whether the fair value of prepayment features is insignificant also requires judgement when assessing the financial assets with prepayment features.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group had tax losses at the end of each of the Relevant Periods approximately RMB284,207,000, RMB369,336,000, RMB424,042,000 and RMB482,141,000, respectively. These losses related to the Group that have a history of losses, have not expired, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, 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, bills receivable and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables, bills receivable and contract assets. The provision rates are based on the revenue recognition dates for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

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 the end of each reporting period, 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, bills receivable and contract assets is disclosed in note 19, note 20 and note 21 to the Historical Financial Information.

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).

Warranties

Provisions for warranties granted by the Group are recognised based on sales volumes and past experiences of costs for repairs and replacement, among others. The estimate of unit warranty cost may not be equal to the actual warrant costs in the future. The Group reassesses the unit warranty cost at least annually and the unit warranty cost is revised when appropriate.

Fair value of financial instruments

The fair value of financial instruments, in the absence of an active market, is estimated by using appropriate valuation techniques. Such valuations were based on certain assumptions about credit risk and liquidity risks, etc, associated with the instruments, which are subject to uncertainty and might materially differ from the actual results. Further details are included in note 42 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. Non-financial assets with definite life 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.

Share-based payments

The Group operates employee incentive schemes for the purpose of providing incentives to the Company's directors and the Group's employees. The grant date fair value of the shares of the employee incentive schemes is determined by an external valuer using a back-solve model and binary tree option pricing model, further details of which are given in note 36 to the Historical Financial Information.

4. OPERATING SEGMENT INFORMATION

The executive directors of the Company have been identified as the chief operating decision maker of the Group who reviews the operating results of the Group's business as one operating segment to make strategic decisions and resource allocation. Therefore, the Group regards that there is only one segment which is used to make strategic decisions.

Geographical information

(a) Revenue from external customers

	Year ended 31 December			Six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Chinese mainland	64,883	104,149	234,036	123,837	157,761
Other countries/regions*	10,067	10,693	31,492	11,182	11,458
Total	**74,950**	**114,842**	**265,528**	**135,019**	**169,219**

* Primarily consists of Japan, South Korea, Southeast Asia and Australia.

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Chinese mainland	14,613	23,017	23,311	26,347
Other countries/regions	–	1,449	927	920
Total	**14,613**	**24,466**	**24,238**	**27,267**

The non-current asset information above is based on the locations of the assets and excludes financial instruments.

Information about a major customer

The revenue generated from sales to customers which individually contributed more than 10% of the Group's total revenue during each of the Relevant Periods and the six months ended 30 June 2025 is set out below:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Customer A	*	18,951	70,397	36,596	27,677
Customer B	*	17,648	*	*	*
Customer C	*	*	33,186	33,186	*
Customer D	*	*	*	*	19,181
Customer E	*	*	*	*	17,655
Customer F	*	*	*	*	17,543

* The corresponding revenue from the customer is not disclosed as the revenue individually did not account for 10% or more of the Group's revenue during the respective period.

5. REVENUE

An analysis of revenue is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Revenue from contracts with customers	74,950	114,842	265,528	135,019	169,219

Revenue from contracts with customers

(a) Disaggregated revenue information

Segment revenue

	Year ended 31 December			Six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Types of goods or services					
Sales of robotic solutions	52,845	97,468	219,654	116,044	147,726
Sales of robotic products	19,267	12,879	36,989	16,009	17,330
Sales of accessories and others	2,838	4,495	8,885	2,966	4,163
Total	**74,950**	**114,842**	**265,528**	**135,019**	**169,219**
Timing of revenue recognition					
Goods transferred at a point in time	74,950	114,842	265,528	135,019	169,219

The following table shows the amounts of revenue recognised in each of the Relevant Periods and the six months ended 30 June 2025 that were included in the contract liabilities at the beginning of each of the Relevant Periods and recognised from performance obligations satisfied in previous periods:

	Year ended 31 December			Six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Revenue recognised that was included in contract liabilities at the beginning of the reporting period	19,875	41,298	124,400	80,015	78,954

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of robotic solutions

Robotic solutions involve the design, production, deployment and commissioning of customised robotic systems, which can complete required tasks in specified scenarios as indicated in the sales contracts.

Revenue from the sale of robotic solutions is recognised at the point in time when control of the asset and service is transferred to the customers, generally on acceptance and delivery of the robotic solutions as agreed in the sales contracts. The installation and commissioning services significantly modify or customise the goods, therefore, the products and the services are highly interrelated and instead combined as one single performance obligation which is satisfied at a point in time.

Sales of robotic products and others

Revenue from the sale of robotic products and others is recognised at the point in time when control of the products or services is transferred to the customer, generally on delivery and acceptance of the product or service as agreed in the sales contracts.

The management of the Group expects the transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as of the end of each of the Relevant Periods will be recognised within one year from the end of the respective periods. Therefore, the expedient allowed by IFRS 15.121 is applied.

6. OTHER INCOME AND GAINS

	Year ended 31 December			Six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Other income					
Bank interest income	3,688	2,214	1,453	614	690
Government grants	5,512	10,641	16,899	5,038	1,542
Other gains					
Gains on disposal of financial assets at fair value through profit or loss	34	158	223	42	1,074
Fair value gain from financial assets at fair value through profit or loss- mandatorily classified as such, including those held for trading	–	99	70	77	48
Gain on disposal of a subsidiary	944	–	–	–	–
Exchange gain	84	–	–	463	–
Others	93	209	693	73	–
Total other income and gains	**10,355**	**13,321**	**19,338**	**6,307**	**3,354**

7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Cost of sales	60,165	87,046	186,755	98,362	119,388
Depreciation of right-of-use assets *(note 15)**	4,356	4,377	5,522	2,849	2,943
Depreciation of property, plant and equipment *(note 14)**	3,689	3,794	3,104	1,542	1,854
Amortisation of other intangible assets *(note 16)**	265	201	201	101	101
Lease payments not included in the measurement of lease liabilities	152	107	161	40	276
[REDACTED] expenses	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Employee benefit expense (including directors' and chief executive's remuneration)*:					
Wages, salaries and allowances	59,857	65,863	78,192	37,092	46,612
Pension scheme contributions and social welfare	11,939	12,218	15,548	7,488	9,844
Share-based payments	2,833	1,733	762	279	1,385
Impairment losses on financial assets and contract assets, net	4,524	5,675	3,951	1,623	3,931
Write-down of inventories to net realisable value**	5,231	5,261	8,048	7,745	(2,855)

* Cost of sales includes expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets, amortisation of other intangible assets and staff costs, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** The write-down of inventories to net realisable value is included in "Cost of sales" in the statement of profit or loss.

8. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Interest on bank and other borrowings	899	2,219	3,220	1,434	870
Interest on other long-term payables	–	173	766	382	–
Interest on lease liabilities	336	203	334	179	135
Total	**1,235**	**2,595**	**4,320**	**1,995**	**1,005**

9. DIRECTORS' REMUNERATION

Directors' remuneration as recorded during the Relevant Periods and the six months ended 30 June 2025, is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Other emoluments:					
Salaries, allowances and benefits in kind	3,120	2,741	2,563	1,185	1,194
Performance related bonuses	1,192	1,198	1,111	515	396
Share-based payment expenses	520	241	122	69	29
Pension scheme contributions	125	146	167	72	48
Total	**4,957**	**4,326**	**3,963**	**1,841**	**1,667**

The remuneration of the directors of the Company is set out below:

Year ended 31 December 2023

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:						
Mr. Chen Shouxian	–	724	293	–	38	1,055
Mr. Sun Yichao[(xvi)]	–	666	248	–	38	952
Ms. Xiong Rong	–	542	207	–	–	749
Sub-total	–	1,932	748	–	76	2,756
Non-executive directors:						
Ms. Shao Hong[(i)]	–	272	116	147	11	546
Mr. Wang Yue[(ii)]	–	422	130	–	–	552
Mr. Zhang Yifeng[(iii)]	–	40	–	–	–	40
Ms. Chen Qunying	–	454	198	373	38	1,063
Mr. Mao Ping[(iv)]	–	–	–	–	–	–
Mr. Li Fei[(v)]	–	–	–	–	–	–
Mr. Qiu Jianwei[(vi)]	–	–	–	–	–	–
Mr. Ye Shuaimin[(vii)]	–	–	–	–	–	–
Mr. Yang Lin[(viii)]	–	–	–	–	–	–
Sub-total	–	1,188	444	520	49	2,201
Total	**–**	**3,120**	**1,192**	**520**	**125**	**4,957**

Year ended 31 December 2024

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:						
Mr. Chen Shouxian	–	721	413	–	43	1,177
Mr. Sun Yichao[(xvi)]	–	660	404	–	43	1,107
Ms. Xiong Rong	–	540	–	–	–	540
Sub-total	–	1,921	817	–	86	2,824
Non-executive directors:						
Ms. Shao Hong[(i)]	–	193	83	45	17	338
Mr. Wang Yue[(ii)]	–	175	54	–	–	229
Ms. Chen Qunying	–	452	244	196	43	935
Mr. Mao Ping[(iv)]	–	–	–	–	–	–
Mr. Li Fei[(v)]	–	–	–	–	–	–
Mr. Qiu Jianwei[(vi)]	–	–	–	–	–	–
Mr. Ye Shuaimin[(vii)]	–	–	–	–	–	–
Mr. Yang Lin[(viii)]	–	–	–	–	–	–
Mr. Wang Kun[(ix)]	–	–	–	–	–	–
Mr. Shi Chenxing[(x)]	–	–	–	–	–	–
Sub-total	–	820	381	241	60	1,502
Total	**–**	**2,741**	**1,198**	**241**	**146**	**4,326**

Year ended 31 December 2025

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:						
Mr. Chen Shouxian	–	720	325	–	49	1,094
Mr. Sun Yichao[(xvi)]	–	658	275	–	49	982
Ms. Xiong Rong	–	540	230	–	–	770
Sub-total	–	1,918	830	–	98	2,846
Non-executive directors:						
Ms. Shao Hong[(i)]	–	193	83	24	20	320
Ms. Chen Qunying	–	452	198	98	49	797
Mr. Mao Ping[(iv)]	–	–	–	–	–	–
Mr. Li Fei[(v)]	–	–	–	–	–	–
Mr. Shi Chenxing[(x)]	–	–	–	–	–	–
Ms. Wang Mengqi[(xi)]	–	–	–	–	–	–
Ms. Zhao Dongmei[(xii)]	–	–	–	–	–	–
Sub-total	–	645	281	122	69	1,117
Total	**–**	**2,563**	**1,111**	**122**	**167**	**3,963**
Independent non-executive directors:						
Mr. Yu Li[(xiii)]	–	–	–	–	–	–
Mr. Zhang Li[(xiv)]	–	–	–	–	–	–
Mr. Chen Linrong[(xv)]	–	–	–	–	–	–
Total	**–**	**–**	**–**	**–**	**–**	**–**

Six months ended 30 June 2025 (unaudited)

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:						
Mr. Chen Shouxian	–	360	163	–	24	547
Mr. Sun Yichao[(xvi)]	–	329	138	–	24	491
Ms. Xiong Rong	–	270	115	–	–	385
Sub-total	–	959	416	–	48	1,423
Non-executive directors:						
Ms. Chen Qunying	–	226	99	69	24	418
Mr. Mao Ping[(iv)]	–	–	–	–	–	–
Mr. Li Fei[(v)]	–	–	–	–	–	–
Mr. Shi Chenxing[(x)]	–	–	–	–	–	–
Sub-total	–	226	99	69	24	418
Total	**–**	**1,185**	**515**	**69**	**72**	**1,841**

Six months ended 30 June 2026

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:						
Mr. Chen Shouxian	–	425	171	–	24	620
Ms. Xiong Rong	–	270	121	–	–	391
Sub-total	–	695	292	–	24	1,011
Non-executive directors:						
Ms. Chen Qunying	–	265	104	29	24	422
Ms. Zhao Dongmei[(xii)]	–	–	–	–	–	–
Sub-total	–	265	104	29	24	422
Independent non-executive directors:						
Mr. Yu Li[(xiii)]	–	78	–	–	–	78
Mr. Zhang Li[(xiv)]	–	78	–	–	–	78
Mr. Chen Linrong[(xv)]	–	78	–	–	–	78
Sub-total	–	234	–	–	–	234
Total	**–**	**1,194**	**396**	**29**	**48**	**1,667**

Notes:

(i) On 12 June 2023, Ms. Shao Hong was appointed as a non-executive director, and on 15 May 2024 she resigned from her position as a non-executive director. On 21 August 2025, Ms. Shao Hong was re-appointed as a non-executive director, and on 25 December 2025 she resigned from her position as a non-executive director.

(ii) On 15 May 2024, Mr. Wang Yue resigned from his position as a non-executive director.

(iii) On 12 June 2023, Mr. Zhang Yifeng resigned from his position as a non-executive director.

(iv) On 25 December 2025, Mr. Mao Ping resigned from his position as a non-executive director.

(v) On 25 December 2025, Mr. Li Fei resigned from his position as a non-executive director.

(vi) On 30 April 2024, Mr. Qiu Jianwei resigned from his position as a non-executive director.

(vii) On 30 April 2024, Mr. Ye Shuaimin resigned from his position as a non-executive director.

(viii) On 15 May 2024, Mr. Yang Lin resigned from his position as a non-executive director.

(ix) On 30 April 2024, Mr. Wang Kun was appointed as a non-executive director, and on 15 May 2024, Mr. Wang Kun resigned from his position as a non-executive director.

(x) On 30 April 2024, Mr. Shi Chenxing was appointed as a non-executive director, and on 25 December 2025, Mr. Shi Chenxing resigned from his position as a non-executive director.

(xi) On 21 August 2025, Ms. Wang Mengqi was appointed as a non-executive director, and on 25 December 2025 Ms. Wang Mengqi resigned from his position as a non-executive director.

(xii) On 25 December 2025, Ms. Zhao Dongmei was appointed as a non-executive director.

(xiii) On 25 December 2025, Mr. Yu Li was appointed as an independent non-executive director.

(xiv) On 25 December 2025, Mr. Zhang Li was appointed as an independent non-executive director.

(xv) On 25 December 2025, Mr. Chen Linrong was appointed as an independent non-executive director.

(xvi) On 1 September 2017, Mr. Sun Yichao was appointed as an executive director, and on 25 December 2025 Mr. Sun Yichao resigned from his position as an executive director.

During the Relevant Periods and the six months ended 30 June 2025, certain directors were granted share options and RSUs, in respect of their services to the Group, under the Employee Incentive Scheme of the Company, further details of which are set out in note 36 to the financial statements. The fair value of such options and RSUs, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' remuneration disclosures.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2025 and 2026 included 2 directors, 3 directors, 2 directors, 2 directors and 1 director respectively, details of whose remuneration are set out in note 9 above. Details of the remuneration for the remaining 3, 2, 3, 3 and 4 highest paid employees who are neither a director nor chief executive of the Company during the Relevant Periods and the six months ended 30 June 2025 are as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Salaries, allowances and benefits in kind	1,501	1,106	1,815	908	1,602
Performance related bonuses	896	696	799	400	429
Share-based payment expenses	1,660	468	209	146	921
Pension scheme contributions	120	90	166	82	106
Total	**4,177**	**2,360**	**2,989**	**1,536**	**3,058**

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
				(unaudited)	
Nil to HK$1,000,000	–	–	–	3	3
HK$1,000,001 to HK$1,500,000	1	2	3	–	–
HK$1,500,001 to HK$2,000,000	2	–	–	–	1
Total	**3**	**2**	**3**	**3**	**4**

During the Relevant Periods and the six months ended 30 June 2025, certain employees were granted share options and RSUs, in respect of their services to the Group, under the Employee Incentive Scheme of the Company, further details of which are set out in note 36 to the financial statements. The fair value of such options and RSUs, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above five highest paid employees' remuneration disclosures.

11. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate.

Chinese mainland

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the estimated tax rate of the Group was 25% during the Relevant Periods and the six months ended 30 June 2025 on the taxable income except for those which are entitled to tax exemption set out below.

The Company obtained its "High and New Technology Enterprise" ("HNTE") qualification since 2021 and renewed in 2024. The "HNTE" qualification was reviewed by the relevant tax authority in the PRC every three years, so it was entitled to the preferential tax rate of 15% during the Relevant Periods and the six months ended 30 June 2025.

Japan

Pursuant to the relevant tax laws of Japan, the subsidiary which operates in Japan was subject to corporate income tax at the rate of 23.2% on the taxable income during the Relevant Periods and the six months ended 30 June 2025.

United States

Pursuant to the relevant tax laws of the United States, the subsidiary which operates in the United States was subject to federal corporate income tax at a statutory rate of 21% on its taxable income during the Relevant Periods and the six months ended 30 June 2025.

Singapore

Pursuant to the relevant tax laws of Singapore, the subsidiary which operates in Singapore was subject to corporate income tax at the rate of 17% on the taxable income during the Relevant Periods and the six months ended 30 June 2025.

	Year ended 31 December			Six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Current – Charge for the year/period	–	–	22	–	–

A reconciliation of the income tax expense applicable to loss before tax using the statutory income tax rate applicable in the Chinese mainland to the income tax expense at the Group's effective income tax rate for the Relevant Periods and the six months ended 30 June 2025 is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Loss before tax	(113,769)	(117,856)	(99,708)	(38,411)	(63,702)
Tax at PRC statutory tax rate of 25%	(28,443)	(29,464)	(24,927)	(9,603)	(15,925)
Effect of preferential or different tax rates	11,399	11,135	9,414	3,642	7,245
Expenses not deductible for tax	405	1	157	147	120
Additional deductible allowance for research and development costs	(4,817)	(5,973)	(7,134)	(2,964)	(4,241)
Temporary differences and tax losses not recognised	21,456	24,301	22,512	8,778	12,801
Tax charge for the year/period at the Group's effective rate	–	–	22	–	–

12. DIVIDENDS

No dividend was paid or declared by the Company during the Relevant Periods and the six months ended 30 June 2025.

13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the loss for the year/period attributable to ordinary equity holders of the parent, and the weighted average numbers of ordinary shares outstanding during each of the Relevant Periods and the six months ended 30 June 2025 before the conversion into a joint stock company was determined by assuming that the paid-in capital had been fully converted into share capital at the same conversion ratio of 1:1 as upon transformation into a joint stock company in November 2025.

The calculations of basic and diluted loss per share are based on:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
				(unaudited)	
Loss					
Loss attributable to ordinary equity holders of the parent *(RMB'000)*	(113,769)	(117,856)	(99,730)	(38,411)	(63,702)
Shares					
Weighted average number of ordinary shares in issue during the year/period *('000)*	47,956	50,112	53,556	51,632	62,500

The calculation of diluted loss per share amounts during the Relevant Periods and the six months ended 30 June 2025 did not assume the redemption of the shares held by its equity interest holders since its inclusion would be anti-dilutive.

14. PROPERTY, PLANT AND EQUIPMENT

The Group

	Machinery	Office equipment	Electronic equipment	Other equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023						
At 1 January 2023:						
Cost	4,528	1,365	3,295	605	7,552	17,345
Accumulated depreciation	(652)	(334)	(1,699)	(316)	(3,624)	(6,625)
Net carrying amount	3,876	1,031	1,596	289	3,928	10,720
At 1 January 2023, net of accumulated depreciation	3,876	1,031	1,596	289	3,928	10,720
Additions	211	170	793	1,715	–	2,889
Disposal	–	–	(3)	–	–	(3)
Disposal of a subsidiary	(488)	–	(17)	–	–	(505)
Depreciation provided during the year	(436)	(299)	(911)	(232)	(1,811)	(3,689)
At 31 December 2023, net of accumulated depreciation	3,163	902	1,458	1,772	2,117	9,412
At 31 December 2023:						
Cost	4,169	1,535	4,035	2,320	7,552	19,611
Accumulated depreciation	(1,006)	(633)	(2,577)	(548)	(5,435)	(10,199)
Net carrying amount	3,163	902	1,458	1,772	2,117	9,412

	Machinery	Office equipment	Electronic equipment	Other equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024						
At 1 January 2024:						
Cost	4,169	1,535	4,035	2,320	7,552	19,611
Accumulated depreciation	(1,006)	(633)	(2,577)	(548)	(5,435)	(10,199)
Net carrying amount	3,163	902	1,458	1,772	2,117	9,412
At 1 January 2024, net of accumulated depreciation	3,163	902	1,458	1,772	2,117	9,412
Additions	564	76	221	1,072	1,961	3,894
Depreciation provided during the year	(420)	(314)	(721)	(509)	(1,830)	(3,794)
At 31 December 2024, net of accumulated depreciation	3,307	664	958	2,335	2,248	9,512
At 31 December 2024:						
Cost	4,733	1,611	4,256	3,392	9,513	23,505
Accumulated depreciation	(1,426)	(947)	(3,298)	(1,057)	(7,265)	(13,993)
Net carrying amount	3,307	664	958	2,335	2,248	9,512

	Machinery	Office equipment	Electronic equipment	Other equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025						
At 1 January 2025:						
Cost	4,733	1,611	4,256	3,392	9,513	23,505
Accumulated depreciation	(1,426)	(947)	(3,298)	(1,057)	(7,265)	(13,993)
Net carrying amount	3,307	664	958	2,335	2,248	9,512
At 1 January 2025, net of accumulated depreciation	3,307	664	958	2,335	2,248	9,512
Additions	3,767	291	420	35	766	5,279
Depreciation provided during the year	(442)	(195)	(572)	(712)	(1,183)	(3,104)
At 31 December 2025, net of accumulated depreciation	6,632	760	806	1,658	1,831	11,687
At 31 December 2025:						
Cost	8,500	1,902	4,676	3,427	10,279	28,784
Accumulated depreciation	(1,868)	(1,142)	(3,870)	(1,769)	(8,448)	(17,097)
Net carrying amount	6,632	760	806	1,658	1,831	11,687

	Machinery	Office equipment	Electronic equipment	Other equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
30 June 2026						
At 1 January 2026:						
Cost	8,500	1,902	4,676	3,427	10,279	28,784
Accumulated depreciation	(1,868)	(1,142)	(3,870)	(1,769)	(8,448)	(17,097)
Net carrying amount	6,632	760	806	1,658	1,831	11,687
At 1 January 2026, net of accumulated depreciation	6,632	760	806	1,658	1,831	11,687
Additions	43	40	88	266	517	954
Depreciation provided during the period	(570)	(114)	(306)	(356)	(508)	(1,854)
At 30 June 2026, net of accumulated depreciation	6,105	686	588	1,568	1,840	10,787
At 30 June 2026:						
Cost	8,543	1,942	4,764	3,693	10,796	29,738
Accumulated depreciation	(2,438)	(1,256)	(4,176)	(2,125)	(8,956)	(18,951)
Net carrying amount	6,105	686	588	1,568	1,840	10,787

