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## **UBTECH ROBOTICS CORP LTD**

### **深圳市優必選科技股份有限公司**

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

**(Stock Code: 9880)**

## **CHANGE IN THE USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING OF H SHARES**

References are made to (i) the prospectus dated December 19, 2023 (the “**Prospectus**”) of UBTECH ROBOTICS CORP LTD (the “**Company**”, together with its subsidiaries, the “**Group**”) in relation to the global offering (the “**Global Offering**”); (ii) the announcement on the final offer price and allotment results of the Company dated December 28, 2023; and (iii) the announcement of the Company in relation to the partial exercise of the over-allotment option dated January 22, 2024 (the “**Announcement**”). Unless the context otherwise requires, the terms used in this announcement shall have the same meanings as those defined in the Prospectus.

### **USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING OF H SHARES**

On December 29, 2023, the H Shares of the Company were listed on the main board of the Hong Kong Stock Exchange. A total of 11,574,150 H Shares with a nominal value of RMB1.00 each were issued under the Global Offering (including the issuance of H Share upon the partial exercise of the over-allotment option). The offer price is HK\$90.00 per H Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and the Stock Exchange trading fee of 0.00565%). The gross proceeds from the Global Offering (including the additional gross proceeds from the partial exercise of over-allotment option amounted to approximately HK\$26.29 million) were approximately HK\$1,041.67 million, and after deduction of underwriting fees and other related expenses, the aggregate net proceeds amounted to approximately HK\$931.21 million (the “**Proceeds from the Initial Public Offering of H Shares**”).

As of April 30, 2024, the Company had utilised approximately HK\$155.78 million of the Proceeds from the Initial Public Offering of H Shares in total in accordance with the intended use set out in the Prospectus, with the unused portion of the proceeds amounting to approximately HK\$775.43 million. Details are set out below:

<b>Intended Use of Proceeds</b> <i>(Note 1)</i>	<b>Proportion</b> <i>(%) (HK\$'million)</i>	<b>Total</b> <b>Amount</b> <i>(HK\$'million)</i>	<b>Used Amount</b> <b>as of</b> <b>April 30,</b> <b>2024</b> <i>(HK\$'million)</i>	<b>Unused</b> <b>Amount as</b> <b>of April 30,</b> <b>2024</b> <i>(HK\$'million)</i>
1 Further advance our R&D capabilities to enhance our core technologies and products and services offerings	45.7	425.76	30.96	394.80
2 Repayment of bank loans	18.9	175.74	34.14	141.60
3 Enhance our R&D infrastructure to improve our R&D capabilities and efficiencies	7.7	71.56	1.40	70.16
4 Enhance brand awareness and market penetration	9.2	86.06	7.67	78.39
5 Further optimize our management and operational efficiency	6.0	56.16	0	56.16
6 General working capital <i>(Note 2)</i>	12.5	115.93	81.61	34.32
<b>Total <i>(Note 3)</i></b>	<b>100.0</b>	<b>931.21</b>	<b>155.78</b>	<b>775.43</b>

*Notes:*

1. The Proceeds from the Initial Public Offering of H Shares would be used by the Company and its subsidiaries.
2. As disclosed in the Announcement, the additional net proceeds from issue of Over-Allotment Shares (amounted to approximately HK\$25.34 million) was changed to be used for working capital and other general corporate purposes. As of April 30, 2024, such additional net proceeds from issue of Over-Allotment Shares has not yet been utilized.
3. Any discrepancies in the above table between total and sum of amounts listed therein are due to rounding.

## CHANGE IN THE USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING OF H SHARES

The Board resolved to make the following adjustment to certain intended use of the Proceeds from the Initial Public Offering of H Shares (the “**Change in the Use of Proceeds from the Initial Public Offering of H Shares**”) to improve the efficiency of the use of raised funds, reduce financial costs, and accelerate the integration of various business resources:

Intended Use of Proceeds (Note 1)	Total Amount before Change (HK\$ million)	Unused amount as of April 30, 2024 (HK\$ million)	Amount to be Adjusted (Note 2) (HK\$ million)	Particulars of Adjustment	Total Amount after Change (HK\$ million)	Unused Amount after Change (HK\$ million)	Expected Timeline of Use of Unused Amount
1 Further advance our R&D capabilities to enhance our core technologies and products and services offerings	425.76	394.80	-	-	425.76	394.80	To be used according to the original plan
2 Repayment of bank loans	175.74	141.60	+87.69	See items 4 and 5	263.43	229.29	To be used according to the original plan
3 Enhance our R&D infrastructure to improve our R&D capabilities and efficiencies	71.56	70.16	-	-	71.56	70.16	To be used according to the original plan
4 Enhance brand awareness and market penetration	86.06	78.39	-63.06	1) HK\$31.53 million is adjusted to be used for general working capital; 2) HK\$31.53 million is adjusted to be used for repayment of bank loans	23.00	15.33	By December 31, 2024
5 Further optimize our management and operational efficiency	56.16	56.16	-56.16	HK\$56.16 million is adjusted to be used for repayment of bank loans	0	0	Plan to utilize self-raised funds instead in accordance with the original plan, which will start in 2025
6 General working capital	115.93	34.32	+31.53	See item 4	147.46	65.85	To be used according to the original plan
<b>Total (Note 3)</b>	<b>931.21</b>	<b>775.43</b>	<b>N/A</b>	<b>N/A</b>	<b>931.21</b>	<b>775.43</b>	<b>N/A</b>

