

DEFINITIONS

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

“Accountants’ Report”	the accountants’ report of our Company, the text of which is set out in Appendix I to this document
“affiliate”	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
“Anhui AUX”	Anhui AUX Intelligent Electric Co., Ltd. (安徽奧克斯智能電氣有限公司), a limited liability company established under the laws of the PRC on November 2, 2017, and a wholly-owned subsidiary of our Company
“Ao Tai”	Ao Tai Limited, a private limited company incorporated in Hong Kong and wholly owned by Mr. ZHENG Jianjiang as of the Latest Practicable Date
“Articles” or “Articles of Association”	the articles of association of our Company conditionally adopted by a special resolution passed on [●] with effect from the [REDACTED], and as amended from time to time, a summary of which is set out in “Summary of the Constitution of our Company and Cayman Islands Company Law” in Appendix IV to this document
“Audit Committee”	the audit committee of our Board
“AUX Air Conditioner”	AUX Air Conditioner Co., Ltd. (奧克斯空調股份有限公司), a joint-stock company with limited liability established under the laws of the PRC on December 8, 2016, and a wholly-owned subsidiary of our Company
“AUX Group”	AUX Group Co., Ltd. (奧克斯集團有限公司), a limited liability company established under the laws of the PRC on June 23, 2001 and owned by Ningbo Yuanxing and Ningbo Yuanhe as to 65% and 35%, respectively, as of the Latest Practicable Date

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“AUX Holdings”	AUX Holdings Group Co., Ltd. (奧克斯控股集團有限公司), an exempted company with limited liability incorporated in the Cayman Islands on August 9, 2011, a wholly-owned subsidiary of China Prosper and one of our Controlling Shareholders
“AUX Home Appliances”	Ningbo AUX Home Appliances Sales Co., Ltd. (寧波奧克斯家電銷售有限公司), a limited liability company established under the laws of the PRC on February 28, 2012 and a wholly-owned subsidiary of our Company
“AUX Import & Export”	Ningbo AUX Import and Export Co., Ltd. (寧波奧克斯進出口有限公司), a limited liability company incorporated under the laws of the PRC on November 10, 1997, and a wholly-owned subsidiary of our Company
“AUX Information”	Ningbo AUX Information Technology Co., Ltd. (寧波奧克斯信息技術有限公司), a limited liability company established under the laws of the PRC on May 14, 2015, and a wholly-owned subsidiary of our Company
“Board,” “Board of Directors” or “our Board”	the board of Directors of our Company
“business day” or “Business Day”	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
“BVI”	the British Virgin Islands

[REDACTED]

“Cayman Companies Act” or “Companies Act”	the Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented, or otherwise modified from time to time
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DEFINITIONS

“China,” “mainland China” or “PRC”	the People’s Republic of China excluding, unless the context requires otherwise, for the purposes of this document only, the regions of Hong Kong, Macau and Taiwan of the People’s Republic of China
“China Bloom”	China Bloom Industrial Co., Ltd., a business company with limited liability incorporated in the BVI on March 22, 2004, and a wholly-owned subsidiary of our Company
“China Prosper”	China Prosper Enterprise Holding Co., Ltd., a business company with limited liability incorporated in the BVI on March 22, 2004, owned as to 85%, 10% and 5% by Ze Hui, Ze Hong, and Ze Long, respectively, as of the Latest Practicable Date, and one of our Controlling Shareholders
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company,” “our Company,” or “the Company”	Aux Electric Co., Ltd. (奧克斯电气有限公司), an exempted company with limited liability incorporated in the Cayman Islands on October 23, 2024
“Compliance Advisor”	Somerley Capital Limited
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. ZHENG Jianjiang, Ze Hui, China Prosper and AUX Holdings, details of which are set out in the section headed “Relationship with Our Controlling Shareholders”
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of our Company

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“EIT”	the enterprise income tax
“EIT Law”	PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》)
“ESG”	environmental, social and governance
“Extreme Conditions”	extreme conditions as announced by the government of Hong Kong in the case where a super typhoon or other natural disaster of a substantial scale with serious extreme and widespread impact, such as large-scale power outage, extensive flooding, major landslides and serious obstruction of public transport services

[REDACTED]

“Frost & Sullivan”	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a global market research and consulting company, and an Independent Third Party
“F&S Report”	the report prepared by Frost & Sullivan
“FVTPL”	fair value through profit or loss

[REDACTED]

“Group,” “our Group,” “the Group,” “we,” “us,” or “our”	our Company and its subsidiaries from time to time, and where the context requires, the businesses operated by our Company and/or its subsidiaries and their predecessors (if any)
“Guide for New Listing Applicants”	the Guide for New Listing Applicants issued by the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“HeCe”	HeCe Co., Ltd., a company incorporated in the BVI with limited liability on October 22, 2024, and a wholly-owned subsidiary of Ningbo HeCe
“HeChang”	HeChang Co., Ltd., a company incorporated in the BVI with limited liability on October 22, 2024, and a wholly-owned subsidiary of Ningbo HeChang