The Company

	Machinery	Office equipment	Electronic equipment	Other equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023						
At 1 January 2023:						
Cost	3,963	1,365	3,251	605	7,552	16,736
Accumulated depreciation	(613)	(334)	(1,672)	(316)	(3,624)	(6,559)
Net carrying amount	3,350	1,031	1,579	289	3,928	10,177
At 1 January 2023, net of accumulated depreciation	3,350	1,031	1,579	289	3,928	10,177
Additions	206	170	793	1,715	–	2,884
Disposal	–	–	(3)	–	–	(3)
Depreciation provided during the year	(393)	(299)	(911)	(232)	(1,811)	(3,646)
At 31 December 2023, net of accumulated depreciation	3,163	902	1,458	1,772	2,117	9,412
At 31 December 2023:						
Cost	4,169	1,535	4,035	2,320	7,552	19,611
Accumulated depreciation	(1,006)	(633)	(2,577)	(548)	(5,435)	(10,199)
Net carrying amount	3,163	902	1,458	1,772	2,117	9,412

	Machinery	Office equipment	Electronic equipment	Other equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024						
At 1 January 2024:						
Cost	4,169	1,535	4,035	2,320	7,552	19,611
Accumulated depreciation	(1,006)	(633)	(2,577)	(548)	(5,435)	(10,199)
Net carrying amount	3,163	902	1,458	1,772	2,117	9,412
At 1 January 2024, net of accumulated depreciation	3,163	902	1,458	1,772	2,117	9,412
Additions	564	76	173	807	461	2,081
Depreciation provided during the year	(420)	(314)	(720)	(498)	(1,788)	(3,740)
At 31 December 2024, net of accumulated depreciation	3,307	664	911	2,081	790	7,753
At 31 December 2024:						
Cost	4,733	1,611	4,208	3,127	8,013	21,692
Accumulated depreciation	(1,426)	(947)	(3,297)	(1,046)	(7,223)	(13,939)
Net carrying amount	3,307	664	911	2,081	790	7,753

	Machinery	Office equipment	Electronic equipment	Other equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025						
At 1 January 2025:						
Cost	4,733	1,611	4,208	3,127	8,013	21,692
Accumulated depreciation	(1,426)	(947)	(3,297)	(1,046)	(7,223)	(13,939)
Net carrying amount	3,307	664	911	2,081	790	7,753
At 1 January 2025, net of accumulated depreciation	3,307	664	911	2,081	790	7,753
Additions	3,758	287	403	10	160	4,618
Transfers	(4,037)	(128)	–	–	–	(4,165)
Depreciation provided during the year	(413)	(180)	(558)	(562)	(576)	(2,289)
At 31 December 2025, net of accumulated depreciation	2,615	643	756	1,529	374	5,917
At 31 December 2025:						
Cost	4,325	1,753	4,611	3,137	8,173	21,999
Accumulated depreciation	(1,710)	(1,110)	(3,855)	(1,608)	(7,799)	(16,082)
Net carrying amount	2,615	643	756	1,529	374	5,917

	Machinery	Office equipment	Electronic equipment	Other equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
30 June 2026						
At 1 January 2026:						
Cost	4,325	1,753	4,611	3,137	8,173	21,999
Accumulated depreciation	(1,710)	(1,110)	(3,855)	(1,608)	(7,799)	(16,082)
Net carrying amount	2,615	643	756	1,529	374	5,917
At 1 January 2026, net of accumulated depreciation	2,615	643	756	1,529	374	5,917
Additions	–	–	87	–	–	87
Depreciation provided during the period	(180)	(95)	(259)	(328)	(58)	(920)
At 30 June 2026, net of accumulated depreciation	2,435	548	584	1,201	316	5,084
At 30 June 2026:						
Cost	4,325	1,753	4,698	3,137	8,173	22,086
Accumulated depreciation	(1,890)	(1,205)	(4,114)	(1,936)	(7,857)	(17,002)
Net carrying amount	2,435	548	584	1,201	316	5,084

15. LEASES

The Group and the Company as the lessees

The Group and the Company have lease contracts for various items of buildings used in its operations.

(a) Right-of-use assets

The carrying amounts of the Group and the Company's right-of-use assets and the movements during the year/period are as follows:

The Group

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Buildings				
At beginning of the year/period	8,368	4,012	11,400	7,622
Additions	–	11,765	1,765	4,278
Exchange realignment	–	–	(21)	(1)
Depreciation charge	(4,356)	(4,377)	(5,522)	(2,943)
At end of the year/period	4,012	11,400	7,622	8,956

The Company

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Buildings				
At beginning of the year/period	8,368	4,012	3,220	2,412
Additions	–	2,960	1,765	4,278
Depreciation charge	(4,356)	(3,752)	(2,573)	(1,457)
At end of the year/period	4,012	3,220	2,412	5,233

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year/period are as follows:

The Group

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	6,796	2,662	10,932	7,132
New leases	–	11,765	1,765	4,278
Accretion of interest recognised during the year/period	336	203	334	135
Payments	(4,470)	(3,698)	(5,898)	(2,741)
Exchange realignment	–	–	(1)	(26)
At end of the year/period	2,662	10,932	7,132	8,778
Analysed into:				
Current portion	1,836	4,782	4,005	5,272
Non-current portion	826	6,150	3,127	3,506

The Company

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	6,796	2,662	2,993	2,139
New leases	–	2,960	1,765	4,278
Accretion of interest recognised during the year/period	336	145	102	58
Payments	(4,470)	(2,774)	(2,721)	(1,783)
At end of the year/period	2,662	2,993	2,139	4,692
Analysed into:				
Current portion	1,836	1,902	1,819	2,381
Non-current portion	826	1,091	320	2,311

(c) The amounts recognised in the statement of profit or loss in relation to leases are as follows:

The Group

	Year ended 31 December			Six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Interest on lease liabilities	336	203	334	179	135
Depreciation charge of right-of-use assets	4,356	4,377	5,522	2,849	2,943
Expense relating to short-term leases	152	107	161	40	276
Total	**4,844**	**4,687**	**6,017**	**3,068**	**3,354**

The Company

	Year ended 31 December			Six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Interest on lease liabilities	336	145	102	50	58
Depreciation charge of right-of-use assets	4,356	3,752	2,573	1,309	1,457
Expense relating to short-term leases	152	102	150	22	31
Total	**4,844**	**3,999**	**2,825**	**1,381**	**1,546**

16. OTHER INTANGIBLE ASSETS

The Group and the Company

	Patents
	RMB'000
31 December 2023	
At 1 January 2023:	
Cost	2,502
Accumulated amortisation	(639)
Net carrying amount	1,863
Cost at 1 January 2023, net of accumulated amortisation	1,863
Disposal of a subsidiary	(755)
Amortisation provided during the year	(265)
At 31 December 2023	843
At 31 December 2023:	
Cost	1,558
Accumulated amortisation	(715)
Net carrying amount	843

	Patents
	RMB'000
31 December 2024	
At 1 January 2024:	
Cost	1,558
Accumulated amortisation	(715)
Net carrying amount	843
Cost at 1 January 2024, net of accumulated amortisation	843
Amortisation provided during the year	(201)
At 31 December 2024	642
At 31 December 2024:	
Cost	1,558
Accumulated amortisation	(916)
Net carrying amount	642

	Patents
	RMB'000
31 December 2025	
At 1 January 2025:	
Cost	1,558
Accumulated amortisation	(916)
Net carrying amount	642
Cost at 1 January 2025, net of accumulated amortisation	642
Amortisation provided during the year	(201)
At 31 December 2025	441
At 31 December 2025:	
Cost	1,558
Accumulated amortisation	(1,117)
Net carrying amount	441

	Patents
	RMB'000
30 June 2026	
At 1 January 2026:	
Cost	1,558
Accumulated amortisation	(1,117)
Net carrying amount	441
Cost at 1 January 2026, net of accumulated amortisation	441
Amortisation provided during the period	(101)
At 30 June 2026	340
At 30 June 2026:	
Cost	1,558
Accumulated amortisation	(1,218)
Net carrying amount	340

17. EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group and the Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Unlisted equity investments, at fair value	–	39,878	38,128	38,491

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers the investments to be strategic in nature.

In December 2025, the Group sold 50% of its equity interest in Zhejiang Humanoid Robot Innovation Center Co., Ltd.. The fair value on the date of sale was RMB38,127,000 and the accumulated gain recognised in other comprehensive income of RMB14,127,000 was transferred to retained profits.

18. INVENTORIES

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	24,434	29,714	42,324	36,925
Work in progress	7,196	10,311	5,281	21,473
Finished goods	2,719	3,997	3,224	12,206
Contract fulfillment costs	154,263	227,370	175,687	116,543
Impairment	(9,424)	(14,685)	(16,876)	(12,533)
Total	**179,188**	**256,707**	**209,640**	**174,614**

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	24,434	10,139	986	102
Work in progress	7,196	5,119	–	478
Finished goods	2,719	3,444	291	4,911
Contract fulfillment costs	154,263	222,413	178,838	121,774
Impairment	(9,424)	(9,829)	(8,196)	(6,815)
Total	**179,188**	**231,286**	**171,919**	**120,450**

19. TRADE RECEIVABLES

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables – third parties	24,778	32,864	73,802	112,499
Trade receivables – related parties	1,841	8,297	2,695	7,653
Impairment	(6,853)	(10,107)	(11,726)	(14,224)
Total	**19,766**	**31,054**	**64,771**	**105,928**

The normal trading terms of the Group are mainly on credit, the credit period is generally within 6 months, except for some creditworthy customers. The Group's trade receivables are mainly due from the sale of robotic solutions and robots and others. The credit period depends on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior 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 the end of the period, based on the revenue recognition date and net of loss allowance, is as follows:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	17,581	25,654	58,514	89,212
Over 1 but within 2 years	1,941	4,484	5,702	15,987
Over 2 but within 3 years	150	865	555	671
Over 3 years	94	51	–	58
Total	**19,766**	**31,054**	**64,771**	**105,928**

The movements in the loss allowance for impairment of trade receivables are as follows:

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	4,117	6,853	10,107	11,726
Impairment losses, net	3,161	3,254	1,901	2,504
Amount written off as uncollectible	(425)	–	(274)	–
Foreign exchange realignment	–	–	(8)	(6)
At end of the year/period	6,853	10,107	11,726	14,224

An impairment analysis was performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on revenue recognition date 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 was available at the reporting date, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2023

	Individual basis	Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years	Total
Expected credit loss rate	100%	9%	24%	59%	91%	26%
Gross carrying amount *(RMB'000)*	3,456	19,232	2,560	364	1,007	26,619
Expected credit losses *(RMB'000)*	3,456	1,651	619	214	913	6,853

As at 31 December 2024

	Individual basis	Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years	Total
Expected credit loss rate	100%	7%	20%	47%	94%	25%
Gross carrying amount *(RMB'000)*	5,404	27,675	5,627	1,644	811	41,161
Expected credit losses *(RMB'000)*	5,404	2,021	1,143	779	760	10,107

As at 31 December 2025

	Individual basis	Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years	Total
Expected credit loss rate	100%	6%	18%	55%	100%	15%
Gross carrying amount *(RMB'000)*	4,002	62,434	6,961	1,233	1,867	76,497
Expected credit losses *(RMB'000)*	4,002	3,920	1,259	678	1,867	11,726

As at 30 June 2026

	Individual basis	Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years	Total
Expected credit loss rate	100%	6%	14%	63%	96%	12%
Gross carrying amount *(RMB'000)*	2,925	95,208	18,638	1,800	1,581	120,152
Expected credit losses *(RMB'000)*	2,925	5,996	2,651	1,129	1,523	14,224

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables – third parties	24,778	32,459	71,768	112,468
Trade receivables – subsidiaries	–	46,318	50,269	32,522
Trade receivables – other related parties	1,841	8,297	2,695	7,653
Impairment	(6,853)	(10,107)	(11,598)	(14,224)
Total	**19,766**	**76,967**	**113,134**	**138,419**

An ageing analysis of the trade and notes receivables as at the end of the year/period, based on the revenue recognition date and net of loss allowance, is as follows:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	17,581	71,567	60,559	94,186
Over 1 year but within 2 years	1,941	4,484	52,020	43,504
Over 2 years but within 3 years	150	865	555	671
Over 3 years	94	51	–	58
Total	**19,766**	**76,967**	**113,134**	**138,419**

The movements in the loss allowance for impairment of trade receivables are as follows:

	Year ended 31 December			Six months ended 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	3,654	6,853	10,107	11,598
Impairment losses, net	3,273	3,254	1,765	2,626
Amount written off as uncollectible	(74)	–	(274)	–
At end of the year/period	**6,853**	**10,107**	**11,598**	**14,224**

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2023

	Individual basis	**Within 1 year**	**Over 1 year but within 2 years**	**Over 2 years but within 3 years**	**Over 3 years**	**Total**
Expected credit loss rate	100%	9%	24%	59%	91%	26%
Gross carrying amount *(RMB'000)*	3,456	19,232	2,560	364	1,007	26,619
Expected credit losses *(RMB'000)*	3,456	1,651	619	214	913	6,853

As at 31 December 2024

	Individual basis	**Within 1 year**	**Over 1 year but within 2 years**	**Over 2 years but within 3 years**	**Over 3 years**	**Total**
Expected credit loss rate	100%	3%	20%	47%	94%	12%
Gross carrying amount *(RMB'000)*	5,404	73,588	5,627	1,644	811	87,074
Expected credit losses *(RMB'000)*	5,404	2,021	1,143	779	760	10,107

As at 31 December 2025

	Individual basis	Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years	Total
Expected credit loss rate	100%	6%	2%	55%	100%	9%
Gross carrying amount *(RMB'000)*	4,002	64,352	53,278	1,233	1,867	124,732
Expected credit losses *(RMB'000)*	4,002	3,793	1,258	678	1,867	11,598

As at 30 June 2026

	Individual basis	Within 1 year	Over 1 year but within 2 years	Over 2 years but within 3 years	Over 3 years	Total
Expected credit loss rate	100%	6%	6%	63%	96%	9%
Gross carrying amount *(RMB'000)*	2,925	100,182	46,155	1,800	1,581	152,643
Expected credit losses *(RMB'000)*	2,925	5,996	2,651	1,129	1,523	14,224

20. BILLS RECEIVABLE

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bank acceptance bills	3,011	9,673	3,314	5,656
Commercial acceptance bills	62	–	–	–
Less: Impairment allowance	(4)	–	–	–
Total	**3,069**	**9,673**	**3,314**	**5,656**

The bank acceptance bills held by the Group were mostly issued by reputable banks with short-term maturity. Accordingly, the identified impairment loss was assessed to be minimal as at each reporting date.

The movements in the loss allowance for impairment of bills receivable are as follows:

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	–	4	–	–
Impairment losses on financial assets, net	4	(4)	–	–
At end of the year/period	4	–	–	–

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bank acceptance bills	3,011	9,673	3,314	1,323
Commercial acceptance bills	62	–	–	–
Less: Impairment allowance	(4)	–	–	–
Total	**3,069**	**9,673**	**3,314**	**1,323**

The bank acceptance bills held by the Group were mostly issued by reputable banks with short-term maturity. Accordingly, the identified impairment loss was assessed to be minimal as at each reporting date.

The movements in the loss allowance for impairment of bills receivable are as follows:

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	–	4	–	–
Impairment losses on financial assets, net	4	(4)	–	–
At end of the year/period	4	–	–	–

21. CONTRACT ASSETS

The Group and the Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contract assets arising from:				
Warranty retention receivables	8,127	14,138	34,131	47,225
Less: Impairment of contract assets	(2,618)	(3,398)	(5,472)	(6,713)
Net carrying amount	5,509	10,740	28,659	40,512

Contract assets are initially recognised for the revenue earned 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 recognised as contract assets are reclassified as trade receivables.

The expected timing of recovery or settlement for contract assets as at the end of each of the Relevant Periods is as follows:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	5,163	7,828	24,171	35,330
Over 1 but within 2 years	346	1,898	4,479	4,401
Over 2 but within 3 years	–	1,014	9	781
Total	**5,509**	**10,740**	**28,659**	**40,512**

The movements in the impairment of contract assets are as follows:

	Year ended 31 December			Six months ended 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	1,577	2,618	3,398	5,472
Impairment losses, net	1,041	780	2,074	1,241
At end of the year/period	2,618	3,398	5,472	6,713

22. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Prepayments	10,120	6,016	4,485	5,283
Other receivables	2,451	4,409	4,922	4,328
Deductible value-added tax	966	5,379	12,675	11,626
Prepaid expenses	119	103	169	283
[REDACTED] expenses	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
	13,656	15,907	23,090	23,533
Impairment allowance	(307)	(1,952)	(1,928)	(2,114)
Total-current	**13,349**	**13,955**	**21,162**	**21,419**
Non-current				
Prepayments for long-term assets	–	–	–	2,002
Total-non-current	–	–	–	2,002

The movements in the provision for impairment of other receivables are as follows:

	Year ended 31 December			Six months ended 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	–	307	1,952	1,928
Impairment losses, net	318	1,645	(24)	186
Amount written off as uncollectible	(11)	–	–	–
At end of the year/period	307	1,952	1,928	2,114

The Company

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Prepayments	10,120	4,366	38,293	34,883
Other receivables	2,451	3,014	4,268	3,717
Deductible value-added tax	966	716	2,701	111
Prepaid expenses	119	204	169	283
[REDACTED] expenses	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
	13,656	8,300	46,270	41,007
Impairment allowance	(307)	(1,952)	(1,928)	(2,058)
Total-current	**13,349**	**6,348**	**44,342**	**38,949**
Non-current				
Prepayments for long-term assets	–	–	–	2,002
Total-non-current	–	–	–	2,002

The movements in the provision for impairment of other receivables are as follows:

	Year ended 31 December			Six months ended 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	–	307	1,952	1,928
Impairment losses	318	1,645	–	130
Amount written off as uncollectible	(11)	–	(24)	–
At end of the year/period	307	1,952	1,928	2,058

Prepayments mainly represent advance payments to suppliers.

Other receivables mainly represent deposits with customers.

The Group has applied the general approach in calculating the expected credit loss for other receivables. The Group considers the historical loss rate and adjusts for forward-looking macroeconomic data in calculating the expected credit loss rate.

23. DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group and the Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bills receivable	6,707	4,421	3,470	1,393

For bills receivable that were held both for collection of contractual cash flows and selling, where the contractual cash flows of these bills receivable represented solely payments of principal and interest on the principal amount outstanding, they were classified as debt investments at fair value through other comprehensive income.

Accordingly, the identified impairment loss was assessed to be minimal as at each reporting date.

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group and the Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Wealth management products	–	30,099	5,070	110,118

The above unlisted investments were wealth management products issued by banks in the Chinese mainland. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

25. CASH AND CASH EQUIVALENTS, RESTRICTED BANK DEPOSITS AND TIME DEPOSITS

The Group

(a) Cash and cash equivalents

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	29,249	130,092	336,355	217,870
Denominated in RMB	19,385	122,942	308,498	182,006
Denominated in JPY	–	2,165	4,262	6,972
Denominated in EUR	241	451	494	451
Denominated in USD	9,623	4,534	23,101	28,441
Total	**29,249**	**130,092**	**336,355**	**217,870**

(b) Restricted bank deposits

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Restricted bank deposits	2,293	7,674	11,953	22,689
For bank guarantees	2,293	1,289	6,435	758
For bank acceptance bills	–	1,167	4,912	12,769
Others	–	5,218	606	9,162
Total	**2,293**	**7,674**	**11,953**	**22,689**

(c) Time deposits

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Time deposits	64,074	–	20,375	10,253
Short-term time deposits due over three months but within one year	64,074	–	10,227	–
Time deposits due over one year	–	–	10,148	10,253
Total	**64,074**	**–**	**20,375**	**10,253**

The RMB is not freely convertible into other currencies, however, under the Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and 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.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and restricted bank deposits are deposited with creditworthy banks with no recent history of default. The restricted bank deposits mainly represented amounts required to be placed in banks for securing bills payable and letters of guarantee.

The Company

(a) Cash and cash equivalents

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and equivalents	29,249	119,691	271,991	191,249
Denominated in RMB	19,385	113,857	245,392	159,721
Denominated in JPY	–	849	3,111	3,207
Denominated in EUR	241	451	494	451
Denominated in USD	9,623	4,534	22,994	27,870
Total	**29,249**	**119,691**	**271,991**	**191,249**

(b) Restricted bank deposits

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Restricted bank deposits	2,293	7,674	11,953	22,689
For bank guarantees	2,293	1,289	6,435	758
For bank acceptance bills	–	1,167	4,912	12,769
Others	–	5,218	606	9,162
Total	**2,293**	**7,674**	**11,953**	**22,689**

(c) Time deposits

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Time deposits	64,074	–	20,375	10,253
Short-term time deposits due over three months but within one year	64,074	–	10,227	–
Time deposits due over one year	–	–	10,148	10,253
Total	**64,074**	**–**	**20,375**	**10,253**

26. TRADE AND BILLS PAYABLES

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	24,711	71,832	69,066	77,119
Bills payable	5,332	4,298	24,815	50,334
Total	**30,043**	**76,130**	**93,881**	**127,453**

An ageing analysis of the trade and bills payables as at the end of the year/period, based on the invoice date, is as follows:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	23,784	69,156	75,852	113,536
Over one year	6,259	6,974	18,029	13,917
Total	**30,043**	**76,130**	**93,881**	**127,453**

The trade payables are non-interest-bearing and are normally settled on of 30 to 90 days terms.

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables – third parties	24,711	58,019	28,965	22,132
Trade payables – other related parties	–	839	3	147
Trade payables – subsidiaries	–	19,293	–	4,298
Subtotal	24,711	78,151	28,968	26,577
Bills payable	5,332	4,298	27,457	56,000
Total	**30,043**	**82,449**	**56,425**	**82,577**

An ageing analysis of the trade and bills payables as at the end of the year/period, based on the invoice date, is as follows:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	23,784	75,475	38,396	71,750
Over one year	6,259	6,974	18,029	10,827
Total	**30,043**	**82,449**	**56,425**	**82,577**

The trade payables are non-interest-bearing and are normally settled on of 30 to 90 days terms.

27. OTHER PAYABLES AND ACCRUALS

The Group

		As at 31 December			As at 30 June
	Note	2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Employee benefit payables		14,907	13,430	16,231	20,350
Value-added and other taxes payable		2,854	10,660	462	1,391
Other payables	(a)	4,458	6,161	7,147	2,884
[REDACTED] expense payables		**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Total		**22,219**	**30,251**	**27,458**	**29,639**

Note:

(a) Other payables are non-interest-bearing with a non-fixed term.

The Company

	Note	As at 31 December 2023	As at 31 December 2024	As at 31 December 2025	As at 30 June 2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Employee benefit payables		14,907	12,882	14,788	18,619
Value-added and other taxes payable		2,854	10,545	159	1,042
Other payables	(b)	4,458	4,408	4,123	11,409
[REDACTED] expense payables		**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Total		**22,219**	**27,835**	**22,688**	**36,084**

Note:

(b) Other payables are non-interest-bearing with a non-fixed term.

28. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group and the Company

	31 December 2023			31 December 2024			31 December 2025		
	Effective interest rate *(%)*	Maturity	*RMB'000*	Effective interest rate *(%)*	Maturity	*RMB'000*	Effective interest rate *(%)*	Maturity	*RMB'000*
Current									
Bank loans – unsecured	2.8–4.0	2024	49,956	2.7–4.0	2025	82,908	1.4–2.8	2026	86,391
Other loans – secured	–	–	–	2.8	2025	14,023	–	–	–
Total			**49,956**			**96,931**			**86,391**

	30 June 2026		
	Effective interest rate (%)	**Maturity**	***RMB'000***
Current			
Bank loans – unsecured	2.2–2.5	2026–2027	72,989
Total			72,989

	31 December 2023	31 December 2024	31 December 2025	30 June 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Analysed into:				
Current portion:				
Within one year	49,956	96,931	86,391	72,989

Notes:

(a) The Group's and the Company's interest-bearing bank and other borrowings are all denominated in RMB.

(b) The Group's other borrowings amounting to nil, RMB14,023,000, nil and nil as at 31 December 2023, 2024, 2025 and 30 June 2026, respectively, were secured by certain of the Group's other intangible assets with aggregate net carrying amounts of approximately of nil, RMB642,000, nil and nil, respectively.

29. CONTRACT LIABILITIES

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advances received from customers	102,986	127,764	91,105	72,151

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advances received from customers	102,986	127,764	91,048	71,073

30. REDEMPTION FINANCIAL LIABILITIES

The Group and the Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Redemption financial liabilities	503,007	665,694	1,011,239	1,074,331

The movements of the redemption financial liabilities during the Relevant Periods are set out below:

	Redemption financial liabilities
	RMB'000
At 1 January 2023	470,524
Accretion of interest recognised during the year	32,483
At 31 December 2023 and 1 January 2024	503,007
Addition	125,000
Accretion of interest recognised during the year	37,687
At 31 December 2024 and at 1 January 2025	665,694
Addition	298,369
Accretion of interest recognised during the year	47,176
At 31 December 2025 and 1 January 2026	1,011,239
Addition	30,000
Accretion of interest recognised during the period	33,092
At 30 June 2026	1,074,331

Presentation and classification

From 2016 to 2026, the Company conducted several series of financing by issuing registered capital to investors and certain investors were granted customary special rights, including but not limited to the redemption rights, liquidation preferences and anti-dilution rights. The redemption financial liabilities represented the redemption rights granted to certain investors of the Company. Shares with redemption rights shall be redeemable by the Company upon occurrence of specified triggering events, such as the resignation of the ultimate controlling shareholder and non-completion of a qualified **[REDACTED]** by 25 September 2027.

On 29 July 2025, the Company and all shareholders entered into a supplemental agreement to amend and temporarily terminate the special rights granted to the shareholders. The previously suspended redemption right will automatically revive with full retroactive effect if any of the following occurs: (i) the Company withdraws the **[REDACTED]**, or the Company fails to renew the **[REDACTED]** within three months after the lapse of the **[REDACTED]**, or the Company fails to re-submit materials within six months or other period as may be unanimously agreed by the parties after the **[REDACTED]** is returned by the competent authorities; (ii) the Stock Exchange, SFC or the CSRC rejects, declines to approve or register the **[REDACTED]**; (iii) the Company fails to consummate the **[REDACTED]** within 18 months after the filing of the **[REDACTED]**. Upon any triggering event, the redemption right would be fully reinstated as if it had never been terminated.

The redemption amount for each investor will be the investment amount paid by such investor plus annual simple interest at a rate of 8% for the period between the capital injection date and the redemption date. The redemption financial liabilities were initially recognised at the present value of the redemption amounts payable upon exercise of the redemption rights, with corresponding debits made to other reserves in equity, and subsequently measured at amortised cost with interests included in "Finance costs on redemption financial liabilities" in the statement of profit or loss.

31. PROVISION

The Group and the Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of the year/period	1,628	193	200	3,751
Additional provision	8,077	13,767	22,539	9,485
Amounts utilised during the year/period	(9,512)	(13,760)	(18,988)	(7,275)
At end of the year/period	193	200	3,751	5,961

32. OTHER LONG-TERM PAYABLES

The Group and the Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other long-term payables	–	20,173	–	–

Note:

(a) Other long-term payables represent a loan borrowed from Ningbo Yunyi Enterprise Management Partnership (Limited Partnership) with a nominal amount of RMB20,000,000 from 10 October 2024 to 9 October 2026, with an interest rate of 3.8%. According to the loan agreement, the Group shall repay the entire principal amount and the corresponding interest upon maturity on 9 October 2026. If the loan is not fully repaid with both the principal and interest upon maturity date, the Group shall transfer the equity of Zhejiang Humanoid Robot Innovation Center Co., Ltd. it holds, in proportion to the corresponding portion of the unpaid loan principal relative to the original capital contribution, to Ningbo Yunyi Enterprise Management Partnership (Limited Partnership). On 30 December 2025, the Group repaid the loan borrowed from Ningbo Yunyi Enterprise Management Partnership (Limited Partnership).

33. PAID-IN CAPITAL/SHARE CAPITAL

The Group and the Company

A summary of movements in the Company's paid-in capital/share capital is as follows:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Issued and fully paid:				
Paid-in capital/Share capital	47,956	51,632	61,765	62,647

The ordinary shares of the Company do not have a par value.

A summary of movements in the Company's paid-in capital is as follows:

		Numbers of ordinary shares	Paid-in capital/Share capital
			RMB'000
At 1 January 2023, 31 December 2023 and 1 January 2024		N/A	47,956
Issue of new shares		N/A	3,676
At 31 December 2024		N/A	51,632
Issue of new shares before conversion into a joint stock	(i)	N/A	5,721
Conversion into a joint stock	(ii)	57,352,941	–
Issue of new shares after conversion into a joint stock	(iii)	4,411,766	4,412
At 31 December 2025 and 1 January 2026		61,764,707	61,765
Issue of new shares	(iv)	882,353	882
At 30 June 2026		62,647,060	62,647

(i) In August 2025, the Company received capital contributions of RMB90,000 in cash from Ningbo Meishan Bonded Port Jiabo Investment Management Partnership Enterprise (Limited Partnership) (寧波梅山保税港區迦博投資管理合夥企業(有限合夥)), RMB1,000,000 in cash from Hangzhou Jiarui Investment Management Partnership Enterprise (Limited Partnership) (杭州迦睿投資管理合夥企業(有限合夥)), RMB954,040 in cash from Ms. Xiong Rong, RMB75,000,000 in cash from Quzhou High Quality Development Equity Investment Partnership (Limited Partnership) (衢州高質量發展股權投資合夥企業(有限合夥)), RMB50,000,000 in cash from Zhejiang SUPCON Information Technology Co., Ltd. (浙江中控信息產業股份有限公司), respectively. As a result, RMB5,721,000 and RMB121,324,000 were credited to the Company's paid-in capital and capital reserves respectively.

(ii) Pursuant to the shareholders' resolutions dated 30 August 2025, all promoters (being all the then Shareholders) agreed to convert the Company from a limited liability company into a joint stock limited company. Upon completion of the conversion, the share capital was RMB57,352,941 divided into 57,352,941 shares with a nominal value of RMB1.00 each, which were subscribed by all the then shareholders in proportion to their respective equity interests in the Company before the conversion. The conversion was completed on 26 November 2025.

(iii) In December 2025, the Company received capital contributions of RMB30,000,000 in cash from Taizhou Caitong Future Intelligent Venture Capital Partnership (Limited Partnership) (台州財通未來智能創業投資合夥企業(有限合夥)), RMB120,000,000 in cash from Yuhuan City Caitong Yufu Equity Investment Partnership (Limited Partnership) (玉環市財通玉富股權投資合夥企業(有限合夥)), RMB28 in cash from Ms. Xiong Rong, respectively. As a result, approximately RMB4,412,000 and RMB145,588,000 were credited to the Company's share capital and capital reserves respectively.

(iv) In January 2026, the Company received a capital contribution of RMB30,000,000 in cash from Yuhuan Yongxi Talent Venture Capital Partnership (Limited Partnership) (玉環市永禧人才創業投資合夥企業(有限合夥)). As a result, approximately RMB882,000 and RMB29,118,000 were credited to the Company's share capital and capital reserves respectively.

34. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods and the six months ended 30 June 2025 are presented in the consolidated statements of changes in equity.

(a) Capital reserve

The capital reserve of the Group represents the difference between the par value of the shares issued and the consideration received.

(b) Share-based payment reserve

The share-based payment reserve represents the equity-settled share awards which have been granted to the employees of the Group.

(c) Other reserves

Other reserves of the Group represent the amounts of the equity shares with redemption features as set out in note 30.

(d) Exchange fluctuation reserve

The exchange fluctuation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

(e) Fair value reserve of financial assets at fair value through other comprehensive income

The fair value reserve of financial assets at fair value through other comprehensive income represents the fair value change of the financial assets of equity investments designated at fair value through other comprehensive income as set out in note 17.

The Company

Year ended 31 December 2023

	Capital reserve	Other reserves	Share-based payment reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	314,619	(406,031)	10,853	–	(229,769)	(310,328)
Loss for the year	–	–	–	–	(114,056)	(114,056)
Share-based payments	–	–	2,833	–	–	2,833
At 31 December 2023	314,619	(406,031)	13,686	–	(343,825)	(421,551)

Year ended 31 December 2024

	Capital reserve	Other reserves	Share-based payment reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024	314,619	(406,031)	13,686	–	(343,825)	(421,551)
Loss for the year	–	–	–	–	(110,811)	(110,811)
Other comprehensive income for the year:						
Change in fair value of equity investments at fair value through other comprehensive income, net of tax	–	–	–	19,878	–	19,878
Total comprehensive loss for the year	–	–	–	19,878	(110,811)	(90,933)
Share-based payments	–	–	1,733	–	–	1,733
Recognition of redemption financial liabilities	–	(125,000)	–	–	–	(125,000)
Proceeds from issue of shares	121,324	–	–	–	–	121,324
Share issue expenses	(2,376)	–	–	–	–	(2,376)
At 31 December 2024	433,567	(531,031)	15,419	19,878	(454,636)	(516,803)

Year ended 31 December 2025

	Capital reserve	Other reserves	Share-based payment reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	433,567	(531,031)	15,419	19,878	(454,636)	(516,803)
Loss for the year	–	–	–	–	(90,545)	(90,545)
Other comprehensive income for the year:						
Change in fair value of equity investments at fair value through other comprehensive income, net of tax	–	–	–	36,377	–	36,377
Total comprehensive loss for the year	–	–	–	36,377	(90,545)	(54,168)
Transfer of fair value reserve upon the disposal of equity investments at fair value through other comprehensive income	–	–	–	(14,127)	14,127	–
Conversion into a joint-stock company	(285,655)	–	(10,013)	(28,000)	323,668	–
Share-based payments	–	–	762	–	–	762
Recognition of redemption financial liabilities	–	(298,369)	–	–	–	(298,369)
Proceeds from issue of shares	266,912	–	–	–	–	266,912
Share issue expenses	(2,179)	–	–	–	–	(2,179)
At 31 December 2025	412,645	(829,400)	6,168	14,128	(207,386)	(603,845)

Six months ended 30 June 2025 (unaudited)

	Capital reserve	Other reserves	Share-based payment reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	433,567	(531,031)	15,419	19,878	(454,636)	(516,803)
Loss for the period (unaudited)	–	–	–	–	(38,406)	(38,406)
Other comprehensive income for the period:						
Change in fair value of equity investments at fair value through other comprehensive income, net of tax (unaudited)	–	–	–	8,122	–	8,122
Total comprehensive loss for the period (unaudited)	–	–	–	8,122	(38,406)	(30,284)
Share-based payments (unaudited)	–	–	279	–	–	279
At 30 June 2025 (unaudited)	433,567	(531,031)	15,698	28,000	(493,042)	(546,808)

Six months ended 30 June 2026

	Capital reserve	Other reserves	Share-based payment reserve	Fair value reserve of financial assets at fair value through other comprehensive income	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2026	412,645	(829,400)	6,168	14,128	(207,386)	(603,845)
Loss for the period	–	–	–	–	(70,154)	(70,154)
Other comprehensive income for the period:						
Change in fair value of equity investments at fair value through other comprehensive income, net of tax	–	–	–	363	–	363
Total comprehensive loss for the period	–	–	–	363	(70,154)	(69,791)
Share-based payments	–	–	1,385	–	–	1,385
Recognition of redemption financial liabilities	–	(30,000)	–	–	–	(30,000)
Proceeds from issue of shares	29,118	–	–	–	–	29,118
At 30 June 2026	441,763	(859,400)	7,553	14,491	(277,540)	(673,133)

35. DISPOSAL OF A SUBSIDIARY

On 20 April 2023, the Group entered into an agreement with an independent third party to dispose of the 100% equity interests in Tianjin Jiazi Robot Technology Co., Ltd. for a cash consideration of RMB5,000,000.

	30 April 2023
	RMB'000
Net assets disposed of:	
Property, plant and equipment	505
Other intangible assets	755
Inventories	3,363
Prepayments, deposits and other receivables	1,163
Contract assets	836
Trade receivables	3,183
Cash and cash equivalents	4,299
Interest-bearing bank and other borrowings	(3,000)
Trade and bills payables	(173)
Other payables and accruals	(3,660)
Contract liabilities	(3,215)
	4,056
Gain on disposal of a subsidiary	944
Total consideration	5,000
Satisfied by:	
Cash	5,000

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

	31 December 2023
	RMB'000
Cash consideration	5,000
Cash and bank balances disposed of	(4,299)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	701

36. SHARE-BASED PAYMENTS

The Group operates share-based incentive schemes (the "Employee Incentive Scheme") under which the share options and restricted stock units ("RSUs") of the Company will be granted as share incentives to qualified employees through an employee shareholding platform Hangzhou Jiarui Investment Management Partnership (Limited Partnership) ("Hangzhou Jiarui", "杭州迦睿投資管理合夥企業(有限合夥)"), which was established in 2016 and directly holds a total of 9.94% equity in the Company. Ms. Xiong Rong is the general partner of the employee shareholding platform.

(1) Equity-settled share options

On 1 September 2020, the Group adopted an employee incentive scheme. The Group issued 228,000 shares to the employee shareholding platform at a total consideration of RMB638,400 to hold the underlying shares for share options with an exercise price of RMB2.80 per share. Share options granted to directors and employees are subject to a service condition requiring continuous service for four years from the grant date. The Group accounts for the scheme as an equity-settled plan.

The share options granted and outstanding during the Relevant Periods and the six months ended 30 June 2025 are as follows:

	Year ended 31 December	
	2023	**2024**
	'000	*'000*
At the beginning of year	104	50
Vested during the year	(52)	(50)
Forfeited during the year	(2)	–
At the end of the year	50	–

The fair values of the share options granted were estimated as at the grant date by an external valuer by using the binary tree option pricing model. The following table lists the key inputs to the fair value model used:

	At grant date
Expected volatility	49.50%
Risk-free interest rate %	3.15%
Expected life of options *(year)*	7.07
Weighted average share price *(RMB per share)*	2.80

(2) Equity-settled RSUs

On 30 June 2022, the Group adopted an employee incentive scheme. During the year ended 31 December 2022, 1,047,707 shares of RSUs of the Company were granted to eligible participants of the scheme at a subscription price of RMB3.00 per share. The fair value of the shares of the scheme on the grant date was RMB8.12 per share. RSUs granted to directors and employees are subject to a performance condition and a service condition requiring continuous service for four years from the grant date. The Group accounts for the scheme as an equity-settled plan.

On 1 December 2025, the Group adopted an employee incentive scheme. During the year ended 31 December 2025, 312,000 shares of RSUs of the Company were granted to eligible participants of the Scheme at subscription price of RMB3.30 per share. The fair value of the shares of the Scheme on the grant date was RMB18.26 per share. RSUs granted to directors and employees are subject to a performance condition and a service condition requiring continuous service for four years from the grant date. The Group accounts for the scheme as an equity-settled plan.

The fair value of services received in return for a share award granted is measured by reference to the fair value of the share award granted less the consideration received by the Group.

Movements in RSUs granted to the Group's employees are as follows:

	Number of RSUs				
	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	'000	*'000*	*'000*	*'000*	*'000*
				(unaudited)	
At the beginning of year/period	1,048	786	524	524	574
Granted during the year/period	–	–	312	–	–
Forfeited during the year/period	–	–	–	–	(9)
Vested during the year/period	(262)	(262)	(262)	(262)	(253)
At the end of the year/period	786	524	574	262	312

The fair value is determined by an external valuer by using the back-solve method and equity allocation based on the option pricing model ("OPM").

	At grant dates
Expected volatility	42.26%~54.23%
Risk-free interest rate %	1.42%~2.68%

During the years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2025 and 2026, the Group recognised share-based payment expenses of RMB2,833,000, RMB1,733,000, RMB762,000, RMB279,000 (unaudited) and RMB1,385,000, respectively.

37. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the Relevant Periods, the Group had non-cash additions to right-of-use assets of nil, RMB11,765,000, RMB1,765,000 and RMB4,278,000, and lease liabilities of nil, RMB11,765,000, RMB1,765,000 and RMB4,278,000 respectively, in respect of lease arrangements for buildings.

(b) Changes in liabilities arising from financing activities

31 December 2023

	Lease liabilities	Interest-bearing bank and other borrowings	Redemption financial liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	6,796	1,000	470,524	478,320
Changes from financing cash flows	(4,470)	48,057	–	43,587
Interest expense	336	899	32,483	33,718
At 31 December 2023	2,662	49,956	503,007	555,625

31 December 2024

	Lease liabilities	Interest-bearing bank and other borrowings	Other long-term payables	Redemption financial liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024	2,662	49,956	–	503,007	555,625
Changes from financing cash flows	(3,698)	44,756	20,000	125,000	186,058
New leases	11,765	–	–	–	11,765
Interest expense	203	2,219	173	37,687	40,282
At 31 December 2024	10,932	96,931	20,173	665,694	793,730

31 December 2025

	Lease liabilities	Interest-bearing bank and other borrowings	Other long-term payables	Redemption financial liabilities	[REDACTED] expense payable	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	10,932	96,931	20,173	665,694	**[REDACTED]**	793,730
Changes from financing cash flows	(5,898)	(13,760)	(20,939)	298,369	**[REDACTED]**	257,291
New leases	1,765	–	–	–	**[REDACTED]**	1,765
Interest expense	334	3,220	766	47,176	**[REDACTED]**	51,496
[REDACTED] expense	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Exchange realignment	(1)	–	–	–	**[REDACTED]**	–
At 31 December 2025	7,132	86,391	–	1,011,239	**[REDACTED]**	1,105,121

30 June 2026

	Lease liabilities	Interest-bearing bank and other borrowings	Redemption financial liabilities	[REDACTED] expense payable	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2026	7,132	86,391	1,011,239	**[REDACTED]**	1,105,121
Changes from financing cash flows	(2,741)	(14,272)	30,000	**[REDACTED]**	11,934
New leases	4,278	–	–	**[REDACTED]**	4,278
Interest expense	135	870	33,092	**[REDACTED]**	34,097
[REDACTED] expense	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Exchange realignment	(26)	–	–	**[REDACTED]**	(24)
At 30 June 2026	8,778	72,989	1,074,331	**[REDACTED]**	1,156,580

(c) The total cash outflow for leases included in the statement of cash flows is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Within operating activities	152	107	161	40	276
Within financing activities	4,470	3,698	5,898	2,999	2,741

38. COMMITMENTS

(a) The Group had the following contractual commitments as at each reporting end:

	As at 31 December			As at 30 June
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Property, plant and equipment	–	–	–	2,338

39. RELATED PARTY TRANSACTIONS

(a) Names of related parties and relationships with the Group

Name of related parties	Relationship with the Group
SUPCON Technology Co., Ltd.	The shareholder, Chu Jian, has significant influence over the company
SUPCON Technology (Fuyang) Co., Ltd.	The shareholder, Chu Jian, has significant influence over the company
SUPCON Quanshi Technology (Ningbo) Co., Ltd.	The shareholder, Chu Jian, has significant influence over the company
SUPCON Sensing Technology (Zhejiang) Co., Ltd.	The shareholder, Chu Jian, has significant influence over the company
SUPCON Technology (Singapore) Pte. Ltd	The shareholder, Chu Jian, has significant influence over the company
Zhejiang Plantmate Internet Co., Ltd.	The shareholder, Chu Jian, has significant influence over the company
Zhejiang Humanoid Robot Innovation Center Co., Ltd.	The shareholder, Xiong Rong, is a member of the key management personnel of the entity
Ningbo Yunyi Enterprise Management Partnership (Limited Partnership)	The shareholder, Chu Jian, directly holds 99% of the company's equity
VisionNav Robotics (Shenzhen) Co., Ltd.	The shareholder, Li Fei, is a member of the key management personnel of the entity

(b) The Group had the following transactions with related parties during the Relevant Periods and the six months ended 30 June 2025:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
Sales					
VisionNav Robotics (Shenzhen) Co., Ltd.	–	–	2,059	2,042	–
Zhejiang Humanoid Robot Innovation Center Co., Ltd.	–	183	1,555	325	8,778
Zhejiang Plantmate Internet Co., Ltd.	–	1,157	377	198	362
SUPCON Technology (Fuyang) Co., Ltd.	–	–	332	–	175
SUPCON Technology Co., Ltd.	670	16,249	175	–	2,359
SUPCON Technology (Singapore) Pte. Ltd.	715	–	–	–	8
SUPCON Quanshi Technology (Ningbo) Co., Ltd.	–	242	–	–	–
SUPCON Sensing Technology (Zhejiang) Co., Ltd.	2	–	–	–	–
Total	1,387	17,831	4,498	2,565	11,682
Purchase					
Zhejiang Plantmate Internet Co., Ltd.	–	1,002	59	–	130
SUPCON Technology (Fuyang) Co., Ltd.	–	6	–	–	–
Total	–	1,008	59	–	130
Borrowings – cost					
Ningbo Yunyi Enterprise Management Partnership (Limited Partnership)	–	20,000	–	–	–
Repayment of borrowings					
Ningbo Yunyi Enterprise Management Partnership (Limited Partnership) (a)	–	–	(20,000)	–	–
Borrowings – interest					
Ningbo Yunyi Enterprise Management Partnership (Limited Partnership)	–	173	766	382	–

Note:

(a) In December 2025, the Group repaid the loan borrowed from Ningbo Yunyi Enterprise Management Partnership (Limited Partnership).

