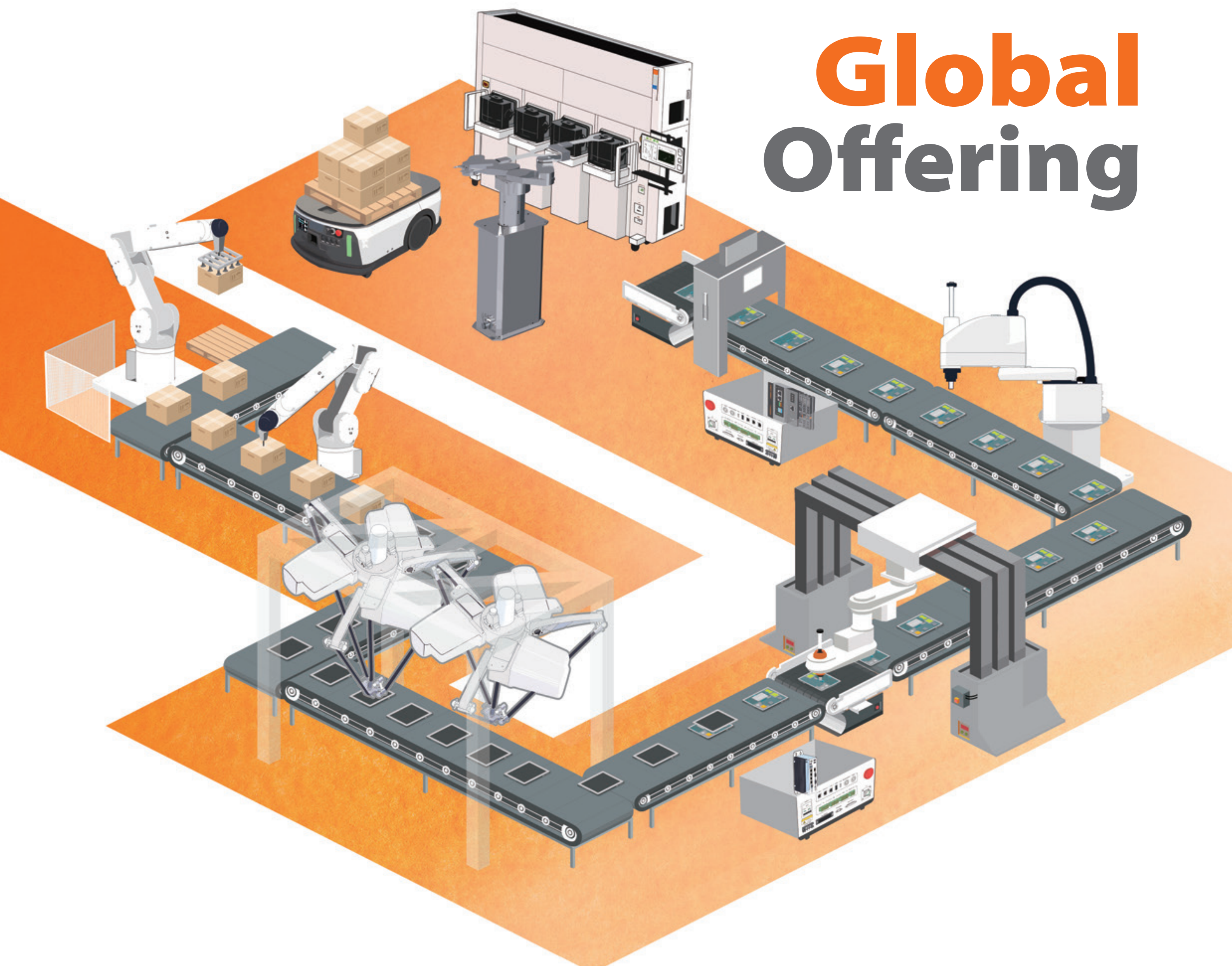
ROBOT PHOENIX
翼 菲 科 技

ROBOTPHOENIX INTELLIGENT TECHNOLOGY CO., LTD.
浙江翼菲智能科技股份有限公司

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

Stock Code : 6871

Global Offering



Sole Sponsor, Sponsor-OC, Overall Coordinator, Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager

ABCI 農銀國際

Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers
(in alphabetical order)

CITIC SECURITIES

中国平安 平安证券(香港)
PING AN SECURITIES (HONG KONG)

IMPORTANT: If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.

翼 菲 科 技

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浙江翼菲智能科技股份有限公司

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GLOBAL OFFERING

Total number of Offer Shares under the Global Offering	:	**24,600,000 H Shares**
Number of Hong Kong Offer Shares	:	**1,230,000 H Shares (subject to reallocation)**
Number of International Offer Shares	:	**23,370,000 H Shares (subject to reallocation)**
Offer Price	:	**HK$30.50 per H Share, plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application and subject to refund on final pricing)**
Nominal value	:	**RMB0.25 per H Share**
Stock code	:	**6871**

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ABCI 農銀國際

Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers
(in alphabetical order)

CITIC SECURITIES

中国平安 平安证券(香港) PING AN SECURITIES (HONG KONG)

Joint Bookrunners and Joint Lead Managers
(in alphabetical order)

兴证国际 INDUSTRIAL SECURITIES INTERNATIONAL　民銀資本 CMBC CAPITAL HOLDINGS LIMITED　英皇證券有限公司 Emperor Securities Limited　華福國際 HUAFU INTERNATIONAL　申萬宏源香港 SWHYHK　浦銀國際 SPDBI

Joint Lead Managers
(in alphabetical order)

富途證券 FUTU Securities International　利弗莫尔证券 LIVERMORE HOLDINGS LIMITED　老虎證券 TIGER BROKERS

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix VII to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any of the other documents referred to above.

The Offer Price will be HK$30.50 per Offer Share. The Sponsor-OC (for itself and on behalf of the Hong Kong Underwriters), may, with the consent of our Company, reduce the number of Offer Shares and/or the Offer Price below that stated in this prospectus at any time on or prior to the morning of the last date for lodging applications under the Hong Kong Public Offering. In such a situation, our Company will, as soon as practicable following the decision to make such reduction and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, post a notice on the website of the Stock Exchange (www.hkexnews.hk) and the website of our Company (www.robotphoenix.com) (the contents of the website do not form a part of this prospectus). Our Company will also, as soon as practicable following the decision to make such change, issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus. For further information, see "Structure and Conditions of the Global Offering" and "How to Apply for Hong Kong Offer Shares".

Pursuant to the termination provisions contained in the Hong Kong Underwriting Agreement in respect of the Hong Kong Offer Shares, the Sponsor-OC on behalf of the Hong Kong Underwriters, have the right in certain circumstances, in their absolute discretion, to terminate the obligation of the Hong Kong Underwriters pursuant to the Hong Kong Underwriting Agreement at any time prior to 8:00 a.m. on the Listing Date. Further details of the terms of the termination provisions are set out in the section headed "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination." It is important that you refer to that section for further details.

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

Our Company is a Specialist Technology Company (as defined in Chapter 18C of the Listing Rules). The securities of Specialist Technology Companies carry high investment risks including risks of share price volatility and inflated valuation due to the difficulty in valuing such companies. Investors should fully understand the investment risks of a Specialist Technology Company and the risks disclosed by our Company before making their investment decisions.

ATTENTION

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk and our website at www.robotphoenix.com.

If you require a printed copy of this prospectus, you may download and print from the website addresses above.

May 8, 2026

**IMPORTANT NOTICE TO INVESTORS:
FULLY ELECTRONIC APPLICATION PROCESS**

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "*HKEXnews > New Listings > New Listing Information*" section, and our website at www.robotphoenix.com. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service . .	www.hkeipo.hk	Investors who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	You may submit your application from 9:00 a.m. on Friday, May 8, 2026 until 11:30 a.m. on Wednesday, May 13, 2026 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Wednesday, May 13, 2026 (Hong Kong time).
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit electronic application instructions on your behalf through HKSCC's FINI system in accordance with your instruction	Investors who would not like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	You are advised to contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of this prospectus are identical to the printed prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an **intermediary**, **broker** or **agent**, please remind your customers, clients or principals, as applicable, that this prospectus is available online at the website addresses above.

Please refer to the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application through the **HK eIPO White Form** service or the HKSCC EIPO channel must be made for a minimum of 100 Hong Kong Offer Shares and in multiples of that number of Hong Kong Offer Shares as set out in the table below. No application for any other number of Hong Kong Offer Shares will be considered and such an application is liable to be rejected.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of H Shares you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer Shares.

If you are applying through the HKSCC EIPO channel, you are required to pre-fund your application based on the amount specified by your broker or custodian, as determined based on the applicable laws and regulations in Hong Kong.

No. of Hong Kong Offer Shares applied for	Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
100	3,080.75	2,000	61,615.19	10,000	308,075.93	300,000	9,242,277.76
200	6,161.51	2,500	77,018.98	20,000	616,151.86	400,000	12,323,037.00
300	9,242.28	3,000	92,422.78	30,000	924,227.78	500,000	15,403,796.26
400	12,323.04	3,500	107,826.57	40,000	1,232,303.70	615,000(1)	18,946,669.39
500	15,403.79	4,000	123,230.36	50,000	1,540,379.63		
600	18,484.55	4,500	138,634.17	60,000	1,848,455.56		
700	21,565.32	5,000	154,037.97	70,000	2,156,531.48		
800	24,646.08	6,000	184,845.55	80,000	2,464,607.40		
900	27,726.83	7,000	215,653.14	90,000	2,772,683.33		
1,000	30,807.59	8,000	246,460.75	100,000	3,080,759.26		
1,500	46,211.39	9,000	277,268.33	200,000	6,161,518.50		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

*If there is any change in the following expected timetable of the Hong Kong Public Offering, we will issue an announcement in Hong Kong to be published on the websites of the Stock Exchange at **www.hkexnews.hk** and our website at **www.robotphoenix.com**.*

	Time and date[(1)]
Hong Kong Public Offering commences	9:00 a.m. on Friday, May 8, 2026
Latest time to complete electronic applications under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**[(2)]	11:30 a.m. on Wednesday, May 13, 2026
Application lists open[(3)]	11:45 a.m. on Wednesday, May 13, 2026
Latest time to (a) give **electronic application instructions** to HKSCC and (b) complete payment of **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s)[(4)]	12:00 noon on Wednesday, May 13, 2026

If you are instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** via FINI to apply for the Hong Kong Offer Shares on your behalf, you are advised to contact your broker or custodian for the latest time for giving such instructions which may be different from the latest time as stated above.

Application lists of the Hong Kong Public Offering close	12:00 noon on Wednesday, May 13, 2026

Announcement of:

- an indication of the level of interest in the International Offering;
- the level of applications in the Hong Kong Public Offering; and
- the basis of allocation of the Hong Kong Offer Shares

to be published and on the websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.robotphoenix.com** at or before[(5)(9)]	11:00 p.m. on Friday, May 15, 2026

The results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels, including:

• in the website of the Stock Exchange at **www.hkexnews.hk** and the Company's website at **www.robotphoenix.com** respectively[(7)]	no later than 11:00 p.m. on Friday, May 15, 2026

- from the "**Allotment Results**" page on the designated results of allocations website **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function on a 24-hour basis[7] . . . . from 11:00 p.m. on Friday, May 15, 2026 to 12:00 midnight on Thursday, May 21, 2026

- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. . . . . from Monday, May 18, 2026 to Thursday, May 21, 2026 (excluding Saturday, Sunday and public holidays in Hong Kong)

For those applying through HKSCC EIPO channel, you may also check with your broker or custodian from . . . . 6:00 p.m. on Thursday, May 14, 2026

Dispatch of H Share certificates or deposit of the H Share certificates into CCASS in respect of wholly or partially successful applications pursuant to the Hong Kong Public Offering on or before[5] . . . . Friday, May 15, 2026

Dispatch of **HK eIPO White Form** e-Auto Refund payment instructions/refund cheques (if applicable) on or before[8][10] . . . . Monday, May 18, 2026

Dealings in H Shares on the Main Board of the Stock Exchange to commence at . . . . 9:00 a.m. on Monday, May 18, 2026

(1) All times and dates refer to Hong Kong local time and date, except as otherwise stated. Details of the structure of the Global Offering, including its conditions, are set out in "Structure and Conditions of the Global Offering" in this prospectus. If there is any change in the above expected timetable, we will issue a separate announcement in Hong Kong to be published on our website at **www.robotphoenix.com** and the website of the Stock Exchange at **www.hkexnews.hk**.

(2) You will not be permitted to submit your application under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is a tropical cyclone warning signal number 8 or above, a "black" rainstorm warning signal and/or Extreme Conditions in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Wednesday, May 13, 2026, the application lists will not open or close on that day. See "How to Apply for Hong Kong Offer Shares — E. Bad Weather Arrangements."

(4) Applicants who apply for the Hong Kong Offer Shares by giving electronic application instructions to HKSCC should refer to "How to Apply for Hong Kong Offer Shares — 2. Application Channels."

(5) The H Share certificates are expected to be issued on Friday, May 15, 2026 but will only become valid evidence of title provided that the Global Offering has become unconditional in all respects and neither of the Underwriting Agreements has been terminated in accordance with its terms, which is scheduled to be at around 8:00 a.m. on Monday, May 18, 2026. Investors who trade H Shares on the basis of publicly available allocation details before the receipt of H Share certificates and before they become valid evidence of title do so entirely of their own risk.

(6) The announcement will be available for viewing on the Stock Exchange's website **www.hkexnews.hk** and our Company's website at **www.robotphoenix.com**.

(7) None of the websites or any of the information contained on the websites forms part of this prospectus.

(8) Applicants being individuals who are eligible for personal collection must not authorize any other person to make collection on their behalf. If you are a corporate applicant which is eligible for personal collection, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the H

Share Registrar. Applicants who have applied for Hong Kong Offer Shares through the HKSCC EIPO channel should refer to the paragraph headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" in this prospectus for details.

(9) Applicants who apply through the **HK eIPO White Form** service by paying the application monies through a single bank account, may have **HK eIPO White Form** e-Auto Refund payment instructions (if any) dispatched to their application payment bank account. Applicants who apply through the **HK eIPO White Form** service by paying the application monies through multiple bank accounts, may have refund cheques in favor of the applicant (or, in the case of joint applications, the first-named applicant) sent to the address specified in their application instructions by ordinary post and at their own risk.

(10) **HK eIPO White Form** e-Auto Refund payment instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications and in respect of wholly or partially successful applications if the Offer Price is less than the price per Offer Share payable on application.

The H Share certificates will only become valid evidence of title provided that the Global Offering has become unconditional in all respects and neither of the Hong Kong Underwriting Agreement nor the International Underwriting Agreement is terminated in accordance with its respective terms prior to 8:00 a.m. on the Listing Date. The Listing Date is expected to be on or about Monday, May 18, 2026. Investors who trade the H Shares on the basis of publicly available allocation details prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.

The above expected timetable is a summary only. Potential investors should read carefully "Underwriting", "Structure and Conditions of the Global Offering" and "How to Apply for Hong Kong Offer Shares" for details relating to the structure and conditions of the Global Offering, procedures on the applications for Hong Kong Offer Shares and the expected timetable, including conditions, effect of bad weather and the dispatch of refund cheques and H Share certificates.

IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

This prospectus is issued by our Company solely in connection with the Hong Kong Public Offering and the Hong Kong Offer Shares and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares. This prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this Prospectus for purposes of a public offering and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under applicable securities laws of such jurisdictions pursuant to registration with, or authorization by, the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this prospectus to make your investment decision. Our Company has not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus must not be relied on by you as having been authorized by our Company, the Sole Sponsor, the Sponsor-OC, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, any of the Underwriters, any of our or their respective directors, officers, representatives, or affiliates, or any other person or party involved in the Global Offering. Information contained in our website, located at ***www.robotphoenix.com****, does not form part of this prospectus.*

CONTENTS

This summary aims to give you an overview of the information contained in this prospectus. As it is a summary, it does not contain all the information that may be important to you. You should read the whole prospectus before you decide to invest in the Offer Shares. In particular, we are a specialist technology company seeking to list 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 investing in companies such as ours. In addition, we have incurred net losses since our inception, and we may incur net losses for the foreseeable future. We had net cash used in operating activities during the Track Record Period. We did not declare or pay any dividends during the Track Record Period and may not pay any dividends in the foreseeable future. Your investment decision should be made in light of these considerations.

There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully in full before you decide to invest in the Offer Shares.

OVERVIEW

We are an industrial robotics[(1)] company in China, specializing in the design, development, manufacturing and commercialization of industrial robots[(2)] and the offering of integrated robotics solutions[(3)], dedicated to the application scenarios in the light industry. Leveraging our proprietary robot bodies[(4)], control and vision systems, and manufacturing process, we have established an all-inclusive technology ecosystem to achieve at scale intelligent decision-making, environmental perception, precise manipulation, and autonomous mobility.

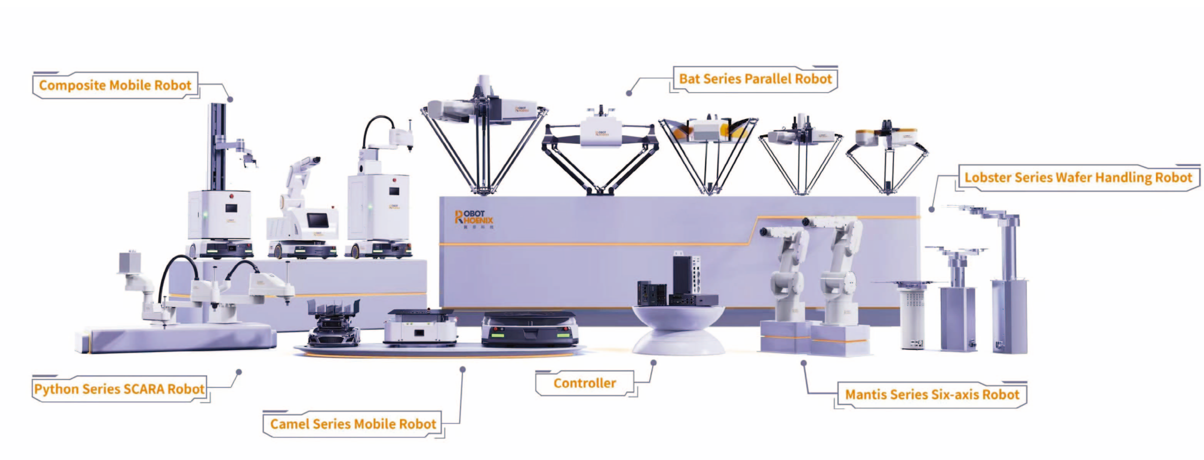
We are the fourth largest domestic company, in terms of revenue in 2025, offering industrial robots and related robotics solutions in China dedicated to the application scenarios in the light industry, according to the F&S Report. We are also among a select few robotics companies in China with a coverage of industrial robots and related robotics solutions at scale, according to the same source, empowering enterprise customers in various industry sectors to enhance productivity level, optimize production costs, and improve product quality, ultimately driving their intelligent transformation.

We curate a portfolio of industrial robots purpose-built for the application scenarios in the light industry in particular in China, spanning parallel robots (*Bat series*), AGV/AMR mobile robots (*Camel series*), SCARA robots (*Python series*), wafer handling robots (*Lobster series*), and six-axis industrial robots (*Mantis series*), powered by our proprietary core technologies in control and vision systems (*Gorilla* and *Kingkong series*). Building upon our robotic portfolio, we also offer integrated robotics solutions based in intelligent automation systems to address the specific application scenarios in smart manufacturing. We launch these solutions with various degrees of customization to support a wide range of automation functions, including among others, loading and unloading, sorting, picking and placing, packing, vision detection, assembly and gluing systems. Throughout the Track Record Period, our business has been substantially driven by large-scale, integrated robotics solutions we offered, which have consistently accounted for the majority of our revenue. Our key projects during the Track Record Period are primarily robotics solutions sold directly to direct sales customers, with a strong focus on automation for warehouse logistics and loading and unloading applications, alongside packaging and assembly. The value of these projects is significant, and as of December 31, 2025, we

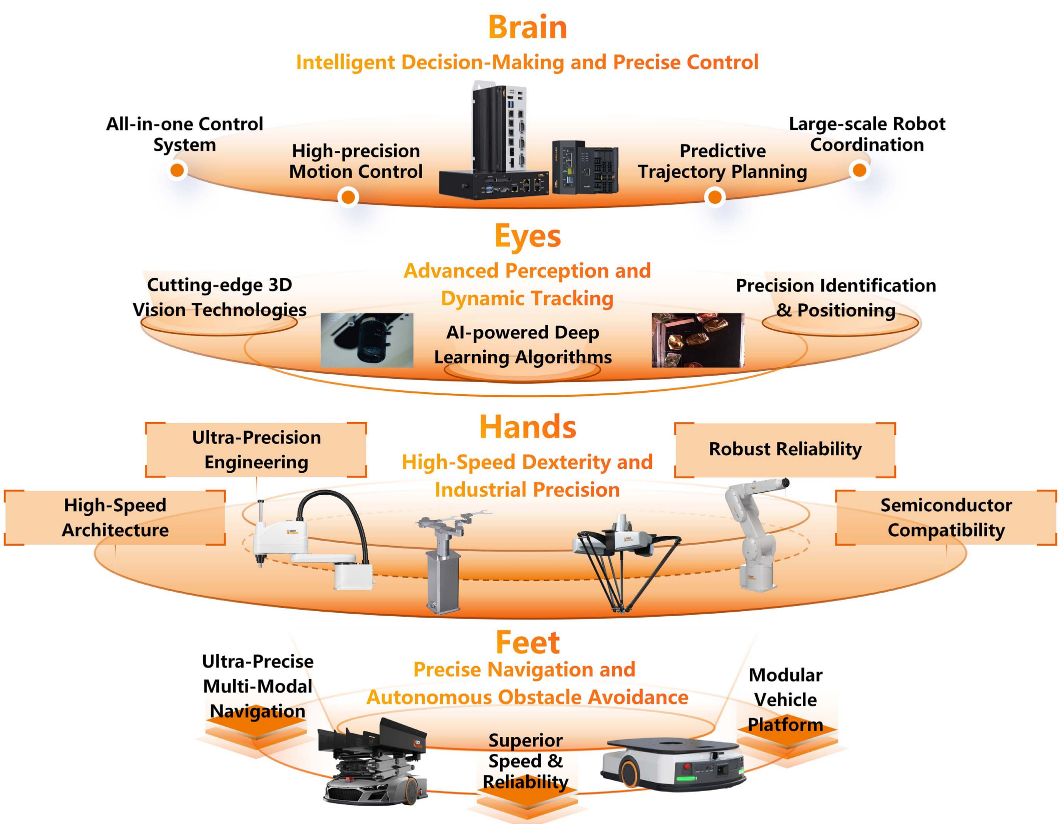
(1) "Industrial robotics" refers to, collectively, industrial robots and a robotics solutions that integrate one or more industrial robots.
(2) The industrial robots we offer include parallel, mobile and articulated robots. See "Industry Overview" for details.
(3) "Integrated robotics solutions" refers to automation solutions that integrate one or more industrial robots.
(4) "Robot bodies" refers to, and is used interchangeably with, industrial robots. See "Glossary of Technical Terms" for details.

maintained a robust pipeline of future revenue from projects scheduled for completion in 2026. The specific robots utilized within our robotics solutions involve Bat Series, Camel series, Python series, Mantis series and vision systems.

All of our industrial robots and related robotics solutions are designated Specialist Technology Products as defined under Chapter 18C of the Listing Rules. Our Directors are of the view that our industrial robots and related robotics solutions fall within an acceptable sector of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules on the following basis, as advised by Frost & Sullivan: (1) our industrial robots of various series and Gorilla and Kingkong series controllers, designed for application scenarios in various industry sectors, are programmable products, and thus fall within the definition of robot technology, and (2) our integrated robotics solutions involve the application and integration of robots, computer software and vision detection system for the improved performance of tasks and automation processes.



We boast a robotic architecture that centers around four foundational pillars unique to the essential functionalities of a skillful human worker, from "Brain," "Eyes," "Hands" to "Feet," commanding intelligent decision-making, environmental perception, precise manipulation, and autonomous mobility. The "Brain" is embodied in our all-in-one control system, which enables intelligent decision-making to achieve high-speed, high-precision motion and real-time, multi-robot coordination. The "Eyes" represent our advanced vision system, which combines 3D imaging and deep-learning algorithms, mission-critical for high-accuracy dynamic tracking. The "Hands" combine advanced modeling technology with precision manufacturing to deliver consistent performance and industrial-grade reliability. The "Feet" consist of our mobile platform of proprietary hardware and scheduling software to support autonomous navigation and dynamic obstacle avoidance. Together, these capabilities form a cohesive, scalable technology substrate for our offerings.



OUR OFFERINGS

We specialize in the design, development, manufacturing and commercialization of industrial robots. Our industrial robots include Bat series (parallel robots), Camel series (mobile robots), Python series (SCARA robots), Mantis series (six-axis robots), Lobster series (wafer handling robots), Gorilla series (universal controllers), and Kingkong series (dedicated controllers). Building upon our industrial robots, we also offer integrated robotics solutions based in intelligent automation systems to address specific use cases. We launch these solutions with various degrees of customization to support a wide range of automation functions, including among others, loading and unloading, sorting, picking and placing, packing, assembly, and gluing systems. Our industrial robots and related robotics solutions have reached a broad and growing global customer base across various industry sectors, including among others, consumer electronics, automotive components and new energy, healthcare, FMCG and semiconductor.

The following table sets forth a breakdown of our revenue by product offerings for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Robot bodies	25,673	12.8	55,724	20.8	123,615	31.9
Parallel robots	*9,398*	*4.7*	*19,904*	*7.4*	*54,205*	*14.0*
Mobile robots	*3,760*	*1.9*	*10,342*	*3.9*	*40,273*	*10.4*
Articulated robots[(1)]	*7,239*	*3.6*	*15,625*	*5.8*	*21,294*	*5.5*
Controllers and vision systems	*940*	*0.5*	*1,043*	*0.4*	*1,933*	*0.5*
Others[(2)]	*4,336*	*2.1*	*8,810*	*3.3*	*5,910*	*1.5*
Robotics solutions	175,497	87.2	212,285	79.2	263,744	68.1
Total	**201,170**	**100.0**	**268,009**	**100.0**	**387,359**	**100.0**

(1) Primarily include SCARA robots, six-axis robots and wafer handling robots.
(2) Primarily include accessories for robot bodies and related after-sale service.

Industrial Robots

We have categorized our industrial robots into various series in terms of structure and functionality. Our *Bat series* parallel robots are developed based on a Delta structure, featuring two to four degrees of freedom. We have launched five generations with over 20 standard models, featuring modular designs and a proprietary control system. This allows for various customization to meet almost all application needs in various sectors within the application scenarios in the light industry. Our *Camel series* AGV/AMR mobile robots achieve automated and efficient handling of goods by diving underneath shelves or pallets for lifting and transport. These robots offer full-category solutions from bins to pallets, with models ranging from 50 kg to 3,000 kg. Our *Python series* SCARA robots feature unique structure of three rotational joints and one vertical linear joint. The main parts of these robots are rigorously designed and validated, utilizing high-pressure casting. Our *Mantis series* six-axis robots feature a six-axis serial articulated architecture with a modular design. Its design facilitates maintenance, ensuring high reliability and providing a solid foundation for continuous operation. Our *Lobster series* wafer handling robots typically have four degrees of freedom, each driven by a servo motor or a direct-drive motor. The robot arms support configurations for both single-arm and dual-arm and can provide a variety of end-effectors. Our *Gorilla series* universal controllers are general-purpose motion controllers, which are compatible with mainstream industrial equipment protocols. They also provide an open API interface to facilitate various expansions for controlling common automation equipment. Our *Kingkong series* are dedicated controllers, supporting parallel robots, SCARA robots, and six-axis robots.

Robotics Solutions

Building upon our robotic portfolio, we offer integrated robotics solutions based in intelligent automation systems to address specific application scenarios, especially in the application scenarios in the light industry, including among others, consumer electronics, automotive components and new energy, healthcare, FMCG, and semiconductor sectors. We launch these solutions with various of customization to support a wide range of automation functions, including among others, loading and unloading, sorting, picking and placing, packing, assembly, and gluing systems.

OUR CORE TECHNOLOGIES

Leveraging our interdisciplinary R&D capabilities, we are dedicated to creating fully autonomous embodied intelligent robot technologies. We have established a core technology system that integrates the "Brain," "Eyes," "Hands," and "Feet." This system endows robots with robust intelligent decision-making, environmental perception, precise manipulation, and autonomous mobility, allowing them to seamlessly integrate into complex industrial environments.

Brain — Intelligent Decision-Making and Precise Control: The intelligent control system is the core brain of our industrial robots, responsible for precise motion planning, real-time decision-making, and multi-robot collaborative control. The system utilizes an "all-in-one" architecture, which dramatically reduces the system size and also the complexity of debugging and deployment. In terms of control performance, the system deploys precise control technology based on a complete dynamic model and integrates intelligent velocity predictive trajectory planning. This architecture also supports multiple robots collaborating on the same task as a coordinated team.

Eyes — Intelligent Perception and Dynamic Tracking: Our vision-control architecture leverages proprietary software with advanced 2D/3D vision and deep-learning algorithms. The system integrates 3D vision technologies and optimized deep learning networks, significantly enhancing the precision and stability of vision positioning.

Hands — High Speed Dexterity and Industrial Precision: Our mechanical design combines advanced modeling technology with precision manufacturing to deliver consistent performance and industrial-grade reliability. High-speed architecture enables enhanced speeds and acceleration, while ultra-precision engineering, supported by full-parameter calibration and low-backlash gearboxes, ensures outstanding positioning accuracy.

Feet — Precise Navigation and Autonomous Obstacle Avoidance: Our mobile robot system delivers high-precision navigation through proprietary architecture. The modular vehicle platform allows rapid customization and supports multiple models, from latent transport robots to forklift types, with international safety certifications.

OUR COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and differentiate us from our competitors: (1) major manufacturer in industrial robots and related robotics solutions, (2) robust in-house R&D capabilities and deep technology repository, (3) comprehensive and flexible robotic portfolio with scalability, (4) strong customer portfolio and extensive delivery-and-service network, and (5) experienced management team.

OUR GROWTH STRATEGIES

We intend to continue to growth our business through the following key strategies: (1) advancement of technology and continuous innovation, (2) strategic product portfolio expansion, (3) capacity enhancement and supply-chain optimization, (4) market expansion and brand building, and (5) international strategy and overseas footprints. The new types of robots and solutions with upgraded technology will strengthen our position in the industry and meet the diverse demands of our customers; the new intelligent production lines and production bases will expand our production scale and increase yield; and our international expansion strategy, including the Southeast Asian, European and Latin American markets, will enhance our market penetration. We expected that these growth strategies will increase our revenue and eventually achieve profitability and net operating cash inflow.

OUR RESEARCH AND DEVELOPMENT

We have established interdisciplinary R&D capabilities that draw upon a diverse range of fields, such as mechanics engineering, control systems, computer science, human-machine interaction, artificial intelligence, and sensor technologies. Our in-house R&D team strives to expand the available functionalities and use cases of our industrial robots and related robotics solutions, accommodating the specific needs of diverse sectors, especially in the application scenarios in the light industry. As of the Latest Practicable Date, we had a R&D team of 227 experts and engineers in the robotics industry, representing 36.0% of our total headcount. The average work experience of our R&D team is approximately nine years. During the Track Record Period, our research and development expenses were RMB33.1 million, RMB38.7 million and RMB70.8 million in 2023, 2024 and 2025, respectively, representing 16.5%, 14.4% and 18.3% of our revenue in the respective periods.

OUR INTELLECTUAL PROPERTY RIGHTS

We believe that our intellectual property rights are critical to our continued success. As of the Latest Practicable Date, we had 286 granted patents, including 39 invention patents, 231 utility model patents and 16 design patents, and filed 74 patent applications which were pending approval. As of the same date, we also held 99 software copyright. Our future commercial success depends, in part, on our ability to obtain and maintain patents and other intellectual property and proprietary protections for commercially important technologies, inventions and knowhow related to our business. It is also crucial for us to defend and enforce our patents, preserve the confidentiality of our trade secrets, and operate without infringing, misappropriating or otherwise violating the valid and enforceable intellectual property rights of third parties.