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“HeTu”	Hetu Co., Ltd., a company incorporated in the BVI with limited liability on October 22, 2024, and a wholly-owned subsidiary of Ningbo HeTu
“HeYao”	Heyao Co., Ltd., a company incorporated in the BVI with limited liability on October 22, 2024, and a wholly-owned subsidiary of Ningbo HeYao
“HK” or “Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HKFRS”	Hong Kong Financial Reporting Standards, which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and interpretations issued by the Hong Kong Institute of Certified Public Accountants

[REDACTED]

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[REDACTED]

“Hong Kong dollars” or “HK\$” Hong Kong dollars, the lawful currency of Hong Kong

[REDACTED]

“Huajie Trade” Ningbo Huajie Trade Co. Ltd. (寧波驊頤貿易有限公司), a limited liability company established under the laws of the PRC on June 23, 2017, and a wholly-owned subsidiary of our Company

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“Independent Third Party(ies)” any entity or person, who, to the best of our Directors’ knowledge, information and belief, having made all reasonable enquiries, is not a connected person of our Company within the meaning ascribed to it under the Listing Rules

[REDACTED]

“Jiahuikai” Anhui Jiahuikai Intelligent Technology Co., Ltd. (安徽嘉匯凱智能科技股份有限公司), a joint-stock company with limited liability established under the laws of the PRC on August 27, 2018, and owned as to 90% by Mr. CHEN Guanghui (陳光輝), a cousin of Mr. ZHENG Jianjiang and Mr. ZHENG Jiang as of the Latest Practicable Date

“Jiahuikai Components Procurement Framework Agreement” the components procurement framework agreement entered into between our Company (for itself and on behalf of its subsidiaries) and Jiahuikai on [●], pursuant to which we agreed to procure certain structural components for manufacturing air conditioners from Jiahuikai

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“JLL” Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent property valuer

[REDACTED]

“KOL(s)” key opinion leader(s)

“Latest Practicable Date” July 9, 2025, being the latest practicable date for ascertaining certain information in this document before its publication

[REDACTED]

“Listing Committee” the listing committee of the Stock Exchange

[REDACTED]

“Listing Rules” the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

“Longzhicheng” Jiangxi Longzhicheng Industry Co., Ltd. (江西省龍之丞實業有限公司), a company established in the PRC with limited liability on September 19, 2010 and owned as to 60% by Mr. LU Anjun (陸安君), a nephew of Mr. HE Xiwan, and 40% by Ms. ZHANG Yafen (張亞芬), the spouse of Mr. LU Anjun, respectively as of the Latest Practicable Date

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“Longzhicheng Components Procurement Framework Agreement”	the components procurement framework agreement entered into between our Company (for itself and on behalf of its subsidiaries) and Longzhicheng on [●], pursuant to which we agreed to procure certain structural components for manufacturing air conditioners from Longzhicheng
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“Memorandum” or “Memorandum of Association”	the memorandum of association of our Company conditionally adopted by a special resolution passed on [●] with effect from the [REDACTED], and as amended from time to time, a summary of which is set out in “Summary of the Constitution of our Company and Cayman Islands Company law” in Appendix IV to this document
“Ministry of Finance” or “MOF”	Ministry of Finance of the PRC (中華人民共和國財政部)
“MOFCOM”	Ministry of Commerce of the PRC (中華人民共和國商務部)
“Mr. ZHENG Jiang”	Mr. ZHENG Jiang (鄭江), a non-executive Director
“Mr. ZHENG Jianjiang”	Mr. ZHENG Jianjiang (鄭堅江), the founder of our Company, the chairman of our Board, an executive Director and one of our Controlling Shareholders
“Nanchang AUX”	Nanchang AUX Electric Manufacturing Co Ltd. (南昌市奧克斯電氣製造有限公司), a limited liability company established under the laws of the PRC on October 17, 2003, and a wholly-owned subsidiary of our Company as of the Latest Practicable Date
“NDRC”	National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
“NEEQ”	the National Equities Exchange and Quotation (全國中小企業股份轉讓系統), a PRC over-the-counter system for trading shares for unlisted public company