(c) Outstanding balances with related parties:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade related:				
Trade receivables				
VisionNav Robotics (Shenzhen) Co., Ltd.	1,251	1,251	1,782	1,782
SUPCON Technology Co., Ltd.	370	6,763	98	1,165
Zhejiang Humanoid Robot Innovation Center Co., Ltd.	–	126	394	4,256
SUPCON Technology (Fuyang) Co., Ltd.	–	–	224	119
SUPCON Quanshi Technology (Ningbo) Co., Ltd.	–	82	82	82
SUPCON Technology (Singapore) Pte. Ltd	75	75	75	–
Zhejiang Plantmate Internet Co., Ltd.	145	–	40	249
Total	1,841	8,297	2,695	7,653
Contract assets				
VisionNav Robotics (Shenzhen) Co., Ltd..	337	337	569	569
SUPCON Technology Co., Ltd.	226	1,224	1,186	1,126
SUPCON Technology (Fuyang) Co., Ltd..	–	–	38	20
Zhejiang Plantmate Internet Co., Ltd	–	–	20	58
Total	563	1,561	1,813	1,773
Trade and bills payables				
Zhejiang Plantmate Internet Co., Ltd..	–	839	3	147
Contract liabilities				
SUPCON Technology Co., Ltd.	3,341	708	3,833	3,540
VisionNav Robotics (Shenzhen) Co., Ltd..	1,207	1,384	–	–
SUPCON Quanshi Technology (Ningbo) Co., Ltd.	169	–	–	–
Zhejiang Plantmate Internet Co., Ltd.	–	–	28,115	27,962
Total	4,717	2,092	31,948	31,502
Non-trade related:				
Other long-term payables				
Ningbo Yunyi Enterprise Management Partnership (Limited Partnership)	–	20,173	–	–

(i) The directors consider that the sales and purchases were undertaken on commercial terms similar to those offered to/by unrelated customers/suppliers in the ordinary course of business of the relevant companies.

(ii) Trade related: The amounts due from related parties are unsecured ,interest-free and repayable on demand. And the amounts due to related parties are unsecured, interest-free and have no fixed terms of repayment.

(iii) Non-trade related: Other long-term payables represent a loan borrowed from Ningbo Yunyi Enterprise Management Partnership (Limited Partnership) with a nominal amount of RMB20,000,000 from 10 October 2024 to 9 October 2026, with an interest rate of 3.8%. On 30 December 2025, the Group repaid the loan borrowed from Ningbo Yunyi Enterprise Management Partnership (Limited Partnership).

40. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the year/period are as follows:

As at 31 December 2023

Financial assets

	Financial assets at fair value through other comprehensive income		
	Debt investments	**Financial assets at amortised cost**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	–	19,766	19,766
Bills receivable	–	3,069	3,069
Debt investments at fair value through other comprehensive income	6,707	–	6,707
Financial assets included in prepayments, other receivables and other assets	–	2,144	2,144
Restricted bank deposits	–	2,293	2,293
Time deposits	–	64,074	64,074
Cash and cash equivalents	–	29,249	29,249
Total	**6,707**	**120,595**	**127,302**

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Trade and bills payables	30,043
Financial liabilities included in other payables and accruals *(note 27)*	4,458
Interest-bearing bank and other borrowings	49,956
Redemption financial liabilities	503,007
Total	**587,464**

As at 31 December 2024

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income			
	Mandatorily designated as such	Equity investments	Debt investments	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	31,054	31,054
Bills receivable	–	–	–	9,673	9,673
Debt investments at fair value through other comprehensive income	–	–	4,421	–	4,421
Financial assets included in prepayments, other receivables and other assets	–	–	–	2,457	2,457
Financial assets at fair value through profit or loss	30,099	–	–	–	30,099
Equity investments at fair value through other comprehensive income	–	39,878	–	–	39,878
Restricted bank deposits	–	–	–	7,674	7,674
Cash and cash equivalents	–	–	–	130,092	130,092
Total	**30,099**	**39,878**	**4,421**	**180,950**	**255,348**

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Trade and bills payables	76,130
Financial liabilities included in other payables and accruals *(note 27)*	6,161
Interest-bearing bank and other borrowings	96,931
Redemption financial liabilities	665,694
Other long-term payables *(note 32)*	20,173
Total	**865,089**

As at 31 December 2025

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income			
	Mandatorily designated as such	Equity investments	Debt investments	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	64,771	64,771
Bills receivable	–	–	–	3,314	3,314
Debt investments at fair value through other comprehensive income	–	–	3,470	–	3,470
Financial assets included in prepayments, other receivables and other assets	–	–	–	2,994	2,994
Financial assets at fair value through profit or loss	5,070	–	–	–	5,070
Equity investments at fair value through other comprehensive income	–	38,128	–	–	38,128
Restricted bank deposits	–	–	–	11,953	11,953
Time deposits	–	–	–	20,375	20,375
Cash and cash equivalents	–	–	–	336,355	336,355
Total	**5,070**	**38,128**	**3,470**	**439,762**	**486,430**

Financial liabilities

	Financial assets at amortised cost
	RMB'000
Trade and bills payables	93,881
Financial liabilities included in other payables and accruals *(note 27)*	10,765
Interest-bearing bank and other borrowings	86,391
Redemption financial liabilities	1,011,239
Total	**1,202,276**

As at 30 June 2026

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income			
	Mandatorily designated as such	Equity investments	Debt investments	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	105,928	105,928
Bills receivable	–	–	–	5,656	5,656
Debt investments at fair value through other comprehensive income	–	–	1,393	–	1,393
Financial assets included in prepayments, other receivables and other assets	–	–	–	2,214	2,214
Financial assets at fair value through profit or loss	110,118	–	–	–	110,118
Equity investments at fair value through other comprehensive income	–	38,491	–	–	38,491
Restricted bank deposits	–	–	–	22,689	22,689
Time deposits	–	–	–	10,253	10,253
Cash and cash equivalents	–	–	–	217,870	217,870
Total	**110,118**	**38,491**	**1,393**	**364,610**	**514,612**

Financial liabilities

	Financial assets at amortised cost
	RMB'000
Trade and bills payables	127,453
Financial liabilities included in other payables and accruals *(note 27)*	7,898
Interest-bearing bank and other borrowings	72,989
Redemption financial liabilities	1,074,331
Total	**1,282,671**

41. TRANSFERS OF FINANCIAL ASSETS

Transferred financial assets that are not derecognised in their entirety

The Group endorsed certain bills receivable included in bills receivable, which were all accepted by banks in the Chinese mainland (the "Endorsed Bills") to certain suppliers in order to settle the trade payables due to such suppliers (the "Endorsement"). The aggregate amounts of the Endorsed Bills that were not due were RMB1,564,000, RMB8,609,000, RMB1,789,200 and RMB5,084,620 as at 31 December 2023, 2024, 2025, and 30 June 2026, respectively. In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Endorsed Bills, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Bills and the associated trade payables settled. Subsequent to the Endorsement, the Group did not retain any rights on the use of the Endorsed Bills, including the sale, transfer or pledge of the Endorsed Bills to any other third parties. In addition, the Group discounted certain bills receivable not yet due as of year/period end accepted by banks in Chinese mainland (the "Discounted Notes") with a carrying amount in aggregate of nil, nil, RMB2,888,000 and nil as at 31 December 2023, 2024, 2025, and 30 June 2026, respectively. (the "Discount"). In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Endorsed Notes and the Discounted Notes have the right of recourse against the Group if the Chinese mainland banks default (the "Continuing Involvement").

Transferred financial assets that are derecognised in their entirety

The Group endorsed certain bills receivable included in debt investments at fair value through other comprehensive income, which were accepted by banks in the Chinese mainland (the "Derecognised Bills") to certain suppliers in order to settle the trade and other payables due to such suppliers. The aggregate amounts of the Derecognised Bills that were not due were RMB1,515,000, RMB7,419,000, RMB30,634,000 and RMB12,954,000 at 31 December 2023, 2024, 2025, and 30 June 2026, respectively. In addition, the Group discounted certain bills receivable not yet due as of year/period end accepted by banks in Chinese mainland (the "Discounted Notes") with a carrying amount in aggregate of RMB nil, RMB nil, RMB nil and RMB20,000,000 as at 31 December 2023, 2024, 2025, and 30 June 2026, respectively. (the "Discount"). The derecognised bills had a maturity of 1 to 6 months at the end of the Relevant Periods. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills may exercise the right of recourse against any, several or all of the persons liable for the Derecognised Bills, including the Group, in disregard of the order of precedence (the "Continuing Involvement"). In the opinion of the directors, the risk of the Group being claimed by the holders of the Derecognised Bills is remote in the absence of a default of the accepted banks. The Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant.

During the Relevant Periods, the Group has not recognised any gain or loss on the date of transfer of the Endorsed Bills. No gains or losses were recognised from the Continuing Involvement, both during the reporting period and cumulatively. The endorsement has been made evenly throughout the year/period.

42. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts				Fair values			
	As at 31 December			As at 30 June	As at 31 December			As at 30 June
	2023	2024	2025	2026	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets								
Time deposits – non-current portion	–	–	10,148	10,253	–	–	10,148	10,253
Financial assets at fair value through profit or loss	–	30,099	5,070	110,118	–	30,099	5,070	110,118
Debt investments at fair value through other comprehensive income	6,707	4,421	3,470	1,393	6,707	4,421	3,470	1,393
Equity investments at fair value through other comprehensive income	–	39,878	38,128	38,491	–	39,878	38,128	38,491
Total	6,707	74,398	56,816	160,255	6,707	74,398	56,816	160,255
Financial liabilities								
Other long-term payables	–	20,173	–	–	–	20,143	–	–

Management has assessed that the fair values of cash and cash equivalents, restricted bank deposits, the current portion of time deposits, trade and bills receivables, trade and bills payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals, the current portion of interest-bearing bank and other borrowings and redemption financial liabilities, approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer. At the end of each reporting period, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

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 the bills receivable classified as financial assets at fair value through other comprehensive income have been calculated by discounting the expected future cash flows. In addition, the bills receivable will mature within one year, and thus their fair values approximate to their carrying values.

The Group invests in unlisted investments, which represent wealth management products issued by banks in the Chinese mainland. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

For the fair value of the unlisted equity investments at fair value through other comprehensive income, management applies valuation techniques mainly comprising recent transaction price to determine fair value.

The fair values of the non-current portion of time deposits and other long-term payables 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 the non-current portion of time deposits and other long-term payables as at 30 June 2026 were assessed to be insignificant.

For the fair value of the unlisted equity investments at fair value through other comprehensive income, management has estimated the potential effect of using reasonably possible alternatives as inputs to the valuation model.

For equity investments at fair value through other comprehensive income, the Group adopts the valuation techniques to determine the fair value. Valuation techniques include the market comparison approach, etc. The fair value measurement of these financial instruments may involve unobservable inputs such as credit spread, liquidity discount, etc. Fair value change resulting from changes in the unobservable inputs was not significant. The Group periodically reviews all significant unobservable inputs and valuation adjustments used to measure the fair values of financial assets in Level 3.

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2023, 2024 ,2025 and 30 June 2026:

	Valuation technique	Significant unobservable inputs	Range	Sensitivity of fair value to the input
Equity investments at fair value through other comprehensive income	Recent transaction price	Recent transaction price	N/A	N/A

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 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Debt investments at fair value through other comprehensive income	–	6,707	–	6,707

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Debt investments at fair value through other comprehensive income	–	4,421	–	4,421
Equity investments at fair value through other comprehensive income	–	–	39,878	39,878
Financial assets at fair value through profit or loss	–	30,099	–	30,099
Total	**–**	**34,520**	**39,878**	**74,398**

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Debt investments at fair value through other comprehensive income	–	3,470	–	3,470
Equity investments at fair value through other comprehensive income	–	–	38,128	38,128
Financial assets at fair value through profit or loss	–	5,070	–	5,070
Total	**–**	**8,540**	**38,128**	**46,668**

As at 30 June 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Debt investments at fair value through other comprehensive income	–	1,393	–	1,393
Equity investments at fair value through other comprehensive income	–	–	38,491	38,491
Financial assets at fair value through profit or loss	–	110,118	–	110,118
Total	**–**	**111,511**	**38,491**	**150,002**

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.

The Group did not have any financial liabilities measured at fair value as at 31 December 2023, 2024, 2025 and 30 June 2026.

Assets for which fair values are disclosed:

The Group did not have any financial assets for which fair values are disclosed as at 31 December 2023 and 2024.

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Time deposits – non-current portion	–	10,148	–	10,148

As at 30 June 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Time deposits – non-current portion	–	10,253	–	10,253

Liabilities for which fair values are disclosed:

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other long-term payables	–	20,143	–	20,143

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings and cash and time deposits. 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 receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

(a) Foreign currency risk

The Group principally conducted business in RMB and is exposed to foreign currency risk with respect to transactions denominated in currencies other than RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in currencies that are not the functional currencies of the relevant group entities.

	Increase/ (decrease) in USD/RMB rate	Increase/ (decrease) in loss before tax	Increase/ (decrease) in equity
	%	*RMB'000*	*RMB'000*
31 December 2023			
If the USD weakens against the RMB	(5)	(481)	(481)
If the USD strengthens against the RMB	5	481	481
31 December 2024			
If the USD weakens against the RMB	(5)	(280)	(280)
If the USD strengthens against the RMB	5	280	280
31 December 2025			
If the USD weakens against the RMB	(5)	(1,391)	(1,391)
If the USD strengthens against the RMB	5	1,391	1,391
30 June 2026			
If the USD weakens against the RMB	(5)	(1,518)	(1,518)
If the USD strengthens against the RMB	5	1,518	1,518

(b) 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.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by analysis by customer/counterparty, by geographical region and by industry sector. As at the end of each of the Relevant Periods and 30 June 2026, the Group had certain concentrations of credit risk as 8.90%, 16.81%, 30.37% and 29.47% of the Group's trade receivables were due from the Group's largest customer, respectively, and 34.28%, 41.68%, 48.48% and 50.63% of the Group's trade receivables were due from the Group's five largest customers, respectively.

The table below shows 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.

31 December 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 receivables*	–	–	–	26,619	26,619
Bills receivable*	–	–	–	3,073	3,073
Contract assets*	–	–	–	8,127	8,127
Financial assets at fair value through other comprehensive income	–	–	–	6,707	6,707
Financial assets included in prepayments, other receivables and other assets**	2,451	–	–	–	2,451
Restricted bank deposits	2,293	–	–	–	2,293
Time deposits	64,074	–	–	–	64,074
Cash and cash equivalents	29,249	–	–	–	29,249
Total	**98,067**	**–**	**–**	**44,526**	**142,593**

31 December 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 receivables*	–	–	–	41,161	41,161
Bills receivable*	–	–	–	9,673	9,673
Contract assets*	–	–	–	14,138	14,138
Financial assets at fair value through other comprehensive income	–	–	–	4,421	4,421
Financial assets included in prepayments, other receivables and other assets**	2,750	–	1,659	–	4,409
Restricted bank deposits	7,674	–	–	–	7,674
Cash and cash equivalents	130,092	–	–	–	130,092
Total	**140,516**	**–**	**1,659**	**69,393**	**211,568**

31 December 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 receivables*	–	–	–	76,497	76,497
Bills receivable*	–	–	–	3,314	3,314
Contract assets*	–	–	–	34,131	34,131
Financial assets at fair value through other comprehensive income	–	–	–	3,470	3,470
Financial assets included in prepayments, other receivables and other assets**	3,263	–	1,659	–	4,922
Restricted bank deposits	11,953	–	–	–	11,953
Time deposits	20,375	–	–	–	20,375
Cash and cash equivalents	336,355	–	–	–	336,355
Total	**371,946**	**–**	**1,659**	**117,412**	**491,017**

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 receivables*	–	–	–	120,152	120,152
Bills receivable*	–	–	–	5,656	5,656
Contract assets*	–	–	–	47,225	47,225
Financial assets at fair value through other comprehensive income	–	–	–	1,393	1,393
Financial assets included in prepayments, other receivables and other assets**	2,669	–	1,659	–	4,328
Restricted bank deposits	22,689	–	–	–	22,689
Time deposits	10,253	–	–	–	10,253
Cash and cash equivalents	217,870	–	–	–	217,870
Total	**253,481**	**–**	**1,659**	**174,426**	**429,566**

* For trade receivables, bills receivable and contract assets to which the Group applies the simplified approach for impairment, information based on the expected credit loss rate is disclosed in note 19, note 20 and note 21 to the Historical Financial Information.

** 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".

(c) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other cash flows are closely monitored on an ongoing basis.

The maturity profile of the Group's financial liabilities as at the end of the Relevant Periods on the contractual undiscounted payments, is as follows:

Group

	31 December 2023						
	Within 1 year or on demand	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**Over 5 years**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	30,043	–	–	–	–	–	30,043
Financial liabilities included in other payables and accruals	4,458	–	–	–	–	–	4,458
Interest-bearing bank and other borrowings	50,730	–	–	–	–	–	50,730
Lease liabilities	1,911	853	–	–	–	–	2,764
Redemption financial liabilities	503,007	–	–	–	–	–	503,007
Total	**590,149**	**853**	**–**	**–**	**–**	**–**	**591,002**

Group

	31 December 2024						
	Within 1 year or on demand	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**Over 5 years**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	76,130	–	–	–	–	–	76,130
Financial liabilities included in other payables and accruals	6,161	–	–	–	–	–	6,161
Interest-bearing bank and other borrowings	98,363	–	–	–	–	–	98,363
Lease liabilities	5,075	3,977	2,378	–	–	–	11,430
Redemption financial liabilities	665,694	–	–	–	–	–	665,694
Other long-term payables	–	21,520	–	–	–	–	21,520
Total	**851,423**	**25,497**	**2,378**	**–**	**–**	**–**	**879,298**

Group

	31 December 2025					
	Within 1 year or on demand	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**Over 5 years**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	93,881	–	–	–	–	93,881
Financial liabilities included in other payables and accruals	10,765	–	–	–	–	10,765
Interest-bearing bank and other borrowings	87,360	–	–	–	–	87,360
Lease liabilities	5,062	3,230	–	–	–	8,292
Redemption financial liabilities	1,011,239	–	–	–	–	1,011,239
Total	**1,208,307**	**3,230**	**–**	**–**	**–**	**1,211,537**

Group

	30 June 2026					
	Within 1 year or on demand	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**Over 5 years**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	127,453	–	–	–	–	127,453
Financial liabilities included in other payables and accruals	7,898	–	–	–	–	7,898
Interest-bearing bank and other borrowings	73,834	–	–	–	–	73,834
Lease liabilities	5,456	2,288	1,440	–	–	9,184
Redemption financial liabilities	1,074,331	–	–	–	–	1,074,331
Total	**1,288,972**	**2,288**	**1,440**	**–**	**–**	**1,292,700**

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.

44. EVENTS AFTER 30 JUNE 2026

There are no significant subsequent events undertaken by the Company or by the Group after 30 June 2026.

45. 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 period subsequent to 30 June 2026.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

TAXATION OF SECURITY HOLDERS

The taxation of income and capital gains of holders of H Shares is subject to the laws and practices of the PRC and jurisdictions in which holders of H Shares are residents or otherwise subject to tax. The following summary of certain relevant taxation provisions is based upon laws and relevant interpretations in effect as of the Latest Practicable Date, all of which are subject to changes or adjustments and may have retrospective effect, and does not constitute any comments or suggestions accordingly. The discussion does not deal with all possible tax consequences relating to an **[REDACTED]** in the H Shares, nor does it take into account the specific circumstances of any particular **[REDACTED]**, some of whom may be subject to special regulation. Accordingly, you should consult your own tax advisers regarding the tax consequences of an **[REDACTED]** in the H Shares.

This discussion does not address any aspects of PRC taxation other than income tax, capital gains and profit tax, sales tax, VAT, stamp duty and estate duty. You should consult your own advisers regarding PRC and other tax consequences of purchasing, owning and disposing of the H Shares.

TAXATION OF PRC

Taxation on Dividends

Individual Investors

According to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得税法》) which was latest amended on August 31, 2018, and the Regulations for the Implementation of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得税法實施條例》) that was latest amended on December 18, 2018 (collectively, the "**IIT Law**"), dividends distributed by PRC enterprises are subject to individual income tax at a flat rate of 20%. For foreign individuals who are not PRC residents and who receive dividends from PRC enterprises, they are normally subject to a 20% individual income tax rate unless they are specifically exempted by the tax authorities of the State Council or are exempted from relevant tax treaties.

Pursuant to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) (the "**Arrangement**") signed on August 21, 2006 and effective on December 8, 2006, the Chinese government may impose tax on dividends paid by a Chinese company to a resident of the Hong Kong (including natural person and legal entities), but such tax will not exceed 10% of the total amount of the dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, such tax will not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol of the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion issued by the State Administration of Taxation (《國家税務總局關於內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排第五議定書》) and effective on December 6, 2019 stipulates that such provisions shall not apply to the arrangements or transactions made for one of the primary purposes of obtaining the tax benefits.

Enterprise Investors

In accordance with 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》), which was promulgated by the National People's Congress on March 16, 2007 and latest amended on December 29, 2018, and the Implementation Rules for 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》) promulgated by the State Council on December 6, 2007 and latest amended on December 6, 2024 (collectively, the "**EIT Law**"), a non-resident enterprise that does not have an establishment or place in the PRC, or has an establishment or place in the PRC but its PRC source income is not effectively connected with the said PRC establishment or place, it is generally subject to a 10% EIT on its PRC source income (including dividends received from PRC resident enterprises). The foregoing income tax payable by a non-resident enterprise is subject to withholding at source, in which the payer of the income is required to withhold income tax from the amount to be paid to the non-resident enterprise. Such withholding tax may be reduced or exempted under applicable treaties for the avoidance of double taxation.

The Circular on Issues Relating to the Withholding of Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to H Share Shareholders of Overseas Non-Resident Enterprise (《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税有關問題的通知》) (Guo Shui Han [2008] No. 897) promulgated and implemented by the State Administration of Taxation on November 6, 2008, further clarifies that, when Chinese resident enterprises distributed the dividends for the years 2008 and onwards to H share shareholders of overseas non-resident enterprise, the enterprise income tax shall be withheld and paid at a uniform rate of 10%.

Pursuant to the Arrangement, the Chinese Government may levy taxes on dividends paid by a Chinese company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of the total amount of dividends payable by the Chinese company. If a Hong Kong resident directly holds at least 25% of the shares of the Chinese company, the tax imposed should not exceed 5% of the total amount of dividends. The Fifth Protocol of the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion issued by the State Administration of Taxation and effective on December 6, 2019, which includes a provision on "Eligibility Determination to Enjoy the Benefits of the Arrangement". Notwithstanding that there may be other provisions in the arrangement, the benefit of an agreement under a determination shall not be granted if the relevant gain is reasonably believed, having regard to all relevant facts and conditions, to be one of the main purposes of the arrangement or transaction and will result in any direct or indirect benefit under the arrangement, unless the granting of the benefit in such case is consistent with the relevant object and purpose of the arrangement. The application of the dividend clause of tax agreements shall be subject to the PRC tax laws and regulations, such as the Notice of the State Administration of Taxation on the Issues Concerning the Application of the Dividend Clauses of Tax Agreements (《國家税務總局關於執行税收協定股息條款有關問題的通知》).