### Notes:

- The Proceeds from the Initial Public Offering of H Shares would be used by the Company and its subsidiaries.
- Save for the changes set out in the table above and as disclosed in the Announcement, there is no other change in the intended use of the Proceeds from the Initial Public Offering of H Shares.
- Any discrepancies in the above table between total and sum of amounts listed therein are due to rounding.

## **REASONS AND BENEFITS OF THE CHANGE IN THE USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING OF H SHARES**

### **(1) Changes in “enhance brand awareness and market penetration”**

The Company intends to reallocate HK\$31.53 million under “enhance brand awareness and market penetration” to “general working capital” and HK\$31.53 million to “repayment of bank loans”, mainly due to the recent unprecedented wave of revolution in the development of artificial intelligence and humanoid robots globally, and on December 29, 2023, as the first humanoid robotics company in the PRC listed on the Stock Exchange, the Company has gained sufficient attention in the humanoid robotics market. Therefore, there is no immediate need for the Company to primarily apply its proceeds on the promotion of brand awareness and market penetration. Such proceeds will be used for repayment of bank loans to improve the fund utilization efficiency, reduce finance costs and increase net profit margin.

### **(2) Changes in “further optimize our management and operational efficiency”**

The Company intends to reallocate HK\$56.16 million under “further optimize our management and operational efficiency” to “repayment of bank loans”, mainly because the implementation of this item, being the purchase of a series of enterprise internal management systems, will begin in 2025 and up to the end of 2026, and the proceeds under this item would not be utilized for the time being. Therefore, for the purpose of improving the fund utilization efficiency, reducing finance costs and increasing net profit margin, such proceeds will be used for repayment of bank loans. Instead, the Company will use self-raised funds to satisfy the requirement of capital expenditure under the “further optimize our management and operational efficiency” item in the coming future.

## **IMPACT OF THE CHANGE IN THE USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING OF H SHARES ON THE COMPANY**

The Board, based on the principle of prudence, after careful consideration and detailed evaluation of the current progress of execution of the future plans and business strategy of the Group, resolved to change the use of the Proceeds from the Initial Public Offering of H Shares. Such Change in the Use of Proceeds from the Initial Public Offering of H Shares shall render the Group lowering the amount of bank loans, utilizing less financing facilities from financial institution(s) for daily business operations, and therefore incurring less interest expenses from bank loans and financing facilities. The Board believes the aforesaid change is fair and reasonable as this would allow the Company to deploy its financial resources more efficiently and incur less interest expenses, which is in the interest of the Group and the Shareholders as a whole.

The Board confirms that there is no material change in the business nature of the Group as set out in the Prospectus, and considers that the Change in the Use of Proceeds from the Initial Public Offering of H Shares will not have any material adverse impact on the operations of the Group and is in the best interests of the Company and its Shareholders as a whole.

In case of any shortfall between the intended capital expenditure for the execution of future plans of the Group and the Proceeds from the Initial Public Offering of H Shares, the Company intends to utilize the cash resources and financing facilities from financial institution(s) available to the Group to address such shortfall.

As to the progress of the use of Proceeds from the Initial Public Offering of H Shares, the Company will provide updates to the Shareholders through disclosures in its annual report and interim report. The Company will make further announcement(s) in accordance with the requirements under the relevant Listing Rules and other applicable laws as and when appropriate. The Board will continuously monitor the use of Proceeds from the Initial Public Offering of H Shares and may revise or amend the plan for such use where necessary while in compliance with the relevant Listing Rules and other applicable laws to cope with market conditions and strive for better business performance of the Group.

By order of the Board  
**UBTECH ROBOTICS CORP LTD**  
**Jian ZHOU**

*Chairman, Executive Director and Chief Executive Officer*

Shenzhen, May 15, 2024

*As at the date of this announcement, the Board comprises (i) Mr. Zhou Jian, Mr. Xiong Youjun, Ms. Wang Lin and Mr. Liu Ming as executive directors; (ii) Mr. Xia Zuoquan, Mr. Zhou Zhifeng and Mr. Chen Qiang as non-executive directors; and (iii) Mr. Zhao Jie, Mr. Xiong Chuxiong, Mr. Poon Fuk Chuen and Mr. Leung Wai Man, Roger as independent non-executive directors.*