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“Ningbo Aosheng”	Ningbo Aosheng Trading Co., Ltd. (寧波奧勝貿易有限公司) (previously known as Ningbo AUX Air Conditioner Co., Ltd. (寧波奧克斯空調有限公司)), a limited liability company established under the laws of the PRC on September 18, 1993 and a wholly-owned subsidiary of AUX Group as of the Latest Practicable Date
“Ningbo Aoyunshang”	Ningbo Aoyunshang Commercial Trading Co., Ltd. (寧波奧雲商商貿有限公司), a limited liability company established under the laws of the PRC on September 7, 2018, and a wholly-owned subsidiary of our Company as of the Latest Practicable Date
“Ningbo AUX Electric”	Ningbo AUX Electric Co., Ltd. (寧波奧克斯電氣有限公司), a limited liability company established under the laws of the PRC on June 24, 2003, and a wholly-owned subsidiary of our Company as of the Latest Practicable Date
“Ningbo Fenghe”	Ningbo AUX Fenghe Investment Co., Ltd. (寧波奧克斯豐和投資有限公司), a limited liability company established under the laws of the PRC on May 16, 2003, a wholly-owned subsidiary of Ningbo Sanxing prior to the completion of the Pre-[REDACTED] Reorganization and a wholly-owned subsidiary of AUX Group as of the Latest Practicable Date
“Ningbo Gaochuang”	Ningbo Gaochuang Commercial Management Partnership Enterprise (Limited Partnership) (寧波高創商業管理合夥企業(有限合夥)) (previously known as Ningbo Gaochuang Equity Investment Management Partnership (Limited Partnership) (寧波高創股權投資管理合夥企業(有限合夥))), a limited partnership established under the laws of the PRC on October 8, 2015, and one of the Pre-reorganization Shareholding Platforms
“Ningbo Gaohui”	Ningbo Gaohui Commercial Management Partnership Enterprise (Limited Partnership) (寧波高匯商業管理合夥企業(有限合夥)) (previously known as Ningbo Gaohui Equity Investment Management Partnership (Limited Partnership) (寧波高匯股權投資管理合夥企業(有限合夥))), a limited partnership established under the laws of the PRC on October 8, 2015, and one of the Pre-reorganization Shareholding Platforms

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“Ningbo HeCe”	Ningbo HeCe Enterprise Management Partnership (Limited Partnership) (寧波合策企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on September 24, 2024, indirectly holding 23,910,750 Shares through HeCe, its wholly-owned BVI incorporated investment holding company
“Ningbo HeChang”	Ningbo HeChang Enterprise Management Partnership (Limited Partnership) (寧波合暢企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on September 24, 2024, indirectly holding 9,258,250 Shares through HeChang, its wholly-owned BVI incorporated investment holding company
“Ningbo HeTu”	Ningbo HeTu Enterprise Management Partnership (Limited Partnership) (寧波合途企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on September 24, 2024, indirectly holding 11,020,750 Shares through HeTu, its wholly-owned BVI incorporated investment holding company
“Ningbo HeYao”	Ningbo HeYao Enterprise Management Partnership (Limited Partnership) (寧波合耀企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on September 24, 2024, indirectly holding 4,889,000 Shares through HeYao, its wholly-owned BVI incorporated investment holding company
“Ningbo Hutssom”	Ningbo Hutssom Electric Co., Ltd. (寧波華蒜電氣有限公司), a limited liability company established under the laws of the PRC on August 17, 2018, and a wholly-owned subsidiary of our Company as of the Latest Practicable Date
“Ningbo Sanxing”	Ningbo Sanxing Technology Co., Ltd. (寧波三星科技有限公司), a limited liability company established under the laws of the PRC on May 13, 1999, and a wholly-owned subsidiary of our Company as of the Latest Practicable Date
“Ningbo Yuanhe”	Ningbo Yuanhe Electric Appliance Technology Co., Ltd. (寧波元和電器科技有限公司), a limited liability company established under the laws of the PRC on June 17, 1999 and owned by Mr. ZHENG Jianjiang, Mr. ZHENG Jiang and Mr. HE Xiwan as to 85%, 10% and 5%, respectively, as of the Latest Practicable Date

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“Ningbo Yuanxing”	Ningbo Yuanxing Industrial Investment Co., Ltd. (寧波元興實業投資有限公司), a limited liability company established under the laws of the PRC on May 18, 2000 and owned by Mr. ZHENG Jianjiang, Mr. ZHENG Jiang and Mr. HE Xiwan as to 85%, 10% and 5%, respectively, as of the Latest Practicable Date
“Ningbo Zhongmei”	Ningbo Zhongmei Commercial Management Partnership Enterprise (Limited Partnership) (寧波眾美商業管理合夥企業(有限合夥)) (previously known as Ningbo Zhongmei Equity Investment Management Partnership (Limited Partnership) (寧波眾美股權投資管理合夥企業(有限合夥))), a limited partnership established under the laws of the PRC on November 9, 2015, and one of the Pre-reorganization Shareholding Platforms
“Ningbo Zhongrui”	Ningbo Zhongrui Enterprise Management Partnership Enterprise (Limited Partnership) (寧波眾瑞企業管理合夥企業(有限合夥)) (previously known as Ningbo Zhongrui Equity Investment Management Partnership (Limited Partnership) (寧波眾瑞股權投資管理合夥企業(有限合夥))), a limited partnership established under the laws of the PRC November 9, 2015, and one of the Pre-reorganization Shareholding Platforms
“Nomination Committee”	the nomination committee of our Board