Tax Treaties

Non-resident investors residing in jurisdictions which have entered into treaties for the avoidance of double taxation or adjustments with the PRC are entitled to a reduction of the PRC enterprise income tax imposed on the dividends received from PRC companies. The PRC currently has entered into Avoidance of Double Taxation Treaties or Arrangements with a number of countries and regions including Hong Kong Special Administrative Region, Macau Special Administrative Region, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant tax treaties or arrangements are required to apply to the PRC tax authorities for a refund of the enterprise income tax in excess of the agreed tax rate, and the refund applications are subject to approval by the PRC tax authorities.

Taxation on Share Transfer

Value-Added Tax and Local Surcharges

Pursuant to Circular on Comprehensively Promoting the Pilot Program of the Collection of Value-added Tax in Lieu of Business Tax (Cai shui [2016] No. 36) (the "**Circular 36**") currently in effect, the transfer of financial products (including marketable securities) is generally subject to VAT at a rate of 6% on the gains. Transfers by individuals are exempt. Under the current rules, there is uncertainty regarding whether a non-resident enterprise is subject to Chinese VAT on the disposal of H-shares, particularly if the buyer is located within China.

However, it is crucial to note that the new Value-Added Tax Law of the People's Republic of China (the "**New VAT Law**") comes into effect on January 1, 2026, and the New VAT Law fundamentally changes the criteria for determining a taxable transaction for financial products. It stipulates that the transfer of a financial product is subject to Chinese VAT only if (i) the financial product is issued within China, or (ii) the transferor is a domestic entity or individual.

Therefore, under the New VAT Law, a non-resident enterprise's disposal of H-shares (which are issued in China) should not be subject to Chinese VAT, regardless of the location of the buyer. The taxpayers of value-added tax are also subject to urban maintenance and construction tax, education surcharge, and local education surcharge (collectively, the "**Local Surcharges**"). These Local Surcharges are calculated based on the amount of VAT actually payable. If no VAT is payable, no Local Surcharges will arise.

Income Tax

Individual Investors

According to the IIT Law, income derived from the sale of the equity of the PRC-resident enterprises are subject to the individual income tax at a rate of 20%. Pursuant to the Circular on Declaring that Individual Income Tax Continues to be Exempted over Income from Transfer of Shares by Individuals (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) (Cai Shui Zi [1998] No. 61) issued by Ministry of Finance and the State Administration of Taxation on March 30, 1998 and, income of individuals from the transfer of shares of listed enterprises shall continue to be exempted from individual income tax since January 1, 1997. The Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals, from Transfer of Listed Shares Subject to Sales Limitation (《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》) (Cai Shui [2009] No. 167), which was jointly issued by the Ministry of Finance, the State Administration of Taxation and the CSRC and became effective on December 31, 2009, states that individuals' income from transfer of A-share stocks at Shanghai Stock Exchange and Shenzhen Stock Exchange shall continuously be exempted from the individual income tax, except for the relevant shares which are subject to sales restriction as defined in the Supplementary Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (《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》) (Cai Shui [2010] No. 70) jointly issued by the three aforementioned authorities on November 10, 2010. The State Administration of Taxation, Ministry of Finance, CSRC jointly promulgated the Announcement on Further Improving upon the Services for Collection and Administration of Individual Income Tax on Income from the Transfer of Restricted Shares of Listed Companies by Individuals (《關於進一步完善個人轉讓上市公司限售股所得個人所得稅有關徵管服務事項的公告》) on December 27, 2024, and it states that this announcement shall prevail of any discrepancy with Cai Shui [2009] No. 167. As of the LPD, the aforesaid provision has not expressly provided that whether individual income tax shall be collected from non-PRC resident individuals on the transfer of shares of PRC-resident enterprises listed on overseas stock exchanges.

Enterprise Investors

In accordance with the EIT Law, a non-resident enterprise is generally subject to a 10% enterprise income tax on PRC-sourced income, if it does not have an establishment or premise in the PRC or has an establishment or a premise but the income it derives does not have actual connection with such establishment or premise. Such income tax for non-resident enterprises are deducted at source. The tax is withheld by the withholding agent from the amount paid or due each time a payment is made to a non-resident enterprise. The tax may be reduced or exempted pursuant to relevant tax treaties or treaties on avoidance of double taxation.

Stamp Duty

Pursuant to Stamp Tax Law of the People's Republic of China (《中華人民共和國印花税法》), which was promulgated on June 10, 2021 and effective on July 1, 2022, entities and individuals who draw up taxable certificates and carry out transactions in securities within the PRC, as well as those who draw up taxable certificates outside the PRC for use within the PRC, are subject to stamp duty. Accordingly, the provisions on stamp duty levied on the transfer of shares of listed companies in the PRC do not apply to the purchase and disposal of H shares outside the PRC by non-PRC investors.

PRINCIPAL TAXATION OF THE COMPANY IN THE PRC

Enterprise Income Tax

Pursuant to the Law of the PRC on Enterprise Income Tax (《中華人民共和國企業所得税法》), which was adopted by the National People's Congress on March 16, 2007 and implemented on January 1, 2008 and was subsequently amended by the Standing Committee of the National People's Congress on February 24, 2017 and December 29, 2018, respectively, and the Implementation Rules of the Law of the PRC on Enterprise Income Tax (《中華人民共和國企業所得税法實施條例》), which were enacted by the State Council on December 6, 2007 and effective on January 1, 2008 and were latest amended on December 6, 2024, resident enterprises shall pay enterprise income tax at the enterprise income tax rate of 25% on their income derived from sources within and outside the PRC. A foreign-invested enterprise within the PRC belonging to the category of resident enterprise shall pay enterprise income tax at the rate of 25% on its income derived from sources within or outside China. Enterprises established in accordance with the laws of an overseas country or region and whose actual management organization (meaning the organization that exercises substantial overall management and control over the production and operation, personnel, accounts and property of the enterprise) is located in the PRC are regarded as resident enterprises, and therefore are generally subject to enterprise income tax at the rate of 25% on their income derived from sources within or outside the PRC. If a non-resident enterprise is subject to a 10% enterprise income tax on PRC-sourced income, if it does not have an establishment or premise in the PRC or has an establishment or a premise but the income it derives does not have actual connection with such establishment or premise, unless otherwise agreed in the tax treaties or arrangement signed between the PRC and the country or region to which the non-resident enterprise belongs. The enterprise income tax on important high- and new-tech enterprises that are supported by the state shall be levied at the tax rate of 15%.

Value-added Tax

Under the Provisional Regulations of the PRC on Value-Added Tax (《中華人民共和國增值税暫行條例》) and its Implementation Measures (《中華人民共和國增值税暫行條例實施細則》), entities and individuals engaged in taxable activities within China (including sales of goods, services, intangible assets, real property, and imports) are liable for VAT.

The current applicable VAT rates are as follows: 13% for sales of goods, processing/repair/maintenance services, leasing of tangible movable property, or import of goods; 9% for sales of transportation, postal, basic telecom, construction, or immovable property leasing services; sales of immovable property; transfer of land-use rights; or sale/import of specific goods; 6% for sales of services or intangible assets; 0% for export of goods or cross-border sales of services/intangible assets within State Council-prescribed scope.

TAXATION IN HONG KONG

Tax on Dividends

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 Profit Tax

No tax is imposed in Hong Kong in respect of capital gains from the sale of H Shares. However, trading gains from the sale of 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. 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.

Stamp Duty

Hong Kong stamp duty, currently charged at the ad valorem rate of 0.1% on the higher of the consideration for or the market value of H Shares, will be payable by the purchaser on every purchase and by the seller on every sale of Hong Kong securities, including H Shares (in other words, a total of 0.2% 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

The Revenue (Abolition of Estate Duty) Ordinance 2005 abolished estate duty in respect of deaths occurring on or after February 11, 2006.

FOREIGN EXCHANGE MANAGEMENT IN THE PRC

The lawful currency of the PRC is Renminbi, which is currently subject to foreign exchange control and cannot be freely converted into foreign currency. The SAFE under the People's Bank of China (the "**PBOC**"), is responsible for the administration of all matters relating to foreign exchange, including the enforcement of foreign exchange control regulations.

The Regulations of the People's Republic of China on Foreign Exchange Administration (《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 and latest amended on August 5, 2008 classify all international payments and transfers into current account and capital account. For current account, the financial institutions operating the business of foreign exchange settlement and sale shall be subject to reasonable examination of the authenticity of the transaction documents and their consistency with the foreign exchange receipts and expenditures, as well as to the supervision and inspection of the foreign exchange administration authorities. For capital items, direct investment in the PRC by foreign institutions and individuals abroad shall be registered with the foreign exchange administration authorities after approval by the relevant competent authorities. Foreign exchange earnings obtained from abroad may be repatriated or deposited abroad, and foreign exchange and settlement funds for capital projects shall be utilised in accordance with the purposes approved by the relevant competent authorities and foreign exchange administration authorities. When a serious imbalance in the international balance of payments occurs or is likely to occur, or when a serious crisis in the national economy occurs or is likely to occur, the State may take the necessary safeguard and control measures for the international balance of payments.

The Regulations on the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》), which was promulgated by the PBOC on June 20, 1996, and implemented on July 1, 1996, deleted other restrictions on foreign currency exchange in the current account, but imposed existing restrictions on foreign exchange transactions in the capital account.

According to the Announcement on Improving the Reform of the RMB Exchange Rate Regime (《關於完善人民幣匯率形成機制改革的公告》) promulgated and implemented by the PBOC on July 21, 2005, the PRC has implemented a managed floating exchange rate regime since July 21, 2005, with its exchange rate adjusted on the basis of market supply and demand and with reference to a basket of currencies. As a result, the RMB exchange rate is no longer pegged to US dollar only. The PBOC publishes, after the market closes on each working day, the closing price of the exchange rate of the United States dollar and other currencies traded in the inter-bank foreign exchange market against the RMB on that day, which serves as the mid-price for transactions of that currency against the RMB on the following working day.

According to the relevant laws and regulations in the PRC, PRC enterprises (including foreign investment enterprises) which need foreign exchange for current item transactions may, without the approval of the foreign exchange administrative authorities, effect payment through foreign exchange accounts opened in designated foreign exchange banks by providing valid transaction receipts and certificates. Foreign investment enterprises which need foreign exchange for the distribution of profits to their shareholders and PRC enterprises which, in accordance with regulations, are required to pay dividends to their shareholders in foreign exchange may, based on resolutions of the Board of Directors or the shareholders' meetings on the distribution of profits, effect payment from foreign exchange accounts or exchange and pay at designated foreign exchange banks.

The Decisions of the State Council on Matters including Canceling and Adjusting a Batch of Administrative Approval Items (《國務院關於取消和調整一批行政審批項目等事項的決定》) as promulgated by the State Council on October 23, 2014, has cancelled the requirement for approval by the SAFE and its branches for the remittance and settlement of the proceeds raised from the overseas listing of overseas shares into RMB domestic accounts.

According to the Notice of on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) promulgated on February 13, 2015 and implemented on June 1, 2015, the SAFE has cancelled two administrative approval matters including the approval of foreign exchange registration under domestic direct investment and the approval of foreign exchange registration under overseas direct investment, instead, banks shall directly examine and handle foreign exchange registration under domestic direct investment and foreign exchange registration under overseas direct investment, and the SAFE and its branches shall indirectly regulate the foreign exchange registration of direct investment through banks.

According to the Circular of the State Administration of Foreign Exchange on Reforming and Regulating Policies for the Administration over Foreign Exchange Settlement of Capital Accounts (《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 and implemented by the SAFE on June 9, 2016, the foreign exchange receipts under capital accounts (including funds repatriated through overseas listing) subject to discretionary settlement as expressly prescribed in the relevant policies may be settled with banks according to the actual need of the domestic institutions for business operation. Domestic institutions may settle up to 100% of foreign exchange receipts under capital accounts for the time being, and the SAFE may adjust the above proportion in due time according to international balance of payments situation.

THE PRC LEGAL SYSTEM

The PRC legal system is founded on the Constitution and comprises written laws, administrative regulations, local regulations, departmental/local government rules, ratified international treaties, and ancillary regulatory instruments. While court judgments do not constitute binding precedent, they serve as judicial references. The Supreme People's Court may issue de facto binding judicial interpretations.

Pursuant to the Constitution and the Legislation Law (2023 Revision) (中華人民共和國立法法), legislative power resides with the National People's Congress ("**NPC**") and its Standing Committee. The NPC enacts basic laws governing civil and criminal matters and state organs; the Standing Committee formulates non-basic laws and may supplement and modify NPC-enacted laws during NPC adjournments, provided such actions adhere to statutory fundamental principles.

The State Council, as the supreme administrative organ, formulates administrative regulations. Provincial-level people's congresses may enact local regulations aligned with regional exigencies, provided they conform to superior legislation. Ministries under the State Council and local governments may issue rules within their delegated authority.

The Constitution holds supreme legal authority. All legislation must conform thereto, with laws superseding administrative regulations and local rules, and administrative regulations prevailing over local regulations and rules.

The NPC may annul Standing Committee-enacted laws or approved regulations violating the Constitution and the Legislation Law. The Standing Committee may invalidate non-compliant administrative and local regulations. The State Council and provincial authorities possess analogous annulment and amendment powers over subordinate rules.

Statutory interpretation authority rests solely with the Standing Committee per the Constitution and the Legislation Law. The Supreme People's Court may interpret specific legal applications in adjudication under the 1981 Decision on Strengthening Legal Interpretation. Administrative and regional rule-making bodies retain interpretive authority over their respective promulgated instruments.

THE PRC JUDICIAL SYSTEM

The judicial system comprises the Supreme People's Court (SPC), local people's courts (primary, intermediate, and higher levels), and special courts, as established under the Constitution and the People's Courts Organization Law (2018 Revision)(中華人民共和國人民法院組織法). Higher-level courts supervise subordinate courts, while procuratorates exercise legal oversight over civil proceedings. The SPC oversees judicial administration nationwide.

The PRC Civil Procedure Law (2023 Revision) (中華人民共和國民事訴訟法), came into effect on January 1, 2024, governs civil actions, including jurisdiction, procedural rules, and judgment enforcement. Civil cases are generally initiated in the defendant's domicile court. Parties may contractually designate a competent forum (e.g., plaintiff/defendant domicile, contract performance location), provided such selection respects jurisdictional hierarchy and exclusive jurisdiction rules.

Foreign parties enjoy litigation rights equal to PRC entities but must retain PRC legal counsel. Reciprocal treatment applies: PRC courts may restrict rights of foreign nationals if their home courts impose analogous limitations on PRC parties. International judicial assistance (e.g., document service, evidence collection) is permitted under treaties or reciprocity principles, subject to sovereignty and public interest exceptions.

Legally effective judgments/arbitral awards must be performed. Non-compliance entitles prevailing parties to seek court enforcement within two years. Where the judgment debtor or assets are extraterritorial, recognition/enforcement may be sought directly in foreign courts or via treaty and reciprocity mechanisms. PRC courts similarly recognize foreign judgments absent violations of fundamental legal principles, sovereignty, security, or public interest.

COMPANY LAW OF THE PEOPLE'S REPUBLIC OF CHINA

Company Law of the People's Republic of China (中華人民共和國公司法) was promulgated by the Standing Committee of the NPC on December 29, 1993 and came into effect on July 1, 1994, revised on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013 and October 26, 2018 respectively. The latest revision was made on December 29, 2023 and came into effect on July 1, 2024. Set out below is a summary of the major provisions of the Company Law.

General

A joint stock limited company refers to a corporate legal person incorporated in China under the Company Law with independent legal person properties and entitlements to such legal person properties. The company shall bear the responsibility for its debts with all its assets, and the Shareholders of a joint stock limited company shall bear responsibilities to the company within the scope of the number of shares they subscribe for.

Incorporation

A joint stock limited company may be incorporated by promotion or subscription. A joint stock limited company may be incorporated by a minimum of one but not more than 200 promoters, and at least half of the promoters must have residence within the People's Republic of China. For a joint stock limited company incorporated by way of promotion, the promoters shall subscribe for the full number of shares to be issued at the time of its establishment as stipulated in the Articles of Association. For a joint stock limited company incorporated by way of subscription, the number of shares subscribed by the promoters shall not be less than 35% of the total number of shares to be issued at the time of its establishment as stipulated in the Articles of Association, unless otherwise provided by laws or administrative regulations.

For companies incorporated by way of promotion, the promoters shall subscribe for the full number of shares to be issued at the time of its establishment as stipulated in the Articles of Association and pay up their capital contributions under the Articles of Association. Procedures relating to the transfer of titles to non-monetary assets shall be duly completed if such assets are to be contributed as capital. If the promoters fail to pay up the shares them have subscribed for, or if the actual value of the non-monetary assets used as capital contribution is significantly less than the shares subscribed for, the other promoters shall be jointly and severally liable with the promoter to the extent that the capital contribution is insufficient. After the promoters have confirmed the capital contribution under the Articles of Association, a Board of Directors and a Supervisory Committee shall be elected and the Board of Directors shall apply for registration of establishment by filing the Articles of Association with the company registration authorities, and other documents as required by the law or administrative regulations.

For companies incorporated by way of subscription, the number of shares subscribed by the promoters shall not be less than 35% of the total number of shares to be issued at the time of its establishment as stipulated in the Articles of Association, unless otherwise provided by laws or administrative regulations. A promoter who offers shares to the public shall publish a document and prepare a subscription letter to be completed, signed or sealed by subscribers, specifying the number and amount of shares to be subscribed for and the subscribers' addresses. The subscribers shall fully paid up monies for the shares they subscribe for. Where the company is offering shares to the public, such offer shall be underwritten by security companies established under PRC law, and underwriting agreements shall be entered into. The company offering shares to the public shall also enter into agreements with banks in relation to the receipt of subscription monies. The receiving banks shall receive and keep in custody the subscription monies, issue receipts to subscribers who have paid the subscription monies and is obliged to furnish evidence of receipt of those subscription monies to relevant authorities in accordance with the agreement. After the subscription monies for the share issue have been paid in full, a capital verification institution established under PRC laws shall be engaged to conduct a capital verification and furnish a certificate thereof. The promoters shall convene an inauguration meeting within 30 days from the date of the full payment of the shares to be issued at the time of the establishment of the company. The inauguration meeting shall be held in the presence of a majority of the subscribers holding voting rights. Where the shares to be issued remain undersubscribed at the time of the establishment of the company, where the shares issued remain undersubscribed by the deadline stipulated in the document, or where the promoter fails to convene an inauguration meeting within 30 days of the subscription monies for the shares issued being fully paid up, the subscribers may demand that the promoters refund the subscription monies so paid together with the interest at bank rates of a deposit for the same period. Within 30 days after the conclusion of the inauguration meeting, the Board of Directors shall authorize its representative to apply to the company registration authority for registration of the establishment of the company. A company is formally established and has the capacity of a legal person after approval of registration has been given by the relevant company registration authority for industry and commerce and a business license has been issued.

The legal consequences of the civil activities undertaken by the Shareholders at the time of the establishment of the company for the establishment of the company shall be borne by the company. If the company is not established, the legal consequences shall be borne by the Shareholders at the time of its establishment; if the Shareholders at the time of its establishment are two or more persons, they shall enjoy joint and several claims and bear joint and several liabilities. The third party shall have the right to choose to request the company or the Shareholders at the time of its establishment to bear the civil liabilities arising from civil activities conducted by the Shareholders at the time of its establishment in their own names for the purpose of establishing the company. If the Shareholders at the time of establishment cause damage to others by performing their duties for the establishment of the company, the company or the Shareholders who are not at fault may, after assuming the liability, recover it from the Shareholders who are at fault.

Registered Capital

The promoters may make a capital contribution in currencies, or non-monetary assets such as in kind, intellectual property rights, land use rights, equity, and debentures which can be appraised with monetary value and transferred lawfully, except for assets which are prohibited from being contributed as capital by the laws or administrative regulations. For capital contributions made in non-monetary assets, a valuation of the assets contributed must be carried out to for verification without any overvaluation or under-valuation. If laws and administrative regulations provide otherwise on the valuation, such laws and administrative regulations shall prevail.

The issuance of shares shall be conducted in a fair and equitable manner. Each share of the same class shall rank *pari passu*. Shares of the same class issued at the same time shall be issued on the same conditions and at the same price. The same price per share shall be paid by any subscriber. A corporation that offers any particular classes of shares shall state in the company bylaws the following matters: (1) The order of distribution of profits or residual property to the particular classes of shares; (2) The number of voting rights carried by each share of a particular class; (3) Restrictions on the transfer of the particular classes of shares; (4) Measures for protecting the rights and interests of minority shareholders; (5) Other matters as a shareholders' meeting considers needed.

The shares of a company shall be in the form of stocks. Stock is a certificate issued by a company to certify the shares held by Shareholders. A company may issue registered stocks. The issue price of stocks with nominal value may be equal to or greater than the nominal value of the stock, but may not be less than the nominal value. A PRC domestic company must file with the CSRC to offer its shares to the overseas public. According to the Trial Measures for the Administration of Overseas Securities Issuance and Listing by Domestic Enterprises ("**Trial Measures**") (境內企業境外發行證券和上市管理試行辦法), target investors of overseas offering and listing by domestic companies shall be overseas investors, unless prescribed in the Trial Measures or otherwise stipulated by the state.

Increase in Registered Capital

Pursuant to the relevant provisions of the Company Law, where a company is issuing new shares, resolutions shall be passed at a shareholders' meeting in accordance with the Articles of Association in respect of the class and amount of the new shares, the issue price of the new shares, the commencement and end dates for the issue of the new shares and the class and amount of the new shares proposed to be issued to existing shareholders. For the issue of shares without par value, resolutions shall also be passed on the amount of proceeds from the issue of the new shares to be included in the registered capital.

Reduction of Registered Capital

A company shall reduce its registered capital in accordance with the following procedures prescribed by the Company Law: (1) the company shall prepare a balance sheet and a property list; (2) the reduction of registered capital shall be approved by Shareholders at a shareholders' meeting; (3) the company shall notify its creditors within 10 days and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days from the day on which the resolution approving the reduction of registered capital was passed; (4) the creditors of the company are entitled to require the company to repay its debts or provide guarantees for such debts within 30 days from receipt of the notification or within 45 days from the date of the announcement if he/she/it has not received any notification; and (5) the company shall apply to the company registration authority for change in registration.

Repurchase of Shares

Pursuant to the Company Law, a company may not purchase its own shares other than for the following purposes: (1) reducing its registered capital; (2) merging with other companies which hold its shares; (3) carrying out an employee stock ownership plan or equity incentive plan; (4) acquiring its shares at the request of its Shareholders who vote in the shareholders' meeting against a resolution regarding a merger and division; (5) utilizing the shares for conversion of listed corporate bonds which are convertible into shares; and (6) where it is necessary for the listed company to safeguard the value of the company and the interests of its Shareholders.

Following the acquisition by a company of its own shares in accordance with these requirements, such shares shall be canceled within 10 days from the date of the acquisition under the circumstance in item (1); such shares shall be transferred or canceled within six months under the circumstances in items (2) or (4); the total shares held by the company shall not exceed 10% of the total shares issued by the company and such shares shall be transferred or canceled within three years under the circumstances in items (3), (5) or (6).