OUR SALES NETWORK

We have built up a broad and geographically diversified customer base in China and globally, spreading across 25 countries and regions as of the Latest Practicable Date. We sell our industrial robots and related robotics solutions through primarily direct sales, and to a much lesser extent, sell our industrial robots to distributors. Our sales team is equipped with knowledge of our products and solutions and is primarily responsible for frequently communicating with our customers and understanding their feedback on the quality, preferences, improvements and market demand of our products and solutions. As of December 31, 2023, 2024 and 2025, we had 158, 275 and 507 direct sales customers, respectively. Our direct sales customers mainly comprise customers in the application scenarios in the light industry, including among others, consumer electronics, automotive components and new energy, healthcare, FMCG, and semiconductor sectors. We also sell robot bodies to system integrators, which incorporate our robots into their automation solutions dedicated to similar application scenarios.

We selectively engage distributors to market our industrial robots. We leverage their experience and knowledge of the target markets as well as their existing sales network and resources. This approach allows us to expand our market reach over a wider geographical area and achieve deeper market penetration than if we relied solely on direct sales and marketing. Additionally, this strategy helps us avoid substantial sales and marketing costs, create synergy with our products and solutions, expand our industry presence, and enhance our brand recognition, thereby facilitating cross-selling among our products and solutions. As of December 31, 2023, 2024 and 2025, we engaged 12, 34 and 74 distributors, respectively.

OUR CUSTOMERS

We are a China-based company with overseas footprint. We have forged relationships with international companies across different industry sectors. To this end, we analyze customer dynamics and market trends in key sectors to seek more opportunities across industries, which allows us to enlarge the use cases of our offerings and our customer base. We have a broad and growing global customer base, which covers 29 provinces, autonomous regions and municipalities in China and 25 overseas countries and regions in Hong Kong, Europe, North America, Latin America, and Southeast Asia as of the Latest Practicable Date. Our offerings support both the global expansion by our domestic customers and the technological upgrades to smart manufacturing by our overseas customers. We are committed to continuously expanding our overseas business. In 2024 and 2025, our overseas revenue was RMB25.5 million and RMB38.0 million, accounting for approximately 9.5% and 9.8% of our revenue for the same periods, respectively.

In 2023, 2024 and 2025, our sales to the top five customers in each year during the Track Record Period in total was RMB122.0 million, RMB134.2 million and RMB181.3 million, accounting for 60.7%, 50.1% and 46.8% of the total revenue for the respective periods, respectively. Additionally, we are exposed to concentration with our single largest customer. Our sales to the single largest customer in each year during the Track Record Period was RMB81.0 million, RMB63.6 million and RMB76.4 million, accounting for 40.3%, 23.7% and 19.7% of the total revenue for the respective periods, respectively. According to the F&S Report, reliance on major customers is an industry norm. The likelihood of termination or deterioration of our relationship with the single largest customer is remote, and we also plan to effectively mitigate the adverse effects of concentration. See "Business — Our Customers — Major Customers."

OUR SUPPLIERS

Our suppliers primarily consist of providers of raw materials and components for the production of our industrial robots. We select leading suppliers in the relevant industry sectors in order to ensure the availability and quality of such raw materials, components and services. Our procurement process is under periodic review for higher efficiency and cost control purpose without jeopardizing the quality of deliverables. The purchase from our top five suppliers was RMB25.5 million, RMB35.9 million and RMB61.2 million in 2023, 2024 and 2025, accounting for 17.4%, 17.9% and 16.3% of the total purchases for the respective periods, respectively.

MARKET OPPORTUNITY AND COMPETITION

China's industrial robot market, in terms of revenue, grew from RMB37.9 billion in 2021 to RMB67.3 billion in 2025, at a CAGR of 15.4%. As downstream application scenarios and market demand continue to expand, the market is expected to reach RMB147.2 billion by 2030, at a CAGR of 17.2% from 2026 to 2030. China's light industrial robot market, in particular, is expanding rapidly, driven by automation upgrades and policy support for smart manufacturing. China's light industrial robot market grew from RMB14.3 billion in 2021 to RMB24.6 billion in 2025, at a CAGR of 14.5%. As more industry sectors seek to enhance efficiency and precision through robotic automation, China's light industrial robot market is expected to reach RMB53.1 billion by 2030, at a CAGR of 17.0% from 2026 to 2030. Relatedly, China's light industrial robot solution market grew from RMB44.3 billion in 2021 to RMB86.1 billion in 2025, at a CAGR of 18.0%. With the increasing adoption of automation in downstream industry sectors and the demand for smart manufacturing, China's light industrial robot solution market is expected to reach RMB212.6 billion in 2030, at a CAGR of 20.2% from 2026 to 2030. For details, see "Industry Overview."

RISKS AND CHALLENGES

We are a Specialist Technology Company seeking to list on the Main Board of the Stock Exchange under Chapter 18C of the Listing Rules. We are at a relatively early stage of commercialization of our industrial robot products, as we only met the revenue requirement as set out in Rule 18C.03(4) of the Listing Rules in 2024 following our revenue growth during the Track Record Period. In addition, we recorded net losses since our inception and expect to continue to incur net losses after the Track Record Period. We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control.

Our business and the Global Offering involve certain risks, which are set out in the section headed "Risk Factors" in this prospectus. Some of the major risk factors that we face include: (1) the size of our addressable markets and the demand for our products may not increase as rapidly as we anticipate due to a variety of factors; (2) we may fail to effectively compete with our competitors; (3) we may not be able to fully maintain quality control over our products and solutions; (4) we may be unable to develop and introduce new products and solutions; (5) our continued heavy investment in R&D may adversely affect our profitability and operating cash flow; (6) we may not be able to obtain additional capital when desired on favorable terms or at all; (7) we incurred significant net losses and recorded operating cash outflows during the Track Record Period, and may not be able to achieve or subsequently maintain profitability in the near future; (8) the liquidity and market price of our H Shares may be volatile; and (9) an active and liquid trading market for our H Shares may not develop. You should carefully read the "Risk Factors" section in its entirety before you decide to invest in our Shares.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary below should be read in conjunction with the consolidated financial information in Appendix I, including the accompanying notes and the information set forth in the section headed "Financial Information" in this prospectus. Our consolidated financial information was prepared in accordance with the IFRSs.

Summary of Results of Operations

The following table sets forth a summary of our consolidated statements of profit or loss in absolute amounts and as a percentage of our revenue for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Revenue	**201,170**	**100.0**	**268,009**	**100.0**	**387,359**	**100.0**
Cost of sales	(164,302)	(81.7)	(196,991)	(73.5)	(291,160)	(75.2)
Gross profit	**36,868**	**18.3**	**71,018**	**26.5**	**96,199**	**24.8**
Loss before tax	**(110,604)**	**(55.0)**	**(71,495)**	**(26.7)**	**(152,941)**	**(39.5)**
Income tax expense	(2)	(0.0)	—	—	—	—
Loss for the year	**(110,606)**	**(55.0)**	**(71,495)**	**(26.7)**	**(152,941)**	**(39.5)**

For details on the accounting treatment of redemption rights and liquidation preference rights of pre-IPO investments, see "— Pre-IPO Investments" below and note 31 to the Accountants' Report set out in Appendix I to this prospectus.

Non-IFRS Measure

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

We define adjusted net loss (non-IFRS measure) as loss for the year adjusted for share-based payment expenses and listing expenses. Share-based payment expenses are non-cash expenses arising from the incentive grants to senior management and employees. The following table sets out a reconciliation from adjusted net loss (non-IFRS measure) to loss for the year which is presented in accordance with the IFRSs.

	For the Year Ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Loss for the year	**(110,606)**	**(71,495)**	**(152,941)**
Non-IFRS adjustments:			
Share-based payment expenses	4,782	19,170	49,720
Listing expenses	—	—	16,584
Adjusted net loss (non-IFRS measure)	**(105,824)**	**(52,325)**	**(86,637)**

Our revenues in all offering types increased during the Track Record Period, primarily driven by the expansion of our robotic portfolio, the increase in the demand for our offerings, and the growth of customer base. Our loss for the year decreased from 2023 to 2024, primarily due to the decrease in other expenses primarily as a result of a decrease in impairment losses on inventories. Our loss for the year then increased significantly to RMB152.9 million in 2025, primarily due to the incurrence of significant listing expenses and professional advisory fee for Series E and Series Pre-IPO financing rounds, and the increase in research and development expenses mainly as a result of our development of new products such as humanoid robots in 2025. For details of the reasons for changes in results of operations, see "Financial Information — Period to Period Comparison of Results of Operations."

Summary of Consolidated Statements of Financial Position

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

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Total non-current assets	71,247	55,957	105,775
Total current assets	243,011	341,904	524,777
Total assets	314,258	397,861	630,552
Total current liabilities	195,205	341,851	352,442
Net current assets	47,806	53	172,335
Total assets less current liabilities	119,053	56,010	278,110
Total non-current liabilities	20,641	9,923	100,869
Total liabilities	**215,846**	**351,774**	**453,311**
Net assets	**98,412**	**46,087**	**177,241**

For details on the accounting treatment of redemption rights and liquidation preference rights of pre-IPO investments, see "— Pre-IPO Investments" below and note 31 to the Accountants' Report set out in Appendix I to this prospectus.

We recorded net current assets of RMB47.8 million, RMB53 thousand, and RMB172.3 million as of December 31, 2023, 2024 and 2025, respectively. Our net current assets increased from RMB53 thousand as of December 31, 2024 to RMB172.3 million as of December 31, 2025, primarily due to an increase of RMB105.2 million in inventories, mainly as a result of our expansion of business, and a decrease of RMB50.5 million in interest-bearing bank borrowings, mainly as a result of our improved debt structure. Our net current assets decreased from RMB47.8 million as of December 31, 2023 to RMB53 thousand as of December 31, 2024, primarily due to an increase in interest-bearing bank borrowings of RMB89.1 million as we take up more bank borrowings amid the scaling up of our business.

We recorded net assets of RMB98.4 million, RMB46.1 million and RMB177.2 million as of December 31, 2023, 2024 and 2025, respectively. Our net assets increased significantly from RMB46.1 million as of December 31, 2024 to RMB177.2 million as of December 31, 2025, primarily due to a capital injection by shareholders (less the share issue expenses) of RMB234.4 million under the Series E and Series Pre-IPO Investments settled during 2025, partially offset by a loss for the year and total comprehensive loss for the year of RMB152.9 million. Our net assets decreased from RMB98.4 million as of December 31, 2023 to RMB46.1 million as of December 31, 2024, primarily due to a loss for the year and total comprehensive loss for the year of RMB71.5 million.

Summary of Consolidated Statements of Cash Flows

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

	For the Year Ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Net cash used in operating activities	(86,749)	(69,582)	(182,517)
Net cash from/(used in) investing activities	43,917	(2,828)	(27,968)
Net cash from financing activities	36,064	76,178	238,601
Net (decrease)/increase in cash and cash equivalents	**(6,768)**	**3,768**	**28,116**
Effect of foreign exchange rate changes, net	83	35	110
Cash and cash equivalents at the beginning of the year	25,777	19,092	22,895
Cash and cash equivalents at the end of the year	**19,092**	**22,895**	**51,121**

We recorded net cash used in operating activities of RMB86.7 million, RMB69.6 million and RMB182.5 million in 2023, 2024 and 2025, respectively.

Net cash used in operating activities in 2025 was RMB182.5 million, which primarily represented loss before tax of RMB152.9 million, as adjusted for (1) certain non-cash items and non-operating items, which primarily consisted of (i) share-based payment expenses of RMB49.7 million related to employee incentive grants; and (ii) write-down of inventories to net realizable value of RMB26.2 million, and (2) changes in working capital, which primarily consisted of increase in inventories of RMB131.5 million primarily due to an increase in contract fulfillment cost.

Net cash used in operating activities in 2024 was RMB69.6 million, which primarily represented loss before tax of RMB71.5 million, as adjusted for (1) certain non-cash items and non-operating items, which primarily consisted of (i) share-based payment expenses of RMB19.2 million related to employee incentive grants; and (ii) write-down of inventories to net realizable value of RMB12.6 million, and (2) changes in working capital, which primarily consisted of an increase in trade and bills receivables of RMB84.4 million primarily due to the scaling up of our business and an increase in trade payables of RMB74.8 million primarily due to an increase in procurement of raw material and components to support our business growth.

Net cash used in operating activities in 2023 was RMB86.7 million, which primarily represented loss before tax of RMB110.6 million, as adjusted for (1) certain non-cash items and non-operating items, which primarily consisted of write-down of inventories to net realizable value of RMB58.0 million, and (2) changes in working capital, which primarily consisted of an increase in inventories of RMB31.6 million to support our business growth and an increase in trade payables of RMB14.5 million.

Our cash burn rate refers to the average monthly (1) net cash used in operating activities, (2) purchases of property, plant and equipment, other intangible assets, and (3) payments of lease liabilities. Our historical cash burn rate was RMB8.6 million, RMB7.2 million and RMB19.2 million in 2023, 2024 and 2025, respectively. We had relatively high cash burn rate in 2025, attributable to net cash used in operating activities of RMB182.5 million, which resulted from our strategic focus on expanding the sales of robot bodies and the associated increase in inventory levels, and an increase in our contract fulfillment costs due to the increase in solutions scheduled for delivery subsequent to the Track Record Period.

We had cash and cash equivalents of RMB51.1 million and committed unutilized banking facilities of RMB295.6 million as of December 31, 2025. We estimate that we will receive net proceeds of approximately HK$672.9 million after deducting the underwriting fees and expenses payable by us in the Global Offering, based on the Offer Price of HK$30.50 per Offer Share. Assuming that the average cash burn rate going forward will be approximately RMB19.2 million per month based on the cash burn rate for the 12 months ended December 31, 2025, we estimate financial viability for approximately 18.0 months until June 2027, or, if we take into account 10% of the estimated net proceeds from the Listing, approximately 21.1 months until September 2027 or, if we also take into account the estimated net proceeds from the Listing, approximately 48.7 months until December 2029. While the use of proceeds will increase capital expenditure for facility expansion, such investments are expected to enhance production efficiency, reduce direct labor costs, and improve gross profit margins, thereby supporting better operating cash flows. We will continue to monitor our cash flows from operations closely and maintain our financial viability through a variety of means, including, among others, banking facilities and external financings.

KEY FINANCIAL RATIOS

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

	As of/For the Year Ended December 31,		
	2023	2024	2025
Gross profit margin (%)	18.3	26.5	24.8
Current ratio (%)	124.5	100.0	148.9

See “Financial Information — Key Financial Ratios” for details.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Dr. Zhang controlled approximately 25.07% of the voting power at the general meetings of our Company, comprising (1) approximately 11.17% beneficially owned by him directly, (2) approximately 8.76% beneficially owned by Shaoxing Ziqiu LP, where Dr. Zhang acted as its general partner, (3) approximately 2.72% beneficially owned by Shaoxing Yuzhang LP, where Dr. Zhang acted as its general partner and (4) approximately 2.41% beneficially owned by Shaoxing Zhiqiu LP, where Dr. Zhang acted as its general partner. Upon the Listing, Dr. Zhang will control 22.55% of the voting power at the general meetings of our Company, comprising (i) approximately 10.05% beneficially owned by him directly, (ii) approximately 7.88% beneficially owned by Shaoxing Ziqiu LP, (iii) approximately 2.45% beneficially owned by Shaoxing Yuzhang LP and (iv) approximately 2.17% beneficially owned by Shaoxing Zhiqiu LP. Therefore, Dr. Zhang, together with Shaoxing Ziqiu LP, Shaoxing Yuzhang LP and Shaoxing Zhiqiu LP, were the single largest group of Shareholders of the Company as of the Latest Practicable Date and will be our single largest group of Shareholders upon the Listing. For further details, see “History and Corporate Structure” and “Relationship with our Single Largest Group of Shareholders.”

PRE-IPO INVESTMENTS

To fund our strategic growth and broaden our shareholder base, we have conducted several rounds of pre-IPO investments since the incorporation of our Company. See "History and Corporate Structure — Pre-IPO Investments" for details of the principal terms of our pre-IPO investments and the identity and background of our Pre-IPO Investors.

In connection with the pre-IPO investments, our Pre-IPO Investors were granted certain special rights, including, among others, pre-emptive right, right of first refusal, right of co-sale, redemption right, information right, anti-dilution right, and special rights in liquidation. In anticipation of the Global Offering, all such special rights granted to our Pre-IPO Investors shall be terminated in compliance with Chapter 4.2 of the Guide.

In particular, on June 27, 2025, our Company and all our Shareholders reached an agreement in connection with the termination of the special rights (the "Termination Agreement"), pursuant to which the Pre-IPO Investors' redemption rights were terminated and shall be *void ab initio*. No Pre-IPO Investors has exercised the Company's redemption rights during the Track Record Period. Taking into account the legal and regulatory framework of our Company's jurisdiction and the governing law of the Termination Agreement, our Directors considered that it is appropriate to present the pre-IPO investments as equity throughout the Track Record Period.

Had the Pre-IPO Investors' redemption rights been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the Termination Agreement, (1) the redemption financial liabilities, total non-current liabilities and net assets would have been:

	As of December 31,	
	2023	2024
	RMB'000	*RMB'000*
Redemption financial liabilities	677,341	716,851
Total non-current liabilities(1)	697,982	726,774
Net assets	(578,929)	(670,764)

(1) Since the redemption obligation will not be triggered until December 31, 2026, which is more than 12 months after the relevant points in time (e.g. December 31, 2023 and 2024), the redemption related financial liability thus does not meet the definition of current liability and is presented and classified as a non-current liability.

and (2) the finance costs associated with the redemption, the net loss for the year, basic and dilutive loss per share would have been:

	For the Year Ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Finance costs associated with the redemption financial liabilities	37,257	39,510	20,450
Total net loss	(147,863)	(111,005)	(173,391)
Basic and dilutive loss per share (expressed in RMB)	(2.96)	(2.22)	(3.23)

For further details of the financial impacts, see note 31 to the Accountants' Report.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the granting of the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to (1) the Global Offering, and (2) the Conversion of Unlisted Shares into H Shares on the basis that, among other things, we satisfy the requirement under

Rule 18C.03 of the Listing Rules as a Commercial Company (as defined in the Listing Rules) with reference to our expected market capitalization at the time of Listing, which, based on the Offer Price, exceeds HK$4 billion.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commission and other fees incurred in connection with the Global Offering. Based on the Offer Price of HK$30.50 per Offer Share, listing expenses to be borne by us are estimated to be approximately RMB67.8 million (HK$77.4 million), comprising: (1) underwriting fees of RMB29.6 million (HK$33.8 million); and (2) non-underwriting-related expenses of RMB38.2 million (HK$43.6 million), which are further categorized into: (i) fees and expenses of legal advisers and accountants of RMB21.4 million (HK$24.4 million); and (ii) other fees and expenses of RMB16.9 million (HK$19.3 million), approximately RMB35.2 million (HK$40.2 million) of which was charged or is expected to be charged to our consolidated statements of profit or loss (with approximately RMB16.6 million of listing expenses recognized in our consolidated statements of profit or loss during the Track Record Period), and approximately RMB32.5 million (HK$37.2 million) of which is expected to be deducted from equity upon the completion of the Global Offering. The listing expenses are expected to represent approximately 10.3% of the gross proceeds of the Global Offering, based on the Offer Price of HK$30.50 per Offer Share. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

OFFERING STATISTICS

All statistics in the following table are based on the fact that the Global Offering has been completed and 24,600,000 Offer Shares are issued pursuant to the Global Offering.

	Based on an Offer Price of HK$30.50 per H Share
Market Capitalization of our Shares(1)	HK$7,471.10 million
Unaudited pro forma adjusted net tangible asset per Share(2)	HK$3.62

(1) The calculation of market capitalization is based on 244,953,968 Shares expected to be in issue immediately upon completion of the Global Offering.

(2) The unaudited pro forma adjusted consolidated net tangible assets attributable to owners of our Company per Share are arrived at by dividing the unaudited pro forma adjusted net tangible assets by 244,953,968 Shares, which is presented for illustrative purposes and assumes that (i) Global Offering had been completed on December 31, 2025; and (ii) giving retrospective effect to the one-for-four share subdivision.

FUTURE PLANS AND USE OF PROCEEDS

We estimate that the net proceeds of the Global Offering, after deducting the estimated underwriting commissions and other fees and expenses paid and payable by us in connection with the Global Offering, will be approximately HK$672.9 million, based on the Offer Price of HK$30.50 per H Share. We intend to use the net proceeds of the Global Offering for the following purposes: (1) approximately 40.0%, or HK$269.2 million, for development of our robotics technology; (2) approximately 28.0%, or HK$188.4 million, for development of production line and capacity construction or enhancement; (3) approximately 12.0%, or HK$80.7 million, for development of overseas business network; (4) approximately 10.0%, or HK$67.3 million, for investment in the supply chain in upstream and downstream; and (5) approximately 10.0%, or HK$67.3 million, for supplement working capital. See "Future Plans and Use of Proceeds" for further information relating to our future plans and use of proceeds from the Global Offering.

DIVIDENDS

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

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

We have continued to scale our business, adding a new backlog of customer contracts valued at approximately RMB162.5 million during the period from January 1, 2026 and up to the Latest Practicable Date in 2026.

Specifically, in the first quarter of 2026, we completed a series of key milestones in our technical and product development. The RAC-300 controller has reached maturity in both hardware and software, leading to small-batch production and pilot applications across multiple projects. To address market gaps, we developed the Camel-3000 heavy-duty latent mobile robot and implemented it for customers in the automotive industry. Additionally, in the semiconductor industry, we introduced a horizontal articulated wafer robot to replace traditional robot-plus-external-axis configurations, achieving higher throughput and cleanliness. In the field of humanoid robotics, we successfully deployed a full-body control system on bipedal physical hardware, achieving stable locomotion with coordinated arm and leg movements. This output is supported by a complete reinforcement learning pipeline spanning simulation training to Sim2Real transfer. Furthermore, through a hybrid approach of reinforcement and imitation learning, we have achieved initial policy convergence, enabling more human-like walking and enhanced motion generalization across complex scenarios.

We expect to remain in a net loss position for the year ending December 31, 2026, primarily because we are still in an early stage of commercialization with rapidly iterating products, and we plan to further increase our R&D investments while also scaling up our operations to meet growing market demand and achieve economies of scale, all of which will continue to weigh on our profitability.

Our Directors confirm that, up to the date of this prospectus, there has been no material adverse change in our financial or trading position since December 31, 2025 (being the date on which the latest audited consolidated financial information of our Group was prepared) and there is no event since December 31, 2025 which would materially affect the information shown in our consolidated financial statements included in the Accountants' Report in Appendix I to this prospectus.

PATH TO PROFITABILITY

We are still at a relatively early stage of commercialization of our comprehensive offerings. During the Track Record Period, we generally experienced continuous revenue growth in all offering types from RMB201.2 million in 2023 to RMB387.4 million in 2025, at a CAGR of 38.8%.

In 2023, 2024 and 2025, we had loss for the year of RMB110.6 million, RMB71.5 million and RMB152.9 million, respectively. We have made incentive share grants for the purpose of providing incentives and rewards to eligible participants who contribute to the success of our operations. Our adjusted net loss (non-IFRS measure) in 2023, 2024 and 2025 was RMB105.8 million, RMB52.3 million, and RMB86.6 million, respectively. During the Track Record Period, we consistently maintained high R&D investments and built an increasingly larger sales and marketing team to expand our robotics business. This led to net losses both before and after non-IFRS adjustments and caused a downward trend in our net assets during the Track Record Period. Additionally, a significant portion of our business is centered on robotics solutions, which have a long operating cycle and require relatively high upfront working capital investment. This resulted in net cash outflows from operating activities. Consequently, our external financing needs increased, and the balance of bank loans showed an overall upward trend. This led to a decrease in net current assets, followed by an increase due to the pre-IPO investments in April 2025.

We may continue to incur net losses after the Track Record Period. Going forward, we plan to maintain sustainability and achieve profitability by driving sustainable revenue growth and business scale and effectively managing our costs and expenses. Specifically, our business plans and strategies to turn around our net losses and operating cash outflows include: (1) increasing the proportion of high-margin businesses by (i) expanding overseas markets, which features a higher gross profit margin during the Track Record Period; and (ii) increasing the proportion of robot body sales, particularly Bat series parallel robots and Lobster series wafer handling robots; and (2) reducing costs and increasing efficiency by (i) continuously investing in R&D and enhancing product competitiveness to improve range of use-case applications, performance, and stability of our robots and robotics solutions; (ii) improving material costs, delivery times, and settlement cycles by leveraging the mature manufacturing supply chain and logistics system in the Yangtze River Delta region; and (iii) continuously improving the efficiency of our sales and marketing team. We aim to achieve profit breakeven and net operating cash inflow on a quarterly basis before the end of 2026.

Our robotic portfolio offers versatile performance coverage, with payload capacities ranging from 0.5 kg to 20 kg, multiple axis configurations, high-speed operation, and robust repeatability. Building upon this portfolio, we provide a variety of solutions with varying degrees of customization to support a wide range of automation functions, including loading and unloading, sorting, picking and placing, packing, assembly, and gluing systems. Our robotics solutions typically consist of one or more categories of robots to address specific use cases. Consequently, our industrial robots and related robotics solutions have reached a broad and growing global customer base across various industry sectors. Despite the industrial robot and solutions market in China dedicated to the application scenarios in the light industry remains highly fragmented with each participant holding relatively small market shares, we believe we are equipped to capture the substantial market opportunity and achieve continuous growth.

Continually improving our profit profile is crucial to achieving long-term profitability. We expect that more streamlined manufacturing costs will result from a greater effect of economies of scale as the demand for our products and solutions continues to grow. We also expect that the long-term relationships with our customers will significantly reduce our cost in terms of our robotics solution business and thus enhance our profit margin. In addition, we aim to improve the stability and efficiency of the supply chain by implementing bulk purchasing, establishing strategic partnerships with suppliers, and optimizing the procurement process. To enhance operational efficiency and profitability, we intend to progressively increase the proportion of robot body sales within our overall revenue mix. However, we expect no material changes in the cost structure, because (1) the increase in the scale of the robot body business may lead to an increase in the scale of direct materials, which will be partially offset by improvements in the supply chain; and (2) the construction of new facilities may lead to an increase in fixed overhead, which will be offset by the increase in capacity utilization.

See “Business — Path to Profitability.”

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

"Accountants' Report"	the accountants' report prepared by Ernst & Young, the text of which is set out in Appendix I to this prospectus
"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
"Articles of Association" or "Articles"	the articles of association of our Company, as amended, which shall become effective on the Listing Date, a summary of which is set out in Appendix V to this prospectus
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the Board of Directors of our Company
"Business Day" or "business day"	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for normal banking business to the public
"Capital Market Intermediaries" or "capital market intermediary(ies)" or "CMI(s)"	the capital market intermediaries identified in "Directors and Parties Involved in the Global Offering"
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"China" or the "PRC"	the People's Republic of China, excluding, for the purpose of this prospectus only, Hong Kong, Macau and Taiwan
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company" or "our Company"	Robotphoenix Intelligent Technology Co., Ltd. (浙江翼菲智能科技股份有限公司), incorporated under the PRC laws on June 26, 2012 as a limited liability company and was converted into a joint stock company on April 23, 2023
"Company Law" or "PRC Company Law"	Company Law of the People's Republic of China (中華人民共和國公司法) as amended, supplemented or otherwise modified from time to time, which was last amended on December 29, 2023 to take effect on July 1, 2024

"Conversion of Unlisted Shares into H Shares"	the conversion of 220,353,968 Unlisted Shares into H Shares (immediately following the Share Subdivision) on a one-for-one basis upon the completion of the Global Offering. Such conversion of Unlisted Shares into H Shares had been approved by the CSRC on March 10, 2026 and an application for H Shares to be listed on the Stock Exchange has been made to the Listing Committee
"CSDC"	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of our Company
"Dr. Zhang"	Dr. Zhang Sai (張賽), our founder, chairman of our Board, executive Director, president and a member of our Single Largest Group of Shareholders
"Exchange Participant(s)"	a person: (a) who, in accordance with the Listing Rules, may trade on or through the Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Stock Exchange as a person who may trade on or through the Stock Exchange
"Extreme Conditions"	Extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"F&S" or "Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., our industry consultant, which is an independent third party
"F&S Report"	an industry research report prepared by Frost & Sullivan, which was commissioned by the Company
"FINI"	"Fast Interface for New Issuance", an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all new listings
"General Rules of HKSCC"	the General Rules of HKSCC as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group," "our Group," "we" or "us"	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
"Guide"	Guide for New Listing Applicants issued by the Stock Exchange in December 2023, as amended from time to time
"H Share(s)"	overseas-listed foreign shares in the share capital of our Company with nominal value of RMB0.25 each, which are to be subscribed for and traded in HK dollars and are to be listed on the Stock Exchange

"H Share Registrar"	Tricor Investor Services Limited
"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name, submitted online through the designated website at **www.hkeipo.hk**
"**HK eIPO White Form** Service Provider"	the **HK eIPO White Form** service provider designated by our Company as specified on the designated website at **www.hkeipo.hk**
"HK$" or "HK dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"HKSCC EIPO"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant's stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC's FINI System to apply for the Hong Kong Offer Shares on your behalf
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
"HKSCC Operational Procedures"	the operational procedures of HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC's services and the operation and functions of the Systems, as from time to time in force
"HKSCC Participant"	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Offer Shares"	the 1,230,000 H Shares initially offered by our Company for subscription at the Offer Price pursuant to the Hong Kong Public Offering (subject to reallocation as described in "Structure and Conditions of the Global Offering")
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong (subject to reallocation as described in the section headed "Structure and Conditions of the Global Offering") at the Offer Price (plus brokerage, SFC transaction levies, Stock Exchange trading fees and AFRC transaction levy), on and subject to the terms and conditions described in this prospectus and as further described in "Structure and Conditions of the Global Offering — The Hong Kong Public Offering"

"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering listed in "Underwriting — Hong Kong Underwriters" in this prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated Thursday, May 7, 2026 relating to the Hong Kong Public Offering and entered into by and among our Company, Single Largest Group of Shareholders, the Sponsor-OC and the Hong Kong Underwriters, as further described in "Underwriting — Underwriting Arrangements and Expenses"
"IAS"	International Accounting Standards
"IFRSs"	International Financial Reporting Standards, amendments, and interpretations, as issued from time to time by the International Accounting Standard Board
"independent third party(ies)"	person(s) or company(ies), who/which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is/are not connected person(s) of our Company within the meaning ascribed thereto under the Listing Rules
"International Offer Shares"	the 23,370,000 H Shares initially offered by our Company for subscription pursuant to the International Offering (subject to reallocation as described in "Structure and Conditions of the Global Offering")
"International Offering"	the offer of the International Offer Shares by the International Underwriters at the Offer Price to persons outside the United States in offshore transactions in accordance with Regulation S, as further described in "Structure and Conditions of the Global Offering"
"International Underwriters"	the group of international underwriters that is expected to enter into the International Underwriting Agreement to underwrite the International Offering
"International Underwriting Agreement"	the underwriting agreement expected to be entered into on or around Thursday, May 14, 2026 by, among others, our Company, the Sponsor-OC and the International Underwriters in respect of the International Offering, as further described in "Underwriting — Underwriting Arrangements and Expenses — The International Offering
"Joint Bookrunners"	the joint bookrunners as named in "Directors and Parties Involved in the Global Offering"
"Joint Global Coordinators"	the joint global coordinators as named in "Directors and Parties Involved in the Global Offering"
"Joint Lead Managers"	the joint lead managers as named in "Directors and Parties Involved in the Global Offering"

"Latest Practicable Date"	May 4, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication
"Listing"	listing of the H Shares on the Main Board of the Stock Exchange
"Listing Committee"	the Listing Committee of the Stock Exchange
"Listing Date"	the date, expected to be on or around Monday, May 18, 2026, on which our H Shares of the Company are listed and from which dealings therein are permitted to take place on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Nomination Committee"	the nomination committee of our Board
"Offer Price"	the offer price per Offer Share in Hong Kong dollars (exclusive of brokerage fee of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), at which Offer Shares are to be subscribed for and issued pursuant to the Global Offering as further described in "Structure and Conditions of the Global Offering — Pricing and Allocation"
"Offer Share(s)"	the Hong Kong Offer Shares and the International Offer Shares
"Overall Coordinator(s)"	the overall coordinators as named in "Directors and Parties Involved in the Global Offering"
"Pathfinder SII(s)"	has the meaning ascribed to it in Chapter 2.5 of the Guide
"PRC Legal Advisor"	Grandway Law Offices, being the legal advisor of our Company as to the PRC laws
"Pre-IPO Investor(s)"	the investor(s) from whom our Company obtained several rounds of investments, details of which are set out in the section headed "History and Corporate Structure — Pre-IPO Investments" in this prospectus
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of our Board
"Reporting Accountants"	Ernst & Young
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC

"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary shares in the capital of our Company with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares
"Share Subdivision"	the subdivision of the Shares by our Company where our Company subdivided its Share from one Share of RMB1.0 each into four Shares of RMB0.25 each, which will become effective immediately prior to the Listing
"Shareholder(s)"	holder(s) of the Share(s)
"Shaoxing Yuzhang LP"	Shaoxing Yuzhang Enterprise Management Partnership (Limited Partnership) (紹興宇章企業管理合夥企業(有限合夥)) (formerly known as Jinan Yunfan Enterprise Management Partnership (Limited Partnership) (濟南雲帆企業管理合夥企業(有限合夥))), a limited partnership established under the laws of the PRC on December 27, 2022, a member of our Single Largest Group of Shareholders
"Shaoxing Zhiqiu LP"	Shaoxing Zhiqiu Enterprise Management Partnership (Limited Partnership) (紹興知秋企業管理合夥企業(有限合夥)) (formerly known as Jinan Zhiqiu Enterprise Management Partnership (Limited Partnership) (濟南知秋企業管理合夥企業(有限合夥))), a limited partnership established under the laws of the PRC on June 12, 2016, a member of our Single Largest Group of Shareholders
"Shaoxing Ziqiu LP"	Shaoxing Ziqiu Enterprise Management Partnership (Limited Partnership) (紹興梓遒企業管理合夥企業(有限合夥)) (formerly known as Jinan Ziqiu Enterprise Management Partnership (Limited Partnership) (濟南梓遒企業管理合夥企業(有限合夥))), a limited partnership established under the laws of the PRC on June 13, 2016, a member of our Single Largest Group of Shareholders
"Single Largest Group of Shareholders"	the single largest group of Shareholders which comprise Dr. Zhang, Shaoxing Ziqiu LP, Shaoxing Yuzhang LP and Shaoxing Zhiqiu LP
"Sole Sponsor"	ABCI Capital Limited
"Sophisticated Independent Investor(s)" or "SII(s)"	has the meaning ascribed thereto under the Listing Rules
"Sponsor-OC"	ABCI Capital Limited
"Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Track Record Period"	the three years ended December 31, 2025

"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"Unlisted Shares"	ordinary Shares in the share capital of our Company with a nominal value of RMB0.25 each (taking into account the Share Subdivision), which are subscribed for and paid up in RMB and will be fully converted into H Shares upon the completion of the Global Offering
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. CMC List"	the U.S. Department of Defense's official list of "Chinese military companies"
"U.S. Entity List"	the Department of Commerce's Bureau of Industry and Security's list which identifies foreign entities, including individuals, businesses, and organizations, believed to be involved in activities contrary to U.S. national security or foreign policy interests
"U.S. NS-CMIC List"	the U.S. Department of Treasury's Non-SDN Chinese Military-Industrial Complex Companies List
"U.S. Securities Act"	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
"US$" or "U.S. dollars"	United States dollars, the lawful currency of the United States
"%"	percent

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

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

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

This glossary contains certain technical terms used in this prospectus in connection with us and our business. Such terms and their meaning may not correspond to standard industry definitions or usage.