[REDACTED]

“Offshore Shareholding Platforms”	Ningbo HeCe, Ningbo HeTu, Ningbo HeChang and Ningbo HeYao
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DEFINITIONS

[REDACTED]

“PRC Legal Advisors”	Jingtian & Gongcheng, PRC legal advisors to our Company
“Pre-[REDACTED] Reorganization”	the corporate reorganization of our Group in preparation for the [REDACTED], particulars of which are set out in the section headed “History, Reorganization and Corporate Structure” in this document
“Pre-reorganization Shareholding Platforms”	Ningbo Gaohui, Ningbo Gaochuang, Ningbo Zhongrui and Ningbo Zhongmei

[REDACTED]

“document”	this document being issued in connection with the [REDACTED]
“QIB(s)”	qualified institutional buyer(s) within the meaning of Rule 144A
“Regulation S”	Regulation S under the U.S. Securities Act
“Remuneration Committee”	the remuneration committee of our Board
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)

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“Sanxing Medical”	Ningbo Sanxing Medical Electric Co., Ltd. (寧波三星醫療電氣股份有限公司), a joint-stock company with limited liability established under the laws of the PRC on February 1, 2007, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601567)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO” or “Securities and Futures Ordinance”	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 our Company with a nominal value of US\$0.000005 each
“Shareholder(s)”	holder(s) of our Share(s)
“Shuyi Property”	Shuyi Property Service Co., Ltd. (曙一物業服務有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of AUX International Holdings Limited, the shares of which are listed on the Stock Exchange (stock code: 2080)
“Sole Sponsor” or “[REDACTED]”	China International Capital Corporation Hong Kong Securities Limited
“SPV”	special purpose vehicle
“STA”	the State Taxation Administration (國家稅務總局)
	[REDACTED]
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in section 15 of the Companies Ordinance
“Takeovers Code”	Code on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time

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“Track Record Period”	the three years ended December 31, 2022, 2023 and 2024 and the three months ended March 31, 2025
“Transfer Pricing Advisor”	Ernst & Young (China) Advisory Limited, our advisor as to transfer pricing assessment
“Treasury Share(s)”	the Share(s) repurchased and held by our Company in treasury, if any
“U.S. dollars,” “US\$” or “USD”	United States dollars, the lawful currency of the United States
“U.S.” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
“UAE”	United Arab Emirates

[REDACTED]

“VAT”	value-added tax
“Wenbang”	Ningbo Wenbang Electronics Co., Ltd. (寧波文邦電子有限公司), a company established in the PRC with limited liability on January 11, 2013 and owned as to 40% by Mr. CHEN Yinjun (陳寅君), a cousin of Mr. ZHENG Jianjiang and Mr. ZHENG Jiang, and 60% by Ms. MA Bibo (馬碧波), the spouse of Mr. CHEN Yinjun, respectively as of the Latest Practicable Date
“Wenbang Components Procurement Framework Agreement”	the components procurement framework agreement entered into between our Company (for itself and on behalf of its subsidiaries) and Wenbang on [●], pursuant to which we agreed to procure certain structural components for manufacturing air conditioners from Wenbang
“Xtron Thailand”	Xtron Air-conditioning Manufacture (Thailand) Co., Ltd., a limited liability company established in Thailand on September 24, 2018, and a wholly-owned subsidiary of our Company

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“Ze Hong”	Ze Hong Limited, a business company with limited liability incorporated in the BVI on July 11, 2011, which is wholly owned by Mr. ZHENG Jiang
“Ze Hui”	Ze Hui Limited, one of our Controlling Shareholders, is a business company with limited liability incorporated in the BVI on July 11, 2011, which is wholly owned by Mr. ZHENG Jianjiang
“Ze Kai”	Ze Kai Limited, a limited company incorporated in Hong Kong on August 5, 2011, a wholly owned subsidiary of our Company
“Ze Long”	Ze Long Limited, a business company with limited liability incorporated in the BVI on July 11, 2011, which is wholly owned by Mr. HE Xiwan (何錫萬)
“Zhuhai Tuoxin”	Zhuhai Tuoxin Technology Co., Ltd. (珠海拓芯科技有限公司), a limited liability company established under the laws of the PRC on June 29, 2016, and a wholly-owned subsidiary of our Company
“%”	per cent

In this document, the terms “associate,” “close associate,” “connected person,” “core connected person,” “connected transaction,” “controlling shareholder,” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.