A listed company shall perform its information disclosure obligations in accordance with the provisions of the Securities Law of the PRC when acquiring its own shares. The acquisition by a listed company of its own shares in circumstances as set out in items (3), (5) and (6) of this article shall be conducted through open centralized trading.

The company shall not accept its own shares as the subject of pledge.

Transfer of Shares

Shares held by Shareholders may be transferred legally. Pursuant to the Company Law, transfer of shares by Shareholders shall be carried out at a legally established stock exchange or in other means stipulated by the State Council. Transfer of shares shall be carried out after the Shareholders endorse the back of the share certificates or in other manner specified by laws and administrative regulations. Following the transfer, the company shall enter the names and addresses of the transferees into its share register. No changes in the share register shall be effected during a period of 20 days prior to convening a shareholders' meeting or 5 days prior to the record date for the purpose of determining entitlements to dividend distributions, unless otherwise stipulated by laws, administrative regulations or the securities regulatory institution under the State Council on the changes in the share register of listed companies.

Pursuant to the Company Law, shares of the company issued prior to the offering of shares may not be transferred within one year of the date of the company's listing on a stock exchange. Where there are other provisions in laws, administrative regulations or the securities regulatory institution under the State Council on the transfer of shares held by Shareholders or actual controllers of listed companies, such provisions shall prevail.

Directors, Supervisors and the senior management of a company shall declare to the company their shareholdings in it and changes in such shareholdings. During their defined terms of office, they may transfer no more than 25% of the total number of shares they hold in the company every year. They shall not transfer the shares they hold within one year from the date of the company's listing on a stock exchange, nor within six months after they leave office in the company. The Articles of Association may set out other restrictive provisions in respect of the transfer of shares in the company held by its Directors, Supervisors and the senior management. If shares are pledged within the restricted transfer period stipulated by laws and administrative regulations, the pledgee shall not exercise the pledge right during the restricted transfer period.

Shareholders

Under the Company Law, the rights of a Shareholder include: (1) to be entitled to assets income, participate in significant decision-making and select management personnel; (2) to petition the people's court to revoke any resolution of a shareholders' meeting or a meeting of the Board of Directors that has been convened or whose voting has been conducted in violation of the laws, administrative regulations or the Articles of Association, or any resolution the contents of which is in violation of the Articles of Association, provided that such petition shall be submitted by the Shareholders to the people's court within 60 days of the passing of such resolution; (3) to transfer his/her Shares legally; (4) to attend or appoint a proxy to attend shareholders' meetings and exercise the voting rights; (5) to inspect and copy the Articles of Association, share register, the minutes of shareholders' meetings, resolutions of the meeting of the Board, resolutions of the meeting of the Supervisory Committee and the financial and accounting reports, and to make suggestions or inquiries in respect of the company's operations; (6) to receive dividends in respect of the number of Shares held; (7) to participate in the distribution of residual properties of the company in proportion to their shareholdings upon the liquidation of the company; and (8) any other Shareholders' rights provided for in laws, administrative regulations, other normative documents and the Articles of Association.

The obligations of Shareholders include the obligation to abide by the company's Articles of Association, to pay the subscription monies in respect of the Shares subscribed for, to be liable for the company's debts and liabilities to the extent of the amount of subscription monies agreed to be paid in respect of the Shares taken up by them and any other Shareholder obligation specified in the Articles of Association.

Upon the establishment of a company, the Board of Directors shall verify the capital contributions of the Shareholders and, if it finds that a Shareholder has not paid the capital contributions stipulated in the Articles of Association in full and on time, it shall issue a written reminder from the company to the Shareholder to call for the payment of the capital contributions. If the failure to fulfill the obligations stipulated in the preceding paragraph in a timely manner causes losses to the company, the responsible Director shall be liable for compensation. If a Shareholder fails to pay the capital contribution in accordance with the date stipulated in the Articles of Association, and the company issues a written reminder to call for the payment of the capital contribution in accordance with the above provisions, the company may specify a grace period for the payment of the capital contribution; the grace period shall not be less than sixty days from the date of the issuance of the reminder by the company. If the grace period expires and the Shareholder still fails to fulfill the obligation to make the capital contribution, the company may, by resolution of the Board of Directors, issue a notice of forfeiture to the Shareholder, which shall be in written form. From the date of issuance of the notice, the Shareholder shall lose his/her equity interest in the unpaid capital. The equity lost in accordance with the above provisions shall be transferred in accordance with the law, or the registered capital shall be reduced accordingly and the equity shall be canceled; if the equity is not transferred or canceled within six months, the other Shareholders of the company shall pay the corresponding capital in full according to the proportion of their capital contributions. If a Shareholder disagrees with the loss of equity, he or she shall, within thirty days from the date of receipt of the notice of loss of equity, file a lawsuit with the people's court.

Shareholders' meeting

The shareholders' meeting is the organ of authority of the company, which exercises its functions and powers in accordance with the Company Law. The shareholders' meeting may exercise following functions and powers: (1) to elect or replace the Directors and Supervisors and to decide on the matters relating to the remuneration of Directors and Supervisors; (2) to consider and approve the reports of the Board of Directors; (3) to consider and approve the reports of the Supervisory Committee; (4) to consider and approve the company's profit distribution proposals and loss recovery proposals; (5) to decide on any increase or reduction of the company's registered capital; (6) to decide on the issue of corporate bonds; (7) to decide on merger, division, dissolution and liquidation of the company or change of its corporate form; (8) to amend the Articles of Association; and (9) to exercise any other functions and powers stipulated in the Articles of Association. The shareholders' meetings may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.

Under the Company Law, a shareholders' meeting is required to be held once a year. An extraordinary general meeting is required to be held within two months upon the occurrence of any of the following: (1) the number of Directors is less than the number required by the law or less than two-thirds of the number specified in the Articles of Association; (2) the outstanding losses of the company amounted to one-third of the total share capital; (3) Shareholders individually or in aggregate holding more than 10% of the company's Shares request to convene an extraordinary general meeting; (4) the Board of Directors deems necessary; (5) the Supervisory Committee so proposes; or (6) other circumstances as provided in the Articles of Associations.

A shareholders' meeting is convened by the Board of Directors and presided over by the chairman of the Board of Directors. In the event that the chairman is incapable of performing or is not performing his or her duties, the meeting shall be presided over by the vice chairman. If the vice chairman is incapable of performing or is not performing his or her duties, a Director jointly recommended by more than half of Directors shall preside over the meeting. If the Board of Directors is unable to or fails to perform its duty of convening the shareholders' meeting, the Supervisory Committee shall convene and preside over such meeting in a timely manner. If the Supervisory Committee fails to convene and preside over such meeting, Shareholders who individually or jointly hold more than 10% of the company's Shares for more than 90 consecutive days may independently convene and preside over such meeting. In the event that Shareholders who individually or collectively hold more than 10% of the company's Shares request the convening of an extraordinary general meeting, the Board of Directors or the Supervisory Committee shall make a decision on whether or not to convene an extraordinary general meeting within ten days from the date of receipt of the request, and shall reply to the Shareholders in writing.

In accordance with the Company Law, a notice stating the date and venue of the meeting and the matters to be considered at the meeting shall be given to all Shareholders 20 days before the meeting if the shareholders' meeting is convened. Notice of the extraordinary general meeting shall be given to all Shareholders 15 days before the meeting.

Shareholders who individually or jointly hold more than one percent of the Shares of the company may submit an interim proposal in writing to the Board of Directors ten days before the shareholders' meeting is held, the interim proposal should have clear topics and specific resolutions. The Board of Directors shall notify other Shareholders within two days upon receipt of the proposal, and submit the interim proposal to the general meeting for deliberation. Except where the interim proposals violate the provisions of laws, administrative regulations or the Articles of Association, or do not fall within the terms of reference of the shareholders' meetings. The company shall not increase the percentage of shareholding of the Shareholders who make the interim proposals. A company that makes a public offering of its Shares shall give the notice required by the preceding two paragraphs by means of the announcement. The contents of the interim proposals shall fall within the terms of reference of the shareholders' meeting, and the proposals shall provide a clear subject of resolution and specific matters for resolution. The shareholders' meeting shall not make any resolution in respect of any matter not set out in such notices.

According to the Company Law, Shareholders present at shareholders' meeting shall have one vote for each Share they hold, except for class Shareholders. The Company's Shares held by the company are not entitled to any voting rights.

An accumulative voting system may be adopted for the election of Directors and Supervisors at the shareholders' meeting pursuant to the provisions of the Articles of Association or the resolutions of the shareholders' meeting. Under the accumulative voting system, when Directors or Supervisors are being elected at a shareholders' meeting, each Share has as many voting rights as the number of candidates for Directors or Supervisors, and the voting rights can be used collectively by Shareholders on one or more Directors or Supervisors at the time of voting.

Under the Company Law, resolutions of the shareholders' meeting must be passed by more than half of the voting rights held by Shareholders present at the meeting, with the exception of resolutions relating to merger, division or dissolution of a company, increase or reduction of registered share capital, change of corporate form or amendments to the Articles of Association, which in each case must be passed by more than two-thirds of the voting rights held by the Shareholders present at the meeting. If the Shareholders appoint agents to attend the shareholders' meeting, the matters, authority and duration of the agent's agency shall be clarified; the agent shall submit a power of attorney of the Shareholder to the company and exercise the voting rights within the scope of the authorization.

Minutes shall be prepared in respect of the decisions on the matters considered at the shareholders' meetings and the chairperson and Directors attending the meeting shall endorse such minutes by signature. The minutes shall be kept together with the signature book of Shareholders attending the meeting and power of attorney of proxy.

Board of Directors

Under the Company Law, a joint stock limited company shall have Board of Directors, a joint stock limited company of smaller size or with fewer Shareholders may not have Board of Directors and may have one Director exercising the functions and powers of the Board of Directors as prescribed by the Company Law. The Director may serve concurrently as the manager of the company.

The Board of Directors of the company shall consist of at least three members, which shall comprise staff representatives of the company. For a limited liability company with more than 300 employees, except for the Supervisory Committee established in accordance with the law and with staff representatives of the company, there shall be staff representatives of the company among the members of Board of Directors. The staff representatives in the Board of Directors shall be elected democratically by the staff of the company at the staff representative assembly, staff meeting or otherwise.

Under the Company Law, a joint stock limited company shall have Board of Directors, which shall consist of at least three members. Members of the Board of Directors may include staff representatives of the company, who shall be elected democratically by the staff of the company at the staff representative assembly, staff meeting or otherwise.

Under the Company Law, the Board of Directors exercises the following functions and powers: (1) to convene the shareholders' meeting and report on its work to the shareholders' meetings; (2) to implement the resolution of the shareholders' meeting; (3) to decide on a company's operational plans and investment proposals; (4) to formulate the company's proposals for profit distribution and for recovery of losses; (5) to formulate proposals for the increase or reduction of the registered capital of the company and the issue of corporate bonds; (6) to prepare plans for the merger, division, dissolution of the company or change of the form of a company; (7) to decide on the establishment of the company's internal management structure; (8) to decide to appoint or dismiss the company's manager and the remuneration, and based on the manager's recommendation, to decide to appoint or dismiss deputy manager and financial officers of a company and their remuneration; (9) to formulate a company's basic management system; and (10) other functions and powers stipulated in the Articles of Association or conferred by the shareholders' meetings. Any restriction on the powers of the board of directors imposed by the company bylaws may not be set up against a bona fide opposite party.

The term of office of the Directors shall be stipulated in the Articles of Association, but each term shall not exceed three years. The Directors may be eligible for re-election upon completion of the term. A Director shall continue to perform his duties as a Director in accordance with the provisions of laws, administrative regulations and Articles of Association until a duly re-elected Director takes office, if re-election is not conducted in a timely manner upon the expiry of his term of office, or if the resignation of Directors during the term of office results in the number of Directors being less than the quorum. If the Director resigns, the company shall be notified in writing, and the resignation shall take effect on the date the company receives the notice. However, if there is a situation stipulated in the preceding paragraph, the Director shall continue to perform his duties.

The shareholders' meetings may resolve to dismiss a Director, and the dismissal shall take effect on the date of the resolution. If a director is dismissed before the expiration of his/her term of office without a valid reason, the Director may request the company to compensate him/her.

Board Meeting

Pursuant to the Company Law, the Board of Directors is required to convene at least two meetings per year, and all Directors and Supervisors shall be notified of each meeting ten days prior to the date of the meeting. Shareholders representing more than ten percent of the voting rights, more than one-third of the Directors or the Supervisory Committee may propose to convene an interim board meeting. The chairman of the Board shall convene and preside over the board meeting within ten days from the receipt of the proposal. The Board of Directors may convene an interim meeting by setting a separate notification method and notification time limit for convening the Board of Directors. The board meeting shall be held upon the attendance of more than half of the Directors. Resolutions made by the Board of Directors shall be approved by a majority of all Directors. Voting on the resolutions of the Board of Directors shall be carried out on a one-person-one-vote basis. Board meetings shall be attended by the Directors themselves; if a Director is unable to attend for any reason, he/she may delegate in writing to another Director to attend on his/her behalf, and the scope of the authorization shall be set out in the power of attorney. The Board of Directors shall keep minutes of resolutions on matters discussed at the meetings, and the minutes shall be signed by the Directors present at such meetings.

If a resolution of the Board of Directors contravenes the laws, administrative regulations or the Articles of Association or a resolution of the shareholders' meeting causing the company to sustain substantial losses, the Directors involved in passing such resolutions shall be liable to indemnify the company provided that if a Director is proved to have expressed his/her opposition to such resolution when it was put to the vote, and such opposition is recorded in the minutes of the meeting, such Director may be discharged from liability.

Pursuant to the Company Law, the Board of Directors shall have one chairman and vice chairmen. The chairman and the vice chairman of the Board of Directors shall be elected by more than half of all Directors. The chairman shall convene and preside over the board meeting and check on the implementation of resolutions of the Board of Directors. The vice chairman shall assist the chairman to work, and when the chairman is unable to or does not perform his/her duties, the vice chairman shall perform the duties; where the vice chairman is unable to or does not perform his/her duties, a Director jointly elected by more than half of the Directors shall perform the duties.

The Qualifications of Directors

Under any of the following circumstances, anyone may not act as a director of a company: (1) persons without capacity or restricted capacity to undertake civil liabilities; (2) persons who have committed the offense of corruption, bribery, taking of property, misappropriation of property or destruction of the order of socialist market economy, or persons who have been deprived of their political rights due to criminal offense, where less than five years have elapsed since the date of the completion of implementation of this deprivation; and less than two years have elapsed since the date of the completion of the probation period if probation is announced; (3) persons who acted as Directors, factory managers or managers of a company or an enterprise that has been bankrupt and liquidated, and those persons are personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of the completion of the bankruptcy and liquidation of the company or enterprise; (4) persons who were legal representatives of a company or enterprise that had their business licenses revoked and were ordered to close down as a result of infringing the law and shall bear personal liabilities therefore, where three years have not lapsed following the date of revocation of such business licenses and the closure ordered of the company or enterprise; and (5) persons who is listed as a defaulter by a people's court since he is personally liable for a substantial loan which is due for payment but remains unpaid.

If a company violates the provisions of the preceding paragraph in electing or appointing a Director, such election or appointment shall be void and null. If any of the above circumstances occurs during a Director's term of office, the company shall dismiss him/her.

Supervisory Committee

According to the Company Law, a joint stock limited company shall have a Supervisory Committee, a joint stock limited company with a smaller size or with fewer Shareholders may not have a Supervisory Committee, and may have one Supervisor exercising the functions and powers of the Supervisory Committee as stipulated in the Company Law. A joint stock limited company may, in accordance with the provisions of its Articles of Association, establish an Audit Committee comprising Directors under the Board of Directors to exercise the functions and powers of the Supervisory Committee as stipulated in the Company Law, and may not have a Supervisory Committee or Supervisors.

Audit Committee

According to the Company Law, the audit committee shall be composed of at least 3 members, and more than half of the members shall not assume any position other than the director in the company and shall not have any relationship with the company that may affect their independent and objective judgments. Among the members of the board of directors of the company, an employees' representative may become a member of the audit committee.

A resolution made by the audit committee shall be adopted by more than half of the members thereof. For voting on a resolution of the audit committee, each member shall have one vote. The discussion methods and voting procedures of the audit committee shall be prescribed in the articles of association, unless it is otherwise provided for by this Law.

Manager and Senior Management

According to the Company Law, a company shall have a manager who shall be appointed or removed by the board of directors. The Manager is accountable to the board of directors and shall exercise his/her functions and powers in accordance with the provisions of the articles of association of the company or as authorized by the board of directors. The manager shall attend the board meetings. The board of directors of a company shall determine that a member of the board of directors shall also be a manager.

According to the Company Law, senior management shall mean the manager, deputy manager(s) and person-in-charge of finance of a company, secretary to the board of directors of a listed company and other personnel as stipulated in the articles of association.

Duties of Directors, Supervisors and Senior Management

Directors, supervisors and senior management shall comply with laws, administrative regulations and the articles of association. Directors, supervisors and senior management have a duty of loyalty to the company and shall take measures to avoid any conflict between their own interests and the interests of the company, and shall not make use of their functions and powers to obtain improper benefits. Directors, supervisors and senior management have a duty of diligence to the company, and shall perform their functions with the reasonable attention generally expected of a manager in the best interests of the company. The above provisions shall be applicable to controlling shareholders and actual controllers of the company who do not act as directors of the company but actually execute the affairs of the company.

Directors, supervisors and senior management shall not engage in the following behaviors: (1) misappropriating the properties or funds of a company; (2) opening accounts and depositing the funds of a company in his/her own name or in the name of other individuals; (3) using his/her functions and powers to bribe or accept other illegal income; (4) accepting commissions for transactions between a company and any other person for his/her personal use; (5) disclosing secrets of a company without authorization; (6) other behaviors that violate the obligation of loyalty to a company.

Where a director, supervisor or senior management is required to attend a shareholders' meeting, such director, supervisor or senior management shall attend the meeting and answer the inquiries from shareholders.

Where a director, supervisor or senior management violates laws, administrative regulations or the provisions of the articles of association in the performance of his/her functions and causes losses to a company, he/she shall be liable to make compensation. Where a director or senior management violates laws, administrative regulations or the provisions of the articles of association and causes damage to the interests of shareholders, the shareholders shall be entitled to initiate an action to the People's Court. If a controlling shareholder or an actual controller of a company instructs a director or senior management to engage in an act that is detrimental to the interests of the company or the shareholders, he/she and the director or senior management shall be jointly and severally liable.

Finance and Accounting

Under the Company Law, a company shall establish financial and accounting systems according to laws, administrative regulations and the provisions of the financial department of the State Council. The company shall prepare a financial and accounting report which shall be audited by an accounting firm as required by law at the end of each financial year. The financial and accounting report shall be prepared in accordance with the laws, administrative regulations and the provisions of the financial department of the State Council. The company shall make its financial and accounting reports available at the company for inspection by the shareholders at least 21 days before the convening of an annual general meeting. Companies with limited liability that have issued shares to the public are required to announce their financial accounting reports.

When distributing each year's after-tax profits, it shall withdraw 10% of its profits into a statutory reserve fund of the company. If the accumulated amount of the company's statutory reserve fund is more than 50% of the company's registered capital, it may no longer be withdrawn. If the statutory reserve fund of the company is not sufficient to make up losses of the previous year, profits of the current year shall be applied to make up losses before the withdrawal of the statutory reserve fund pursuant to the above provisions. After the withdrawal of the statutory reserve fund from after-tax profits of the company, it may, upon a resolution passed at the shareholders' meeting, withdraw discretionary reserve fund from after-tax profits. After-tax profits remaining after the company has made up for its losses and withdrawn its provident fund, the company with limited liability shall distribute profits in accordance with the proportion of the shareholders' paid-in capital, unless all shareholders agree not to distribute profits in accordance with the proportion of their capital contributions; the company with limited liability distributes profits in accordance with the proportion of the number of shares held by the shareholders, unless otherwise provided for in the articles of association. No profits shall be distributed in respect of the shares of the company held by the company.

If a company distributes profits to shareholders in violation of the Company Law, the shareholders shall return the profits distributed in violation of the provisions to the company; if losses are caused to the company, the shareholders and responsible directors, supervisors and senior management shall be liable for compensation.

The premiums received by the company from the issuance of shares at an issue price in excess of the par value of the shares, the amount of share proceeds from the issuance of no-par shares that is not included in the registered capital and other items that are required by the finance department of the State Council to be included in the capital reserve fund shall be classified as the company's capital reserve fund.

The company's reserve fund shall be applied to make up losses of the company, expand its production and operations or be converted to increase the registered capital of the company. Reserve fund to make up for the company's losses, should first use the discretionary reserve fund and statutory reserve fund; if it still cannot make up for the loss, the capital reserve fund can be used in accordance with the provisions. Upon the conversion of statutory reserve fund to increase the registered capital, the balance of the statutory reserve fund shall not be less than 25% of the registered capital of the company before such conversion.

The Company shall have no other accounting books except the statutory accounting books. Its funds shall not be deposited in any accounts opened in the name of any individual.

Appointment and Retirement of Accounting Firms

Pursuant to the Company Law, the appointment or dismissal of accounting firms responsible for the auditing of the company shall be determined by the shareholders' meeting, the board of directors and the supervisory committee in accordance with provisions of articles of association. The accounting firm should be allowed to make representations when the shareholders' meeting, the board of directors and the supervisory committee of the company conducts a vote on the dismissal of the accounting firm.

The company should provide true and complete accounting evidences, accounting books, financial and accounting reports and other accounting data to the accounting firm it employs without any refusal, withholding and misrepresentation.

Distribution of Profits

According to the Company Law, a company shall not distribute profits before losses are covered and the statutory reserve is drawn.

Amendments to Articles of Association

According to the Company Law, a resolution to amend the articles of association made at a shareholders' meeting must be passed by shareholders representing more than two-thirds of the voting rights.

Dissolution and Liquidation

According to the Company Law, a company shall be dissolved by the following reasons: (1) the term of its operations set down in the articles of association has expired or other events of dissolution specified in the articles of association have occurred; (2) the shareholders' meeting have resolved to dissolve; (3) the company is dissolved by reason of merger or division; (4) the business license is revoked in accordance with the law; the company is ordered to close down or be revoked; (5) The People's Court dissolves the company in accordance with the relevant provisions of the Company Law. In the event that a company is dissolved under the above provisions, the company shall publicize the reasons for dissolution through the National Enterprise Credit Information Publicity System within ten days.

If a company is in the situation described in (1) above and has not yet distributed its property to its shareholders, it may survive by amending its articles of association or by a resolution of a shareholders' meeting. Amendments to the Articles of Association in accordance with the above provisions or resolutions of a shareholders' meeting shall be approved by shareholders holding more than two-thirds of the voting rights in the case of a company with limited liability, and by over two-thirds of the voting rights of the shareholders present at the shareholders' meeting in the case of a joint stock company.

In the event that the company has experienced material difficulties in operation and management, and the continuous survival would lead to substantial losses to the interests of its shareholders and there are no other solutions to resolve the matters, shareholders holding 10% or more of the voting rights of the Company may appeal to the People's Court for dissolution of the company.