"2D camera"	a camera to capture images in two dimensions
"3D camera"	a camera to capture depth information in addition to the appearance of objects to create a three-dimensional representation of the scene
"AGV"	Automated Guided Vehicle, a type of driverless, self-propelled robot designed to transport loads autonomously along predefined paths
"AI"	artificial intelligence, the ability of a machine or computer system to perform tasks that typically require human intelligence
"AMR"	Autonomous Mobile Robot, an advanced type of self-guided robot designed to navigate dynamically through unstructured or complex environments without predefined paths
"API"	Application Programming Interface, a interface of rules and protocols that allows different software applications to communicate with each other
"arm length"	the maximum distance the robot's arm or end effector can extend; it is crucial for determining the robot's working range and its ability to perform tasks within a specific area
"ARM solution"	a system or technology based on Advanced RISC Machine ("ARM") architecture, which is widely used in various types of processors and microcontrollers
"articulated robot"	robots that have arms with multiple joints to move in various directions and perform complex tasks, similar to a human arm
"automation"	the application of various control systems, such as controller, robots, and information technologies, to operate equipment and processes in a wide range of industries
"axis" or "axes"	a degree of freedom, where increasing the number of axes allows the robot to access a greater amount of space by giving it more degrees of freedom
"CAD system"	Computer-Aided Design system, software tools to create precise drawings and models of products, and other structures
"CAGR"	Compound Annual Growth Rate
"CCD"	Charge-Coupled Device, a semiconductor that transforms light into electrical signals
"charger"	a device used to replenish the energy in battery of robots

"CNC machine"	Computer Numerical Control machine, a type of manufacturing equipment that uses computer software to control the movement and operation of machinery
"collaborative robot"	also known as cobot, are designed to work alongside humans in a shared workspace; it is equipped with advanced sensors and safety features that allow them to operate safely around people
"composite robot"	a robot system that combine elements from different types of robots to achieve functionality and performance
"controller"	a system connected to the robot in order to control the movements of the robots
"degree of freedom"	the count of independent axis of motion that a robotic system can autonomously manipulate to perform tasks
"Delta structure"	a type of parallel robot known for its high-speed and precise movements
"end-effector"	the tool mounted on the robot according to the customer's requirements, such as vacuum suction cups, pneumatic grippers, electric grippers, specialized jigs, or dispensing valves
"FMCG"	Fast-Moving Consumer Goods, which are products that sell quickly, are relatively low-cost, and are replaced or consumed rapidly
"FSoE"	Functional Safety over EtherCAT, a safety communication layer specifically designed for EtherCAT networks.
"I/O control"	input/output control
"industrial automation programming"	creating and implementing software to control and automate industrial processes and machinery
"industrial robot"	programmable, automatically controlled, reconfigurable machines designed to perform tasks with precision and efficiency in manufacturing and other industries; sometimes referred to as a "robot body" to indicate its standalone nature, as compared to a robotics solution which may integrate one or more robot bodies (i.e., industrial robots)
"industrial robotics"	collectively, industrial robots and a robotics solutions that integrate one or more industrial robots
"integrated robotics solutions"	automation solutions that integrate one or more industrial robots
"intelligent vision"	also known as computer vision, a field of AI that enables machines to interpret and understand vision information from the world

"IoT"	Internet of Things, the network of interconnected devices that communicate and exchange data over the internet
"LiDAR"	Light Detection and Ranging, a technology that uses laser light to measure distances and create detailed 3D models
"light industry"	the manufacturing of small or lightweight products that are typically consumer-oriented, such as electronics, automotive components, healthcare, and FMCG, among other sectors; "light industrial applications" refer to the application scenarios in the light industry
"MES"	Manufacturing Execution System, a software system used to capture and record data at various stages of production
"mobile robot"	a type of robot that is capable of moving autonomously or semi-autonomously within its environment, including AGVs and AMRs
"parallel robot"	a type of robot where the end-effector is supported by multiple arms that work together in parallel
"payload"	the maximum weight that the robot can handle while performing its tasks
"PLCs"	Programmable Logic Controllers, specialized industrial computers used to control machinery and processes in manufacturing and other industrial environments
"PVD coating"	Physical Vapor Deposition coating, a process to apply thin films of material onto various surfaces
"QR code"	quick response code, a type of matrix barcode or two-dimensional barcode that can be scanned
"RPM"	Revolutions Per Minute, which is a unit of measurement that indicates the number of complete turns or revolutions a rotating object makes in one minute
"R&D"	research and development
"SCARA"	Selective Compliance Assembly Robot Arm, a type of articulated robot where the robot can move freely and maintain stiffness in three axes while being compliant in the final axis
"SEMI"	Semiconductor Equipment and Materials International, the global industry association representing the electronics manufacturing supply chain
"six-axis robot"	a type of articulated robot with six-degree-of-freedom
"SLAM"	Simultaneous Localization and Mapping, a process where a robot creates a map of an unknown environment while simultaneously keeping track of its own location within that environment.

"x86"	a family of instruction set architectures based on the Intel 8086 microprocessor
"wafer handling robot"	a type of articulated robot designed to handle and transport silicon wafers, which are thin slices of semiconductor material used in the production of integrated circuits and other microdevices
"working range"	the area or volume within which the robot can operate and perform tasks

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

This prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties, including the risk factors described in this prospectus. Forward-looking statements can be identified by words such as "may," "will," "should," "would," "could," "believe," "expect," "anticipate," "intend," "plan," "continue," "seek," "estimate," or the negative of these terms or other comparable terminology. Examples of forward-looking statements include, but are not limited to, statements we make regarding our projections, business strategy and development activities as well as other capital spending, financing sources, the effects of regulation, expectations concerning future operations, margins, profitability and competition. The foregoing is not an exclusive list of all forward-looking statements we make.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. We give no assurance that these expectations and assumptions will prove to have been correct. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our results may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. We caution you therefore against placing undue reliance on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions and the following: (1) our business prospects; (2) our business strategies and plans to achieve these strategies; (3) future developments, trends and conditions in and competitive environment for the industries and markets in which we operate; (4) general economic, political and business conditions in locations where we operate; (5) our financial condition and performance; (6) our capital expenditure plans; (7) our dividend policy; (8) changes to the regulatory environment, policies, operating conditions of and general outlook in the industries and markets in which we operate; (9) our expectations with respect to our ability to acquire and maintain regulatory licenses or permits; (10) the extent and nature of, and potential for, future development of our business; (11) the actions of and developments affecting our competitors; (12) the actions of and developments affecting our major customers and suppliers; and (13) certain statements in the sections headed "Risk Factors," "Industry Overview," "Regulatory Overview," "Business," "Financial Information," "Relationship with our Single Largest Group of Shareholders" and "Future Plans and Use of Proceeds" with respect to trends in interest rates, foreign exchange rates, prices, volumes, operations, margins, risk management and overall market trends.

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

An investment in our H Shares may involve significant risks. Potential investors should read and consider carefully all the information set out in this prospectus, and, in particular, should evaluate the following risks and uncertainties before deciding to make any investment in our H Shares. You should pay particular attention to the fact that we primarily conduct our operations in China, the legal and regulatory environment of which in some respects may differ from that in Hong Kong. Any of the risks and uncertainties listed below could have a material adverse effect on our business, results of operations, financial condition or on the trading price of our H Shares, and could cause you to lose all or part of your investment. The risks and uncertainties identified below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business and results of operations.

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."

We are at a relatively early stage of commercialization of our products and solutions, as we only met the revenue requirement as set out in Chapter 2.5 Specialist Technology Companies of the Guide For New Listing Applicants in 2024 following our revenue growth during the Track Record Period. In addition, we recorded net losses since our inception and expect to continue to incur net losses after the Track Record Period. We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control. We have categorized these risks and uncertainties into (1) risks relating to our general operations and industry, (2) risks relating to the research and development and intellectual property rights in our products and solutions, (3) risks relating to our financial condition and need for additional capital, (4) risks relating to doing business in the jurisdictions where we operate, and (5) risks relating to the Global Offering.

RISKS RELATING TO OUR GENERAL OPERATIONS AND INDUSTRY

The size of our addressable markets and the demand for our products may not increase as rapidly as we anticipate, which may materially and adversely affect our business, results of operations and financial condition.

We specialize in the design, development, manufacturing, and commercialization of industrial robots and the offering of related robotics solutions. This prospectus contains estimates and forecasts based on industry publications and reports or other publicly available information and our internal assumptions. These assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. If third-party or internally generated data prove to be inaccurate or we make errors in our assumptions based on that data, the addressable markets for our products may be smaller than we have estimated, our future growth opportunities and sales growth may be smaller than we estimate.

Additionally, we have a limited track record in the commercialization of our robots and related robotics solutions. We commercialized our Bat series parallel robots in 2014 and our other series of industrial robots in 2021. Our ability to successfully commercialize our future products and solutions may involve more inherent risks, take longer and cost more than it would have if we were a company with a longer track record in commercialization. There can be no assurance that the sales results of our products and solutions will meet our expectation, or that we will be able to fully maintain quality control over our products and solutions, which would materially and adversely affect the commercialization of our products and solutions. As a result, our historical results may not provide a meaningful basis for evaluating our business, results of operations, financial condition and growth prospects, and we may encounter unforeseen difficulties and may not be able to achieve promising results in future periods.

The robotics industry is competitive. If we fail to effectively compete with our competitors, our business, results of operations and financial condition may be materially and adversely affected.

The robotics industry is competitive. We primarily compete with other companies that focus on the development and distribution of industrial robots and related robotics solutions. For example, we offer various robotics solutions which often require tailored hardware configurations, software development, and integration services to meet specific customer needs. Although these processes are typically more resource-intensive and less scalable, resulting in higher cost of sales and lower margin efficiency, our ability to charge premium prices to pass on the higher cost is constrained alongside our efforts to maintain long-term customer relationships to expand our market share, particularly in light of the intense market competition from the supply side and the cost-sensitivity from the demand side. If we compete with players that have a longer operating history than us, or if we do not have or in the future obtain more financial resources, leading technological capabilities and broader customer base than our competitors, we may not be able to more quickly and effectively respond to new or changing opportunities, technologies, regulatory requirements or customer demand than our competitors.

We may also face competition with new entrants, who may offer more affordable and/or advanced products and solutions. Increased competition could result in lower sales volume, price reductions, shrunk profit margins or loss of market share. Furthermore, we may be required to make substantial additional investments in R&D, sales and marketing, talents recruitment and retention, and acquisition of technologies complementary to, or necessary for, our current and future products and solutions in order to respond to such competitive threats, and we cannot assure you that such investments will be effective. If we are unable to compete effectively, or if competing effectively requires us to take costly actions in response to the actions of our competitors, our business, results of operations and financial condition may be materially and adversely affected.

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

Since our inception, we have incurred net losses. In 2023, 2024 and 2025, we had loss for the year of RMB110.6 million, RMB71.5 million and RMB152.9 million, respectively. We may continue to incur net losses in the short term, as we are in the stage of expanding our business and operations in the rapidly growing robotics industry and are continuously investing in R&D. However, our active efforts to acquire new customers or launch new products may result in higher initial layout of costs required to meet specific customer needs, including longer on-site implementation lead time for our robotics solutions to onboarding customers, and mold development and/or production line adjustments associated with the mass production of our newly launched robot bodies. We may not be able to achieve or subsequently maintain profitability in the near future. 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, effectively and successfully compete, and develop new products and solutions. Accordingly, you should not rely on the revenues of any prior period as an indication of our future performance. Our costs and expenses may continue to increase in future periods, as we continue to expand our business and operations and invest in R&D activities. In addition, we expect to incur substantial costs and expenses as a result of being a public company. If we are unable to generate adequate revenues and manage our expenses, we may continue to incur significant losses and may not be able to achieve or subsequently maintain profitability.

We recorded net cash used in operating activities of RMB86.7 million, RMB69.6 million and RMB182.5 million in 2023, 2024 and 2025, respectively. See "Financial Information — Liquidity and Capital Resources — Cash Flows." We cannot assure you that we will be able to generate positive cash flows from operating activities in the future. If we continue to record net operating cash outflows in the future, our working capital may be constrained, which may adversely affect our financial condition. Our future liquidity primarily depends on our ability to maintain adequate cash inflows from our operating activities and adequate external financing such as offering and issuing securities, and/or other sources such as external debt, which may not be available on terms favorable or commercially reasonable to us or at all. If we fail to obtain sufficient funding in a timely manner and on reasonable terms, or at all, we will be in default of our payment obligations and may not be able to expand our business. As a result, our business, results of operations and financial condition may be adversely affected.

Products with long lifespans and developments in technologies may adversely affect the demand for our industrial robots and related robotics solutions.

As we endeavor to provide durable industrial robots and related robotics solutions to meet the customer needs for consistent operations of their production lines, to the extent our robots and related solutions prove to have a long lifespan, there may be little need or incentive for our customers to procure additional industrial robots and related robotics solutions from us to update their equipment or production lines within a short timeframe. Additionally, advances in machine vision and AI, among others, make it possible for our industrial robots and related robotics solutions to be aware of their surroundings and perform multiple types of tasks safely in lieu of or in collaboration with human workers. Development of alternative technologies and products which provide similar functions may materially and adversely affect the growth prospects of the industrial robot and solution market. Any failure by us or the industrial robot and solution market as a whole to develop new or enhanced technologies or products to react to such alternative products could result in the loss of competitiveness decrease in market expansion opportunity, decreased revenue, loss of talents and loss of market share to competitors.

If we are unable to attract, retain and motivate key individuals, our business, results of operations and financial condition would be materially and adversely affected.

Attracting and retaining key individuals, such as senior management, technical staff, qualified executives, engineers and sales representatives, is critical to our business, and in particular, to our R&D endeavors, and the successful commercialization of our products and solutions. The competition for highly skilled employees in our industry is increasingly intense. Unexpected changes in our management team would also disrupt our business. Our management and senior leadership team has significant industry experience, which makes them instrumental to our success. For instance, Dr. ZHANG Sai is primarily responsible for the overall strategic planning and business operations of our Group; Mr. TU Shengping is our Deputy General Manager and Chief Technology Officer; Mr. SUN Tongliang is primarily responsible for the development and management of controller products; Mr. ZHANG Zhongfa is primarily responsible for AGV and warehouse logistics; Mr. ZOU Lei is the head of our semiconductor business unit; and Mr. LI Xiangming is our General Manager of the humanoid robot business unit. See "Directors and Senior Management," and "Business — Research and Development — Our R&D Team and Core Members." We retain key managerial and technical staff by (1) offering competitive remuneration packages and incentive benefits; (2) providing opportunities for internal job transfers and external education; and (3) signing non-competition agreements. However, changes in our management team may occur from time to time, and we cannot predict whether significant resignations will occur or whether we will be able to recruit a qualified replacement. In addition, changes in the interpretation and application of employment-related laws to our workforce practices may result in increased operating costs and less flexibility in how we meet our changing workforce needs. See "Regulatory Overview — PRC Laws and Regulations — Laws and Regulations in Relation to Labor Protection, Social Insurance and Housing Provident Funds." To help attract, retain and motivate key individuals, employee incentives such as share incentive schemes have been, and will continue to be, an important part of our compensation. If our share-based compensation or other compensation programs and/or workplace culture are no longer considered competitive, our ability to attract, retain and motivate key individuals would be weakened, which would in turn materially and adversely affect our business, results of operations and financial condition.

If we are unable to manage our inventory risks efficiently or the proportions and amount of our write-down of inventories further increase, our business, results of operations and financial condition may be adversely affected.

We had inventories of RMB120.6 million, RMB139.5 million and RMB244.7 million as of December 31, 2023, 2024 and 2025, respectively. In 2023, 2024 and 2025, our inventory turnover days were 297, 241 and 241 days, respectively. In the same periods, we had impairment of inventories to net realizable value of RMB58.0 million, RMB12.6 million and RMB26.2 million, respectively. Demand from customers may be affected by general market conditions, new product launches, pricing and discounts, and not all of them are within our control. In addition, as we develop and market a new product, we may not be successful in establishing stable and favorable supplier relationships or accurately forecasting demand. The acquisition of certain types of raw materials and consumables may require significant lead time and prepayment and they may not be returnable. Furthermore, as we plan to continue expanding our offerings, we expect to include a wider variety of raw materials and consumables, which will make it more challenging for us to manage our inventory and logistics effectively. In addition, our industrial robots and related robotics solutions may quickly become outdated due to fast-changing trends and constant technological advancements, which could result in product obsolescence, loss of customers, reduced market share, and diminished brand reputation, and any mismanagement of inventory could lead to increased write-downs directly impacting our profitability, tied-up capital in slow-moving inventory reducing our liquidity, and higher storage and handling costs pressuring our margins, which may adversely and materially affect our business, results of operations and financial condition.

In addition, our results of operations may, from time to time, be affected by the impairment of inventories to net realizable value. We assess our inventory for indicators of impairment on a regular basis. Where such indicators exist, we perform an assessment by comparing the inventory's carrying amount to its estimated net realizable value. A significant portion of our inventory at year-end relates to our robotics solution projects that are scheduled for completion and delivery in the following year. As these capitalized project costs have been recognized as cost of inventory, they are subject to this impairment assessment. Furthermore, our robot body business, which commenced mass production in 2023, incurred substantial initial costs related to design iteration and process refinement during its ramp-up phase. According to our accounting policies, these costs were capitalized, resulting in a higher carrying value for the initial inventory batches. Consequently, when this carrying value was compared to the net realizable value at year-end, it resulted in the recognition of impairment losses. Accordingly, our inventory impairment losses may fluctuate from year to year, influenced by factors such as our business scale, project mix, and production cycles, and such fluctuations could have a material effect on our results of operations.

We may face supply chain risks as a result of our reliance on a limited number of suppliers and vendors for certain components, equipment and services.

We specialize in the design, development, manufacturing, and commercialization of industrial robots and the offering of related robotics solutions. Many suppliers and vendors provide parts, components, equipment and services that are used in the production of our products and solutions. Where possible, we seek to have several sources of supply. However, for certain parts, components, equipment and services, we rely on a limited number of suppliers and vendors. The purchase from our top five suppliers was RMB25.5 million, RMB35.9 million and RMB61.2 million in 2023, 2024 and 2025, respectively, accounting for 17.4%, 17.9% and 16.3% of the total purchases for the respective periods, respectively. The purchase from our largest supplier was RMB5.9 million, RMB9.0 million and RMB15.0 million in 2023, 2024 and 2025, respectively, accounting for 4.0%, 4.5% and 4.0% of the total purchases for the same periods, respectively. The stability of operations and business strategies of our suppliers are beyond our control, and we cannot assure you that we will be able to secure a stable relationship with such suppliers. Identifying and qualifying alternative or additional suppliers and vendors is often a lengthy process and can lead to production delays, interruptions to our production and additional costs, and such alternatives are sometimes not available on commercially reasonable terms, or at all. The inability of suppliers or vendors to deliver necessary production parts, components, equipment or services can disrupt the production processes of our products and make it more difficult for us to implement our business strategy. Suppliers and vendors periodically extend lead times, face capacity constraints, limit supplies, increase prices, experience quality issues or encounter other issues that can interrupt or increase the cost of our supply and services.

Our business may be negatively affected if we fail to maintain stable relationship with our major customers.

We are exposed to concentration risk with our major customers. Our sales to our top five customers in each year during the Track Record Period was RMB122.0 million, RMB134.2 million and RMB181.3 million in 2023, 2024 and 2025, respectively, accounting for 60.7%, 50.1% and 46.8% of the total revenue for the respective periods, respectively. Our sales to our largest customer in each year during the Track Record Period was RMB81.0 million, RMB63.6 million and RMB76.4 million in 2023, 2024 and 2025, respectively, accounting for 40.3%, 23.7% and 19.7% of the total revenue for the respective periods, respectively. The major risks associated with a concentration on a few major customers include reduced commercial negotiating power, loss of such customers, and difficulty in finding alternative customers. As such, if we cannot maintain collaborative relationship with these major customers, or we cannot find alternative customers with comparable level of collaboration, our business, results of operations and financial condition may be adversely affected.

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

We generally do not enter into long-term contracts with our major customers. There is no assurance that our customers will make repurchases of our products or solutions or that the industries where we operate will continuously attract new customers. As such, if we fail to attract new customers or retain existing customers, our business, results of operations and financial condition may be adversely affected.

Increases in costs of the parts and components that we use in our products and solutions would adversely affect our business, results of operations and financial condition.

Significant changes in the markets in which we purchase parts, components and other supplies for the production of our products and solutions may adversely affect our profitability. In particular, given our early stage of commercialization and our strategic focus on customer expansion, market penetration, and maintaining stable business relationships, we cannot fully pass on such cost increases to our customers by adopting simple cost-passing measures. We had not experienced any significant increase in the costs of procuring parts and components during the Track Record Period and up to the Latest Practicable Date. The inability to pass on price increases to our customers when part or component prices increase rapidly or are significantly higher than historical levels would adversely affect our business, results of operations and financial condition.

We may not be able to fully maintain quality control over our products and solutions.

The quality of our products and solutions depends on the effectiveness of our quality control and quality assurance. We cannot assure you that our quality control and quality assurance procedures will be effective in consistently preventing and resolving deviations from our quality standards. Any significant failure of our quality control and quality assurance protocols could render our products unable to perform its regular functions, cause safety concerns that may result in physical injuries to individuals, or harm our market reputation and relationship with business partners. In addition, the quality of parts, components and/or products manufactured by our suppliers that we incorporate into our industrial robots or related robotics solutions is beyond our control. We cannot assure you that such parts, components and/or products are free of defects or can meet the relevant quality standards. In the event of any quality issues, we could be subject to complaints and product liability claims and we may not be able to seek indemnification from them. Any of the foregoing incidents may materially and adversely affect our business, results of operations and financial condition.

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

Our industrial robots and related robotics solutions may contain errors, defects, security vulnerabilities or software issues that are difficult to detect and correct, particularly when first introduced or when new versions or enhancements are released. Although we conduct internal testing and have not experienced any defects or recalls in our products or solutions during the Track Record Period, our products or solutions may contain serious errors or defects, security vulnerabilities or software issues, which we are unable to successfully correct in a timely manner or at all. Some errors or defects in our products or solutions may only be discovered after they have been commercialized and deployed by our customers for their production lines or other use cases and we may incur costs relating to product recall, repair or replacement. Furthermore, these issues could potentially lead to lawsuits filed against us by our customers or other parties, exposing us to potential liabilities and damages. We may also experience revenue loss, significant capital expenditures, delay or loss in market acceptance and damage to our reputation and brand, any of which could adversely affect our reputation, business, results of operations and financial condition.

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

Acquisitions, investments or strategic alliances may fail and materially and adversely affect our reputation, business and results of operations.

We may in the future enter into strategic alliances with various third parties, which involves risks including sharing proprietary information, non-performance by the counterparty, and an increase in expenses incurred in establishing new strategic alliances. We may have little ability to control or monitor their actions. We may also suffer negative publicity or harm to our reputation 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. We may face related integration risks, meaning that we may encounter significant difficulties combining operations or systems. Future acquisitions and integration would require significant attention from our management and could result in a diversion of resources from our existing businesses. Acquired assets, technologies or businesses may not generate the financial or 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. We may overvalue an acquisition target based on inaccurate assumptions or competitive bidding, leading to future goodwill impairments or write-downs. For these reasons, we may be unable to realize the expected strategic or financial benefits of an acquisition, and our business, results of operations and financial condition could be materially and adversely affected.

We sell industrial robots to distributors for a certain portion of our revenue. If distributors are not able to operate successfully or we fail to maintain good relationships with such distributors, our business, financial condition and results of operations could be negatively affected.

We selectively engage distributors to market our industrial robots. We leverage their experience and knowledge of the target markets as well as their existing sales network and resources. As of December 31, 2023, 2024 and 2025, there were 12, 34 and 74 distributors, respectively. Our distributors may not be able to market and sell our products successfully or maintain their competitiveness as a result of various factors. For example, our distributors may not be able to successfully organize marketing events that achieve desired results. If the sales volumes of our products to customers are not maintained at a satisfactory level, our distributors may not place new orders with us, or they may reduce orders or request discounts on the purchase price, and eventually, they may not renew the distribution agreement with us. The loss of our distributors, or reduced orders from them, could adversely affect our access to customers and our sales volume and revenue. Although there were no instances of non-compliance by our distributors during the Track Record Period that may materially affect our business operations, there is no assurance that they will continue to comply or that we may be successful in detecting any non-compliance. Non-compliance with the distribution agreements by any of our distributors could tarnish our brand, disrupt our sales and damage our relationship with distributors. In addition, if we fail to maintain our relationships with a majority of distributors, or our distributors fail to operate successfully, our ability to effectively sell our products could be negatively impacted. These and similar actions could also negatively affect our corporate and product image, which could result in a loss of customers and decline in sales. Furthermore, distributors selling the same products in overlapping markets may result in cannibalization or even competition among these distributors. We cannot assure you that the expansion of our sales network will continue to be successful or will generate revenue as expected.

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

We have built up a broad and geographically diversified customer base in China and globally, spreading across 25 countries and regions in Hong Kong, Europe, North America, Latin America, and Southeast Asia as of the Latest Practicable Date. In 2024 and 2025, our overseas revenue accounted for approximately 9.5% and 9.8% of our revenue, respectively. Expanding in international markets requires significant resources and management attention and will subject us to regulatory, economic and political risks, which may restrict our ability to operate in the affected region or decrease our profitability. We are also exposed to increased risk of loss from foreign currency fluctuations and exchange controls. Because of our limited experience with international operations, our international expansion efforts may not produce the results we expect. We will face risks in doing business internationally that could adversely affect our business, such as the increased operating, travel, infrastructure and legal compliance costs associated with international business, embargoes and customer clearances, as well as political or social unrest or economic instability in regions in which we operate. Our failure to manage any of these risks successfully could harm our international operations, and adversely affect our business, results of operations and financial condition.

We may be subject to the risks associated with international trade policies, geopolitics and trade protection measures, including imposition of trade restrictions and sanctions, and our reputation, business, results of operations and financial condition could be adversely affected.

Our operations are subject to potential deterioration in the political and economic relations among countries and sanctions and export controls administered by the government authorities in the countries and regions in which we operate, and other geopolitical challenges, including, but not limited to, economic and labor conditions, increased duties, taxes and other costs and political instability.

Additionally, the evolving trade policies of the United States and China remain uncertain, with potential changes in tariffs, regulatory requirements, and trade restrictions that could impact our ability to plan and operate effectively in the U.S. market. Since 2018, the United States government imposed several rounds of tariffs on Chinese products. Between February and April 2025, the U.S. government further announced several rounds of new tariffs on imports from China. The U.S. government may in the future continue to increase the tariffs. Meanwhile, China has implemented, and may further implement, measures in response to the heightened tariffs against Chinese products initiated by the U.S. government. While the U.S. Supreme Court has ruled that reciprocal tariffs and fentanyl-related tariffs are illegal, the U.S. government has already imposed an additional 10% tariff through Section 122, there can be no assurance as to whether the United States will maintain or reduce tariffs, or impose additional tariffs on Chinese products in the near future. As such, margins on sales of our products and solutions in certain countries and regions could be materially and adversely affected by international trade regulations, including duties, tariffs and anti-dumping penalties. Specifically, all goods exported by us to the United States would be subject to the additional 10% U.S. tariffs under Section 122. Our exports to the United States accounted for a very small proportion of our revenue during the Track Record Period, representing approximately 0.2%, 1.2% and 0.1% of our total revenue in 2023, 2024 and 2025, respectively, primarily involving our Bat series and Python series robots. In addition, the U.S. Department of Commerce maintains the Entity List, which imposes specific export, re-export and transfer restrictions on designated entities. In 2023, 2024 and 2025, the revenue generated from customers on the Entity List accounted for 4.2%, 2.9% and 1.5% of our total revenue, respectively, and the purchases from such entities accounted for 1.2%, 0.8% and 0.7% of our total purchase amount, respectively. Moreover, we are exposed to the indirect impact of the U.S. tariffs, given that some of our customers and their downstream customers may have sales subject to the U.S. tariffs and may be responsible to pay such tariffs, which may affect their demand for our products and solutions. Because we do not have knowledge of the direct impact of the U.S. tariffs on our customers, our customers' market share, revenue, and profitability in the United States, and the business adjustments made by our customers, the magnitude of the indirect or knock-on impact on our business operations and financial condition cannot be quantified at this stage and remains subject to uncertainty and future developments, which could eventually turn out to materially affect our customers with substantial sales in the United States, thereby affecting their demand for our products and solutions. In addition to the potential indirect impact, we could also be exposed to the direct impact from the U.S. tariffs. Although we did not have any financially meaningful presence in the United States during the Track Record Period, we may be forced to adjust the price of our products and solutions due to any increased U.S.-based tariffs on our products and solutions if we substantially expand our business dealings into the United States in the future, which could make our products and solutions less competitive in the United States.

Furthermore, the U.S. government has also imposed economic and trade sanctions directly or indirectly affecting technology companies. Such restrictions, and similar or more expansive restrictions that may be imposed by the U.S. or other jurisdictions in the future, may be difficult or costly to comply with and may materially and adversely affect our abilities to acquire technologies, systems, parts or components that may be critical to our technology infrastructure, product offerings and business operations. As of the Latest Practicable Date, we conducted limited, one-off transactions in Russia which were subject to U.S. sanctions program. Specifically, our transactions in Russia only involved two Russian customers, where we sold our Bat series and Python series robots to these two counterparties in 2023 and 2024, accounting for 0.07% and 0.01% of our total revenue in the same years, respectively. Save for the aforementioned limited transactions in Russia, we have not conducted any business or had any transactions in other sanctioned jurisdictions up to the Latest Practicable Date. As of the Latest Practicable Date, as advised by King & Wood, our legal advisor as to international sanctions matters, we are of the view that our business activities in Russia do not constitute Primary Sanctioned Activity as they did not involve nexus with relevant jurisdictions including the U.S. Furthermore, our screening and due diligence confirmed that our Russian counterparties are not designated on relevant sanctions blacklists, and our transactions did not involve sanctioned sectors of the Russian economy. Besides, we have ceased such business and do not intend to conduct further business in Russia in the future. Therefore, as advised by King & Wood, we are of the view that the above-mentioned one-off transactions were unlikely to trigger secondary sanctions risks.

Additionally, we also purchased products from certain entities designated on the U.S. CMC List and U.S. NS-CMIC List in 2023, 2024 and 2025, accounting for 1.2%, 4.7% and 0.7% of our total purchase amount for the same periods, respectively, and sold products to an entity designated on the U.S. CMC List in 2024, accounting for 0.03% of our total revenue for the year. As advised by King & Wood, our legal advisor as to international sanctions matters, we believe the restrictions with these lists are inapplicable to the transactions between us and such designated entities for the following reasons. For U.S. CMC List, we have purchased products from and sold products to two entities on the U.S. CMC List in total. However, because we have not been listed on the U.S. CMC List, we do not provide any lobbying service, and we have no nexus and intention to conduct business with the U.S. Department of Defense, the restrictions associated with the U.S. CMC List are inapplicable to the transactions mentioned above and will not give rise to sanctions risk to us. For U.S. NS-CMIC List, we have purchased products from an entity on the NS-CMIC List. Under current rules, the NS-CMIC prohibitions only apply to U.S. persons on any "security" denominated in any currency that trades on a securities exchange or through "over-the-counter" trading, in any jurisdiction. However, our transactions with such designated entity do not involve any sale or purchase of any publicly traded securities that are designed to provide investment exposure to publicly traded securities of any entity on the U.S. NS-CMIC List, and on the other hand, we are a company incorporated in the PRC and are thus not a U.S. person, nor are we a subsidiary of a U.S. company in the PRC. As such, the dealings with such designated entity on the U.S. NS-CMIC List should not be affected by the associated prohibitions.

Therefore, as advised by King & Wood, we are of the view that the sanctions risks did not and were not expected to have any direct material adverse impact on our business operations and financial performance. Furthermore, we will not conduct business in countries which are subject to U.S. sanctions programs in the future to further mitigate any potential adverse impact under relevant trade sanctions. However, if any of us, or our Shareholders, Directors, management personnel, employees and business partners, violate such laws, we could become subject to sanctions or other penalties, which could adversely affect our reputation, business, results of operations and financial condition. Meanwhile, we are subject to the risk that we, our employees or any third parties that we engage to do work on our behalf in certain countries may take action determined to be in violation of anti-corruption laws in any jurisdiction in which we conduct business. Any violation of such anti-corruption law or regulation could result in substantial fines, sanctions, civil and/or criminal penalties and curtailment of operations in certain jurisdictions and might adversely affect our reputation, business, results of operations and financial condition.

We are exposed to risks associated with U.S. Executive Order 14105 and its implementing regulations that prohibit and require notification by U.S. persons for certain investments.

On October 28, 2024, the U.S. Department of the Treasury (the "Treasury") issued a final rule on outbound investment, or the Outbound Investment Rule, to implement the executive order of August 9, 2023, which became effective on January 2, 2025. The Outbound Investment Rule imposes investment prohibition and notification requirements on U.S. persons for a wide range of investments in entities associated with China (including Hong Kong and Macau), collectively defined as "Covered Foreign Persons," that are engaged in activities relating to three sectors: (1) semiconductors and microelectronics, (2) quantum information technologies, and (3) artificial intelligence systems. U.S. persons subject to the Outbound Investment Rule are prohibited from making, or required to report, certain investments in Covered Foreign Persons, which are defined as "covered transactions." The Outbound Investment Rule could apply to certain U.S. person (including their controlled foreign entities, if applicable) outside the United States who may participate in the Global Offering through offshore transactions in accordance with Regulation S.

As we develop autonomous control and graphics processing AI systems for robotic controls, as advised by King & Wood, we may be deemed a "covered foreign person" because our business activities may be deemed "covered activities" under the definition of "notifiable transaction." Further, U.S. persons engaged in a notifiable "covered transaction" that involves the acquisition of our equity interests may need to make a notification to the Treasury pursuant to the Outbound Investment Rule, which could limit our ability to raise capital or contingent equity capital. The obligation to file such notifications vests with the relevant U.S. persons, rather than with our Company. Although, as advised by King & Wood, once shares are issued and become publicly traded, subsequent purchasers (including U.S. persons) are exempted under the publicly traded securities exception regardless of whether we engage in covered activities, investors that are U.S. persons should still consult their own legal counsel regarding the applicable compliance requirements, including their notification obligation under the Outbound Investment Rule in connection with the Global Offering.

However, there is no assurance that the Treasury will take the same view as ours. In addition, the application and implication of the Outbound Investment Rule and any related policies, laws and regulations are complex, which may change and be updated from time to time. These rules may limit our ability to raise capital from the U.S. and other sources. The interpretation and enforcement of these rules are evolving and unclear. Continuing changes in both U.S. and non-U.S. jurisdictions to foreign investment laws and rules could adversely affect our future strategies, financial performance and growth prospects.

If we fail to obtain and maintain the requisite licenses and approvals required in any jurisdictions where we operate, our business, results of operations and financial condition may be materially and adversely affected.

We are required to obtain and maintain the requisite licenses and approvals for our business in China and other jurisdictions where we operate our business, such as Recording Certificate of Customs Declaration Entity. Uncertainties exist regarding the interpretation and implementation of existing and future laws, regulations and policies governing our business activities. We cannot assure you that we will not be found in violation of any of the laws, regulations and policies currently in effect or any future laws, regulations and policies. If we fail to complete, obtain or maintain any of the required licenses or approvals or make the necessary filings in any of the jurisdictions where we operate our business, we may be subject to various penalties, such as the imposition of fines and the discontinuation or restriction of our operations. Any such penalties may disrupt our business operations and materially and adversely affect our business, results of operations and financial condition.

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

Our policy allows products or solutions with defects to be repaired for free within the warranty period. As we continue to grow our operations and support our customer base, we need to be able to continue to provide efficient customer support that meets our customers' needs at scale. We may not be able to recruit or retain sufficient qualified support personnel with experiences in supporting our customers. As a result, we may be unable to respond quickly enough to accommodate spikes in customer demand for technical support or maintenance assistance. We may also be unable to modify the future scope and the delivery of our maintenance services and technical support to compete with changes in the technical services provided by our competitors. If we experience increased customer demand for support and maintenance, we may face increased costs that may affect our results of operations. If we are unable to provide efficient customer maintenance and support, our business may be harmed. Our ability to attract new customers is highly dependent on our business reputation. Any failure to maintain high-quality maintenance and support services, or a market perception that we do not maintain high-quality maintenance and support services for our customers, would harm our business.

We cannot guarantee that our growth strategies will be successfully implemented or bring about outcomes as we expected.

We continue to execute a number of strategies to expand our business. See "Business — Growth Strategies" and "Future Plans and Use of Proceeds" for details. However, expanding our business involves risks and challenges. These business initiatives are new and evolving, some of which may prove unsuccessful. It may also take a longer time than expected for us to develop the technologies and build market acceptance of our products or solutions, and we may not have sufficient experience in executing these new business initiatives effectively. We cannot assure you that any of these new business initiatives will achieve our expected market acceptance and generate desired outcome. If our efforts fail to enhance our monetization abilities, 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.

Any unexpected disruption at our production facilities could materially and adversely affect our business, results of operations and financial condition.

During the Track Record Period, we manufactured and produced our products through our three production facilities in Jinan, Shandong Province, Hangzhou, Zhejiang Province, and Linyi, Shandong Province, respectively. Our ability to meet the demand of our customers and grow our business relies on the efficient, proper and uninterrupted operation of our production plan and a constant and sufficient supply of utilities. Although we have not experienced any disruptions at our production facilities, in the event of earthquake, fire, drought, flood or other natural disaster, political instability, riot or civil unrest, extended outage of critical utilities or transportation systems, terrorist attack or other events that limit or disrupt our ability to operate our production facilities, we may experience substantial losses, including loss of revenue from disrupted production. We may also need to incur substantial additional expenses, exceeding our insurance coverage to repair or replace any damaged equipment or facility. In addition, our ability to manufacture and supply products and our ability to meet our delivery obligations to our customers would be significantly disrupted and our relationships with our customers could be damaged, which could have a material and adverse effect on our business, results of operations and financial condition.

Our insurance policies do not cover certain risks caused by war, nuclear contamination, tsunami, pollution, acts of terrorism and civil disorder. Therefore, our insurance coverage may not be sufficient to cover all losses or potential claims by our customers, which would affect our business, results of operations and financial condition.

We believe we have adequate insurance coverage in connection with our business operations by putting in place all the mandatory insurance policies required by PRC laws and regulations. As of the Latest Practicable Date, we maintained insurance policies covering employee safety. However, it may not be adequate to fully compensate for all kinds of losses we may suffer in the future. In particular, we do not carry insurance in respect of certain risks that we believe are not insured under customary industry practice in China, or which are uninsurable on commercially acceptable terms, if at all, such as those caused by war, nuclear contamination, tsunami, pollution, acts of terrorism and civil disorder. In addition, our insurers generally review our policies every year and we cannot guarantee that our policies can be renewed on similar or other acceptable terms, or at all. Furthermore, if we suffer unexpected severe losses or losses that far exceed the policy limits, it could materially and adversely affect our business, results of operations and financial condition.

Our business and prospects depend on our ability to build our brand and reputation, which could be harmed by negative publicity regarding our brand, Directors, employees, or products, whether warranted or not.

We believe that maintaining and enhancing our brand is of significant importance to the success of our business. 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. We may incur extra expenses in promoting our brand. However, we cannot assure you that these activities are and will be successful or that we can achieve the brand promotion effect we expect. In addition, negative publicity about our brand, Directors, employees, or products, whether warranted or not, may adversely affect our brand, reputation and business. Certain of such negative publicity may come from malicious harassment or unfair competition acts by third parties, which are beyond our control.

Our information technology and software systems may encounter malfunction, unexpected system failure, interruption, insufficiency or security breaches.

We rely on our information technology and software systems to effectively manage various customers' and suppliers' data, production and operation data, and financial and human resources data. Any significant failure in our information technology and software systems could result in transaction errors, processing inefficiencies and loss of sales and customers, or lead to loss or leakage of confidential information. Our information technology and software systems may be subject to damage or interruption, primarily due to unexpected emergency circumstances beyond our control, including power outages, fire, natural disasters, systems failures, security breaches, unauthorized access hackings, loss or corruption of data, computer viruses and other similar events.

We are reliant on third-party logistics service providers and warehousing service providers to meet the growing demand of our customers.

We may use logistics services and warehousing services provided by third parties, which we have no control over, to serve customers. Delays in third-party logistics had no material impact on our operations during the Track Record Period. However, if products are not delivered on time or are delivered in a damaged state which we failed to detect, customers may refuse to accept the products and hold less confidence in us. Furthermore, our logistics personnel or the logistics personnel of third parties act on our behalf and interact with our customers personally in some cases. Any failure to provide high-quality service to our customers may negatively impact the experience of our customers, damage our reputation, and affect our ability to retain customers. We may face claims raised by our customers that we may be held liable for any losses and damages arising therefrom. As a result, our reputation, business, results of operations and financial condition might suffer significantly. In addition, there can be no assurance that we will be able to maintain such good relationships or renew our agreements with them on commercially reasonable terms, if at all. If we fail to continue our cooperation with such service providers, or if their business or operations are interrupted or fail, and we fail to find comparable alternatives on reasonable terms, our business may be materially and adversely affected. Furthermore, vehicles and personnel of third-party logistics service providers we engage may be involved in transportation accidents, and the products carried by them may be lost, damaged, destroyed.

Our business growth and results of operations may be affected by changes in global and regional macroeconomic conditions, natural disasters, health epidemics and pandemics, and social disruption and other outbreaks.

Uncertainties about global economic conditions and regulatory changes and other factors including fluctuation of interest rates, inflation level, unemployment, labor and healthcare costs, access to credit, consumer confidence and other macroeconomic factors may pose risks and materially and adversely affect demand for our products. In addition, natural disasters such as floods, earthquakes, sandstorms, snowstorms, fire or drought, the outbreak of a widespread health epidemic or any severe epidemic disease such as SARS, Ebola, Zika or the COVID-19, acts of war, terrorism or other force majeure events beyond our control may disrupt our research and development, manufacturing and commercialization activities and business operations, all of which could adversely affect our business, results of operations, financial condition and prospects. In particular, COVID-19 has materially and adversely affected the Chinese and global economy. There remain uncertainties about the dynamic of the COVID-19 pandemic, which may have potential continuing impacts in the future if the pandemic and the resulting disruption were to extend over a prolonged period.

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

The applicable government and public advocacy groups have been increasingly focused on environment, social and governance ("ESG") issues in recent years, making our business more sensitive to ESG issues and changes in governmental policies and laws and regulations associated with environment protection and other ESG-related matters. Investor advocacy groups, certain institutional investors, investment funds, and other influential investors are also increasingly focused on ESG practices and in recent years have placed increasing importance on the implications and social cost of their investments. Regardless of the industry, increased focus from investors on ESG and similar matters may negatively affect access to capital, as investors may decide to reallocate capital or to not commit capital as a result of their assessment of a company's ESG practices. Although we had not experienced any adverse ESG incidents or issues during the Track Record Period, any future ESG concern or issue could increase our regulatory compliance costs. If we are perceived by investors to have not responded appropriately to the growing concern for ESG issues regardless of whether there is a legal requirement to do so, we may suffer from reputational damage and our business, operation and financial condition could be materially and adversely effected.

Our business is subject to seasonality.

We generally recognize the majority of our revenue in the second half of the year, primarily because (1) certain of our customers, in particular those that adopt our products or solutions in the consumer electronics sector, tend to complete inspection and acceptance procedures in the second half of the year, resulting in corresponding revenue recognition; and (2) our customers tend to schedule their procurement in advance of the major holidays in China and overseas markets, many of which are in the second half of the year, to avoid potential supply chain issues associated with the holidays. The degree of seasonality may vary from year to year due to conditions in the industry and other factors, which makes it difficult for us to predict the level of demand with precision. If seasonal demand exceeds our expectation, we may not have sufficient stock or arrange for timely production and delivery. If seasonal demand is lower than our expectation, we could be left with excess inventory, higher working capital and liquidity requirements, as well as the risk of impairment losses on our inventory. We expect to continue to experience seasonal fluctuations in our revenue, results of operations and financial condition, which could result in volatility and adversely affect the price of our H Shares.

If our risk management system is not adequate or effective, and if it fails to detect potential risks in our business as intended, our business, financial condition and results of operations could be materially and adversely affected.

We have established our internal control system, such as an organizational framework and, policies and procedures that are designed to monitor and control potential risk areas relevant to our business operations. However, due to the inherent limitations in the design and implementation of our risk management system, our risk management system may not be sufficiently effective in identifying, managing and preventing all risks if external circumstances change substantially or extraordinary events take place. Furthermore, our new business initiatives may give rise to additional risks that are currently unknown to us, despite our efforts to anticipate such issues. Our risk management also depends on effective implementation by our employees. There can be no assurance that such implementation by our employees will always function as intended or such implementation will not involve any human errors, mistakes or intentional misconduct. If we fail to implement our policies and procedures in a timely manner, or fail to identify risks that affect our business with sufficient time to plan for contingencies for such events, our business, results of operations and financial condition could be materially and adversely affected, particularly with respect to the maintenance of our relevant approvals and licenses granted by governments.

If we fail to maintain an effective system of internal control over financial reporting, we may be unable to accurately report our financial results, meet our reporting obligations or prevent fraud.

Our success depends on our ability to effectively utilize our standardized management system, information systems, resources and internal controls. As we continue to expand, we will need to modify and improve our financial and managerial controls, reporting systems and procedures and other internal controls and compliance procedures to meet our evolving business needs. If we are unable to improve our internal controls, systems and procedures, they may become ineffective and adversely affect our ability to manage our business and cause errors or information lapses that affect our business. Our efforts in improving our internal control system may not result in eliminating all risks. If we are not successful in discovering and eliminating weaknesses in our internal controls, our ability to effectively manage our business may be affected.

Failure to detect or prevent fraudulent or illegal activities or other misconduct by our employees, customers, suppliers or other third parties 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 and negative publicity. Although we are not aware of any fraudulent or illegal activities or other misconduct during the Track Record Period which could materially affect our business operations, there can be no assurance that our controls and policies will prevent future 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 subject us to negative publicity which could severely damage our brand and reputation and, if conducted by our employees, further subject us to significant financial and other liabilities to third parties and fines and other penalties imposed by government authorities. As such, any failure to detect and prevent fraudulent or illegal activities or other misconduct by our employees, customers, suppliers or other third parties could materially and adversely affect our business, results of operations and financial condition.

We may be involved in legal proceedings and commercial or contractual disputes, which could materially and adversely affect our reputation, business, results of operations and financial condition.

We may be involved in legal proceedings and commercial or contractual disputes in the ordinary course of our business. We cannot assure you that we will not be involved in various legal and other disputes in the future, which may expose us to additional risks and losses. In addition, we may have to pay legal costs associated with such disputes, including fees relating to appraisal, auction, execution and legal advisory services. Litigation and other disputes may lead to inquiries, investigations and proceedings by regulatory authorities and other governmental agencies and may result in damage to our reputation, additional operating costs and diversion of resources and management's attention from our core business. The disruption of our business due to judgment, arbitration and legal proceedings against us or adverse adjudications in proceedings against our Directors, senior management or key employees may materially and adversely affect our reputation, business, results of operations and financial condition.

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

We have been investing, and intend to continue to invest, heavily in R&D, which may adversely affect our profitability and operating cash flow and may not generate the results we expect to achieve.

We have been investing, and expect to continue to invest, heavily in our R&D efforts. Our research and development expenses were RMB33.1 million, RMB38.7 million and RMB70.8 million in 2023, 2024 and 2025, respectively, accounting for 16.5%, 14.4% and 18.3% of our revenue in the same periods, respectively. The robot industry is subject to rapid technological changes and is quickly evolving in terms of technological innovation. We need to invest significant resources, including financial resources, in R&D to make technological advances in order to maintain the competitiveness of our products or expand our product offerings. As a result, we expect to continue to incur significant research and development expenses in the future.

However, we cannot guarantee that our efforts will achieve the outcomes as we anticipate. The outcomes of R&D activities are inherently uncertain. Even if we succeed in our R&D efforts and generate the results as we expect, we may still encounter practical difficulties in commercializing our products incorporating our research and development outcomes. New technologies could render our existing technologies and/or products or technologies and/or products we are developing obsolete or unattractive, thereby rendering us unable to recover R&D efforts. Our R&D efforts may not translate into contribution to our results of operations for several years, if at all, and even when they do, such contributions may not meet our expectations, and we may never recover the costs of such efforts, which would materially and adversely affect our business, results of operations, financial condition and competitive position.

If we are unable to develop and introduce new products and solutions, our future business, results of operations, financial condition and competitive position would be materially and adversely affected.

Our future success depend on our ability to develop and introduce new and enhanced industrial robots and related robotics solutions that incorporate the latest technological advancements. We may encounter unexpected technical and production challenges or delays in completing the development of new and enhanced products and/or ramping up production in a cost-efficient manner. Successful product and solution development and upgrade requires us to invest significant resources in research and development, design innovative and reliable products, respond effectively to competitor advancements, and adjust to evolving customer demands and market trends. If we are unable to complete the development of new and enhanced products, solutions and/or technologies without delay or at all, we may not be able to satisfy our customers' demand or achieve broader market acceptance of our products and solutions, and our business, results of operations, financial condition and competitive position would be materially and adversely affected.

We may not be able to obtain or maintain adequate intellectual property rights protection for our products, or the scope of such protection may not be sufficiently broad.

Our success depends in a large part on our ability to protect our proprietary technologies as well as our products from competition by obtaining, maintaining and enforcing our intellectual property rights. As of the Latest Practicable Date, we had 286 granted patents, including 39 invention patents, 231 utility model patents and 16 design patents, and filed 74 patent applications which were pending approval. As of the same date, we also held 99 software copyrights. See "Business — Intellectual Property Rights." The patent application process may be expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner, if at all. In addition, we may fail to identify patentable aspects of our research and development outputs before it is too late to obtain patent protection. As a result, we may not be able to prevent competitors from developing and commercializing competitive products in all such fields. Even if our patent applications are successfully granted, such grant may not provide meaningful protection, prevent competitors from competing with us. Our competitors may be able to circumvent our patents by developing similar or alternative technologies or products in a non-infringing manner. We may face competition for any approved products even if we successfully obtain patent protection once the patent life expires for such products. Any of the foregoing could materially and adversely affect our business, results of operations, financial condition and competitive position.

We may become involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time-consuming and unsuccessful. Our patent rights relating to our products could be found invalid or unenforceable if being challenged in court or before the China National Intellectual Property Administration or similar intellectual property agencies in other jurisdictions.

Although we are not aware of any material unauthorized use of intellectual property rights by third parties, our competitors may infringe upon our patent rights or misappropriate or otherwise violate our intellectual property rights. To counter future infringement or unauthorized use, litigation may be necessary to enforce or defend our intellectual property rights, protect our trade secrets, or determine the validity and scope of our own intellectual property rights or the proprietary rights of others. This can be expensive and time-consuming. Any claims that we assert against perceived infringers may provoke these parties to assert counterclaims against us alleging that we infringe upon their intellectual property rights. Many of our existing and potential competitors have greater resources to enforce and/or defend their intellectual property rights than we do. We may not be able to prevent third parties from infringing upon or misappropriating our intellectual properties. An adverse result in any litigation proceeding could put our patents, as well as any patents that may be granted in the future from our pending patent applications, at risk of being invalidated, held unenforceable or narrowly interpreted.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigations, some of our confidential information could be compromised by disclosure during litigation. Defendant counterclaims alleging invalidity or unenforceability are commonplace and can be asserted on numerous grounds. Third parties may also raise similar claims before administrative bodies in China or other jurisdictions, even outside the context of litigation. Such proceedings could result in revocation or amendment to our patents in such a way that they no longer cover and protect our existing and/or future products. The outcome following legal assertions of invalidity and unenforceability is unpredictable. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our existing and/or future products, which could materially and adversely affect our business, results of operations and financial condition.

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.

Some of our competitors have large patent portfolios and may claim that the commercial use of our products has infringed upon their patents. These patents have broad claims, so it might be alleged that certain features of our products fall within the claims of such patents. Therefore, our competitors may initiate legal proceedings alleging that we are infringing upon, misappropriating or otherwise violating their intellectual property rights in connection with the commercialization of relevant products. Although we were not aware of any infringement of third party intellectual property, we cannot assure you that we or our products will not infringe any intellectual property rights held by third parties in the future. We may face claims of infringement of third parties' proprietary rights or claims for indemnification resulting from infringement arising from our operations or the design, development and distribution of our products. In addition, we may be unaware of intellectual property registrations or applications relating to our products or business operations that may give rise to potential infringement claims against us. There may also be technologies licensed to and relied on by us that are subject to infringement or other corresponding allegations or claims by third parties.

We may hire employees who have previously worked for our competitors or other companies in relevant industries. There can be no assurance that such employees will not use their previous employers' proprietary know-how or trade secrets in their work for us, which could result in litigation against us. Our efforts to identify and avoid infringing upon third parties' intellectual property rights may not always be successful. Any claims of patent or other intellectual property infringement, regardless of their merit, could (1) be expensive and time-consuming to defend; (2) cause us to pay substantial damages to third parties; (3) forbid us from making or selling products that incorporate the challenged intellectual property; (4) require us to redesign, reengineer or rebrand our products; (5) cause us to enter into royalty or licensing agreements that may not be available on terms acceptable to us or at all; (6) divert the attention of our management; or (7) result in customers terminating, deferring or limiting their purchase of the affected products until resolution of the litigation. If we fail to successfully defend against these claims or do not prevail in such proceedings, we may be prohibited from using certain intellectual property rights, subject to substantial amounts of damages, fines or penalties or ordered to cease operations of certain of our business, which may in turn have a material and adverse effect on our business, results of operations and financial condition, or cause negative publicity and tarnish our reputation.

Changes in patent law could diminish the value of patents in general, thereby impairing our ability to protect our products.

The scope of patent protection in various jurisdictions is uncertain. Changes in either the patent laws or their interpretation in China or other jurisdictions may diminish our ability to protect our inventions, obtain, maintain, defend and enforce our intellectual property rights and, more generally, could affect the value of our intellectual property or narrow the scope of our patent rights. The coverage claimed in a patent application can be significantly reduced before the patent is granted, and its scope can be reinterpreted after such grant. As a result, the grant of patent application, scope, validity, enforceability and commercial value of our patent rights are highly uncertain.

We may be unable to protect the confidentiality of our trade secrets, and we may be subject to claims that we, or our employees or our business partners have wrongfully used or disclosed trade secrets allegedly owned by others.

In addition to our registered patents and patent applications, we rely on trade secrets, including unpatented know-how, technology and other proprietary information, to protect our products and thus maintain our competitive position. We protect these trade secrets, in part, by entering into non-disclosure and confidentiality agreements, non-compete covenants or include such undertakings in the agreements with parties that have access to them. We also enter into employment agreements with our employees that include undertakings regarding assignment of inventions and discoveries. Nevertheless, there can be no guarantee that an employee or a third party will not make an unauthorized use or disclosure of our proprietary confidential information. This might happen intentionally or inadvertently. It is possible that a competitor will gain access to such information and make use of such information, and that our competitive position will be compromised. In addition, to the extent that our employees or business partners use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. Enforcing a claim that a third party illegally obtained and/or is using any of our trade secrets is expensive and time-consuming, and the outcome is unpredictable.

If our trademarks and trade names are not adequately protected, we may not be able to build name recognition in our markets of interest and our competitive position may be adversely affected.

We own a number of trademarks in China, including "Robot Phoenix" and "翼菲." Our trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks, and may not be registered in all the necessary or desirable jurisdictions and categories in which we intend to sell our future products or provide our future services. Our trademarks may not be approved by one or more governmental trademark offices or may not be approved for use on our products or services. We may not be able to protect our rights to these trademarks and trade names or may be forced to stop using these names, which we need for name recognition by potential partners or customers in our markets of interest. At times, competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. As such, if we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively and our business may be adversely affected.

Intellectual property rights do not necessarily protect us from all potential threats to our competitive advantages.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business nor permit us to maintain our competitive advantage. Illustrative examples include the following: (1) others may be able to make identical or similar products that are not covered by the claims of the patents that we own; (2) others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights; (3) third parties might conduct R&D activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets; and (4) we may not develop additional technologies that are patentable.

We may not be able to protect our intellectual property rights globally.

Filing, prosecuting and defending patents on our technologies globally can be extremely expensive and time-consuming. As of the Latest Practicable Date, we did not file any patent application outside China. We may encounter difficulties in protecting and defending our China-based patents and related rights in overseas jurisdictions, and may not be able to prevent third parties from practicing our inventions in countries where we have not obtained patent protection. Competitors may use our technologies in such jurisdictions to develop their own products. The legal systems of many other countries and regions do not favor the enforcement of patents and other intellectual property protection, which could make it difficult for us to stop the infringement of our patents in such countries. Proceedings to enforce our patent rights in overseas jurisdictions could result in substantial cost and divert our resources and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of rejection, and could provoke third parties to assert claims against us. We may not prevail in lawsuits that we initiate or be awarded the damages or other remedies, if any, as we deem sufficient. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual properties that we develop.

RISKS RELATING TO OUR FINANCIAL CONDITION AND NEED FOR ADDITIONAL CAPITAL

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

Our capital requirements will be subject to many factors, including, but not limited to (1) technological advancements; (2) market acceptance of our products and product and solution enhancements, and the overall level of sales of our products; (3) research and development expenses; (4) our relationships with our customers and suppliers; (5) our ability to control costs; (6) sales and marketing expenses; (7) enhancements to our infrastructure and systems and any capital improvements to our facilities; (8) potential acquisitions of businesses and product lines; and (9) general economic conditions, inflation, rising interest rates, and international conflicts and their impact.

If our capital requirements are materially different from those currently planned, we may need additional capital sooner than anticipated. Additional financing may not be available on favorable terms, on a timely basis, or at all. If adequate funds are not available or are not available on acceptable terms, we may be unable to continue our operations as planned, develop or enhance our products, expand our sales and marketing workforce, take advantage of future opportunities or respond to competitive pressures.

We expect to incur significant research and development expenses and capital expenditures for our business operations, R&D and expansion plans, which may adversely affect our short-term cash flow, liquidity and profitability.

Our research and development expenses were RMB33.1 million, RMB38.7 million and RMB70.8 million in 2023, 2024 and 2025, respectively. We expect to incur significant capital expenditures for the R&D of our future products or solutions, purchase of property, plant and equipment and purchase of intangible assets. Inherent risk exists for such significant R&D expenditures and capital expenditures as our investment may not succeed or generate the benefits that we expect, and we may experience delays or inability to commercialize products, be required to write off prototypes or specialized equipment, or be forced to rely on third-party technologies on unfavorable terms, which could materially affect our profitability. Even if we achieve our goals for such investment, our short-term cash flow and liquidity may be adversely affected. While we intend to explore alternative arrangements to reduce the capital intensity of any future expansion, there is no assurance this will be successful.

Failure to obtain or maintain any of the government grants or preferential tax treatments could adversely affect our business, results of operations, financial condition and prospects.

During the Track Record Period, government grants consisted of subsidies in connection with our R&D efforts and business achievements. In 2023, 2024 and 2025, the government grants we recognized as other income was RMB4.8 million, RMB8.3 million and RMB6.2 million, respectively. The PRC government authorities may decide to reduce or cancel such government grants or preferential tax treatment, or require us to repay part or all of the government grants we previously received, which could adversely affect our business, results of operations and financial condition. As these government grants are provided typically on a one-off basis, there is no guarantee that we will continue receiving or benefiting from them in the future. In addition, we may not be able to successfully or timely obtain the government grants or preferential tax treatment that may become available to us in the future, and such failure could adversely affect our business, results of operations and financial condition.

We may be exposed to liquidity risk due to a long cash conversion cycle.

Our cash conversion cycle, calculated by inventory turnover days plus trade receivables turnover days minus trade payables turnover days, was 286, 216 and 187 days in 2023, 2024 and 2025, respectively. The relatively long inventory turnover days and trade receivables turnover days may lead to delays in converting our revenue into cash. While we continue to enhance our working capital management, future performance may be influenced by factors such as customer payment patterns, supply chain dynamics, and broader macroeconomic conditions. A longer cash conversion cycle may increase our reliance on working capital or external financing to support operations and growth. If we are unable to manage our inventory and receivables efficiently or to secure adequate financing on acceptable terms, our liquidity position, results of operations and financial condition could be materially and adversely affected.

We are subject to credit risk related to delay in payment and defaults of customers, distributors or related parties, which would adversely affect our liquidity and financial condition.

We are exposed to credit risk related to delay in payment and defaults of our customers, distributors or related parties. As of December 31, 2023, 2024 and 2025, we had trade and bills receivables of RMB52.3 million, RMB138.4 million and RMB179.3 million, respectively. Our trade receivables turnover days were 65, 120 and 136 days in 2023, 2024 and 2025, respectively. We negotiate the credit terms with our customers on a case-by-case basis and may offer longer credit terms to strategically important customers. We may not be able to collect all such trade and bills receivables due to various factors that are beyond our control, including long payment cycle of public sector customers, adverse operating condition or financial condition of customers, and distributors' inability to pay caused by their customers' delay in payment. If our customers and/or distributors delay or default in their payments to us, we may have to make impairment provisions and write-off the relevant receivables, and our liquidity and financial condition would be adversely affected.

We have granted, and may continue to grant, share-based awards, which may further increase our share-based payments expenses, adversely affect our financial performance, and dilute existing Shareholders' stake.