If a company is dissolved due to the circumstances mentioned in (1), (2), (4) or (5) above, it shall be liquidated. The directors, as the company's liquidation obligors, shall form a liquidation committee to carry out the liquidation within fifteen days from the date on which the dissolution reasons arise. The liquidation committee shall consist of the directors, unless the articles of association provide otherwise or the shareholders' meeting resolves to elect another person. If a liquidation obligor fails to fulfil its liquidation obligations in a timely manner and causes losses to the company or its creditors, it shall be liable to make compensation. If a liquidation committee is not formed to carry out the liquidation after the expiry of the time limit or if no liquidation is carried out after the liquidation committee is formed, the interested party may apply to the People's Court for the appointment of relevant personnel to form a liquidation committee to carry out the liquidation. The People's Court shall accept the application and promptly organize a liquidation committee to carry out the liquidation.

The remaining assets of the company after payment of liquidation expenses, staff wages, social insurance expenses and statutory compensation, payment of outstanding taxes, and payment of the company's debts shall be distributed to shareholders, in the case of a limited liability company, in proportion to the capital contributions of its shareholders and, in the case of a company limited by shares, in proportion to the share held by its shareholders.

During the liquidation period, the company shall continue to exist, but shall not carry out business activities irrelevant to the liquidation. The assets of the company shall not be distributed to any shareholder before full payments have been made out of the assets according to the above.

If, after sorting out the company's assets and preparing a balance sheet and an inventory of assets, the liquidation committee discovers that the company's assets are insufficient to repay the company's debts in full, the liquidation committee shall apply to the People's Court for bankruptcy and liquidation.

Merger and Division

According to the Company Law, the merger of the company may take the form of either merger by absorption or merger by establishment of a new entity. Merger by absorption means that a company absorbing another company and the company being absorbed shall be dissolved. Merger by establishment of a new entity means that a merger of two or more companies through the establishment of a new company and the companies being consolidated shall be dissolved.

Overseas Listing

According 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》) promulgated by the CSRC on February 17, 2023, and came into effect on March 31, 2023, domestic companies in China that seek to list overseas shall submit an application to the CSRC in accordance to such measures.

Securities Laws and Regulations

The Securities Law of the PRC (中華人民共和國證券法) (the "**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, and the latest revised Securities Law came into effect on March 1, 2020. This is the first national securities law in the PRC, which is divided into 14 chapters and 226 articles regulating, 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 Securities Law comprehensively regulates activities in the PRC securities market. Article 224 of the Securities Law provides that domestic enterprises issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council. Currently, the issue and trading of foreign issued shares are mainly governed by the regulations and rules promulgated by the State Council and the CSRC.

This appendix contains a summary of the provisions of the Articles of Association of Zhejiang Iplusmobot Technology Co., Ltd. (the "**Articles of Association**") reviewed and approved and latest amended on January 10, 2026 at the first extraordinary shareholders' meeting in 2026 of the Company. The main purpose of this appendix is to provide potential **[REDACTED]** with an overview of the Articles of Association, so it may not contain all the information that is important to potential **[REDACTED]**.

SHARES AND REGISTERED CAPITAL

The shares issued by the Company shall be denominated in RMB with par value of RMB1 per share. The Company shall issue shares under the principles of openness, fairness and equality and shares of the same class shall carry the equal rights.

Shares of the same class issued at the same time shall be issued under the same condition and at the same price. Shares issued at the same time subscribed by any entity or individual shall be paid for at the same price.

INCREASE, REDUCTION AND REPURCHASE OF SHARES

Increase of Capital

The Company may, based on its operating and development needs, increase capital in the following ways pursuant to the requirements of laws and regulations and subject to the resolutions passed at the shareholders' meetings:

(i) issuance of shares to unspecified objects;

(ii) issuance of shares to specified objects;

(iii) distribution of bonus shares to existing shareholders;

(iv) conversion of reserve to increase share capital; and

(v) any other methods stipulated by laws, administrative regulations and the CSRC.

Reduction of Capital

The Company may reduce registered capital. The Company shall reduce registered capital in accordance with the Company Law and other relevant regulations as well as the procedures stipulated in the Articles of Association. A company that reduces its registered capital shall prepare a balance sheet and list of property. A company shall, within ten days of adoption of a resolution of the shareholders' meeting regarding reduction of registered capital, notify the creditors, and within 30 days, issue an announcement in a newspaper or the National Enterprise Credit Information Publicity System. The creditors may, within 30 days of receipt of the notice or within 45 days of issuance of the announcement if they fail to receive the notice, require the

company to repay debts or provide corresponding security. Where a company reduces its registered capital, the company shall reduce the corresponding capital contributions or shares in proportion to the capital contributions of shareholders or shares held by shareholders, except as otherwise provided for by a law, or as otherwise prescribed in the company bylaws in the case of a corporation.

Repurchase of Shares

The company shall not acquire its own shares, except under any of the following circumstances:

(i) reduction of registered capital;

(ii) merger with another company which holds its shares;

(iii) use of shares for employee stock ownership plan or equity incentives;

(iv) a shareholder's objection to the resolution on the company's merger or division passed by the shareholders' meeting, requesting the company to acquire its shares;

(v) use of shares for conversion of corporate bonds issued by the company that can be converted into shares; or

(vi) necessity for the purpose of maintaining the value of the company and shareholders' equity.

A resolution of a shareholders' meeting is required for acquisition of shares by the company under any of the circumstances stipulated in item (i) and item (ii) of the aforesaid paragraph; for the company's acquisition of shares under any of the circumstances stipulated in item (iii), item (v) and item (vi) of the aforesaid paragraph, a resolution of a board meeting passed by two-thirds or more of the directors attending the meeting shall be made pursuant to the provisions of the Articles of Association or the authorization of the shareholders' meeting.

Where share acquisition by a company pursuant to the provisions of the aforesaid paragraph falls under the circumstances set out in item (i), the shares shall be deregistered within 10 days from the date of acquisition; where a share acquisition falls under the circumstances set out in item (ii) or item (iv), the shares shall be transferred or deregistered within six months; where a share acquisition falls under the circumstances set out in item (iii), item (v) and item (vi), the total number of shares held by the company shall not exceed 10% of the total number of shares issued by the company, and the shares shall be transferred or deregistered within three years.

TRANSFER OF SHARES

Shares issued by the Company prior to its **[REDACTED]** shall not be transferred within one year as of the date on which the shares are **[REDACTED]** and **[REDACTED]** in a stock exchange.

The Directors, senior management of the Company shall regularly declare the number of shares held by them and the relevant changes. The shares transferred each year during their tenure determined at the time of appointment shall not exceed 25% of the total number of the same type of shares of the company held by them; the company shares held by them shall not be transferred within one year from **[REDACTED]** and **[REDACTED]** of the company's stocks. The aforesaid persons shall not transfer the company shares held by them within half year from their resignation.

REGISTER OF SHAREHOLDERS

The register of shareholders is adequate evidence of shareholding by shareholders. A shareholder shall enjoy the rights and bear the obligations by the type of shares held; shareholders who hold the same type of shares shall enjoy the same rights and bear the same type of obligations.

Rights and Obligations of Shareholders

Shareholders of the Company shall entitle the following rights:

(i) to receive dividends and other forms of profit distribution according to the proportion of shares they hold;

(ii) to request, convene, hold, participate or authorize proxies to attend shareholders' meeting according to the law, and to exercise relevant voting rights;

(iii) to supervise the operations of the Company and to make suggestions or inquiries;

(iv) to transfer, give or pledge the shares held by them in accordance with the laws, administrative regulations and the Articles of Association;

(v) to consult and make copies of the company's Articles of Association, register of shareholders, minutes of shareholders' meetings, resolutions of board meetings and financial accounting reports; qualified shareholders may consult the company's accounting books and accounting vouchers;

(vi) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company in proportion to the number of shares held;

(vii) with respect to shareholders who voted against any resolution adopted at the shareholders' meeting on the merger or demerger of the Company, to demand the Company to purchase the shares held by them;

(viii) any other rights stipulated in the laws, administrative regulations, departmental rules or the Articles of Association.

Shareholders of the Company shall assume the following obligations:

(i) to abide by the laws and administrative regulations and the Articles of Association;

(ii) to make a capital contribution according to the shares they subscribe for and the capital participation method;

(iii) not to withdraw shares unless otherwise provided by laws, regulations or the Articles of Association;

(iv) not to abuse their shareholders' rights to harm the Company's or other shareholders' interests; not to abuse the Company's legal person independent status or the shareholders' limited liability to harm the interests of the Company's creditors;

If a shareholder of the Company abuses the shareholder rights and causes a loss to the Company or other shareholders, he or she shall be held liable for damages in accordance with laws.

Where shareholders of the Company abuse the independent status as the Company's legal person and the limited liabilities of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

(v) other obligations required by laws, administrative regulations and the Articles of Association.

RESTRICTIONS ON RIGHTS OF THE CONTROLLING SHAREHOLDERS

The controlling shareholder or the actual controller of the Company shall exercise shareholder's rights in accordance with the law, not abusing the controlling right or making use of related-party relationships to damage the legitimate rights and interests of the company or other shareholders.

The Shareholders' Meeting

General Rules for the Shareholders' Meeting

The shareholders' meeting acts as the supreme authority of the Company which, according to laws, exercises the following functions and power:

(i) electing and replacing directors, and deciding the remuneration matters of the directors;

(ii) deliberating and approving the reports of board of directors;

(iii) deliberating and approving the profit distribution plan and loss compensation plan of the company;

(iv) making resolution on increasing or decreasing the registered capital of the company;

(v) making resolution on the issuing of company bonds;

(vi) making resolution on merger, division, dissolution, liquidation or changing the form of the company;

(vii) amending the Articles of Association;

(viii) making resolution on engagement and dismissal of the accountant firm that undertakes the auditing of the company;

(ix) approving the transactions and the guarantee matters that shall be resolved by the shareholders' meeting as stipulated in these Articles of Association;

(x) deliberating purchases and sales of significant assets within a year exceeding 30% of the most recently audited total assets of the company;

(xi) deliberating and approving changes in usage of raised funds;

(xii) deliberating equity incentive plans and employee stock ownership plans;

(xiii) reviewing any transaction with an applicable percentage ratio of 25% or above, calculated pursuant to Rule 14.07 of the Hong Kong Listing Rules and any connected transaction with an applicable percentage ratio of 5% or above; and

(xiv) deliberating other matters which shall be decided by the shareholders' meeting as required by the laws, administrative regulations, departmental rules or the Articles of Association.

The shareholders' meetings consist of annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders' meeting shall be convened once a year within 6 months after the end of the previous accounting year.

The Company shall convene an extraordinary shareholders' meeting within 2 months from the date of occurrence of any of the following circumstances:

(i) the number of Directors is less than the number stipulated in the Company Law or two-thirds of the number specified in the Articles of Association;

(ii) when the Company's uncovered losses amount to one-third of the total paid-up share capital;

(iii) when Shareholders, individually or collectively, holding more than 10% of the shares of the Company, request;

(iv) when the Board deems it necessary;

(v) when the Audit Committee proposes to convene;

(vi) other circumstances as stipulated by the Articles of Association.

Convening of the Shareholders' Meeting

The board of Directors and the independent Directors (upon consent by more than half of all the independent directors) shall have the right to propose on convening an extraordinary shareholders' meeting. Where a shareholder holding alone or shareholders holding in aggregate 10% or more of the shares of the corporation requests the holding of a special shareholders' meeting, the board of directors and the audit committee shall decide whether to hold a special shareholders' meeting within ten days of receipt of the request, and provide a written reply to the shareholder or shareholders.

Besides, where the audit committee or a shareholder who individually or jointly holds 10% or more of the company's shares shall have rights to proposes to the board of directors on convening of an extraordinary shareholders' meeting, the board of directors shall provide written feedback on approval or non-approval of convening of an extraordinary shareholders' meeting within 10 days from receipt of the proposal pursuant to the provisions of laws, administrative regulations, and the Articles of Association.

Where the board of directors gives consent to convening of an extraordinary shareholders' meeting, a notice on convening of shareholders' meeting shall be issued within 5 days after the board resolution is passed.

Where the board of directors does not give consent to convening of an extraordinary shareholders' meeting, or does not provide feedback within 10 days from receipt of the request, a shareholder who individually or jointly holds 10% or more of the company's shares proposes to the audit committee to convene an extraordinary shareholders' meeting, the request shall be made to the audit committee in writing.

Where the audit committee gives consent to convening of an extraordinary shareholders' meeting, a notice on convening of shareholders' meeting shall be issued within 5 days from receipt of the request; any change to the original request in the notice shall be approved by the relevant shareholders.

Where the audit committee does not issue a notice of shareholders' meeting within the stipulated period, the audit committee shall be deemed not to convene and chair a shareholders' meeting, and a shareholder who individually or jointly holds 10% or more of the company's shares for 90 or more consecutive days may convene and chair a shareholders' meeting on his/her own.

Proposals at the Shareholders' Meeting

When the Company convenes a shareholders' meeting, the Board, the Audit Committee and shareholders individually or jointly holding more than 1% of the Company's shares shall have the right to submit proposals to the Company.

Shareholders individually or jointly holding more than 1% of the Company's shares may submit provisional proposals in writing to the convener 10 days before a shareholders' meeting is convened. The convener shall issue a supplementary notice of the shareholders' meeting within 2 days upon receipt of the proposal to announce the contents of the provisional proposal.

Except as provided above, the convener of a shareholders' meeting shall not amend the proposals already specified in the notice of the shareholders' meeting or add new proposals subsequent to the issue of the notice of the shareholders' meeting. Proposals that are not specified in the notice of the shareholders' meeting or which do not comply with the Articles of Association shall not be voted on and resolved at the shareholders' meeting.

Notice of the Shareholders' Meetings

The convenor shall inform each shareholder by announcement in writing form or other form as accepted by shareholders 21 days prior to the convening of an annual shareholders' meeting or 15 days prior to the convening of an extraordinary shareholders' meeting. In determining the starting date, the Company shall not include the date on which the meeting is held. A shareholder not participating in the shareholders' meeting for not being notified of the meeting may, within 60 days of the day when the shareholder knows or should have known the adoption of the resolution, petition a people's court to revoke the resolution; and if the shareholder fails to exercise the right of revocation within one year of adoption of the resolution, the right of revocation is extinguished.

A notice of shareholders' meeting shall include the following contents:

(i) the time, venue and duration of the meeting;

(ii) matters and proposals submitted for consideration at the meeting;

(iii) particulars shall be in clear text that all shareholders are entitled to attend shareholders' meetings and may appoint their proxies in writing to attend and vote at the meetings. Such proxies need not be shareholders of the Company;

(iv) the date of record of shareholders entitled to attend the shareholders' meeting;

(v) name(s) and telephone number(s) of the standing contact person(s) for the affairs of meetings; and

(vi) the voting time and procedures online or by any other method.

The Convening of the Shareholders' Meeting

All shareholders registered on the register of shareholders and their proxies are entitled to attend the shareholders' meeting. They shall exercise their voting rights in accordance with the relevant laws, regulations and the Articles of Association. Shareholders may attend a shareholders' meeting in person or may appoint proxies to attend and vote on their behalf.

Resolutions of the Shareholders' Meetings

Resolutions of the shareholders' meeting are divided into ordinary resolutions and special resolutions. Ordinary resolutions shall be passed by votes representing more than half of the voting rights represented by the shareholders (including proxies) present at the meeting. A special resolution shall be passed by votes representing more than two-thirds of the voting rights represented by the shareholders (including proxies) present at the meeting.

The following matters shall be approved by ordinary resolutions at a shareholders' meeting:

(i) work reports of the Board of Directors;

(ii) profit distribution plans and loss recovery plans formulated by the Board of Directors;

(iii) appointment, removal, remunerations and method of payment of members of the board of directors;

(iv) annual reports of the Company;

(v) the appointment and dismissal of the Company's accounting firm, and the determination of its remuneration;

(vi) Connected transactions between the Company and connected persons that require approval by the shareholders' meeting in accordance with the Hong Kong Listing Rules;

(vii) Changes to the use of proceeds from fundraising projects; and

(viii) Other matters that do not require approval by special resolution.

The following matters shall be approved by special resolutions at a shareholders' meeting:

(i) increase or reduction of the registered capital of the Company;

(ii) division, merger, dissolution and liquidation of the Company;

(iii) amendments to the Articles of Association;

(iv) purchase or disposal of material assets or provision of guarantee by the Company within one year with an amount exceeding 30% of the latest total assets in the audited consolidated financial statements of the Company;

(v) issuance of shares, convertible corporate bonds, preferred shares, and other securities approved by the CSRC and the Hong Kong Stock Exchange;

(vi) listing of a spin-off subsidiary;

(vii) stock incentive plans; and

(viii) Other matters that are required to be passed by special resolution under the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are **[REDACTED]**, or the Articles of Association, as well as other matters that the Shareholders' Meeting determines by ordinary resolution to have a material impact on any member of the group and are required to be passed by special resolution.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Directors shall be elected or replaced by the shareholders' meeting, and may be removed by the shareholders' meeting before the expiry of their terms of office. The term of office of the Directors shall be three years, and they may be re-elected and re-appointed.

The term of office of the Directors shall commence from the date of their appointment until the expiry of the term of the current session of the Board. If the term of office of a Director expires but re-election is not made responsively, the said Director shall continue fulfilling the duties as Director pursuant to laws, administrative regulations, departmental rules and the Articles of Association until a new Director is elected.

The Board

The Company shall have a Board of Directors which shall be accountable to the shareholders' meeting. The Board shall consist of seven Directors, three of whom are independent Directors. The Company has one chairman who shall be elected by more than half of all Directors.

The Board shall exercise the following powers:

(i) to summon shareholders' meetings and report its work to the shareholders' meetings;

(ii) to implement the resolutions of the shareholders' meeting;

(iii) to decide on the Company's business plans and investment plans;

(iv) to formulate the Company's profit distribution plans and loss recovery plans;

(v) to formulate proposals for the increase or reduction of the Company's registered capital, the issue of bonds or other securities and listing plans;

(vi) to formulate plans for material acquisitions, purchase of shares of the Company or merger, division, dissolution and change of corporate form of the Company;

(vii) to decide on the Company's external investment, purchase and construct of assets, acquisition and disposal of assets, pledge of assets, borrowing, external guarantee matters, entrusted wealth management, related transactions and other matters within the scope authorised by the shareholders' meeting;

(viii) to decide on the establishment of the Company's internal management structure;

(ix) to decide on the appointment or dismissal of the Company's general manager, secretary to the Board; to decide on the appointment or dismissal of the Company's vice general manager, chief financial officer and other senior management based on the nomination of the general manager, and decide on their remuneration, rewards and punishments;

(x) to formulate the basic management system of the Company;

(xi) to formulate proposals for any amendment to the Articles of Association;

(xii) to manage the information disclosure of the Company;

(xiii) to propose to the shareholders' meeting the appointment or replacement of the accounting firm that audits the Company;

(xiv) to listen to the work report of the general manager of the Company and inspect the work of the general manager; and

(xv) other functions and powers conferred by laws, administrative regulations, departmental rules or the Articles of Association.

The board of directors shall hold at least four meetings every year. The chairman shall convene the board meetings and issue a written notice to all the directors 10 days before the meeting is held. Shareholders holding one-tenth or more of the voting rights, one-third or more of the directors or the audit committee may propose an extraordinary board meeting. The chairman shall convene and chair a board meeting within 10 days from receipt of the proposal.

A board meeting shall be held only after more than half of the directors are present at the meeting. Board resolutions shall be passed by more than half of all the directors.

The Related Transactions

The Board may make decisions regarding any related transaction between the Company and the related parties with the total amount of a single or cumulative transactions not reaching RMB30,000,000.

The General Manager

The Company shall have 1 general manager, who shall be appointed or dismissed by the Board. The general manager shall be accountable to the Board and exercise the following functions and powers:

(i) to be in charge of the production, operation and management of the Company, to organize and implement the resolutions of the Board, and to report on his/her work to the Board;

(ii) to organize and implement the Company's annual operation plan and investment plan;

(iii) to formulate the plan for establishment of the Company's internal management organization;

(iv) to formulate the Company's basic management system;

(v) to formulate the detailed rules and regulations of the Company;

(vi) to request the Board to engage or dismiss deputy general manager, chief financial officer and other senior managements of the Company;

(vii) to decide the appointment or dismissal of managements other than whose appointment or dismissal required to be decided by the Board;

(viii) other functions and powers conferred by the Articles of Association or the Board.

The general manager shall attend the meetings of the Board.

Special Committees of the Board

The Company shall establish the Audit Committee, the Remuneration Committee and the Nomination Committee in accordance with the resolutions of the shareholders' meeting. All members of the special committees shall be Directors. The Remuneration Committee shall be chaired by an independent director (convener), and the Nomination Committee shall be chaired by the chairman of the board or an independent director (convener), and all members of the Audit Committee shall be non-executive directors (including independent directors). The convener of the Audit Committee shall be an accounting professional.

All of the special committees carry out the work with the authorization of the Board, provide suggestions for the decision of the Board, and are responsible to the Board. The composition and function of the special committees shall be determined by the Board. The resolutions of each special committee shall be submitted to the Board for review and approval.

Each special committee may engage the external professional to provide services, and reasonable expenses arising therefrom shall be borne by the Company.

The Audit Committee

The board of directors of a company shall establish an audit committee to exercise the official powers of the board of supervisors stipulated by the Company Law.

The audit committee shall be responsible for review of the company's financial information and disclosure thereof, supervision and evaluation of internal and external audit and internal control.

The following matters shall, upon consent by more than half of all the members of the audit committee, be tabled at a board meeting for deliberation:

(i) disclosure of financial information in financial accounting reports and periodic reports, internal control evaluation report;

(ii) appointment or dismissal of accounting firm which undertakes audit engagement of a **[REDACTED]** company;

(iii) appointment or dismissal of financial controller of a **[REDACTED]** company;

(iv) change in accounting policies or accounting estimates or correction of material accounting error for a reason other than change in accounting standards; and

(v) any other matters stipulated by laws, administrative regulations, the CSRC and the Articles of Association.

The Remuneration Committee

The Remuneration Committee is responsible for formulating assessment standards for and assessing the directors and senior management, developing and reviewing remuneration policies and schemes for them (including the remuneration determination mechanisms, decision-making processes, and payment and clawback arrangements), and making recommendations to the Board on matters such as the remuneration of Directors and Senior Management and the formulation of employee share incentive plans.

The Nomination Committee

The Nomination Committee is responsible for formulating the selection criteria and procedures for directors and senior management, identifying and reviewing candidates for such positions and their qualifications for office, and making recommendations to the Board on matters such as the nomination of directors and the appointment of senior management.

SECRETARY TO THE BOARD

The Company shall have a secretary to the Board, responsible for preparing shareholders' meetings and Board meetings of the Company, maintaining documents and managing shareholder information of the Company, handling the information disclosure matters, and managing **[REDACTED]** relationship.