We recorded share-based payments expenses of RMB4.8 million, RMB19.2 million and RMB49.7 million in 2023, 2024 and 2025, respectively, in connection with employee share incentive grants. We believe such share-based awards are important to our ability to attract, retain and motivate our key individuals, and we may continue to grant share-based awards in the future. As a result, our share-based payment expenses may increase, which may further increase our share-based payments expenses, adversely affect our financial performance, and dilute existing Shareholders' stake.

If we fail to perform our contractual obligations, our liquidity and financial positions may be materially and adversely affected in the future.

Our contract liabilities primarily represent the advance consideration received from our customers before we transfer the related goods or services. Our contract liabilities were RMB54.9 million, RMB35.2 million and RMB27.3 million as of December 31, 2023, 2024 and 2025, respectively. If we fail to fulfill our obligations with respect to our contract liabilities, we may not be able to convert such contract liabilities into revenue as expected. Furthermore, if we fail to fulfill our obligations with respect to our contract liabilities, our customers may request not to prepay us in the future. Any of these circumstances could materially and adversely affect our business, results of operations, cash flow and liquidity condition.

RISKS RELATING TO DOING BUSINESS IN THE JURISDICTIONS WHERE WE OPERATE

The economic and social conditions in China could affect our business, results of operations, financial conditions and prospects.

During the Track Record Period, considerable amount of our revenue was derived from our businesses in China. Accordingly, our business, financial condition, results of operations and prospects are, to a material extent, subject to economic, political and legal developments in China. Since the implementation of China's reform and opening-up policy, 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. These economic reform measures may be adaptively adjusted from industry to industry or across different regions of the country. If the business environment in China changes, our business in China may also be affected.

Changes to laws and regulations in the PRC could adversely affect our business, results of operations and financial condition and our investors could be affected as a result.

We are based in China and our business in China are 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 in response to changing economic and other conditions, which we cannot foresee and therefore may adversely affect the legal protections and remedies that are available to us and our investors.

We may also face regulatory measures from time to time. A significant legal liability or regulatory measure could adversely affect us or damage our reputation, thereby harming our business prospects. During the Track Record Period, we were subject to rectification requirements by the Jinan Emergency Management Bureau for using grinding machines that lack dust removal functions, resulting in an administrative penalty of RMB15,000 by the Jinan Emergency Management Office. We have completed the rectification and paid the administrative penalty. According to our PRC Legal Advisor, such historical administrative penalties would not adversely affect our business operations. We have not otherwise been subject to any administrative penalties by any regulatory authorities during the Track Record Period and up to the Latest Practicable Date. We cannot assure you that there will not be any further heightened review, inspection, or additional compliance requirements to be imposed on us in the future. Any such regulatory actions, could result in increased operational costs and, if significant, could have an adverse impact on our reputation, business, results of operations and financial condition.

Government control of currency conversion and restrictions on the remittance of RMB into and out of China could limit our ability to utilize our revenues effectively, to pay dividends and other obligations, and affect the value of our H Shares.

The remittance of currency in and out of China is subject to various laws and regulations. Considerable amount of our revenues and expenses are denominated in Renminbi, and the net proceeds from the Global Offering and any dividends we pay on our H Shares will be in Hong Kong dollars. Under China's existing foreign exchange regulations, following the completion of the Global Offering, we will be able to make current account foreign exchange transactions, including paying dividends in foreign currencies without prior approval from the State Administration of Foreign Exchange ("SAFE"). Foreign exchange transactions under our capital account are subject to foreign exchange controls under relevant regulations and require SAFE's approval. These limitations could affect our ability to obtain foreign exchange through offshore financing. Furthermore, the net proceeds from the Global Offering are expected to be deposited in currencies other than Renminbi until we obtain necessary approvals from relevant PRC regulatory authorities to convert these proceeds into onshore Renminbi. If we cannot convert the net proceeds into onshore Renminbi in a timely manner, our ability to deploy these proceeds efficiently may be affected as we will not be able to invest these proceeds on Renminbi denominated assets onshore or deploy them in uses onshore where Renminbi is required. All of these factors could affect our business, results of operations, financial condition and prospects.

Fluctuations in exchange rates of Renminbi against Hong Kong dollar, U.S. dollar or other foreign currencies could affect our results of operations and the value of your investment.

Fluctuations in the exchange rate of Renminbi against Hong Kong dollar, U.S. dollar and other foreign currencies are affected by, among other things, the changes in China's and international political and economic conditions. The proceeds from the Global Offering will be denominated in Hong Kong dollars. As a result, any appreciation of Renminbi against U.S. dollar, Hong Kong dollar or any other foreign currencies may result in a decrease in the value of our foreign currency-denominated assets and our proceeds from the Global Offering. Conversely, any depreciation of Renminbi may adversely affect the value of, and any dividends payable on our H Shares in foreign currencies. All of these factors could affect our business, results of operations, financial condition and prospects, and could affect the value of, and dividends payable on, our H Shares in foreign currency terms.

We may be required to make additional contributions of social insurance fund and/or housing provident fund and late payments and fines under PRC laws and regulations.

Companies operating in the PRC are required to participate in various employee benefit plans, including social insurance fund and housing provident fund and contribute to the amounts equal to certain percentage of salaries, including bonuses and allowances, of their employees up to a maximum amount specified by the local government from time to time at locations where they operate their business. During the Track Record Period, we did not make adequate contributions to the social insurance and housing provident fund with respect to certain of our employees, as required by the relevant PRC laws and regulations. As a result, we may be required to make additional contributions of social insurance fund and/or housing provident fund and late payments and fines under PRC laws and regulations. We recorded the estimated shortfall amounts of social insurance of RMB12.1 million, RMB10.1 million and RMB9.4 million in 2023, 2024 and 2025, respectively. Additionally, we recorded the estimated shortfall of housing provident fund of RMB1.9 million, RMB1.0 million and RMB1.1 million in 2023, 2024 and 2025, respectively.

As advised by our PRC Legal Advisor, these actions do not constitute a material non-compliance incident because: (1) based on specialized credit reports issued by relevant government departments and confirmation from the social insurance and housing provident fund authorities in our primary operational locations, during the Track Record Period, we have not been subject to any administrative penalties for violating laws or regulations related to social insurance or housing provident fund management; and (2) our Directors confirm that, during the Track Record Period, we have not been ordered by the competent authorities to make up for social insurance or housing provident fund contributions within a specified timeframe, have not failed to make such contributions as required, have not been subject to any administrative penalties, have not received any material objections or claims from employees regarding the arrangements for social insurance contributions or housing provident fund contributions, and have not been involved in any major disputes or conflicts with employees regarding the payment of social insurance or housing provident fund contributions.

However, as advised by our PRC Legal Advisor, if the competent PRC government authority determines that the social insurance contributions we made for our employees violate the requirements under the relevant PRC laws and regulations, we may be required to pay all outstanding social insurance contributions within a stipulated period, with late fees at a daily rate of 0.05% of the outstanding amount, accruing from the date when the social insurance contributions were due. If we are required to settle the shortfall of social insurance contribution, and we fail to make the payment within the stipulated period, the competent authority may further impose a fine of one to three times of the overdue amount on us. In addition, pursuant to relevant PRC laws and regulations, in case of a failure to pay the full amount of housing provident fund, the competent PRC government authority may require us to pay the outstanding amount within a stipulated period. If the payment is not made within such stipulated period, an application may be made to the PRC courts for compulsory enforcement.

During the Track Record Period and as of the Latest Practicable Date, (1) no relevant regulatory authorities have taken any administrative actions or imposed penalties on us regarding our social insurance and housing provident fund contributions; (2) we have not received any material complaints from our employees concerning these contributions in PRC; and (3) we have not received any orders to pay the outstanding amount in social insurance and housing provident fund payments. We have also obtained several confirmation letters from the relevant social insurance and housing provident fund authorities, confirming that none of the companies within our Group has been subject to any administrative actions or penalties for violations of the relevant laws and regulations during the Track

Record Period. We are committed to promptly and fully paying any outstanding social insurance and housing provident fund contributions upon request by the authorities and complying with any other instructions that may be issued by them.

As advised by our PRC Legal Advisor, based on the premise that (1) there is no material change in the existing PRC laws and regulations and the practices of the local government in respect of policy enforcement and inspection, (2) we have not received any material complaints or reports from employees, and (3) we fulfill our commitment to make full retroactive contributions or pay the outstanding amount within the prescribed period when requested by the relevant government authorities, the likelihood that we would be required to make lump-sum payments or subject to administrative penalties for the shortfall of social insurance is remote.

We cannot assure you that we will not be subject to any order to rectify the non-compliance in the future, nor can we assure you that there are no, or will not be any, employee complaints regarding payment of the outstanding amount of the social insurance and housing provident fund contributions against us, or that we will not receive any claims in respect of the outstanding amount of the social insurance and housing provident fund contributions under national laws and regulations. In addition, we may incur additional expenses to comply with such laws and regulations promulgated by the PRC government or relevant local authorities.

Furthermore, during the Track Record Period, we engaged third-party agencies to make such contributions on our behalf for certain employees in Jinan and Hangzhou, China, which was not in strict compliance with applicable PRC laws and regulations. During the Track Record Period, such third-party agencies made a total of RMB0.7 million for social insurance and RMB0.2 million for housing provident fund on behalf of us. We engaged third-party agencies because some of our employees prefer their social insurance to be paid in their place of residence, where we do not have subsidiaries or branches. Consequently, the employees voluntarily signed a payment commitment letter, clearly stating that the request was made by them and that they accept full responsibility for the associated administrative process and legal consequences. According to the Social Insurance Law and the Regulations on the Administration of Housing Provident Funds, entrusting a third-party agency to handle social insurance and housing provident fund contributions may result in us being fined of up to RMB2.10 million or RMB50,000, respectively. We are in the process of rectifying the non-compliance with respect to payment of social insurance and housing provident fund contributions through third-party agencies, including transferring the social insurance and housing provident funds contributions from such agencies to our subsidiaries and branches. For instance, in areas with a larger number of employees, such as Changsha, Hunan Province, we plan to address this issue by establishing a branch office. We are committed to promptly rectify the abovementioned non-compliances upon request by the authorities and complying with any other instructions that may be issued by them.

As of December 31, 2025, we engaged third-party agencies for paying social insurance or housing provident funds to 44 employees. As advised by our PRC Legal Advisor, if the validity of such arrangements is challenged by competent PRC authorities, we might be subject to additional contributions, late payment fees and/or penalties required by relevant PRC laws and regulations for failing to discharge our obligations or be ordered to rectify such practice. We cannot assure you that relevant competent government authorities will not take the view that such third-party agency arrangements do not satisfy the requirements under the relevant PRC laws and regulations. We might also be subject to labor disputes arising from such arrangements with the relevant employees.

We lease properties in various place as premises primarily for our office space and production facilities. Any non-renewal of leases, substantial increase in rent, or any third-party or government challenge to our leasehold interest may affect our business and financial performance.

As we lease properties in various places as premises primarily for our office space and production facilities, our operations are susceptible to fluctuations in the property rental market. There is no assurance that our existing leases would be renewed on similar or favorable terms or at all. There is also no assurance that our existing leases will not be terminated early by the lessors before the expiry of the relevant term. If we are required to relocate our office space, there is no assurance that we will be able to identify comparable locations in a timely manner or at all or that we will secure a lease on comparable terms.

As of the Latest Practicable Date, we had not filed the lease agreements for registration with respect to 14 leased properties in China, including office space and production facilities. As advised by our PRC Legal Advisor, the validity and enforceability of the lease agreement are not affected by the failure to register or file the lease agreement with the relevant government authorities. We may be subject to fines ranging from RMB1,000 to RMB10,000 for each property failure to registration. As of the Latest Practicable Date, we had not received any rectification orders or been imposed any fines for unregistered lease agreements. Therefore, our PRC Legal Advisor believes that if the registration of our lease agreements can be completed within the timeframe specified by the government authorities the risk of penalties being imposed for such non-compliance is minimal.

To rectify this non-compliance, we intend to take the following measures: (1) we will actively communicate with the owners of leased properties to seek their cooperation; (2) we will strengthen our internal control procedures and make the cooperation of registration process be one of the criteria for selecting leased properties in the future; and (3) if we are required by government authorities to register the agreements we will promptly seek alternative properties to meet compliance.

The maximum potential administrative penalty for each individual leased property failure to registration is up to RMB10,000, which is relatively low. Therefore, we currently have no relocation plans in relation to the unregistered leased properties. If the government authorities require us to register the lease agreement and the property owner refuses to cooperate, we will actively seek alternative properties in the surrounding area. Given the ample market supply of similar leased properties in the vicinity and the fact that our production lines and fixed assets do not have special requirements for operational premises, our management believe that we can relatively easily find alternative premises. We will implement the relocation plan gradually based on the progress of renovation and construction at the alternative property and our order production schedule. We estimate that the relocation will take approximately two months and incur a total cost of approximately RMB300,000, which will not cause any significant adverse impact on our production and operations.

Additionally, if disputes or government actions due to title challenges arise to the above-described properties, we may encounter difficulties in continuing to lease such properties and may be required to relocate. If any of these leases terminated or voided as a result of challenges from third parties or government agencies, we would need to seek alternative premises and incur relocation costs. We cannot assure you that we will be able to relocate such operations to suitable alternative premises, and any such relocation may result in disruption to our business operations and result in loss of earnings. We also cannot assure you that we will be able to effectively mitigate the possible adverse effects that may be caused by such disruption, including loss and costs. Any of such disruption, loss or costs could adversely affect our business, results of operations and financial condition.

Investors of our H Shares may become subject to PRC taxation on dividends received from us and gains from the disposition of our H Shares.

Non-Chinese resident individual holders of H Shares whose names appear on the register of members of H Shares ("Non-Chinese Resident Individual Holders"), are subject to Chinese individual income tax on dividends received from us. The tax rate applicable to dividends paid to Non-Chinese Resident Individual Holders of H Shares varies from 5% to 20% (usually 10%) depending on whether there is any applicable tax treaty between China and the jurisdiction in which the Non-Chinese Resident Individual Holder of H Shares resides, as well as the tax arrangement between China and Hong Kong. Non-Chinese Resident Individual Holders who reside in jurisdictions that have not entered into tax treaties with the PRC are subject to a 20.0% withholding tax on dividends received from us. See "Regulatory Overview — Laws and Regulations in Relation to Taxation."

Under the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法) (the "EIT Law") and its implementation regulations, a non-Chinese resident enterprise is generally subject to enterprise income tax at a rate of 10% with respect to its income sourced from China, including dividends received from a Chinese company and gains derived from the disposition of equity interests in a Chinese company. This rate may be reduced under any special arrangement or applicable treaty between China and the jurisdiction in which the non-Chinese resident enterprise resides. See "Regulatory Overview — Laws and Regulations in Relation to Taxation." There are uncertainties as to the interpretation and implementation of the EIT Law and its implementation rules by the Chinese tax authorities, including whether and how enterprise income tax on gains derived upon the sale or other disposition of H Shares will be collected from non-Chinese resident enterprise holders of H Shares. If such tax is collected in the future, the value of such non-Chinese resident enterprise holders' investments in H Shares may be materially and adversely affected.

Payment of dividends is subject to restrictions under PRC law.

Under PRC law, dividends may be paid only out of distributable profits. Distributable profits are defined as our profits after taxes as determined under PRC Generally Accepted Accounting Principles ("GAAP") less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make. As a result, we may not have sufficient, if any, distributable profits to enable us to make dividend distributions to our Shareholders in the future, including periods for which our financial statements indicate that our operations have been profitable. Any distributable profits not distributed in a given year are retained and available for distribution in subsequent years.

Moreover, because the calculation of distributable profits under PRC GAAP is different from the calculation under IFRSs in certain respects, our subsidiaries may not have distributable profits as determined under PRC GAAP, even if they have profits for that year as determined under IFRSs, or vice versa. Accordingly, we may not receive sufficient distributions from our subsidiaries. Failure by our subsidiaries to pay dividends to us could have a negative impact on our cash flow and our ability to make dividend distributions to our Shareholders in the future, including those periods in which our financial statements indicate that our operations have been profitable.

It may be difficult to effect service of process, enforce foreign judgments or bring original actions against us, our Directors and senior management residing in China.

We are a company incorporated under the laws of China, and a substantial majority of our assets are located in China. In addition, most of our Directors and senior management reside within mainland China. As a result, the service of process, investigation, collection of evidence, ratification, and enforcement procedure inside China should follow the rules set forth in the Civil Procedure Law of the People's Republic of China as well as other applicable laws, regulations and interpretations. It would generally require you to commit more time and economic cost.

On January 18, 2019, the Supreme People's Court of China and Hong Kong entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the "2019 Arrangement"), effective on January 29, 2024. The 2019 Arrangement afford clarity for reciprocal recognition and enforcement of judgments in civil and commercial matters. However, there remains uncertainties as to the outcome of any specific applications to recognize and enforce such judgments and arbitral awards in China.

The custodians or authorized users of our controlling non-tangible assets, including chops and seals, may fail to fulfill their responsibilities, or misappropriate or misuse these assets.

Under the PRC law, legal documents for corporate transactions, including agreements and contracts are executed using the chop or seal of the signing entity or with the signature of a legal representative whose designation is registered and filed with relevant PRC market regulation administrative authorities. In order to secure the use of our chops and seals, we have established internal control procedures and rules for using these chops and seals. In any event that the chops and seals are intended to be used, the responsible personnel will submit a formal application, which will be verified and approved by authorized employees in accordance with our internal control procedures and rules. In addition, in order to maintain the physical security of our chops, we generally have them stored in secured locations accessible only to authorized employees. The procedures, however, may not be sufficient to prevent all instances of abuse or negligence. There is a risk that our employees could abuse their authority, for example, by entering into a contract not approved by us or seeking to gain control of one of our subsidiaries or our affiliated entities or their subsidiaries. If any employee obtains, misuses or misappropriates our chops and seals or other controlling non-tangible assets for whatever reason, we could experience disruption to our normal business operations.

The PRC government policy on foreign investment in the PRC may affect our business and results of operations.

The investment activities of foreign investors in the PRC are subject to certain regulations regarding the industry participated and imposed to additional verification procedures by certain authorities, such as The Special Management Measures (Negative List) for the Access of Foreign Investment (2024) (外商投資准入特別管理措施(負面清單)(2024年版)) (the "Negative List"). As of the Latest Practicable Date, our main business in China had not fallen within the Negative List. However, certain industries are specifically prohibited for foreign investment, which may restrict us from entering into these industries afterwards. Also, as the Negative List could be updated in the future, we cannot assure you that the PRC government will not change its policies in a manner that would render part of our business in China within the Negative List. If we cannot obtain approval from relevant approval authorities to engage in a business in China that becomes prohibited or restricted for foreign investors, we may be forced to sell or restructure our business which has become restricted or prohibited for foreign investment. If we are forced to adjust our corporate structure or business line as a result of changes in government policy on foreign investment, our business, results of operations and financial condition may be adversely affected.

Our operations are subject to and may be affected by changes in PRC tax laws and regulations.

We are subject to periodic examinations on fulfillment of our tax obligation under the PRC tax laws and regulations by PRC tax authorities. Although we believe that in the past, we have acted in compliance with the requirements under the relevant PRC tax laws and regulations in all material aspects and established effective internal control measures, we cannot assure you that future examinations by PRC tax authorities would not result in fines, other penalties or action that could adversely affect our reputation, business, results of operations and financial condition. Further adjustments or changes to PRC tax laws and regulations, together with any uncertainty resulting therefrom, could also have an adverse effect on our business, results of operations and financial condition.

We are subject to complex and evolving laws and regulations regarding data security and personal information protection.

In recent years, government authorities across the world have been increasingly focusing on data security and personal information protection. In particular, the PRC government has enacted a series of laws and regulations on the protection of personally identifiable data in the past few years. We may be subject to laws and regulations regarding data security and personal information protection in China. In addition, as we expand our global operations, our customers may leverage our product offerings outside China and are thus required to comply with laws and regulations regarding data security and personal information protection in such jurisdictions.

We have adopted various measures to ensure our compliance. However, the laws and regulations regarding data security and personal information protection in China, as well as in other jurisdictions, are complex and evolving, with uncertainty as to the interpretation and application thereof. As such, we cannot assure you that our data security and personal information protection measures are, and will be, always considered sufficient under applicable laws and regulations. If we are unable to comply with the laws and regulations or to address any data security and personal information protection concerns, such actual or alleged failure could damage our reputation, deter current and potential customers and users and could subject us to significant legal, financial and operational consequences.

As of the Latest Practicable Date, we had not been subject to any inquiry, investigation, notice, inspection, action or penalty from the PRC authorities or any other relevant regulatory authorities in relation to our compliance with cybersecurity and data protection laws and regulations. If we fail to effectively and timely comply with these laws and regulations and respond to relevant changes, our business operations, results of operations, financial condition and prospects will be adversely affected.

We may from time to time be required to rectify or further improve our measures regarding cybersecurity, information security, data security and personal information protection. To the extent we expand our business globally, we may become subject to additional or new laws and regulations regarding cybersecurity, information security, data security and personal information protection in foreign jurisdictions, which may result in additional expenses and subject us to potential liability and negative publicity. and could increase our compliance costs and subject us to heightened risks and challenges regarding cybersecurity, information security, data security and personal information protection. If we are unable to manage these risks, we could become subject to penalties, fines, suspension of business and revocation of required licenses, and our reputation and results of operations could be materially and adversely affected.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for our H Shares, and the liquidity and market price of our H Shares may be volatile.

Prior to the Global Offering, there has been no public market for our H Shares. The Offer Price range for our H Shares was the result of negotiations between us and the Sponsor-OC (for itself and on behalf of the Underwriters), and the Offer Price may differ significantly from the market price for our H Shares following the Global Offering. We have applied for listing of, and permission to deal in, our H Shares on the Stock Exchange. A listing on the Stock Exchange, however, does not guarantee that an active and liquid trading market for our H Shares will develop, or if it does develop, that it will be sustained following the Global Offering or that the market price of our H Shares will not decline following the Global Offering. Furthermore, the market price and trading volume of our H Shares may be volatile. The following factors may affect the trading volume and market price of our H Shares: (1) actual or anticipated fluctuations in our operating performance and revenue; (2) our failure to execute our strategies; (3) an unexpected business interruption resulting from operational breakdowns, natural disasters, or major changes in our key personnel or senior management; (4) adverse market reaction to any indebtedness that we may incur or securities that we may issue in the future; (5) announcements of competitive developments, acquisitions or strategic alliances in our industry; (6) potential litigation or regulatory investigations; (7) general market conditions or other developments affecting us or our industry; (8) changes or proposed changes in laws or regulations, or differing interpretations thereof, affecting our ability to obtain or maintain regulatory approval for our products; (9) inadequate protection of our intellectual property rights or legal proceedings brought against us for infringement of third parties' intellectual property rights; (10) the operating and stock price performance of other companies in our industry, and other events or factors beyond our control; and (11) the release of lock-up or other transfer restrictions on our outstanding H Shares or sales or perceived sales of H Shares by us or other Shareholders.

Moreover, the capital market has from time to time experienced significant price and trading volume fluctuations that were unrelated or not directly related to the operating performance of the underlying companies in the market. These broad market and industry fluctuations may have a material and adverse effect on the market price and trading volume of our H Shares.

An active and liquid trading market for our H Shares may not develop.

Prior to the Global Offering, our H Shares were not traded on any other market. We cannot assure you that an active and liquid trading market for our H Shares will be developed or be maintained after the Global Offering. Liquid and active trading markets usually result in less price volatility and more efficiency in carrying out investors' purchase and sale orders. The market price of our H Shares could vary significantly as a result of a number of factors, some of which are beyond our control. In the event of a drop in the market price of our H Shares, you could lose a substantial part or all of your investment in our H Shares.

Because the Offer Price of our H Shares is substantially higher than the consolidated net tangible book value per share, purchasers in the Global Offering may experience immediate dilution.

As the Offer Price of our H Shares is higher than the consolidated net tangible assets per share immediately prior to the Global Offering, purchasers of our H Shares in the Global Offering will experience an immediate dilution in pro forma adjusted consolidated net tangible assets. Our existing Shareholders will receive an increase in the pro forma adjusted consolidated net tangible asset value per share of their shares. See Appendix II to this prospectus for details. In addition, holders of our Shares may experience further dilution of their interest if we issue additional shares in the future to raise additional capital.

We have significant discretion as to how we will use the net proceeds of the Global Offering, and you may not necessarily agree with how we use them.

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

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

Future sales of substantial amounts of our H Shares or other securities relating to our H Shares in the public market, or the issuance of new H Shares or other securities relating to our H Shares, or the perception that such sales or issuances may occur could all cause a decline in the market price of our H Shares. Future sales, or perceived sales, of substantial amounts of our securities or other securities relating to our H Shares, including part of any future offerings, could also materially and adversely affect the prevailing market price of our H Shares and our ability to raise capital in the future at a time and at a price which we deem appropriate.

Although our existing shareholders are subject to restrictions on their sales of H Shares within 12 months from the Listing Date as described in "History and Corporate Structure," future sales of a significant number of our H Shares by our Controlling Shareholders or other existing shareholders in the public market after the Global Offering, or the perception that these sales could occur, could cause the market price of our H Shares to decline and could materially impair our future ability to raise capital through offerings of our H Shares. We cannot assure you that our Controlling Shareholders, or other existing shareholders will not dispose of H Shares held by them or that we will not issue H Shares upon the expiration of restrictions set out above.

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

We have never paid any dividends since our inception. We cannot guarantee when and in what form dividends will be paid on our H Shares following the Global Offering. The declaration of dividends is proposed by the Board and is based on, and limited by, various factors, including without limitation, our business and financial performance, capital and regulatory requirements, and general business conditions. We may not have sufficient or any profits to enable us to make dividend distributions to our Shareholders in the future, even if our financial statements indicate that our operations have been profitable. See "Financial Information — Dividends" for details.

If securities or industry analysts do not publish research reports about us, or if they adversely change their recommendations regarding our H Shares, the market price and trading volume of our H Shares may decline.

The trading market of our H Shares may be influenced by research reports that industry or securities analysts publish about us or our business. If one or more analysts who cover us downgrade our H Shares or publish negative opinions about us, the market price of our H Shares would likely decline regardless of the accuracy of the information. If one or more of these analysts cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume of our H Shares to decline.

We may need additional capital, and the sale and issue of additional H Shares or other equity securities could result in additional dilution to our Shareholders.

Notwithstanding our current cash and cash equivalents and the net proceeds from the Global Offering, we may require additional cash resources to finance our continued growth or other future developments. We cannot assure you that financing will be available in the amounts or on terms acceptable to us, if at all. If we fail to raise additional funds, we may need to sell and issue additional equity securities, which could result in additional dilution to our Shareholders.

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

This prospectus includes industry data and forecasts extracted from the report prepared by F&S, which was commissioned by us, and from various official governmental publications and other publicly available 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. The information from official government sources has not been independently verified by us or any other parties involved in the Global Offering, or any of our or their respective directors, senior management, representatives, advisers or any other persons involved in the Global Offering 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 prospectus may not be accurate and should not be given undue reliance as a basis for making your investment in our H Shares.

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

This prospectus contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, growth opportunities for existing operations, plans and objectives of management, certain pro forma information and other matters. The words "anticipate," "believe," "could," "potential," "continue," "expect," "intend," "may," "plan," "seek," "will," "would," "should" and the negative of these terms 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 and senior 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 result, these forward-looking statements should be considered in light of various important factors, including those set out in "Risk Factors" in this prospectus. 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 prospectus are qualified by reference to this cautionary statement.

You should read the entire prospectus carefully and we strongly caution you not to place any reliance on any information contained in press articles and other media regarding us and the Global Offering.

Prior to the publication of this prospectus, there has been and there may also be, subsequent to the date of this prospectus but prior to the completion of the Global Offering, press and media coverage regarding us, our business, our industries and the Global Offering, which contained, among other things, certain financial information, projections, valuations and other forward-looking information about us and the Global Offering. We have not authorized the disclosure of any such information in the press or media and do not accept responsibility for the accuracy or completeness of such press articles or other media coverage. We make no representation as to the appropriateness, accuracy, completeness or reliability of any of such projections, valuations or other forward-looking information about us. To the extent such statements are inconsistent with, or conflict with, the information contained in this prospectus, we disclaim responsibility for them. Accordingly, prospective investors are cautioned to make their investment decisions on the basis of the information contained in this prospectus only and should not rely on any other information.

In preparation for the Global Offering, we have applied to the Stock Exchange for the following waivers from strict compliance with the relevant provisions of the Listing Rules.

MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, all applicants applying for a primary listing on the Stock Exchange must have sufficient management presence in Hong Kong. This would normally mean that at least two of the applicant's executive directors must be ordinarily resident in Hong Kong.

Our Company's business operations and assets are primarily located outside Hong Kong. Our Company's executive Directors are based in the PRC as our Board believes it is more effective and efficient for our executive Directors to be based in a location where our substantial operations are located. Our Company therefore does not, and in the near future will not, maintain management presence in Hong Kong.

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

(1) We have appointed Dr. Zhang, our executive Director, and Ms. Yang Xu (楊絮) ("Ms. Yang"), our joint company secretary as our authorized representatives for the purpose of Rule 3.05 of the Listing Rules. They will serve as the principal channel of communication with the Stock Exchange and make themselves readily available to communicate with the Stock Exchange. Each of Dr. Zhang and Ms. Yang can be readily contactable by phone and email to deal promptly with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matters within a reasonable period of time upon the request of the Stock Exchange. The contact details of our authorized representatives have been provided to the Stock Exchange.

(2) All Directors who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period upon request of the Stock Exchange. In addition, each Director has provided his/her contact details, including mobile phone numbers, office phone numbers, fax numbers and email addresses, to the extent possible, to our authorized representatives and to the Stock Exchange and will inform the Stock Exchange promptly if there are any changes to the contact of the Directors. Both authorized representatives have means to contact all Directors (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors for any matters. In the event that a Director expects to be traveling or otherwise be out of office, he/she will provide the phone number of the place of his/her accommodation or other contact information to our authorized representatives to ensure that each of our authorized representatives will be able to contact all our Directors promptly at all times if and when the Stock Exchange wishes to contact our Directors.

(3) We have appointed Sinolink Securities (Hong Kong) Company Limited as our compliance advisor in accordance with Rule 3A.19 of the Listing Rules, which will serve as an additional and alternative channel of communication with the Stock Exchange in addition to our authorized representatives. The compliance advisor will have reasonable access, at all times during the term of their appointment, to our authorized representatives, Directors and other officers of our Company, participate in the communication between the Stock Exchange and our Company and answer inquiries from the Stock Exchange.

(4) Any meeting between the Stock Exchange and our Directors will be arranged through our authorized representatives or our compliance advisor or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any changes in our authorized representatives and our compliance advisor.

(5) We intend to retain our Hong Kong legal advisors on on-going compliance requirements, any amendment or supplement to and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong after the Listing.

JOINT COMPANY SECRETARIES

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

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

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

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

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

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

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

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

(4) professional qualifications in other jurisdictions.

Our Company has appointed Ms. Yang as one of our joint company secretaries. Ms. Yang possesses relevant understanding and knowledge relating to the business operations and corporate culture of our Group. In her capacity as the deputy general manager and the board secretary of the Company, Ms. Yang has actively participated in the preparation of the application for the Listing and possesses experience in matters relating to our Board and corporate governance of our Company. Having considered Ms. Yang's expertise and backgrounds, our Directors consider that Ms. Yang is capable of discharging the functions of a company secretary and is suitable to perform such role.

As Ms. Yang currently does not possess the qualifications under Rule 3.28 of the Listing Rules, and may not be able to fulfill the requirements of the Listing Rules on her own, we have appointed Ms. Shum Kit Han (岑潔嫻), a Chartered Secretary, a Chartered Governance Professional and a member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who meets the requirements under Note 1 Rule 3.28 of the Listing Rules to act as the other company secretary and to work closely with and provide assistance to Ms. Yang for an initial period of three years commencing from the Listing Date.

The following arrangements have been, or will be, put in place to assist Ms. Yang in acquiring the qualifications and experience as the joint company secretaries of our Company required under Rules 3.28 and 8.17 of the Listing Rules:

(1) In the course of the preparation of the application for the Listing, Ms. Yang has been provided with a memorandum and has attended a training seminar on the respective obligations of our Directors and senior management and our Company under the relevant Hong Kong laws and the Listing Rules provided by our Hong Kong legal advisors.

(2) In addition to the minimum training requirements under Rule 3.29 of the Listing Rules, our Company will ensure that Ms. Yang continues to have access to relevant training and support to familiarize herself with the Listing Rules and the duties of a company secretary of an issuer listed on the Stock Exchange, and to receive updates on the latest changes to the applicable Hong Kong laws, regulations and the Listing Rules. Furthermore, our Company will ensure that Ms. Shum and Ms. Yang will seek and have access to the advice from our Hong Kong legal advisors and other professional advisors as and when required.

(3) Ms. Shum will assist Ms. Yang to acquire the "relevant experience" as required under Note 2 to Rule 3.28 of the Listing Rules and to discharge their duties as company secretaries. Ms. Yang will be assisted by Ms. Shum for an initial period of three years commencing from the Listing Date. As part of the arrangement, Ms. Shum will act as one of the joint company secretaries and communicate regularly with Ms. Yang on matters relating to corporate governance, the Listing Rules as well as other laws and regulations which are relevant to our Company. She will also assist Ms. Yang in organizing Board meetings and Shareholders' meetings as well as other matters of our Company which are incidental to the duties of a company secretary.

(4) Our Company has appointed the compliance advisor pursuant to Rule 3A.19 of the Listing Rules, which will act as our additional channel of communication with the Stock Exchange and provide professional guidance and advice to us and our joint company secretaries as to compliance with the Listing Rules and all other applicable laws and regulations.

We have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements of Rules 3.28 and 8.17 of the Listing Rules. Such waiver will be revoked immediately if Ms. Shum ceases to provide assistance to Ms. Yang as a joint company secretary or if there are material breaches of the Listing Rules by our Company during the three-year period after the Listing Date. Before the end of the three-year period, the Company must demonstrate and seek the Exchange's confirmation that Ms. Yang, having had the benefit of Ms. Shum's assistance for three years, have acquired the relevant experience within the meaning of Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

See "Directors and Senior Management" for the biographical details of Ms. Yang and Ms. Shum.

DIRECTORS' RESPONSIBILITY STATEMENT

This prospectus, for which our Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information with regard to us. Our Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

FILING PROCEDURES WITH THE CSRC

We filed with the CSRC for the application to list our H Shares on the Stock Exchange and the Global Offering on July 2, 2025. The CSRC subsequently confirmed our completion of filing application procedures on March 10, 2026. In completing such filing, the CSRC accepts no responsibility for our financial soundness, nor for the accuracy of any of the statements made or opinions expressed in this prospectus. No other filings are required to be completed before the listing of the H Shares on the Stock Exchange.

UNDERWRITING AND INFORMATION ON THE GLOBAL OFFERING

This prospectus is published solely in connection with the Hong Kong Public Offering. For applications under the Hong Kong Public Offering, this prospectus contains the terms and conditions of the Hong Kong Public Offering.

The listing of our H Shares on the Stock Exchange is sponsored by the Sole Sponsor and the Global Offering is managed by the Sponsor-OC. Pursuant to the Hong Kong Underwriting Agreement, the Hong Kong Public Offering is underwritten by the Hong Kong Underwriters on a conditional basis, with one of the conditions being that the Offer Price is agreed between the Sponsor-OC (for itself and on behalf of the Hong Kong Underwriters) and us. The International Offering is managed by the Sponsor-OC. The International Underwriting Agreement is expected to be entered into on or about Thursday, May 14, 2026. For details of the Underwriters and the underwriting arrangements, please refer to the section headed "Underwriting" in this prospectus.

The H Shares are offered solely on the basis of the information contained and representations made in this prospectus and on the terms and subject to the conditions set out herein and therein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this prospectus, and any information or representation not contained herein must not be relied upon as having been authorized by our Company, the Sole Sponsor, the Sponsor-OC, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their respective directors, agents, employees or advisors or any other party involved in the Global Offering.

Neither the delivery of this prospectus nor any subscription or acquisition made under it shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus or that the information in this prospectus is correct as at any subsequent time.

For details of the structure of the Global Offering, including its conditions, please refer to the section headed "Structure and Conditions of the Global Offering" in this prospectus. For the procedures for applying for our H Shares, please refer to the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus.

INFORMATION ABOUT THIS PROSPECTUS

You should rely only on the information contained in this prospectus to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus must not be relied on by you as having been authorized by us, the Sponsor-OC, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Sole Sponsor, the Joint Lead Managers, any of the Underwriters, any of our or their respective directors, officers or representatives or any other person involved in the Global Offering. Neither the delivery of this prospectus nor any offering, sale or delivery made in connection with the H Shares should, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in our affairs since the date of this prospectus or imply that the information contained in this prospectus is correct as of any date subsequent to the date of this prospectus.

This prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. For applicants under the Hong Kong Public Offering, this prospectus set out the terms and conditions of the Hong Kong Public Offering.

RESTRICTIONS ON OFFERS AND SALES OF THE H SHARES

Each person acquiring the H Shares under the Hong Kong Public Offering will be required to, or be deemed by his acquisition of the H Shares to, confirm that he is aware of the restrictions on offers of the H Shares described in this prospectus.

No action has been taken to permit a public offering of the H Shares or the general distribution of this prospectus in any jurisdiction other than in Hong Kong. Accordingly, this prospectus may not be used for the purposes of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and the offering of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions and pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

APPLICATION FOR LISTING OF THE H SHARES ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering and the Conversion of Unlisted Shares into H Shares, on the basis that, among other things, we satisfy the requirement under Rule 18C.03 of the Listing Rules as a Commercial Company (as defined in the Listing Rules) with reference to our expected market capitalization at the time of Listing, which, based on the Offer Price, exceeds HK$4 billion.

Under section 44B(l) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, if the permission for the H Shares to be listed on the Stock Exchange pursuant to this prospectus has been refused before the expiration of three weeks from the date of the closing of the subscription lists or such longer period not exceeding six weeks as may, within the said three weeks, be notified to us by or on behalf of the Stock Exchange, then any allotment made on an application in pursuance of this prospectus shall, whenever made, be void.

All the Offer Shares will be registered on our H Share register of members in order to enable them to be traded on the Stock Exchange. None of our share or loan capital is listed or dealt in on any other stock exchange and no such listing or permission to list is being or is expected to be sought in the near future.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the H Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or on any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made for the H Shares to be admitted into CCASS. Investors should seek the advice of their stockbroker or other professional advisor for details of those settlement arrangements and how such arrangements will affect their rights and interests.

PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES

The procedures for applying for Hong Kong Offer Shares are set out in the section headed "How to Apply for Hong Kong Offer Shares."

H SHARE REGISTER OF MEMBERS AND STAMP DUTY

Our principal register of members will be maintained in the PRC and our H Share register of members will be maintained by our H Share Registrar, Tricor Investor Services Limited in Hong Kong.

All Offer Shares will be registered on our H Share register of members. Dealings in the H Shares registered on our H Share register of members will be subject to Hong Kong stamp duty.

REGISTRATION OF SUBSCRIPTION, PURCHASE AND TRANSFER OF H SHARES

Persons applying for or purchasing H Shares under the Global Offering are deemed, by their making an application or purchase, to have represented that they are not close associates (as such term is defined in the Listing Rules) of any of our Directors or any existing Shareholders or a nominee of any of the foregoing.

PROFESSIONAL TAX ADVICE RECOMMENDED

You should consult your professional advisors if you are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of, or dealing in, the H Shares or exercising any rights attaching to the H Shares. We emphasize that none of our Company, the Sole Sponsor, the Sponsor-OC, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of our or their respective directors, officers or representatives or any other person involved in the Global Offering accepts responsibility for any tax effects or liabilities resulting from your subscription, purchase, holding or disposing of, or dealing in, the H Shares or your exercise of any rights attaching to the H Shares.

EXCHANGE RATE CONVERSION

Unless otherwise specified, this prospectus contains certain translations for the convenience purposes at the following rates:

HK$1.00:RMB0.8758
US$1.00:RMB6.8628

No estimation is made that any amounts in HK$, RMB and US$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

LANGUAGE

If there is any inconsistency between this prospectus and the Chinese translation of this prospectus, this prospectus shall prevail unless otherwise stated. However, the translated English names of the PRC and foreign national, entities (including certain of our subsidiaries), departments, facilities, certificates, titles, laws, regulations and the like included in this prospectus are translations of their Chinese names and are included for identification purpose only. If there is any inconsistency, the names in their original languages shall prevail.

The English names of companies incorporated in the PRC are translations from their Chinese names and included for identification purpose only.

COMMENCEMENT OF DEALING IN THE H SHARES

Dealings in the H Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Monday, May 18, 2026.

OTHER

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Dr. Zhang Sai (張賽)	19/F, Highway Building, 1006 North Dongmen Road Luohu District, Shenzhen Guangdong Province, PRC	Chinese
Mr. Zhang Zichao (張子超)	No. 2402, Unit 2, Building 16 No. 2 District, Wanxiang Xintian Sub-district Licheng District, Jinan Shandong Province, PRC	Chinese
Mr. Sun Tongliang (孫同亮)	257 North Industry Road Licheng District, Jinan Shandong Province, PRC	Chinese
Mr. Dou Zhiyuan (竇志遠)	122 Doulou Village Doulou Administrative Village Wuan Town, Yucheng County Shandong Province, PRC	Chinese
Non-executive Directors		
Mr. Lee Shen Kai (李笙凱)	Room 102, Building 32, 2399 Chengshan Road Pudong New District, Shanghai, PRC	Malaysian
Mr. Wang Maike (王麥克)	209 Zhengang Road, Damaiyu Street Yuhuan, Zhejiang Province, PRC	Chinese
Mr. Song Pengfei (宋鵬飛)	Room 601, Building 16, 1671 Lingshan Road Pudong New District, Shanghai, PRC	Chinese
Independent non-executive Directors		
Mr. Xiong Minghua (熊明華)	Unit C, 43/F, Tower M3, Yoho Midtown 9 Yuen Lung Street, Yuen Long District New Territories, Hong Kong	American
Ms. Zhou Shuang (周爽)	Room 1202, Unit 4, Building 6, Courtyard 4 East Qinglin Road, Chaoyang District Beijing, PRC	Canadian
Ms. Zhao Fengmei (趙鳳梅)	Room 605, Unit 3, Building 3, 47 Heping Road Lixia District, Jinan Shandong Province, PRC	Chinese
Mr. Wu Qingyao (吳慶耀)	Room 4502, Block B, Building 1 Hepingli Phase 2, West Heping Road Dalang, Longhua District, Shenzhen Guangdong Province, PRC	Chinese

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

PARTIES INVOLVED IN THE GLOBAL OFFERING

Sole Sponsor	**ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central, Hong Kong
Sponsor-OC	**ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central, Hong Kong
Overall Coordinators	**ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central, Hong Kong **CLSA Limited** 18/F, One Pacific Place 88 Queensway, Hong Kong **Ping An Securities (Hong Kong) Company Limited** Units 3601, 07 & 11–13, 36/F The Center 99 Queen's Road Central, Hong Kong
Joint Global Coordinators	**ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central, Hong Kong **CLSA Limited** 18/F, One Pacific Place 88 Queensway, Hong Kong **Ping An Securities (Hong Kong) Company Limited** Units 3601, 07 & 11–13, 36/F The Center 99 Queen's Road Central, Hong Kong
Joint Bookrunners	**ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central, Hong Kong **CLSA Limited** 18/F, One Pacific Place 88 Queensway, Hong Kong **Ping An Securities (Hong Kong) Company Limited** Units 3601, 07 & 11–13, 36/F The Center 99 Queen's Road Central, Hong Kong **China Industrial Securities International Capital Limited** 32/F, Infinitus Plaza, 199 Des Voeux Road Central, Sheung Wan, Hong Kong **CMBC Securities Company Limited** 34/F., One Exchange Square, 8 Connaught Place, Central, Hong Kong

Emperor Securities Limited
23-24/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong

Huafu International Securities Limited
Units 2603-2604, 26/F, Infinitus Plaza, 199 Des Voeux Road Central, Sheung Wan, Hong Kong

Shenwan Hongyuan Securities (H.K.) Limited
Level 6, Three Pacific Place, 1 Queen's Road East, Hong Kong

SPDB International Capital Limited
33/F, SPD Bank Tower, One Hennessy, 1 Hennessy Road, Hong Kong

Joint Lead Managers

ABCI Securities Company Limited
10/F, Agricultural Bank of China Tower
50 Connaught Road Central, Hong Kong

CLSA Limited
18/F, One Pacific Place
88 Queensway, Hong Kong

Ping An Securities (Hong Kong) Company Limited
Units 3601, 07 & 11–13, 36/F The Center
99 Queen's Road Central, Hong Kong

China Industrial Securities International Capital Limited
32/F, Infinitus Plaza, 199 Des Voeux Road Central, Sheung Wan, Hong Kong

CMBC Securities Company Limited
34/F., One Exchange Square, 8 Connaught Place, Central, Hong Kong

Emperor Securities Limited
23-24/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong

Huafu International Securities Limited
Units 2603-2604, 26/F, Infinitus Plaza, 199 Des Voeux Road Central, Sheung Wan, Hong Kong

Shenwan Hongyuan Securities (H.K.) Limited
Level 6, Three Pacific Place, 1 Queen's Road East, Hong Kong

SPDB International Capital Limited
33/F, SPD Bank Tower, One Hennessy, 1 Hennessy Road, Hong Kong

Futu Securities International (Hong Kong) Limited
34/F, United Centre, No. 95 Queensway, Admiralty, Hong Kong

Livermore Holdings Limited
Unit 1214A, 12/F, Tower II Cheung Sha Wan Plaza,
833 Cheung Sha Wan Road, Kowloon, Hong Kong

Tiger Brokers (HK) Global Limited
23/F, Li Po Chun Chambers, 189 Des Voeux Road
Central, Hong Kong

Capital Market Intermediaries

ABCI Capital Limited
11/F, Agricultural Bank of China Tower
50 Connaught Road Central, Hong Kong

ABCI Securities Company Limited
10/F, Agricultural Bank of China Tower
50 Connaught Road Central, Hong Kong

CLSA Limited
18/F, One Pacific Place
88 Queensway, Hong Kong

Ping An Securities (Hong Kong) Company Limited
Units 3601, 07 & 11–13, 36/F The Center
99 Queen's Road Central, Hong Kong

China Industrial Securities International Capital Limited
32/F, Infinitus Plaza, 199 Des Voeux Road Central,
Sheung Wan, Hong Kong

CMBC Securities Company Limited
34/F., One Exchange Square, 8 Connaught Place,
Central, Hong Kong

Emperor Securities Limited
23-24/F, Emperor Group Centre, 288 Hennessy Road,
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Legal Advisors to the Sole Sponsor and the Underwriters	*As to Hong Kong law:* **Jingtian & Gongcheng LLP** Suites 3203–3209, 32/F, Edinburgh Tower The Landmark, 15 Queen's Road Central, Hong Kong *As to PRC law:* **Jingtian & Gongcheng** 45/F, K. Wah Centre, 1010 Huaihai Road (M) Xuhui District, Shanghai, PRC
Auditors and Reporting Accountants	**Ernst & Young** *Certified Public Accountants* *Registered Public Interest Entity Auditors* 27/F, One Taikoo Place, 979 King's Road Quarry Bay, Hong Kong
Independent Industry Consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** 2504 Wheelock Square, 1717 Nanjing West Road Shanghai 200040, PRC
Receiving Banks	**CMB Wing Lung Bank Limited** 45 Des Voeux Road Central Hong Kong **AGRICULTURAL BANK OF CHINA LIMITED HONG KONG BRANCH** 25/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong

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Headquarters and Principal Place of Business in the PRC	Building E, Digital Economy Industrial Park (Nanwan Zhigu) No. 1261, Jinhai Avenue Yuhuan Economic Development Zone Yuhuan, Taizhou Zhejiang Province PRC
Principal Place of Business in Hong Kong	Room 1912, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Company Website	**www.robotphoenix.com**
Joint Company Secretaries	**Ms. Yang Xu (楊絮)** No. 0912, Building No.10 No. 34 Xinhua South Road Tongzhou District Beijing PRC **Ms. Shum Kit Han (岑潔嫺)** *(A fellow member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)* Room 1912, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
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	Ms. Yang Xu (楊絮) No. 0912, Building No.10 No. 34 Xinhua South Road Tongzhou District Beijing PRC
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Remuneration and Appraisal Committee	Ms. Zhao Fengmei (趙鳳梅) *(chairlady)* Mr. Xiong Minghua (熊明華) Ms. Zhou Shuang (周爽) Mr. Wu Qingyao (吳慶耀)
Nomination Committee	Mr. Wu Qingyao (吳慶耀) *(chairman)* Mr. Xiong Minghua (熊明華) Ms. Zhao Fengmei (趙鳳梅) Ms. Zhou Shuang (周爽)
Strategy Committee	Dr. Zhang Sai (張賽) *(chairman)* Mr. Lee Shen Kai (李笙凱) Mr. Song Pengfei (宋鵬飛) Mr. Wang Maike (王麥克) Mr. Zhang Zichao (張子超) Ms. Zhou Shuang (周爽)
Compliance Advisor	**Sinolink Securities (Hong Kong) Company Limited** Units 3501–08 35/F, Cosco Tower 183 Queen's Road Central Hong Kong
H Share Registrar	**Tricor Investor Services Limited** 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal Bank	**China Merchants Bank Taizhou Branch, Taizhou Yuhuan Sub-branch** No.17, Taian Road Yuhuan, Taizhou Zhejiang Province PRC

The information and statistics presented in this section and other sections of this prospectus, unless otherwise indicated, were extracted from different official government publications and other publications, and from the industry report prepared by Frost & Sullivan, an independent market research and consulting company that was commissioned by us, in connection with this Global Offering. The information from official government sources has not been independently verified by us, the Sole Sponsor, the Sponsor-OC, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their respective directors and advisers, or any other persons or parties involved in the Global Offering, and no representation is given as to its accuracy.

SOURCES OF INFORMATION

We engaged Frost & Sullivan, an independent market research consultant, to conduct an analysis of, and to prepare a report on China's industrial robot and solution industry for the use in this Prospectus, which was commissioned by us for a fee of RMB850,000. In compiling and preparing the F&S Report, Frost & Sullivan adopted the following assumptions: (1) the social, economic and political conditions globally currently discussed will remain stable during the forecast period, (2) China's government policies on industrial robot and solution industry will remain consistent during the forecast period, and (3) China's industrial robot and solution market will be driven by the factors which are stated in the report in the forecast period. Except as otherwise noted, all of the data and forecasts contained in this section are derived from the F&S Report. The Frost & Sullivan Report has been prepared by Frost & Sullivan independently without any influence from us or other interested parties.

ANALYSIS OF INDUSTRIAL ROBOT AND SOLUTION MARKET

Industrial robots are programmable, automatically controlled, reconfigurable machines designed to perform tasks with precision and efficiency in manufacturing and other industries. Based on product type, industrial robots can be categorized into parallel robots, industrial mobile robots, articulated robots, collaborative robots, and others. Industrial robots belong to a sub-set of the larger robotics and automation market. The entire robotics and automation market covers a number of cutting-edge areas including the development of robots, automation systems and related enabling technologies. This includes not only the R&D and production of various types of robots, including industrial robots, service robots and special robots, but also the provision of key components and core technologies required for robots, such as embodied intelligence systems, core controllers, and precision transmission systems. Furthermore, it encompasses robot system integration and the overall solutions provision. The technological evolution in the industrial robot industry exhibits accelerating cycles, shifting from multi-decade phases to shorter 5–10 year iterations driven by AI and IoT convergence. Its nature has transformed from rigid, pre-programmed automation to adaptive, intelligent systems featuring sensor-based perception, collaborative autonomy, and cloud-edge integration, enabling broader applications beyond manufacturing.

Industrial robot solutions refer to automated production systems consisting of industrial robots, intelligent control systems and ancillary equipment. Industrial robot solutions not only include the industrial robot body that conducts specific operations, but also integrate the peripheral equipment and intelligent control systems required to complete specific tasks aiming to minimize human intervention and improve production efficiency and automation levels in specific application scenarios.

Classification of Industrial Robots by Product Type

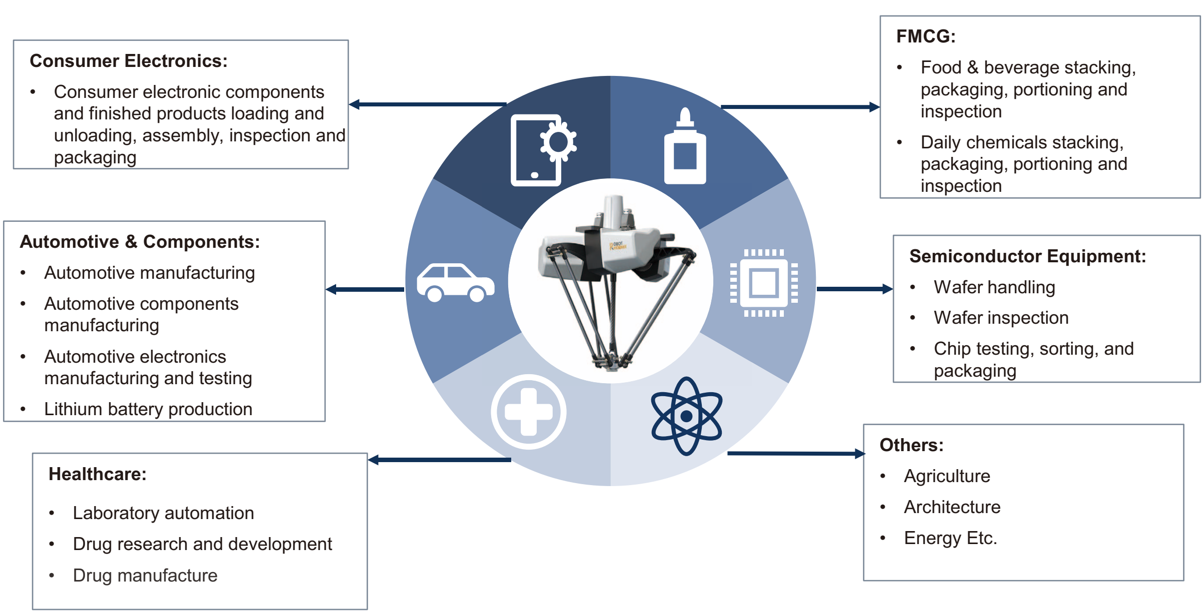
Parallel Robot	Using multiple arms connected to a common base and tool center point and enabling highspeed and high-precision motion in limited workspaces.
Industrial Mobile Robot	An autonomous or semi-autonomous machine capable of moving within its environment to perform assigned tasks.
Articulated Robot	An automated machine equipped with multiple axes of movement, which primarily includes SCARA robot, wafer handling robot and six-axis robot.
Collaborative Robot	Robotic systems designed with six or more axes, intended to operate alongside humans within a shared workspace, in close proximity, and through coordinated tasks.
Others	Including cartesian and cylindrical robot, which use linear axes for straight-line motion and a combination of rotary and linear axes for circular and vertical movements, respectively.

Source: Frost & Sullivan

Downstream Applications of Industrial Robots and Solutions

Industrial robots and solutions are widely used in consumer electronics, FMCG, automotive and components, semiconductor equipment, healthcare and other industry sectors. Furthermore, light industrial robots and solutions refer to robots and automation systems that are engineered for high-speed, high-precision, and flexible handling and processing of lightweight components applied in the scenarios of the light industry, including consumer electronics, automotive electronics, healthcare, FMCG, among others.

Downstream Applications of Industrial Robot and Solution



Source: Frost & Sullivan

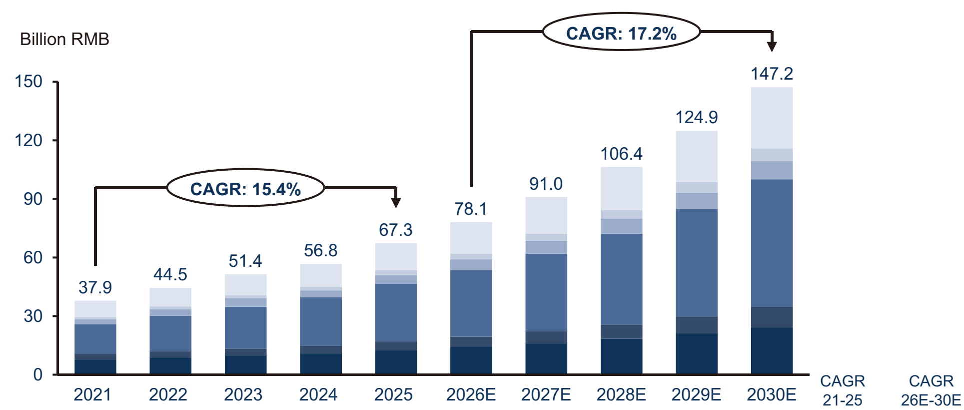
Value Chain of Industrial Robot and Solution Industry

Major participants in the upstream of the industrial robot and solution industry are responsible for core components and supporting basic components. The core components of industrial robots and solutions consist of controllers, servo motors, and gearboxes, while supporting basic components include sensors and end effectors. The midstream focuses on the assembly of complete industrial robots and solutions, which include various types such as parallel robots, industrial mobile robots, articulated robots, collaborative robots, and others. In the downstream, system integration is carried out to develop application-specific industrial robot and solution products, encompassing welding robots, handling robots, assembly robots, and more. These integrated solutions are then deployed across a wide range of end-use industry sectors including consumer electronics, FMCG, automotive and components, semiconductor, healthcare, and others.

Market Size of China's Industrial Robot and Solution Market

China's industrial robot market, in terms of revenue, grew from RMB37.9 billion in 2021 to RMB67.3 billion in 2025, at a CAGR of 15.4%. As downstream application scenarios and market demand continue to expand, the market is projected to reach RMB147.2 billion by 2030, at a CAGR of 17.2% from 2026 to 2030.

Market Size of Industrial Robot Market (by Revenue), China, 2021-2030E



	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	CAGR 21-25	CAGR 26E-30E
Consumer Electronics	8.0	9.0	10.0	11.0	12.6	14.2	16.2	18.4	21.1	24.4	12.2%	14.4%
FMCG	2.7	3.0	3.4	3.8	4.5	5.2	6.1	7.3	8.7	10.4	13.8%	18.6%
Automotive & Components	15.2	18.2	21.4	24.9	29.4	34.1	39.7	46.6	55.0	65.3	17.9%	17.7%
Semiconductor Equipment	2.5	3.4	4.4	3.5	4.5	5.6	6.6	7.6	8.5	9.3	15.7%	13.6%
Healthcare	1.1	1.4	1.6	1.9	2.4	2.9	3.6	4.4	5.4	6.6	21.1%	22.4%
Others	8.4	9.5	10.6	11.7	13.9	16.1	18.8	22.2	26.2	31.3	13.3%	18.1%

Note: The market size refers to the sales revenue of industrial robot bodies.

Source: Frost & Sullivan

Consumer Electronics. The consumer electronics sector expanded from RMB8.0 billion in 2021 to RMB12.6 billion in 2025, at a CAGR of 12.2%, driven by the robust demand for smartphones, wearables, and the development of automated assembly. This sector is forecasted to reach RMB24.4 billion by 2030, at a CAGR of 14.4% from 2026 to 2030, driven by 5G adoption and miniaturization trends of components with new features, which would encourage consumers to upgrade and replace existing products such as mobile phones to new generation devices and thus contribute to the demand growth for upstream industrial robots.

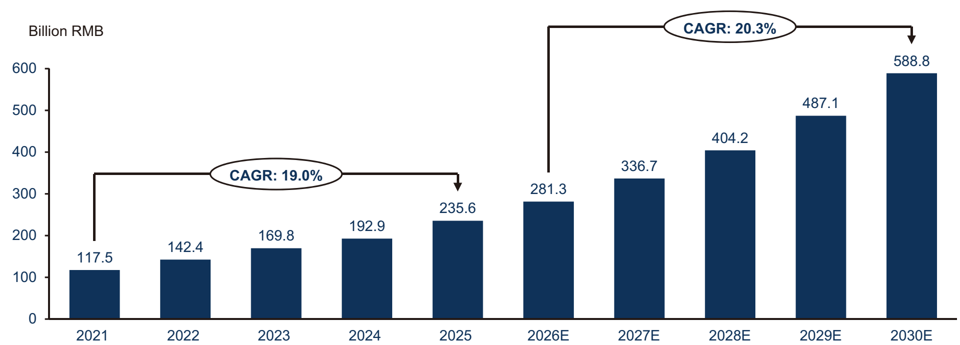
FMCG. The FMCG sector expanded from RMB2.7 billion in 2021 to RMB4.5 billion in 2025, at a CAGR of 13.8%, driven by the need for standardized production and compliance with stringent food safety regulations. This sector is projected to reach RMB10.4 billion, at a CAGR of 18.6% from 2026 to 2030, driven by automation in snack packaging, dairy processing, and beverage filling lines.

Automotive & Components. The automotive & components sector remained the largest sector in the industrial robot market, fueled by China's leadership in electric vehicle production and automotive assembly automation. This sector grew from RMB15.2 billion in 2021 to RMB29.4 billion in 2025, at a CAGR of 17.9%, and is projected to reach RMB65.3 billion by 2030, at a CAGR of 17.7% from 2026 to 2030, driven by electric vehicle battery assembly and lightweight component handling.

Semiconductor Equipment. Semiconductor equipment emerged as a high-growth sector, increasing from RMB2.5 billion in 2021 to RMB4.5 billion in 2025, at a CAGR of 15.7%, supported by domestic semiconductor manufacturing expansion. With the global chip shortage accelerating automation investments, this sector is projected to reach RMB9.3 billion by 2030, at a CAGR of 13.6% from 2026 to 2030, underscoring its critical role in semiconductor fabrication.

Driven by the increasing demand for automation in manufacturing processes, rising labor costs, and the push for technological advancement, China's industrial robot solution market, in terms of revenue, increased from RMB117.5 billion in 2021 to RMB235.6 billion in 2025, at a CAGR of 19.0%. The market is expected to continue its robust growth trajectory as more industries integrate robotics solutions to enhance efficiency, precision and productivity. China's industrial robot solution market is projected to reach RMB588.8 billion in 2030, at a CAGR of 20.3% from 2026 to 2030.

Market Size of Industrial Robot Solution Market (by Revenue), China, 2021-2030E

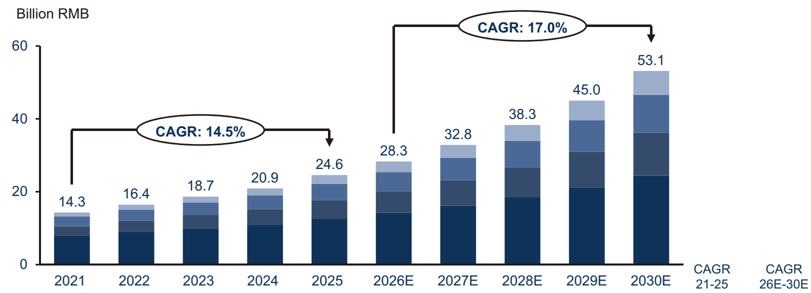


Source: Frost & Sullivan

Market Size of China's Light Industrial Robot and Solution Market

China's light industrial robot market is expanding rapidly, driven by automation upgrades and policy support for smart manufacturing. China's light industrial robot market, in terms of revenue, grew from RMB14.3 billion in 2021 to RMB24.6 billion in 2025, at a CAGR of 14.5%. As more industry sectors seek to enhance efficiency and precision through robotic automation, China's light industrial robots market is expected to grow substantially in the future. The market is projected to reach RMB53.1 billion by 2030, at a CAGR of 17.0% from 2026 to 2030.

Market Size of Light Industrial Robot Market (by Revenue), China, 2021-2030E



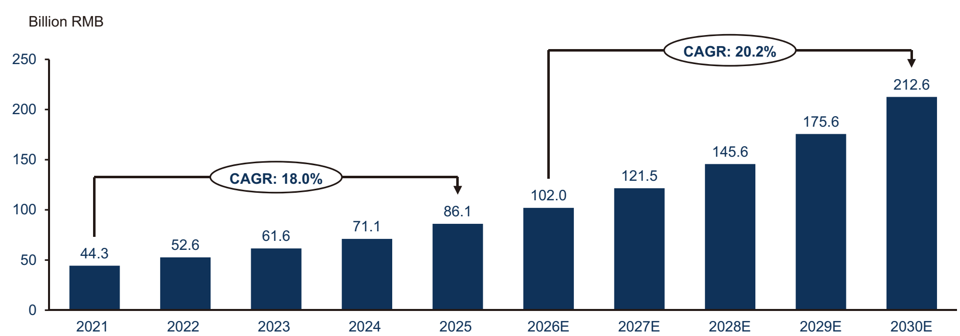
	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	CAGR 21-25	CAGR 26E-30E
Consumer Electronics	8.0	9.0	10.0	11.0	12.6	14.2	16.2	18.4	21.1	24.4	12.2%	14.4%
Automotive Electronics	2.6	3.1	3.6	4.2	5.1	5.9	7.0	8.3	9.8	11.8	18.6%	19.0%
FMCG	2.7	3.0	3.4	3.8	4.5	5.2	6.1	7.3	8.7	10.4	13.8%	18.6%
Healthcare	1.1	1.4	1.6	1.9	2.4	2.9	3.6	4.4	5.4	6.6	21.1%	22.4%

Note: The market size refers to the sales revenue of light industrial robot bodies.