FINANCIAL AND ACCOUNTING SYSTEM

The company lays down a financial and accounting system according to the laws, administrative regulations and provisions of relevant government departments. Apart from the legally prescribed accounting books, the company shall not establish another accounting book. The company's funds will not be deposited under any personal accounts.

When the company distributes its after-tax profits of the current year, it shall allocate 10% of the profits into the legal reserve fund. If the company's legal reserve fund exceeds 50% of the registered capital, no further allocation is required. If the legal reserve fund of the company is insufficient to compensate for the losses suffered in the previous year, then before making the allocation mentioned in the last paragraph, profits of the current year shall first be used to cover up the losses. After the company withdraws the legal reserve fund from the after-tax profits, if resolved by the shareholders' meeting, it may also withdraw an optional reserve fund from the after-tax profits.

After the company makes up losses and withdraws reserve funds, the balance of after-tax profits shall be distributed according to the proportion of shares held by shareholders, unless the Articles of Association provide that the distribution is not made as per the proportion of shareholding.

If the shareholders' meeting violates the Company Law by distributing profits to shareholders, the shareholders shall return the distributed profits to the company. If losses are caused to the company, the shareholders and the responsible directors and senior executives shall be liable for compensation.

Shares of the company held by the company do not participate in profit distribution.

DISSOLUTION AND LIQUIDATION OF THE COMPANY

In any of the following circumstances, the Company shall be dissolved:

(i) the term of business provided in the Articles of Association is expired or other reasons for dissolution as specified in the Articles of Association occur;

(ii) a resolution on dissolution is passed at a shareholders' meeting;

(iii) dissolution is required due to a merger or division of the Company;

(iv) the Company's business license is revoked or the Company is ordered to close down or be dissolved in accordance with the laws;

(v) Where the Company gets into serious trouble in operation and management and its continuation may cause substantial loss to shareholders' interests, and no solution can be found through any other channel, shareholders representing 10% or above of the total voting rights of the Company may request the People's Court to dissolve the Company.

Where the Company is dissolved as a result of the provisions set out in items (i), (ii), (iv) and (v) of the above paragraph, a liquidation committee shall be established within 15 days after the occurrence of such event of dissolution to commence the liquidation process. The liquidation committee shall be comprised of the directors or the personnel appointed at the shareholders' meeting. In the event that the liquidation committee has not been duly formed to conduct the liquidation process, the creditors may apply to the People's Court to order the relevant personnel to establish the liquidation committee to conduct the liquidation process.

The liquidation committee shall notify creditors within 10 days from the date of its establishment and publish announcements in newspapers or the National Enterprise Credit Information Publicity System within 60 days from the date of its establishment. The creditors may declare their claims to the liquidation committee within 30 days from the date it receives the above notice or within 45 days from the date of announcement if no such notice is received. When declaring the claims, the creditors shall specify the relevant matters about the claims and provide corresponding evidence. The liquidation committee shall register such claims. During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.

After sorting out the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation committee 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 payment of liquidation expenses, staff wages, social insurance expenses and statutory compensation, payment of outstanding taxes, and payment of the Company's debts shall be distributed to shareholders in proportion to the shares held by the shareholders.

During the liquidation period, the Company shall continue to exist, but shall not carry out business activities irrelevant to the liquidation. The assets of the Company shall not be distributed to any shareholder before full payments have been made out of the assets according to the above.

If, after sorting out the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation committee discovers that the Company's assets are insufficient to repay the Company's debts in full, the liquidation committee shall apply to the People's Court for declaration of bankruptcy. After the Company is declared bankrupt by a ruling from the People's Court, the liquidation committee shall hand over the liquidation matters to the People's Court.

Following the completion of the liquidation, the liquidation committee shall prepare a liquidation report, then submitted to the shareholders' meeting or the People's Court for confirmation, and shall be submitted to the company's registration authority for application for cancelling the registration of the Company and a public announcement shall be made for the termination of the Company.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under any of the following circumstances:

(i) after the Company Law or relevant laws and administrative regulations are amended, the provisions of the Articles of Association conflict with the provisions of the amended laws and administrative regulations;

(ii) there has been a change to the Company, resulting in inconsistency with the contents in the Articles of Association;

(iii) the shareholders' meeting decides to amend the Articles of Association.

FURTHER INFORMATION ABOUT OUR GROUP

Establishment of Our Company

Our Company was established in the PRC as a limited liability company on July 4, 2016. On November 26, 2025, it was converted into a joint stock company with limited liability under the PRC Company Law. Our registered office is located at Room 101–110, 1st Floor, Building 8, Jinsheng Industrial Park, No. 611 Dongguan Road, Binjiang District, Hangzhou, Zhejiang Province, PRC.

We have established a principal place of business in Hong Kong at 46/F, Hopewell Centre,183 Queen's Road East, Wan Chai, Hong Kong, and was registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on February 4, 2026 under the same address. Ms. HO Wing Nga (何詠雅) has been appointed as our authorized representative for the acceptance of service of process and notices on our behalf in Hong Kong. The address for service of process on the Company in Hong Kong is the same as its principal place of business in Hong Kong as set out above.

As we were established in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant aspects of laws and regulations of the PRC and the Articles of Association is set out in Appendices IV and V to this document, respectively.

Changes in the Share Capital of Our Company

Save as disclosed in "History, Development and Corporate Structure," there has been no change in the share capital of our Company within the two years immediately preceding the date of this document.

Changes in the Share Capital of Our Subsidiaries

For details of our subsidiaries, see "History, Development and Corporate Structure" and Note 1 to the Accountants' Report in Appendix I to this document.

Save for the increase in Iplusmobot Technology Co., Ltd.'s registered capital from JPY1,000,000 to JPY10,000,000 on October 9, 2024, the establishment of Quzhou Jiazhi on May 13, 2024 under the laws of PRC with a registered capital of RMB10,000,000, the establishment of IPLUSMOBOT TECHNOLOGY PTE. LTD. on February 19, 2025 under the laws of Singapore with a registered capital of US$100,000, the establishment of IPLUSMOBOT TECHNOLOGY INC. on May 7, 2025 under the laws of U.S. with 1,000 issued shares, and the establishment of Taizhou Jizhi Robot Co., Ltd. (台州璣智機器人有限公司) on January 23, 2026 under the laws of PRC with a registered capital of RMB3,000,000, there have been no changes in the share capital of any of our subsidiaries within the two years immediately preceding the date of this document.

Resolutions of Our Shareholders

At the Shareholders' general meeting held on January 10, 2026, among other things, the following resolutions were passed by the Shareholders:

(i) the issuance by our Company of H Shares with a nominal value of RMB1.00 each and such H Shares being **[REDACTED]** on the Stock Exchange;

(ii) the number of H Shares to be issued shall not be more than **[REDACTED]** H Shares, representing approximately **[REDACTED]**% of the total issued share capital of our Company upon completion of the **[REDACTED]** and before any exercise of the **[REDACTED]**, and the grant of the **[REDACTED]** in respect of no more than **[REDACTED]**% of the number of H Shares initially available under the **[REDACTED]**;

(iii) subject to the CSRC's approval, upon completion of the **[REDACTED]**, **[REDACTED]** Domestic Shares in aggregate held by [32] Shareholders will be converted into H Shares on a one-for-one basis;

(iv) the granting of a general mandate to the Board to separately or concurrently allot, issue and deal with additional Shares, and the number of such Shares shall not exceed 20.0% of the Shares in issue as of the **[REDACTED]**;

(v) subject to the completion of the **[REDACTED]**, the granting of a general mandate to the Board to repurchase H Shares issued on the Stock Exchange with an aggregate number of not exceeding 10.0% of the number of the total H Shares in issue immediately following the completion of the **[REDACTED]** (without taking into account any H Shares that may be issued upon the exercise of the **[REDACTED]**) and the conversion of Domestic Shares into H Shares;

(vi) subject to the completion of the **[REDACTED]**, the conditional adoption of the Articles of Association which shall become effective on the **[REDACTED]**, and authorization to our Board to amend the Articles of Association to the extent necessary in accordance with laws, regulations and regulatory rules and requirements from relevant government bodies or regulatory authorities and for the purpose of the **[REDACTED]**; and

(vii) authorization of our Board or its authorized individual(s) to handle all matters relating to, among other things, the **[REDACTED]**, the issue and the **[REDACTED]** of H Shares on the Stock Exchange.

FURTHER INFORMATION ABOUT OUR BUSINESS

Summary of 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:

(a) the **[REDACTED]**.

Intellectual Property Rights

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be material to our business:

No.	Trademark	Registration Number	Registered Owner	Place of Registration	Class	Expiry Date
1.	迦智	22731288	the Company	PRC	9	February 20, 2028
2.	迦智	32819306	the Company	PRC	7	June 13, 2029
3.	iEDS	23475394	the Company	PRC	39	March 20, 2028
4.	IPLUSMOBOT	32823047	the Company	PRC	7	June 13, 2029
5.	IPLUSMOBOT	32829395	the Company	PRC	9	June 13, 2029
6.	IPLUSMOBOT	32808184	the Company	PRC	12	June 13, 2029
7.		34478875	the Company	PRC	7	March 6, 2030
8.	迦智科技 IPLUS MOBOT	40773477	the Company	PRC	9	April 6, 2031
9.	迦智科技 IPLUS MOBOT	40773473	the Company	PRC	7	February 13, 2031
10.	迦智科技	43314912	the Company	PRC	12	January 27, 2031
11.	迦智科技 IPLUS MOBOT	64994385	the Company	PRC	12	November 6, 2033

No.	Trademark	Registration Number	Registered Owner	Place of Registration	Class	Expiry Date
12.	IPLUS MOBOT	63410280	the Company	PRC	7	October 6, 2032
13.	IPLUS MOBOT	63409991	the Company	PRC	9	September 20, 2032
14.	IPLUS MOBOT	63410004	the Company	PRC	12	August 13, 2033
15.	IPLUSMOBOT	1638584	the Company	Russia Vietnam Australia the European Union the United Kingdom India Japan South Korea Indonesia	7, 9, 12, 35, 39, 42 (Russia, Vietnam, the Europe Union, the United Kingdom, Japan, South Korea, Indonesia); 7, 9, 35, 39, 42 (Australia); 7, 12, 39 (India)	August 31, 2031
16.	IPLUS MOBOT	1666719	the Company	Russia Australia the European Union the United Kingdom India Japan South Korea the United States Indonesia Mexico the Philippines Singapore	7, 9, 12 (Russia, the European Union, the United Kingdom, Japan, South Korea, the United States, Indonesia, Mexico, the Philippines, Singapore); 7, 9 (Australia); 7,12 (India)	April 7, 2032
17.	迦智科技 IPLUSMOBOT	307040790	the Company	Hong Kong	7, 9, 12, 35, 39, 42	September 24, 2035

Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be material to our business:

No.	Patent Name	Application Number	Applicant	Place of Registration	Application Date
1	Docking device	CN2018103043153	the Company	PRC	March 28, 2018
2	AGV lifting device	CN2018103097223	the Company	PRC	April 9, 2018
3	Driving steering unit and chassis for guided transport vehicle	CN2018105571407	the Company	PRC	June 1, 2018
4	Moving body, working deviation compensation method and control device thereof	CN202010172594X	the Company	PRC	March 12, 2020
5	Servo control method, processor, storage medium and movable platform	CN2020104926743	the Company	PRC	June 3, 2020
6	Positioning consistency method, apparatus and storage medium for at least two positioning objects	CN2020112430010	the Company	PRC	November 10, 2020
7	Laser-based depth camera external parameter calibration method, device and storage medium thereof	CN2020114210392	the Company	PRC	December 8, 2020
8	Movable platform capable of changing bearing area	CN2020115509518	the Company	PRC	December 24, 2020
9	Synchronous calibration method for external parameters of double steering wheel zero position and acquisition device and movable platform	CN2020115666769	the Company	PRC	December 25, 2020

No.	Patent Name	Application Number	Applicant	Place of Registration	Application Date
10	Positioning method, positioning device and movable platform based on reference object	CN2021112320284	the Company	PRC	October 22, 2021
11	Material loading and unloading device of cantilever shaft type mobile robot and loading and unloading method	CN202111301011X	the Company	PRC	November 4, 2021
12	Docking correction method, docking correction device, docking device and computer equipment	CN2022100989174	the Company	PRC	January 27, 2022
13	Method, apparatus and electronic apparatus for identifying pallet height	CN2023111006710	the Company	PRC	August 29, 2023

Software Copyright

As of the Latest Practicable Date, we had registered the following software copyright which we consider to be material to our business:

No.	Copyright Name	Registered Number	Owner	Place of Registration	Registration Date
1.	Robot Task Management Software V1.0	2018SR604313	the Company	PRC	August 1, 2018
2.	Robot Scheduling Simulator Software V1.0	2018SR607345	the Company	PRC	August 1, 2018
3.	Autonomous Mobile Robot Control Software System V1.0	2019SR0323819	the Company	PRC	April 11, 2019
4.	Mobile Robot Teaching Software V2.2	2019SR0428838	the Company	PRC	May 6, 2019
5.	Smart Warehouse Mobile Robot Scheduling System V2.0	2019SR0289361	the Company	PRC	March 28, 2019

No.	Copyright Name	Registered Number	Owner	Place of Registration	Registration Date
6.	IPLUSMOBOT AGV Hardware Driver Management Software 1.0.0	2020SR0204332	the Company	PRC	March 3, 2020
7.	Robot Scheduling and Management System V1.0	2022SR0444939	the Company	PRC	April 8, 2022
8.	Mobile Robot Material Control System V1.1.0	2022SR0741233	the Company	PRC	June 13, 2022
9.	Warehouse Logistics Management System V1.1	2022SR0842520	the Company	PRC	June 24, 2022
10.	IPLUSMOBOT Robot Cluster Scheduling & O&M System V1.0	2024SR0116976	the Company	PRC	January 17, 2024
11.	IPLUSMOBOT Mobile Robot Safety Strategy System V1.0	2024SR0109237	the Company	PRC	January 16, 2024

Domain Names

As of the Latest Practicable Date, we had registered the following internet domain names which we consider to be material to our business:

No.	Domain Name	Registered Owner	Expiry Date
1.	iplusmobot.com	the Company	December 9, 2027
2.	iplusmobot.cn	the Company	December 9, 2027

FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Particulars of Directors' Service Contracts

We [have] entered into a service contract with each of our Directors in respect of, among others, (i) term of service, (ii) termination, and (iii) dispute resolution mechanism. The service contracts may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations from time to time.

Save as disclosed above, none of our Directors has or is proposed to have a service contract with any member of our Group.

Remuneration of Directors

Save as disclosed in "Directors and Senior Management" in this document and Note 9 to the Accountants' Report in Appendix I to this document, none of our Directors received other remuneration or benefits in kind from our Company in respect of the years ended December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026.

Disclosure of Interests

Disclosure of Interests of Directors and Chief Executive of the Company

Save as disclosed below, immediately following the completion of the **[REDACTED]** (assuming no exercise of the **[REDACTED]**), so far as our Directors are aware, none of our Directors or chief executive of our Company will have any interest and/or short position (as applicable) in the Shares, underlying Shares or debentures of our Company or our associated corporation (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 interests or short positions which they are 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 and the Stock Exchange, once the H Shares are **[REDACTED]** on the Stock Exchange.

Name	Position	Nature of Interest	Number and Description of Shares[1]	Approximate Percentage of Shareholding in the Relevant Type of Shares[2]	Approximate Percentage of Shareholding in the Total Share Capital of the Company[2]
Dr. Xiong	Chairperson of the Board, executive Director	Beneficial owner	**[REDACTED]** H Shares	**[REDACTED]**%	**[REDACTED]**%
		Interest in controlled corporation[3]	**[REDACTED]** H Shares	**[REDACTED]**%	**[REDACTED]**%
Mr. Chen Shouxian	Executive Director, chief executive officer and chief operating officer of the Company	Interest in controlled corporation[4]	**[REDACTED]** H Shares	**[REDACTED]**%	**[REDACTED]**%

Notes:

(1) All interests stated are long positions.

(2) The calculation is based on the total number of **[REDACTED]** H Shares in issue upon **[REDACTED]** comprising (i) an aggregate of **[REDACTED]** H Shares to be converted from the Domestic Shares and (ii) **[REDACTED]** H Shares to be issued pursuant to the **[REDACTED]** (without taking into account the H Shares which may be issued upon the exercise of the **[REDACTED]**).

(3) As of the Latest Practicable Date, Dr. Xiong was the general partner of Ningbo Jiachuang and Hangzhou Jiarui. As a result, Dr. Xiong is deemed to be interested in the 12,414,671 Shares held by Ningbo Jiachuang and Hangzhou Jiarui under the SFO.

(4) As the Latest Practicable Date, Mr. Chen Shouxian was the general partner of Ningbo Jiabo. As a result, Mr. Chen Shouxian is deemed to be interested in the 2,218,840 Shares held by Ningbo Jiabo under the SFO.

Disclosure of Interests of Substantial Shareholders

Save as disclosed in "Substantial Shareholders," immediately following the completion of the **[REDACTED]** (assuming no exercise of the **[REDACTED]**), our Directors are not aware of any other person (not being a Director or chief executive of our Company) who will have interest and/or short position (as applicable) in the Shares or the underlying Shares which would fall to be disclosed to us and the Stock Exchange 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.

Agency Fees or [REDACTED] Received

The **[REDACTED]** will receive an **[REDACTED]** in connection with the **[REDACTED]**. See "**[REDACTED]**" for details. Save in connection with the **[REDACTED]**, no **[REDACTED]**, discounts, agency fee, brokerages or other special terms have been paid or is payable by the Group to any person (including the Directors, promotors and experts referred to in the paragraph headed "– Other Information – Qualifications of Experts" below) in connection with the issue or sale of any capital or security of any member of our Group within the two years immediately preceding the date of this document.

Disclaimers

(i) Save as disclosed in "History, Development and Corporate Structure," none of our Directors nor any of the experts referred to under the paragraph headed "– Other Information – Qualifications of Experts" below 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.

(ii) Save in connection with the **[REDACTED]**, 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.

(iii) Save in connection with the **[REDACTED]**, none of the experts referred to under the paragraph headed "– Other Information – Qualifications of Experts" below is interested legally or beneficially in any shares in any member of the Group, or has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group.

(iv) None of our Directors is a director or employee of a company that has an interest in the share capital of our Company which, once the H Shares are **[REDACTED]** on the Stock Exchange, would have to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO.

(v) None of our Directors or their respective close associates (as defined under the Listing Rules) or our Shareholders who are interested in more than 5% of the issued share capital of our Company has any interest in the five largest customers or the five largest suppliers of our Group during the Track Record Period.

OTHER INFORMATION

Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

Litigation

As of the Latest Practicable Date, no member of our Group was involved in any litigation, arbitration, administrative proceedings or claims of material importance, and so far as we are aware, no litigation, arbitration, administrative proceedings or claims of material importance are pending or threatened against any member of our Group.

Sole Sponsor

The Sole Sponsor satisfies the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules. An aggregate fee of US$0.5 million is payable by our Company to the Sole Sponsor to act as the sponsor to our Company in connection with the **[REDACTED]**.

Preliminary Expense

Our Company did not incur any material preliminary expense.

Promoters

The promoters of the Company are all then 25 shareholders of the Company as of November 26, 2025 before our conversion into a joint stock company with limited liability. Within the two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the **[REDACTED]** or the related transactions described in this document.

Qualifications of Experts

The qualifications of the experts who have given opinions or advice in this document are as follows:

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor
Grandall Law Firm (Hangzhou)	PRC Legal Advisor
Hogan Lovells Cadwalader International LLP (formerly Hogan Lovells International LLP)	International Sanctions Legal Adviser
China Insights Industry Consultancy Limited	Independent industry consultant

Consents of Experts

Each of the experts referred to in the paragraph headed "– Qualifications of Experts" above [has given and has not withdrawn] its written consent to the issue of this document with the inclusion of its reports, letters or opinions (as the case may be) and the references to its name included herein in the form and context in which they are included.

As of the Latest Practicable Date, none of the experts named above had any shareholding interest in our Company or our subsidiary or rights (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty. The current rate charged on each of the seller and purchaser is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred. See "Taxation and Foreign Exchange – Taxation in Hong Kong" in Appendix III to this document.

No Material Adverse Change

Our Directors confirm that, there has been no material adverse change in our business, financial condition and results of operations since June 30, 2026, being the latest balance sheet date of our consolidated financial statements as set out in the Accountants' Report in Appendix I to this document.

Binding Effect

This document shall have the effect, if any application is made pursuant hereto, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance as far as applicable.

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 Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

Miscellaneous

(i) Save as disclosed in "History, Development and Corporate Structure" and "– Changes in the Share Capital of our Subsidiaries" in this section above, within the two years immediately preceding the date of this document, no share or loan capital or debenture of our Company or our subsidiary has been issued or agreed to be issued or is proposed to be issued for cash or as fully or partially paid other than in cash or otherwise;

(ii) No share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option.

(iii) There are no founder, management or deferred shares, convertible debt securities nor any debentures in our Company or any of our subsidiaries.

(iv) Our Company has no outstanding convertible debt securities or debentures.

(v) There have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months.

(vi) There are no arrangements under which future dividends are waived or agreed to be waived.

(vii) All necessary arrangements have been made to enable our H Shares to be admitted into **[REDACTED]** for clearing and settlement.

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. the written consents referred to in "Appendix VI – Statutory and General Information – Other Information – Consents of Experts"; and

2. a copy of the material contract referred to in "Appendix VI – Statutory and General Information – Further Information about our Business – Summary of Material Contract".

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at **www.hkexnews.hk** and our website at [**www.iplusmobot.com**] during a period of 14 days from the date of this document:

1. the Articles of Association;

2. the Accountants' Report prepared by Ernst & Young, the text of which is set out in "Appendix I";

3. the audited consolidated financial statements of the Company for the three financial years ended December 31, 2023, 2024 and 2025, and the six months ended June 30, 2026;

4. the report prepared by Ernst & Young on the unaudited **[REDACTED]** financial information of the Group, the text of which is set out in "Appendix II";

5. the material contract referred to in "Appendix VI – Statutory and General Information – Further Information about Our Business – Summary of Material Contract;"

6. the written consents referred to in "Appendix VI – Statutory and General Information – Other Information – Consents of Experts";

7. the service contracts referred to in "Appendix VI – Statutory and General Information – Further Information about the Directors and Substantial Shareholders – Particulars of Directors' Service Contracts";

8. the PRC legal opinion issued by Grandall Law Firm (Hangzhou), the PRC Legal Advisor, in respect of, among other things, the general corporate matters and property interests of the Group under PRC law;

9. the legal memorandum issued by Hogan Lovells Cadwalader International LLP (formerly Hogan Lovells International LLP), our International Sanctions Legal Adviser;

10. the industry report issued by China Insights Industry Consultancy Limited, the summary of which is set forth in the section headed "Industry Overview"; and

11. the PRC Company Law, the PRC Securities Law, the Trial Measures and Guidelines for Articles of Association of Listed Companies issued by the CSRC, together with their unofficial English translations.