Source: *Frost & Sullivan*

China's light industrial robot solution market, in terms of revenue, grew from RMB44.3 billion in 2021 to RMB86.1 billion in 2025, at a CAGR of 18.0%. With the increasing adoption of automation in downstream industry sectors and the demand for smart manufacturing, China's light industrial robot solution market is projected to reach RMB212.6 billion in 2030, at a CAGR of 20.2% from 2026 to 2030.

Market Size of Light Industrial Robot Solution Market (by Revenue), China, 2021-2030E

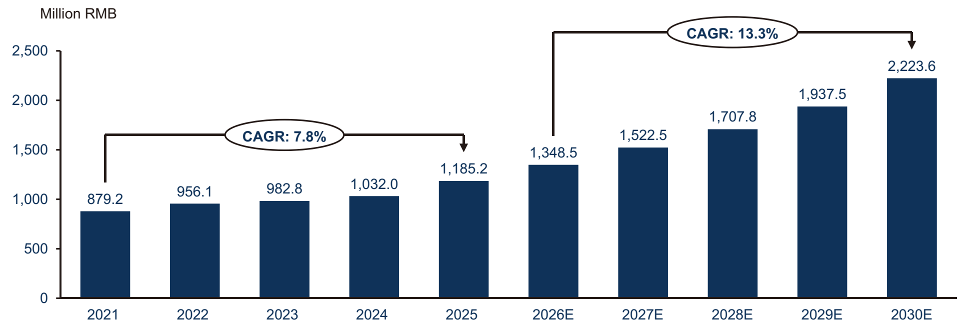


Source: *Frost & Sullivan*

Market Size of China's Parallel Robot Market

China's parallel robot market, in terms of revenue, grew from RMB879.2 million in 2021 to RMB1,185.2 million in 2025, at a CAGR of 7.8%. Driven by demand for high-speed, precision-driven automation, this market is projected to reach RMB2,223.6 million by 2030 at a CAGR of 13.3% from 2026 to 2030.

Market Size of Parallel Robot Market (by Revenue), China, 2021-2030E



Source: Frost & Sullivan

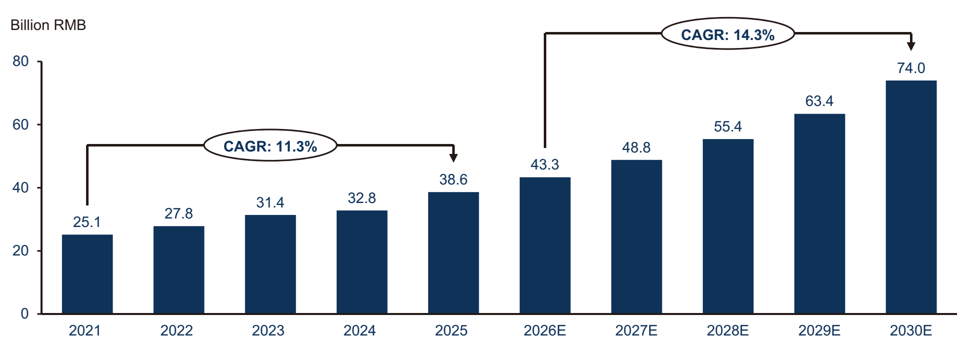
Market Size of China's Industrial Mobile Robot Market

China's industrial mobile robot market, in terms of revenue, grew from RMB9.3 billion in 2021 to RMB22.2 billion in 2025, at a CAGR of 24.3%, driven by surging e-commerce demand, warehouse automation upgrades, and adoption of contactless logistics solutions in manufacturing sectors. The rise of just-in-time manufacturing has further necessitated agile, real-time inventory management, positioning industrial mobile robots as critical enablers of dynamic supply chain resilience. Advances in swarm robotics and edge-AI computing enhance their ability to operate collaboratively in complex environments, such as multi-level warehouses. This market is projected to reach RMB53.0 billion by 2030, at a CAGR of 18.4% from 2026 to 2030, fueled by AI-driven navigation advancements and smart factory integration.

Market Size of China's Articulated Robot Market

China's articulated robot market grew from RMB25.1 billion in 2021 to RMB38.6 billion in 2025, at a CAGR of 11.3%, driven by demand for high-dexterity automation in industrial applications. With the growing need for cost-effective, high-throughput automation in automotive manufacturing, electronics manufacturing, and aerospace, the adoption of articulated robots will continue to accelerate. The market is projected to reach RMB74.0 billion by 2030, at a CAGR of 14.3% from 2026 to 2030.

Market Size of Articulated Robot Market (by Revenue), China, 2021-2030E



Source: Frost & Sullivan

Market Drivers and Trends of Industrial Robot and Solution Market

Increasing Labor Costs and Workforce Shortages. Escalating labor expenses, compounded by aging populations and shrinking workforces, are driving manufacturers to prioritize automation. The population with age over 65 reached 15.7% in China in 2025, which is significantly higher than the average level of 11.8% in 2025 globally. Industrial robots and solutions mitigate these challenges by delivering consistent operational efficiency, reducing reliance on error-prone manual labor, and enhancing safety in repetitive or high-risk environments. This shift is amplified in regions experiencing rapid wage inflation, where demographic constraints accelerate the adoption of robotic systems. Beyond cost savings, automation addresses skill gaps in advanced manufacturing processes, ensuring sustained productivity amid shifting labor dynamics.

Technological Advancements in Core Components. Innovations in precision gearboxes, high-torque servo motors, and AI-enhanced controllers are redefining robotic capabilities. Domestic suppliers are achieving breakthroughs in motion control algorithms and adaptive sensing systems, enabling robots to perform complex tasks with micron-level accuracy. Modular designs and open-source software platforms further lower integration barriers, allowing customization for niche applications. This technological maturation reduces import dependency, enhances lifecycle durability, and enables scalable deployment across industries, from high-volume automotive production to ultra-cleanroom semiconductor fabrication. As technological capabilities continue to advance, domestic manufacturers are increasingly positioned to compete in the high-end markets.

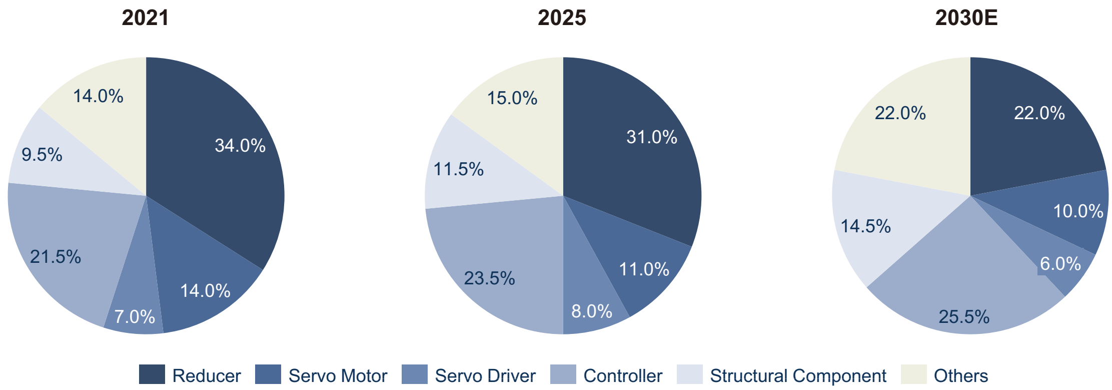
Integration of AI and Autonomous Technologies. Next-generation robots and solutions will leverage embedded AI to achieve contextual decision-making, enabling real-time process adjustments without human intervention. Machine learning algorithms will optimize energy consumption and predictive maintenance schedules, while federated learning systems allow multi-robot knowledge sharing across factories. Vision-based autonomous navigation and tactile feedback mechanisms will expand deployment in unstructured environments. Natural language interfaces, powered by generative AI, will democratize programming capabilities, enabling shop-floor technicians to direct robots through conversational commands.

Modular and Lightweight Design Innovations. Emerging reconfigurable robotics architectures will enable rapid hardware swaps for task-specific adaptations, such as switching between grippers for material handling or laser tools for welding. Advances in carbon-fiber composites and additive manufacturing will yield lighter yet stronger manipulators, improving energy efficiency and payload-to-weight ratios. These innovations will facilitate hybrid workcells where compact robots operate alongside humans in constrained spaces, particularly benefiting companies requiring multi-functional automation. Enhanced mobility will also drive adoption in construction and agriculture through ruggedized mobile platforms.

Cost Analysis of Industrial Robots

The cost structure of industrial robot solutions include industrial robots, intelligent control systems and ancillary equipment. The cost structure of industrial robot has undergone significant technology-driven evolution, demonstrating a clear trend where mechanical components experience continuous cost reduction while intelligent components gain increasing value. In 2025, accelerated domestic substitution and scaling effects reduced the gearbox share to 31%. Within servo systems, motor costs declined to 11%, while drivers increased slightly to 8%. The structural component share rose to 11.5% due to growing lightweight requirements in robot design.

Cost Analysis of Industrial Robots, China, 2021, 2025, 2030E



Source: Frost & Sullivan

COMPETITIVE ANALYSIS OF INDUSTRIAL ROBOT AND SOLUTION MARKET

Competitive Landscape of Industrial Robot and Solution Market

In China's industrial robot and solution market, overseas companies initially held a first mover position. In recent years, domestic companies have emerged and achieved rapid growth, with substantial advantages in competitive pricing levels, fast and flexible responsiveness, and localized service capabilities. The market share of domestic companies has continued to increase, and domestic substitution has become a key development trend in the industrial robot and solution market.

The competitive landscape of light industrial robot industry includes the Company, Company A, Company B, Company C, and Company D, covering multiple sectors such as consumer electronics, automotive electronics, FMCG, and healthcare. In the consumer electronics sector, the key competitors are the Company, Company A, Company B, and Company D. In the automotive electronics sector, the Company, Company A, Company B, Company C, and Company D are the main participants. In the FMCG sector, the major players are the Company, Company B and Company D, while in the healthcare sector, the primary participants are the Company, Company C and Company D.

In China's industrial robot and solution market, there are two main types of participants, including companies that provide both robot bodies and integrated robotics solutions, and system integrators that focus solely on integration using third-party hardware. Companies in the former category generally have significantly greater advantages in technology control, supply chain coordination, and solution consistency.

Ranking of Light Industrial Robot and Solution Companies

Our Company ranked fourth among top five domestic light industrial robot and solution providers in the China's market in terms of the related revenue in 2025.

Ranking of Domestic Providers of Light Industrial Robot and Solution (by Revenue)[1], China, 2025

Rank	Company	Light Industrial Robot and Solution Revenue (Million RMB)	Market Share
1	Company A[2]	783.8	3.6%
2	Company B[3]	361.9	1.7%
3	Company C[4]	305.1	1.4%
4	**The Company**	**293.6**	**1.4%**
5	Company D[5]	254.8	1.2%
	Total	**21,513.1**	**100%**

Source: Frost & Sullivan

(1) Ranked by revenue derived from the sales of robot bodies and integrated robotics solutions. The market share is calculated based on revenue, excluding contributions from companies engaged solely in industrial robot system integration without robot body manufacturing capabilities. The revenue of light industrial robots and solutions includes sales revenue from consumer electronics, automotive electronics, FMCG, and healthcare sectors.

(2) A Shenzhen Stock Exchange listed company, established in 2003, primarily offering industrial automation control products and industrial robots, with total revenue of approximately RMB46.1 billion in 2025.

(3) A Shenzhen Stock Exchange listed company, established in 2002, primarily offering industrial robots and intelligent manufacturing systems, with total revenue of approximately RMB4.9 billion in 2025.

(4) A Shenzhen Stock Exchange listed company, established in 1994, primarily offering industrial robots and CNC controllers, with total revenue of approximately RMB1.2 billion in 2025.

(5) A Shenzhen Stock Exchange listed company, established in 2007, primarily offering industrial robots and automation solutions, with total revenue of approximately RMB2.5 billion in 2025.

Entry Barriers of Industrial Robot and Solution Market

Technology Barrier. The technological barriers in the industrial robot and solution market are primarily reflected in the high difficulty of independent R&D for core components, including critical parts such as precision gearboxes, servo motors, and controllers. These technologies have long been monopolized by global industry leaders, making it challenging for new entrants to achieve breakthroughs. Additionally, robotic systems require highly complex interdisciplinary technology integration, such as high-precision motion control, real-time path planning, and AI algorithm optimization. Established companies have accumulated extensive patent portfolios and technological ecosystems over time, further raising the industry's entry threshold. New players must not only invest substantial R&D capital but also face challenges such as lengthy technology validation cycles and stringent product reliability requirements, making it difficult to compete with industry leaders in the short term.

Brand Barrier. The brand barriers in the industrial robot and solution industry are mainly reflected in the market's technological trust and usage inertia towards mature brands. Leading enterprises in the industry have established a stable brand recognition in the minds of customers with stable product performance, rich application cases and a global service system. End users tend to choose well-known brands with a long history of cooperation to reduce production risks. This brand dependence makes it difficult for new entrants to break through the brand moat built by leading enterprises in the short term, even if they offer more cost-effective products or solutions, they still need to go through a long market validation period to gain customer recognition.

PRC LAWS AND REGULATIONS

This section sets out a summary of the most significant laws, regulations and policies affecting our business activities within China.

Industry Policies

The "Normative Conditions for the Industrial Robotics Industry" (工業機器人行業規範條件) (the "Normative Conditions") were issued by the Ministry of Industry and Information Technology (the "MIIT") in December 2016, with the latest revised Normative Conditions taking effect in August 2024. The Normative Conditions specify provisions on basic requirements, technical capabilities and production conditions, quality requirements, personnel quality, sales and after-sales services, safety management and social responsibilities, supervision and management, etc.

The Implementation Measures for the Standardized Management of the Industrial Robot Industry (工業機器人行業規範管理實施辦法) (the "Standardized Measures") was promulgated by the MIIT in July 2017 and implemented in August 2017, with the latest revised Standardized Measures implemented in August 2024. According to the Standardized Measures, the MIIT implements announcement management for industrial robotics companies that meet the Normative Conditions, and the companies may apply on a voluntary basis.

The "14th Five Year Plan for the Development of the Robot Industry" ("十四五"機器人產業發展規劃) was issued in December 2021 by the MIIT and other 14 departments. The plan aims to accelerate the high-quality development of the robotics industry, with the goal of making China a global source of robotics technology innovation, a center for advanced manufacturing, and a new pacesetter for integrated applications by 2025; and by 2035, making China's robotics industry achieve world-leading comprehensive strength, with robots becoming an important component of economic development, people's livelihoods, and social governance.

The "Guiding Opinions on the Innovative Development of Humanoid Robots" (人形機器人創新發展指導意見) was issued by the MIIT in October 2023, proposing to promote the high-quality development of the humanoid robot industry, cultivate new quality productive forces, and empower new industrialization at a high level. By 2027, the technological innovation capabilities of humanoid robots will be significantly enhanced, and a safe and reliable industrial chain and supply chain system will be formed as an important development goal.

Regulations on Product Quality

Pursuant to the Product Quality Law of the PRC (中華人民共和國產品質量法), promulgated by the Standing Committee of the National People's Congress (the "NPCSC") on February 22, 1993, last amended on December 29, 2018, and effective as of the same date, producers shall be responsible for the quality of the products they produce. Producers or sellers found manufacturing or selling substandard products shall bear corresponding responsibility according to the specific circumstances.

According to the "Regulations on the Supervision and Administration of Medical Devices" (醫療器械監督管理條例) promulgated by the State Council on February 9, 2021, and last revised on December 6, 2024, medical devices are classified into three categories based on their risk levels.

According to the "Provisions for Supervision and Administration of Medical Device Manufacturing" (醫療器械生產監督管理辦法) issued on July 20, 2004 and last revised on March 10, 2022 by the State Administration for Market Regulation, entities engaged in the manufacturing of Class II and Class III medical devices must obtain the Medical Device Manufacturing License, while entities engaged in the manufacturing of Class I medical devices shall file for medical device manufacturing with the local medical products regulatory department.

According to the "Provisions for Supervision and Administration of Medical Device Distribution" (醫療器械經營監督管理辦法) issued by the State Administration for Market Regulation promulgated on July 30, 2014 and last revised on March 10, 2022, entities engaged in the distribution of Class III medical devices must obtain a Medical Device Distribution License.

Entities engaged in the distribution of Class II medical devices shall file with the local drug regulatory departments, while entities engaged in the distribution of Class I medical devices are not required to file or obtain any license.

The Directors confirm that our industrial robots and solutions in the healthcare sector as of the Latest Practicable Date are primarily used for automated sorting, handling, and packaging to replace manual operations and do not involve any manufacturing or assembly of medical devices. Based on the above circumstances, the Directors and our PRC Legal Advisor believe that we are not required to obtain any licenses, filings, or other approvals related to medical device manufacturing. Additionally, the relevant compliance letters issued by the competent authorities confirm that, during the Track Record Period and as of the Latest Practicable Date, we have not engaged in any illegal or non-compliant activities in the fields of public health or market regulation.

Regulations on Foreign Investment

Pursuant to the Company Law of the PRC (the "Company Law"), adopted by the NPCSC on December 29, 1993, implemented on July 1, 1994, and last amended on December 29, 2023, and effective on July 1, 2024, companies established in China may take the form of limited liability companies or joint stock limited companies and posses legal person status. The Company Law also applies to foreign-invested companies. Where there are separate provisions in laws governing foreign investment, those provisions shall prevail.

Pursuant to the Foreign Investment Law of PRC, adopted by the NPC on March 15, 2019, and effective on January 1, 2020; the Regulations for the Implementation of the Foreign Investment Law of the PRC, promulgated by the State Council on December 26, 2019, and effective on January 1, 2020, the PRC implements a pre-establishment national treatment plus negative list management system for foreign investment. In areas where investment is restricted by the negative list, foreign investors shall meet the specified investment conditions. Foreign investments outside the negative list shall be managed in accordance with the principle of consistency between domestic and foreign capital.

Pursuant to the Special Administrative Measures for Foreign Investment Access (Negative List) (2024 Edition) (外商投資准入特別管理措施(負面清單)(2024年版)) (the "Negative List of 2024 Edition"), promulgated by the Ministry of Commerce of the People's Republic of China (the "MOFCOM") and the NDRC on September 6, 2024, and effective on November 1, 2024; and the Catalogue of Industries Encouraging Foreign Investment (2025 edition) (鼓勵外商投資產業目錄(2025年版)), jointly promulgated by the MOFCOM and the NDRC on December 15, 2025, and effective on February 1, 2026, industries for foreign investment in China are classified into encouraged, restricted, and prohibited categories. Industries outside the negative list are deemed permissible for foreign investment. The industry in which we operate is not included in the Negative List of 2024 Edition.

Regulations on Import and Export of Goods

Pursuant to the Foreign Trade Law of the PRC (中華人民共和國對外貿易法), promulgated by the NPCSC on May 12, 1994, last amended on December 27, 2025, and effective on March 1, 2026; and the Measures for the Recordation and Registration of Foreign Trade Operators (對外貿易經營者備案登記辦法), last amended by the MOFCOM on May 10, 2021, and effective as of the same date, any foreign trade operator engaged in the export of goods or technologies are required to complete recordation and registration with the MOFCOM or an institution entrusted by the MOFCOM before December 30, 2022. From December 30, 2022, the aforementioned recordation is no longer required.

Pursuant to the Customs Law of the PRC (中華人民共和國海關法), promulgated by the NPCSC on January 22, 1987, last amended on April 29, 2021, importers/exporters of goods and customs declaration enterprises applying for recordation shall obtain market entity qualification. Among them, importers/exporters of goods applying for recordation shall also obtain foreign trade operator recordation. In accordance with the Circular on Matters Concerning the Recordation of Importers/Exporters of Goods (關於進出口貨物收發貨人備案有關事宜的通知), promulgated and implemented by the Department of Enterprise Management and Audit-based Control of the General Administration of Customs on January 3, 2023, from the date of promulgation of the circular, importers/exporters of goods applying for recordation shall obtain market entity qualification and are no longer required to obtain foreign trade operator recordation.

Regulations on Work Safety and Fire Safety

Work Safety

Pursuant to the Work Safety Law of the PRC (中華人民共和國安全生產法), promulgated by the NPCSC on June 29, 2002, newly revised on June 10, 2021, and effective as of September 1, 2021, production and business entities shall establish and improve a full-staff work safety responsibility system and work safety rules and regulations, and shall meet certain work safety conditions.

Fire Safety

Pursuant to the Fire Control Law of the PRC (中華人民共和國消防法), promulgated by the NPCSC in April 1998, newly revised on April 29, 2021, and effective on the same date, and the Interim Provisions on the Review and Acceptance of Fire Control Design for Construction Projects (建設工程消防設計審查驗收管理暫行規定), promulgated by the Ministry of Housing and Urban-Rural Development of the PRC on April 1, 2020, newly revised on August 21, 2023, and effective as of October 30, 2023, the fire control design and construction of construction projects shall comply with national fire control technical standards for engineering construction, and a fire control design review and acceptance system for construction projects shall be implemented.

Regulations on Environmental Protection

General Provisions

Pursuant to the Environmental Protection Law of the PRC (中華人民共和國環境保護法) (adopted by the NPCSC on December 26, 1989, last amended on April 24, 2014, and effective as of January 1, 2015). The PRC implements a pollutant discharge permit system in accordance with the law. Enterprises, public institutions, other producers and operators subject to this system shall discharge pollutants in compliance with the requirements of their permits.

Regulations on the Environmental Impact Assessment of Construction Projects

Pursuant to the Environmental Impact Assessment Law of the PRC (中華人民共和國環境影響評價法) promulgated by the NPCSC on October 28, 2002, last amended and effective as of December 29, 2018, the Regulations on Environmental Protection Management of Construction Projects (建設項目環境保護管理條例) promulgated by the State Council on November 29, 1998, as last amended on July 16, 2017 and implemented on October 1, 2017, the Provisions on Tiered Examination and Approval of Environmental Impact Assessment Documents for Construction Projects (建設項目環境影響評價文件分級審批規定) promulgated by the Ministry of Environmental Protection of PRC (MEP) (later renamed the Ministry of Ecology and Environment of PRC (MEE)) on November 1, 2002, revised on January 16, 2009 and effective on March 1, 2009, and the Interim Measures for Environmental Protection Acceptance on Completion of Construction Projects (建設項目竣工環境保護驗收暫行辦法) promulgated by the MEE on November 20, 2017 and effective as of the same date, China has implemented an environmental impact assessment system for construction projects. The construction entity shall, prior to the commencement of construction, submit the environmental impact statement or environmental impact report form for examination and approval, or file the environmental impact registration form for the record, upon completion of a construction project for which an environmental impact report or an environmental impact report form has been prepared, the construction unit shall, perform completion acceptance of the supporting environmental protection facilities and prepare an acceptance report.

Regulations on Sewage Discharge Permits

Pursuant to the Regulations on the Management of Pollutant Discharge Permits (排污許可管理條例) promulgated by the State Council on January 24, 2021 and implemented on March 1, 2021, the Measures for the Administration of Pollutant Discharge Permits (排污許可管理辦法) promulgated by the MEE on April 1, 2024 and implemented on July 1, 2024, and the Guidelines for the Registration of Pollutant Discharge from Stationary Pollution Sources (Trial) (固定污染源排污登記工作指南(試行)) promulgated by the MEE on January 6, 2020 and effective as of the same date, enterprises, institutions and other producers and operators subject to the pollutant discharge permit management shall apply for a pollutant discharge permit. Enterprises, institutions and other producers and operators with minimal pollutant generation amount, emission amount and environmental impact, who are not required to apply for a discharge permit, shall complete a pollutant discharge registration form.

Regulations on Intellectual Property

Patent Right

Pursuant to the Patent Law of the PRC (中華人民共和國專利法) (promulgated by the NPCSC on March 12, 1984, last amended on October 17, 2020 and effective as of June 1, 2021) and the Implementing Regulations of the Patent Law of the PRC (中華人民共和國專利法實施細則) (issued by the State Council on June 15, 2001, last amended on December 11, 2023 and implemented on January 20, 2024). The duration of patent rights is 20 years for invention patents, 10 years for utility model patents, and 15 years for design patents, all calculated from the date of application.

Copyright

Pursuant to the Copyright Law of the People's Republic of China (中華人民共和國著作權法), which was promulgated by the NPCSC on September 7, 1990, last amended on November 11, 2020 and effective as of June 1, 2021, copyright includes personal rights such as the right of publication and the right of authorship, as well as property rights such as the right of reproduction and the right of distribution, including Internet activities, works disseminated via the Internet, and software products.

Pursuant to the Measures for the Registration of Computer Software Copyright (計算機軟件著作權登記辦法) promulgated by the National Copyright Administration on February 20, 2002, and the Regulations on the Protection of Computer Software (計算機軟件保護條例) amended by the State Council on January 30, 2013 and effective as of March 1, 2013. The China Copyright Protection Center shall issue registration certificates to applicants for computer software copyrights who comply with the provisions.

Trademark

Pursuant to the Trademark Law of the PRC (中華人民共和國商標法), which was last amended on April 23, 2019 and effective as of November 1, 2019, and the Implementing Regulations of the Trademark Law of the PRC (中華人民共和國商標法實施條例), which was last amended on April 29, 2014 and effective as of May 1, 2014. The validity period of a registered trademark shall be ten years, calculated from the date of registration approval.

Domain Name

Pursuant to the Administrative Measures for Internet Domain Names (互聯網域名管理辦法), which was promulgated by the MIIT on August 24, 2017 and effective as of November 1, 2017, and the Notice of the MIIT on Regulating the Use of Domain Names for Internet Information Services (工業和信息化部關於規範互聯網信息服務使用域名的通知), which was issued on November 27, 2017 and effective as of January 1, 2018, the Internet information service providers shall use legally registered and duly owned domain names for their services.

Trade Secret

Pursuant to the Anti-Unfair Competition Law of the PRC (中華人民共和國反不正當競爭法), which was promulgated by the NPCSC on September 2, 1993, last amended and effective as of April 23, 2019, "trade secret" means technical information, operational information and other commercial information that is not known to the public, has commercial value, and for which the right holder has adopted corresponding confidentiality measures. Business operators are prohibited from committing acts of infringing trade secrets.

Regulations on Labor Employment and Social Security and Housing Provident Fund

Labor Contract and Labor Law

Pursuant to the Labor Law of the PRC (中華人民共和國勞動法), which was promulgated by the NPCSC on July 5, 1994, last amended and effective as of December 29, 2018, and the Labor Contract Law of the PRC (中華人民共和國勞動合同法), which was promulgated by the NPCSC on June 29, 2007, last amended on December 28, 2012 and effective as of July 1, 2013. Employers shall guarantee both the workers' exercise of these rights and the performance of their labor obligations. Employers shall execute written labor contracts when establishing employment relationships with workers.

Social Insurance

Pursuant to the Interim Regulations on the Collection and Payment of Social Insurance Premiums (社會保險費徵繳暫行條例) promulgated by the State Council on January 22, 1999 and last amended on March 24, 2019 and effective as of the same date, enterprises shall register for social insurance with the local social insurance department and pay or withhold the relevant social insurance on behalf of their employees. Pursuant to the Social Insurance Law of the PRC (中華人民共和國社會保險法), which was promulgated by the NPCSC on October 28, 2010, last amended and effective as of December 29, 2018, and other relevant regulations, all employers and individuals within China's territory shall legally contribute to social insurance, covering basic pension insurance, unemployment insurance, basic medical insurance, work injury insurance, and maternity insurance. Where an employer fails to make full and timely contributions, the social insurance collection agency shall issue a rectification order requiring payment or deficiency makeup within a prescribed period, and impose a late payment surcharge each day from the date of default. Where the employer still fails to comply after the deadline, the competent administrative department shall impose a fine.

Housing Provident Fund

Pursuant to the Regulations on the Administration of Housing Provident Funds (住房公積金管理條例), promulgated by the State Council on April 3, 1999, last amended and effective as of March 24, 2019, employers shall register with the competent housing provident fund management center and make housing provident fund contributions for their employees. If an employer fails to make full housing provident fund contributions or underpays, the competent housing provident fund management center shall order rectification within a specified period. Where the default persists after the deadline, compulsory enforcement may be applied for through the People's Court.

Taxation Provisions

Enterprise Income Tax

Pursuant to the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法) (the "Enterprise Income Tax Law"), promulgated by the NPC on March 16, 2007, last amended and effective as of December 29, 2018, and the Implementing Regulations of the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法實施條例), promulgated by the State Council on December 6, 2007, last amended on December 6, 2024 and effective as of January 20, 2025, domestic enterprises established within China's territory according to law qualify as resident enterprises. Resident enterprises shall pay enterprise income tax at the statutory rate of 25% on their China-sourced income. Qualified small and low-profit enterprises shall be taxed at a reduced rate of 20%. State-designated high-tech enterprises shall qualify for a preferential rate of 15%.

Value-added Tax

Pursuant to the Value-Added Tax Law of the PRC (《中華人民共和國增值稅法》) (the "VAT Law" promulgated by the SCNPC on December 25, 2024 and came into effect on January 1, 2026, and Regulations for the Implementation of the Value-Added Tax Law of the PRC (《中華人民共和國增值稅法實施條例》) promulgated by the State Council on December 25, 2025 and came into effect on January 1, 2026 entities and individuals that sell goods, services, intangible assets, or immovables, or import goods within the territory of the PRC are taxpayers of VAT, and shall pay VAT in accordance with this Law. The VAT rate for taxpayers engaging in selling or importing goods is generally 13%, 9%, 6% and 0% decided by the type of transactions.

Regulations on Anti-Unfair Competition

Pursuant to the Anti-Unfair Competition Law of the PRC, which was promulgated by the NPCSC on September 2, 1993, last amended and effective as of April 23, 2019, operators shall, abide by the principles of voluntariness, equality, fairness, and good faith, and comply with laws and business ethics. Operators shall not engage in market transactions through improper means to harm competitors.

Laws and Regulations on Cybersecurity and Data Protection

Laws and Regulations on Cybersecurity

According to the Cybersecurity Law of the PRC (中華人民共和國網絡安全法), promulgated by the NPCSC on November 7, 2016, and effective as of June 1, 2017, network operators shall formulate internal security management systems and take measures to ensure the networks security and stability.

Pursuant to the Regulations on the Administration of Network Data Security (網絡數據安全管理條例) promulgated by the State Council on September 24, 2024 and effective as of January 1, 2025, network data processors shall conduct national security reviews in accordance with the relevant regulations issued by the State where they carry out such network data processing activities as affect or may affect national security. Network data processors that process personal information of over 10 million people shall also comply with the regulations for such network data processors as process important data. Operators of network platforms that hold personal information of more than one million users shall declare for cybersecurity review to the Cybersecurity Review Office where they plan to go public overseas under the Cybersecurity Review Measures (網絡安全審查辦法), jointly promulgated by the Cyberspace Administration of China ("CAC"), and other 12 departments on November 16, 2021, and effective as of February 15, 2022.

Regulations on Data Protection

The PRC establishes a system for the classification and tiered protection of data in accordance with the Data Security Law of the PRC (中華人民共和國數據安全法), adopted by the NPCSC on June 10, 2021, and effective as of September 1, 2021. The processor of important data shall conduct regular risk assessments of their data processing activities in accordance with the regulations and submit risk assessment reports to the competent authorities.

Laws and Regulations on Foreign Investments Made by Domestic Enterprises

Regulations of the Development and Reform Commission on Overseas Investments Made by Domestic Enterprises

Pursuant to the Administrative Measures for Enterprise Overseas Investment (企業境外投資管理辦法) promulgated by the NDRC on December 26, 2017, and effective as of March 1, 2018, overseas investment conducted by PRC enterprises shall be subject to approval and filing, depending on whether the investment project falls within the category of sensitive projects.

Regulations of the Commerce Department on Overseas Investments Made by Domestic Enterprises

In accordance with the Measures for the Administration of Overseas Investment promulgated by the MOFCOM on September 6, 2014, and effective as of October 6, 2014, the MOFCOM and provincial competent commerce departments shall carry out administration either by record-filing or by verification and approval depending on different circumstances of outbound investment by enterprises.

Regulations of the Foreign Exchange Administration on Overseas Investments Made by Domestic Enterprises

Pursuant to the Circular on Further Simplifying and Improving the Foreign Exchange Administration Policy 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 State Administration of Foreign Exchange (SAFE) on February 13, 2015, and effective as of June 1, 2015, the foreign exchange registration approval for overseas direct investment has been abolished. Instead, banks shall be now directly responsible for reviewing and handling foreign exchange registration related to overseas direct investment in accordance with this Circular and the attached Operational Guidelines for Direct Investment Foreign Exchange Business (直接投資外匯業務操作指引). The SAFE and its branches shall indirectly supervise through banks.

Domestic institutions (excluding domestic banks, hereinafter the same) shall apply to the local bank for foreign exchange registration of overseas direct investment before contributing capital or interests (including but not limited to currency, securities, intellectual property or technology, equity, creditor's rights, etc.) from within or outside China to an overseas entity in accordance with the Guidance on Capital Account Foreign Exchange Business (2024 Edition) (資本項目外匯業務指引(2024年版)), promulgated by the SAFE on April 3, 2024, and effective as of May 6, 2024.

Laws and Regulations on the Overseas Issuance and Listing by Domestic Enterprises

Laws and Regulations on Overseas Listing

Activities related to overseas issuance and listing by domestic enterprises shall strictly comply with national security laws, administrative regulations, and relevant regulations on foreign investment, cybersecurity, and data security. They shall earnestly fulfill the obligation to safeguard national security, and shall not disrupt the domestic market order or harm national interests, public interests, and the lawful rights and interests of domestic investors pursuant to the Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises (境內企業境外發行證券和上市管理試行辦法) (hereinafter referred to as the "Overseas Listing Administration Measures") and the supporting guidelines, promulgated by the CSRC on February 17, 2023, and effective as of March 31, 2023. Where the activities in question shall be subject to security review, the relevant security review procedures shall be fulfilled in accordance with the law before submitting the application for issuance and listing to the overseas securities regulatory authorities, exchanges, or other relevant entities.

Where a domestic enterprise provides or publicly discloses documents and materials involving State secrets or work secrets of State organs to relevant securities firms, securities service institutions, foreign regulatory authorities, or other entities and individuals, or does so through their overseas listing entities, the enterprise in question shall report to the competent authorities with the power of examination and approval for approval according to law, and report to the confidentiality administrative authorities at the same level for record under the Regulations on Strengthening the Confidentiality and Archives Management Related to the Overseas Issuance and Listing of Securities by Domestic Enterprises (關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定), promulgated by the CSRC, the MOF, the National Administration of State Secrets Protection, and the National Archives Administration of China on February 24, 2023, and effective as of March 31, 2023. The working papers formed in China by such securities companies and securities service agencies as provide relevant services for overseas issuance and listing of domestic enterprises shall be stored in China. Those who need to leave the country shall go through the examination and approval procedures in accordance with the provisions of the relevant laws and regulations issued by the State.

Laws and Regulations on the Administration of Foreign Exchange for Overseas Listing

Where a company intends to issue shares overseas and to publicly list and trade on an overseas stock exchange, the company in question shall, within 15 working days after the completion of the overseas listing and issuance, apply with the local foreign exchange administration where it is registered to handle the registration for overseas listing and shall, with the registration certificate for overseas listing business, open a special foreign exchange account for domestic companies' overseas listing with a domestic bank to handle the exchange and transfer of funds related to the business pursuant to the Circular of the State Administration of Foreign Exchange on Issues Concerning the Administration of Foreign Exchange for 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) issued by the SAFE on December 26, 2014.

Laws and Regulations on H Share Full Circulation

"Full circulation" means the listing and circulation of domestic non-listed shares of H-share companies (including unlisted domestic shares held by domestic shareholders before overseas listing, unlisted domestic shares additionally issued after overseas listing, and non-listed shares held by foreign shareholders) on the HKEX. Under the premise of complying with relevant laws and regulations as well as policies on State-owned asset management, foreign investment, and industry supervision, domestic non-listed shareholders may independently determine the number and proportion of shares to be applied for circulation and may entrust the corresponding H-share company to file with the CSRC pursuant to the Guidance on the Application for Full Circulation of Domestic Unlisted Shares of H-Share Companies (H股公司境內未上市股份申請全流通業務指引), promulgated by the CSRC on November 14, 2019, and revised on August 10, 2023. A domestic unlisted company limited by shares may file with the CSRC for "full circulation" while applying for the overseas initial public offering and listing.

U.S. LAWS AND REGULATIONS

This section sets out a summary of certain aspects of laws and regulations of the United States, which are relevant to the business and operations of our Group.

Laws and Regulations in relation to Product Liability and Consumer Protection

As a manufacturer and seller of robotics products, we may be liable for injuries and damages caused by our products under broad and consumer-friendly products liability laws if the products are proven to be defective. Each of the 50 states in the United States has different laws and judicial precedents that can vary significantly from one another. While circumstances and jurisdictions can differ in significant ways, the following provides a broad overview of the product liability law concepts that are generally followed in the majority of the states within the United States.

Product liability lawsuits may be brought against manufacturers by individual plaintiffs who have sustained injury, death, or property damage due to a defective product. In addition, lawsuits may be brought by groups of plaintiffs who have suffered similarly-situated claims relating to a defective product and who are certified by a court as a proper class of plaintiffs to act together to bring a class action suit in the United States. Manufacturers may also be subject to cross-claims or third-party claims for indemnity or contribution brought by other defendants in a product liability suit who may be upstream or downstream in the supply chain.

The types of product liability claims brought by plaintiffs generally fall into three broad categories: (1) design defect claims, which are based upon inherent flaws in the intended design or make-up of the product, (2) manufacturing defect claims, which are based on product flaws caused during the construction or production of the particular item that deviate from the intended design, and (3) failure to warn claims, which are based on inadequate product warnings or instructions, and whether inherent dangers could have been mitigated or avoided through adequate warnings to the user. Some states have also added an additional post-sale duty to warn of later discovered latent defects, designed to prevent future injuries involving the same product.

If a product liability claim is proven, the following types of damages, among others, may be recoverable by the plaintiff depending on the particular facts and the specific jurisdiction: (1) money damages for pain and suffering; (2) money damages for lost earnings or medical expenses; (3) long-term care expenses; (4) loss of financial support; (5) loss of consortium; (6) damage to property; and (7) punitive damages in the event the plaintiff can demonstrate reckless or intentional behavior on the part of the manufacturer. Punitive damages awards can be many times higher than the amount of compensatory damages and they are not awarded to compensate an injured party but rather to punish past and deter future misconduct. In some jurisdictions, plaintiffs may also be able to recover statutory damages and attorneys' fees if a state or U.S. federal statute permits such recovery. Usually, such statutes target specific goods or industries. The sources for these regulations are either state statutes or administrative regulations that place specific requirements on certain industries. Such requirements often take the form of labeling or licensing requirements and are usually enforced by public health or state safety agencies or by state attorneys-general. Civil and/or criminal penalties may be imposed for violations of the safety-driven consumer product regulations.

In addition to the state laws and regulations, some of our products are also governed by the federal Consumer Product Safety Act and its regulations, which are enforced by the U.S. Consumer Product Safety Commission (the "CPSC"). These safety oriented laws and regulations govern consumer products. The laws require affirmative reporting to the CPSC of consumer product defects that constitute substantive product hazards. Failure to timely report substantial product hazards can result in significant fines and penalties.

The CPSC also governs recalls of consumer products. Product recalls are normally implemented to remove or repair defective products in the market to help avoid injuries and limit product liability risk. The broad public notification issued for consumer product recalls can often provide a defense to product liability claims where plaintiffs were aware of but failed to participate in a recall.

The U.S. Magnuson-Moss Warranty-Federal Trade Commission Improvements Act ("Magnuson-Moss") addresses both written and implied warranties for consumer products. Magnuson-Moss authorizes the adoption of federal regulations concerning both written and implied warranties, governs disclosure and designation standards for written warranties, specifies standards for full warranties, and affords consumers with remedies for breach of warranty obligations and/or obligations under service contracts for consumer products. Consumer products sold in the United States are not required to have warranties, but any warranties provided by a manufacturer must comply with

Magnuson-Moss. The statute governs the manner in which warranties must be communicated to consumers. In general, the terms and conditions of warranties must be conspicuously and fully disclosed, in simple and readily understood language, and any ambiguities are to be construed against the drafter of the warranty. The U.S. Federal Trade Commission has authority to enforce the requirements of Magnuson-Moss and regulations thereunder, and may seek an injunction to stop violations. Consumers may seek recourse for Magnuson-Moss violations in individual or class actions, and a prevailing consumer may recover the costs of suit (including attorneys' fees) in addition to damages.

Laws and Regulations in relation to Labor and Employment

The employment of individuals in the United States is governed by federal, state and sometimes local laws. Labor and employment laws can generally be categorized under the headings of (1) equal employment opportunity, (2) wage and hour, (3) medical/disability, (4) union rights, and (5) workplace safety. Typically, national laws set the minimum legal standard for employee rights, and state and local laws, if adopted, enhance those rights. Most employees in the United States are hired "at-will," meaning that their employment can be terminated at any time, with or without notice, cause, or government mandated severance pay. However, individual employment agreements between an employee and employer may vary this status, and even an at-will employee may not be terminated for an illegal reason (such as discrimination), nor may an employee be terminated or otherwise retaliated against for engaging in protected activity under the law. In addition, employers are required to maintain workplaces that are free of harassment based on protected characteristics such as sex, race, etc.

Employees who believe they have suffered discrimination, harassment, or other alleged wrongs may pursue claims against us through state and U.S. federal governmental agencies and the courts.

Laws and Regulations in relation to International Trade

Our cross-border operations include the importation of goods into the United States and the exportation of goods from the United States. As a result, our business requires compliance with tariffs and other import controls, anti-dumping rules and regulations, export controls, U.S. economic and other sanctions programs, and anti-bribery laws and regulations.

U.S. Outbound Investment Review Regulations

On October 28, 2024, the U.S. Department of the Treasury ("Treasury") issued the Final Rule on Outbound Investment ("Outbound Investment Rule"), which implements Executive Order 14105, Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern. The Outbound Investment Rule became effective on January 2, 2025. The Outbound Investment Rule aims to mitigate national security risks associated with investments in sensitive technologies such as semiconductors, artificial intelligence (AI), quantum computing, and supercomputing in identified "countries of concern." Currently, "countries of concern" under the Outbound Investment Rule are limited to the PRC, including the Special Administrative Region of Hong Kong (Hong Kong), and the Special Administrative Region of Macau (Macau).

Under the Outbound Investment Rule, "U.S. persons" are subject to certain compliance obligations when engaging in certain transactions with "covered foreign persons" from countries of concern (PRC, including Hong Kong, and Macau), which may include a prohibition on the transaction or a notification requirement to the U.S. Government within 30 days of completing the transaction. On December 18, 2025, President of the United States signed into law the Fiscal Year 2026 National Defense Authorization Act, which includes the Comprehensive Outbound Investment National Security Act of 2025 ("COINS Act"). The COINS Act largely codifies the core of the current Outbound Investment Rule while making certain modifications. While the COINS Act was legally enacted and effective on December 18, 2025, it is not self-executing and it does not replace or amend the Outbound Investment Rule immediately. The COINS Act is a U.S. federal statute that provides the statutory basis for further rulemaking. The COINS Act requires the Treasury to, within 450 days from passage, promulgate new or amended regulations (which may then amend or replace the Outbound Investment Rule) to implement the law, and the Outbound Investment Rule will remain in force until those regulations are adopted.

Importation of goods into the United States

Importation of goods into the customs territory of the United States is governed principally by the Tariff Act of 1930, as amended, the Customs Modernization Act, and the regulations of U.S. Customs and Border Protection ("CBP"). Under these laws and regulations, U.S. importers have primary legal responsibility for initially valuing, classifying, and determining the rate of duty applicable to imported merchandise. The importer is required to exercise "reasonable care" in entering merchandise into the United States. This includes when providing to CBP information and documentation necessary for it to assess duties on imported merchandise, collect accurate import statistics, and determine whether an import complies with applicable laws.

Civil penalties may be assessed against any person who uses false or misleading statements to enter goods into the United States. In determining the applicable penalty for such a wrongdoing, CBP first determines the applicable degree of culpability of the offending party. In general, higher penalties are assigned to more egregious offenses, which are classified according to degree of culpability as due to negligence, gross negligence, or fraud. CBP considers that a violation is a result of negligence "if it results from failure to exercise reasonable care and competence: (1) to ensure that statements made and information provided in connection with the importation of merchandise are complete and accurate; or (2) to perform any material act required by statute or regulation." Gross negligence and fraud are found in more egregious cases where circumstances indicate more than a lack of due care. Gross negligence is assigned where CBP finds a violation done "with actual knowledge of or wanton disregard for the relevant facts and with indifference to or disregard for the offender's obligations under the statute." Fraud is assigned where the act was "committed (or omitted) knowingly, i.e. was done voluntarily and intentionally, as established by clear and convincing evidence." Where false statements affect the assessment of duties on imports, the statutory maximum civil monetary penalties vary depending on whether the violation is due to fraud, negligence, or gross negligence.

Anti-dumping laws and regulations

U.S. federal anti-dumping laws and regulations prohibit unfair global competition by prohibiting non-U.S. entities from selling products in the United States for unreasonably low prices. The usual test is whether the goods are being sold in the United States for less than they are sold for in the home market. If a company is found to be violating anti-dumping regulations, U.S. customs can impose additional duties on the imported goods.

Tariffs

The United States 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 United States, 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 United States 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 United States, and serves as the President's principal adviser, 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 United States imposed tariffs on certain imported goods of Chinese origin. Section 301 tariffs are assessed and collected in addition to any other duties that may apply (including, without limitation, anti-dumping duties). Both the United States and China have brought claims against one another before the World Trade Organization in connection with this trade dispute.

Laws and Regulations in relation to Tax

Federal government

The U.S. federal government can levy a variety of taxes on U.S. businesses, non-U.S. businesses engaging in certain activities in the United States, and business owners and their employees. Our business activities in the U.S. require us to pay U.S. federal income tax, taxes on the sale of certain assets, income tax on dividends, distributions, and interest, sales and other transfer taxes, employee payroll taxes, withholding obligations, and other taxes.

State and local governments

In addition to the federal government, the 50 U.S. states and their political subdivisions play an important role in taxing and regulating business activity within their respective jurisdictions. For example, our business activities within a U.S. state may be subject to the state's business and personal income tax, payroll tax, sales tax, real and personal property tax, franchise tax, withholding obligations, and other taxes. In addition, some local governments, such as counties and cities, may impose their own similar taxes.

Laws and Regulations in relation to Registration and Regulation

Corporations in the United States are registered and organized in one of the 50 states. In addition to its legal formation in a particular state, a corporation that does business in more than one state may need to qualify or register to do business in other states if the corporation's activities establish "minimum contacts" for tax purposes in those states. Individual state laws apply to business transactions occurring in each state, unless such laws conflict with, or are superseded by, U.S. federal law, which takes precedence over state and local law. For this reason, U.S. businesses frequently must comply with separate federal, state and local regulations.

OUR HISTORY AND DEVELOPMENT

Overview

We are an industrial robotics company in China, specializing in the design, development, manufacturing and commercialization of industrial robots and the offering of integrated robotics solutions, dedicated to the application scenarios in the light industry.

Our Company was established in the PRC in June 2012. Dr. Zhang, our founder, is an experienced entrepreneur, innovator and business leader. Under leadership and management of Dr. Zhang, we are the fourth largest domestic company, in terms of revenue in 2025, offering industrial robots and related robotics solutions in China dedicated to the application scenarios in the light industry, according to the F&S Report. See "Directors and Senior Management — Board of Directors — Executive Directors" for the biographical details of Dr. Zhang.

Business Milestones

The following table illustrates our major business milestones:

Year	Milestone
2012	Our Company was incorporated in the PRC We successfully developed our first parallel robot prototype
2013	We achieved the first trial use at our customer's site of our parallel robot
2014	We achieved the first sale of our parallel robot
2015	We established our first branch in Shanghai
2016	We achieved the first sale to a multinational corporation
2017	We achieved the first sale in the consumer electronics industry
2018	We first achieved the amount of annual sales order over RMB100 million
2019	We successfully launched our SCARA robot
2020	We first achieved the amount of annual sales order over RMB200 million
2021	We were awarded an honorary title of National Little Giant Enterprise featured with Specialization, Refinement, Differentiation, and Innovation (國家專精特新"小巨人"企業)
2022	We successfully launched our wafer handling robot
2023	Our Company was converted into a joint stock company under the laws of the PRC We strategically pivoted in offering mix and commenced our robot body business unit
2024	We engaged our first overseas distributor
2025	We started our R&D on embodied intelligent robots

OUR COMPANY

Our Company's Early Development

On June 26, 2012, our Company was incorporated as a limited liability company under the laws of the PRC by Dr. Zhang, Mr. Zhang Jian (張健), Mr. Zhang Li (張立), Mr. Jin Zhe (金喆) and Mr. Yang Xu (楊栩), with a registered capital of RMB2,000,000. Upon incorporation, our Company was owned by Dr. Zhang, Mr. Zhang Jian, Mr. Zhang Li, Mr. Jin Zhe and Mr. Yang Xu as to 21.72%, 30%, 21.7%, 21.7% and 4.88%, respectively. Each of Mr. Zhang Jian, Mr. Zhang Li, Mr. Jin Zhe and Mr. Yang Xu is a business partner of Dr. Zhang.

Pursuant to the equity transfer agreement dated March 15, 2014, Mr. Zhang Li transferred 3.01% aggregate interests in our Company held by him to Dr. Zhang. After completion of the aforementioned equity transfer, Dr. Zhang held 23.17% of the total issued share capital of the Company. In May 2016, in order to devote more time in their other businesses, each of Mr. Zhang Jian and Mr. Zhang Li transferred their respective entire equity interests in our Company to Dr. Zhang, and ceased to be our Shareholders. After completion of the aforementioned equity transfers, Dr. Zhang held 40.38% of the total issued share capital of the Company. In June 2016, Mr. Jin Zhe and Mr. Yang Xu transferred their entire equity interests in our Company to Shaoxing Zhiqiu LP and Shaoxing Ziqiu LP, respectively, and ceased to be our Shareholders. After completion of the aforementioned equity transfers, Dr. Zhang, Shaoxing Zhiqiu LP and Shaoxing Ziqiu LP held 35.29%, 14.58% and 7.38% of the total issued share capital of the Company, respectively.

To fund our strategic growth and broaden our shareholder base, we have conducted several rounds of pre-IPO investments since the incorporation of our Company. See "— Pre-IPO Investments" for details.

Joint Stock Reform of Our Company

On April 23, 2023, our then Shareholders, being our promoters, passed resolutions approving, among others, the conversion of our Company into a joint stock company with limited liability under the laws of the PRC. In accordance with an audit report of our Company issued by an independent accountant, as of October 31, 2022, the audited net asset value of our Company was RMB226,694,195.76, among which, RMB24,836,656 was converted into 24,836,656 Shares with a nominal value of RMB1.00 each and the remaining RMB201,857,539.76 was converted into capital reserve. Our Shares upon conversion were subscribed for by our then Shareholders in proportion to their respective equity interest in our Company immediately before the conversion.

OUR PRINCIPAL SUBSIDIARY

The following entity was our subsidiary which made material contribution to our results of operations during the Track Record Period.

Name	Place of incorporation	Date of incorporation	Principal business activities
Hangzhou Robotphoenix Intelligent Manufacturing Co., Ltd. (杭州翼菲機器人智能製造有限公司) ("Hangzhou Robotphoenix")	PRC	December 29, 2018	Manufacture of industrial robots

MATERIAL ACQUISITIONS AND DISPOSALS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any material acquisition or disposal.

PRE-IPO INVESTMENTS

Principal Terms of the Pre-IPO Investments

The table below summarizes the principal terms of the pre-IPO investments:

Name of Pre-IPO Investor(s)	Date of contract	Date of settlement	Registered capital of our Company subscribed for/acquired	Consideration[2]	Cost per Share paid[3]	Discount to the Offer Price[4]
			(RMB)	*(RMB)*	*(RMB)*	*(%)*
Angel Investment (Pre-money valuation: RMB14.0 million; Post-money valuation: RMB20.0 million) [1]						
Equity subscription						
Shenzhen Jasic Robotics Automation Equipment Co., Ltd. (深圳市佳士機器人自動化設備有限公司) ("Jasic Robotics")	April 29, 2014	May 5, 2014	857,142	6.0 million	0.31	99.11
Series Pre-A Investments (Pre-money valuation: RMB57.0 million; Post-money valuation: RMB75.0 million) [1]						
Equity subscription						
Shanghai Dongshu Venture Investment Center (Limited Partnership) (上海東數創業投資中心(有限合夥)) ("Shanghai Dongshu")	March 30, 2015	April 24, 2015	1,142,900	8.0 million	0.87	97.50
Rizhao Ivy Innovative Venture Capital Partnership (Limited Partnership) (日照常春藤創新創業投資合夥企業(有限合夥)) ("Ivy Innovation")	March 30, 2015	April 29, 2015	1,000,000	7.0 million	0.87	97.50
Xingzhi Wenhua (Shanghai) Venture Capital Center (Limited Partnership) (星之文華(上海)創業投資中心(有限合夥))	December 18, 2014	January 20, 2015	428,600	3.0 million	0.87	97.50
Series A1 Investments (Pre-money valuation: RMB83.7 million; Post-money valuation: RMB93.0 million) [1]						
Equity subscription						
Shanghai Venture Capital Center (Limited Partnership) (上海峰瑞創業投資中心(有限合夥)) ("Shanghai FreeS")	June 13, 2016	June 15, 2016	422,428	3.3 million	0.97	97.21
Baotou Qidi Star Investment Center (Limited Partnership) (包頭市啓迪之星投資中心(有限合夥)) ("Qidi Star")	June 13, 2016	June 17, 2016	204,813	1.6 million	0.97	97.21

Name of Pre-IPO Investor(s)	Date of contract	Date of settlement	Registered capital of our Company subscribed for/acquired	Consideration[2]	Cost per Share paid[3]	Discount to the Offer Price[4]
			(RMB)	*(RMB)*	*(RMB)*	*(%)*
Xizang Chuzhe Zhixin Equity Investment Partnership (Limited Partnership) (西藏初者之心股權投資合夥企業(有限合夥)) ("Chuzhe Zhixin")	June 13, 2016	June 15, 2016	153,611	1.2 million	0.97	97.21
Shanghai Haode Equity Investment Fund Partnership Enterprise (Limited Partnership) (上海灝德股權投資基金合夥企業(有限合夥))	June 13, 2016	June 15, 2016	204,813	1.6 million	0.97	97.21
Runzhe Investment Management Co., Ltd. (潤浙投資管理有限公司) ("Runzhe Investment")	June 13, 2016	June 14, 2016	204,813	1.6 million	0.97	97.21
Series A2 Investments (Pre-money valuation: RMB95.4 million; Post-money valuation: RMB106.0 million)[1]						
Equity subscription						
Shanghai FreeS	January 28, 2017	March 28, 2017	212,140	1.7 million	1.00	97.13
Chuzhe Zhixin	January 28, 2017	April 6, 2017	187,182	1.5 million	1.00	97.13
Profit Glory Investment Co., Ltd. (深圳潤鴻投資中心(有限合夥)) ("Profit Glory Investment")	January 28, 2017	March 27, 2017	923,431	7.4 million	1.00	97.13
Series A3 Investments (Pre-money valuation: RMB120.7 million; Post-money valuation: RMB130.8 million)[1]						
Equity subscription						
Shanghai FreeS	August 10, 2017	August 23, 2017	879,777	8.0 million	1.13	96.76
Chuzhe Zhixin	August 10, 2017	August 17, 2017	226,817	2.1 million	1.13	96.76
Equity transfer						
Shanghai FreeS	August 16, 2017	August 16 ,2017	851,820[5]	4.8 million[5]	0.70	97.99
Chuzhe Zhixin	August 18, 2017	August 18 ,2017	219,610[5]	1.2 million[5]	0.70	97.99

Name of Pre-IPO Investor(s)	Date of contract	Date of settlement	Registered capital of our Company subscribed for/acquired	Consideration[2]	Cost per Share paid[3]	Discount to the Offer Price[4]
			(RMB)	*(RMB)*	*(RMB)*	*(%)*
Series B Investments (Pre-money valuation: RMB270.0 million; Post-money valuation: RMB300.0 million)[1]						
Equity subscription						
Suzhou ChinaEquity Chenxin Investment Center (Limited Partnership) (蘇州信中利晨信投資中心(有限合夥)) ("ChinaEquity Chenxin")	November 10, 2017	November 30, 2017	323,387	6.0 million	2.30	93.40
Xiamen Lantu Tianxing Investment Partnership (Limited Partnership) 廈門藍圖天興投資合夥企業(有限合夥) ("Lantu Tianxing")	November 10, 2017	November 23, 2017	1,131,855	21.0 million	2.30	93.40
Shenzhen Yiyiyuanheyi Investment Partnership Enterprise (Limited Partnership) (深圳市易一緣合壹號投資合夥企業(有限合夥)) ("Shenzhen Yiyi")	November 10, 2017	November 21, 2017	161,693	3.0 million	2.30	93.40
Equity transfers						
ChinaEquity Chenxin	November 10, 2017	December 28, 2017	215,591	4.0 million[6]	2.30	93.40
Shanghai Qingwang Venture Investment Partnership (Limited Partnership) (上海青望創業投資合夥企業(有限合夥) ("Shanghai Qingwang")	November 10, 2017	January 18, 2018	377,285	7.0 million[6]	2.30	93.40
Series B+ Investments (Pre-money valuation: RMB470.0 million; Post-money valuation: RMB555.0 million)[1]						
Equity subscription						
Broadband Chengbai Yangtze River (Hubei) Investment Fund Partnership (Limited Partnership) (寬帶誠柏長江(湖北)投資基金合夥企業(有限合夥)) ("Broadband Chengbai")	June 14, 2019	July 10, 2019	2,126,097	60.0 million	3.50	89.95
Quanzhou Shenglian Equity Investment Fund Partnership (Limited Partnership) (泉州市晟聯股權投資基金合夥企業(有限合夥)) ("Quanzhou Shenglian")	June 14, 2019	July 5, 2019	708,699	20.0 million	3.50	89.95
Shandong Haomai Xinxing Investment Management Co., Ltd. (山東豪邁欣興投資管理有限公司)	June 14, 2019[7]	January 11, 2019	177,175	5.0 million	3.50	89.95

Name of Pre-IPO Investor(s)	Date of contract	Date of settlement	Registered capital of our Company subscribed for/acquired	Consideration[2]	Cost per Share paid[3]	Discount to the Offer Price[4]
			(RMB)	*(RMB)*	*(RMB)*	*(%)*
Hangzhou Haorui Equity Investment Management Co., Ltd. (杭州皓睿股權投資管理有限公司) ("Hangzhou Haorui")	August 2, 2021[8]	August 25, 2021	91,171	2.0 million	2.72	92.19
Shenzhen Qianhai Landian Electronic Information Industrial Equity Investment Partnership (Limited Partnership) 深圳前海藍點電子信息產業股權投資合夥企業(有限合夥) ("Qianhai Landian")	August 2, 2021	August 26, 2021	91,171	2.0 million	2.72	92.19
Series B++ Investments (Pre-money valuation: RMB650.0 million; Post-money valuation: RMB666.0 million)[1]						
Equity Subscription						
Shandong Caijin Investment Co., Ltd. (山東省財金投資集團有限公司)	June 1, 2020	June 3, 2020	480,707	15.9 million	4.10	88.23
Jinan Xingwen Jinhe Enterprise Management Center (Limited Partnership) (濟南行穩金鶴企業管理中心(有限合夥))	June 1, 2020	June 3, 2020	3,389	0.1 million	4.10	88.23
Equity transfer						
Rizhao Ivy Venture Capital Partnership (Limited Partnership) (日照常春藤創業投資合夥企業(有限合夥)) ("Ivy Venture")	August 24, 2020	August 25, 2020	403,010	11.4 million[9]	3.52	89.89
Series C Investments (Pre-money valuation: RMB1,000 million; Post-money valuation: RMB1,130.0 million)[1]						
Equity subscription						
Qingkong Yinxing Nantong Venture Investment Fund Partnership (Limited Partnership) (清控銀杏南通創業投資基金合夥企業(有限合夥)) ("Qingkong Yinxing")	October 16, 2020	November 13, 2020	1,070,164	53.1 million	6.16	82.31
Jiaxing Feitu Xinyuan Venture Capital Partnership (Limited Partnership) (嘉興飛圖鑫元創業投資合夥企業(有限合夥)) ("Feitu Xinyuan")	October 16, 2020	November 4, 2020	482,130	23.9 million	6.16	82.31

Name of Pre-IPO Investor(s)	Date of contract	Date of settlement	Registered capital of our Company subscribed for/acquired	Consideration[2]	Cost per Share paid[3]	Discount to the Offer Price[4]
			(RMB)	(RMB)	(RMB)	(%)
Hainan Ferry Growth No.3 Venture Investment Fund Partnership (Limited Partnership) (海南源渡三期創業投資基金合夥企業(有限合伙)) (formerly known as Suzhou Ferry Growth Investment Partnership (Limited Partnership) (蘇州源渡成長投資合夥企業(有限合夥))) ("Ferry Growth")	October 16, 2020	November 3, 2020	241,064	12.0 million	6.16	82.31
Beijing Junli Lianhe Venture Capital Partnership (Limited Partnership) (北京君利聯合創業投資合夥企業(有限合夥)) ("Junli Lianhe")	October 16, 2020	November 19, 2020	22,660	1.1 million	6.16	82.31
Mr. Si Shaohua (司紹華)	October 16, 2020	November 3, 2020	321,419	16.0 million	6.16	82.31
Mr. Yao Lisheng (姚立生)	October 16, 2020	November 3, 2020	160,709	8.0 million	6.16	82.31
Mr. Wang Yanfeng (王彥峰)	October 16, 2020	November 3, 2020	160,709	8.0 million	6.16	82.31
Mr. Li Daqing (李大慶)	October 16, 2020	November 3, 2020	160,709	8.0 million	6.16	82.31
Equity transfers						
Feitu Xinyuan	October 23, 2020	November 4, 2020	152,984	6.1 million[10]	4.93	85.84
Mr. Yao Lisheng (姚立生)	October 23, 2020	November 3, 2020	50,994	2.0 million[10]	4.93	85.84
Mr. Si Shaohua (司紹華)	October 23, 2020	November 3, 2020	101,989	4.0 million[10]	4.93	85.84
Mr. Wang Yanfeng (王彥峰)	October 23, 2020	November 3, 2020	50,994	2.0 million[10]	4.93	85.84
Ferry Growth	October 26, 2020	November 3, 2020	76,492	3.0 million[10]	4.93	85.84
Qingkong Yinxing	October 23, 2020	November 13, 2020	339,572	13.5 million[10]	4.93	85.84
Jiaxing Runze Equity Investment Partnership Enterprise (Limited Partnership) (嘉興潤澤股權投資合夥企業(有限合夥)) ("Jiaxing Runze")	October 23, 2020	December 7, 2020	1,128,244	9 million[11]	0.99	97.16
Ningbo Yiyi Equity Investment Fund Management Co., Ltd. (寧波易一股權投資基金管理有限公司) ("Ningbo Yiyi")	September 14, 2020	December 26, 2022	161,693	3 million[11]	2.30	93.40

Name of Pre-IPO Investor(s)	Date of contract	Date of settlement	Registered capital of our Company subscribed for/acquired	Consideration[2]	Cost per Share paid[3]	Discount to the Offer Price[4]
			(RMB)	*(RMB)*	*(RMB)*	*(%)*
Series D Investments (Pre-money valuation: RMB1,829 million; Post-money valuation: RMB1,900.0 million)[1]						
Equity subscription						
Ivory One Investment Ltd. ("Ivory One")	December 6, 2021	January 26, 2022	358,741	27.4 million	9.50	72.72
Smart Beauty Investment Limited ("Smart Beauty")	December 6, 2021	January 28, 2022	170,972	13.1 million	9.50	72.72
Qingkong Yinxing	December 6, 2021	December 17, 2021	249,032	19.1 million	9.50	72.72
Broadband Chengbai	December 6, 2021	December 23, 2021	144,096	11.0 million	9.50	72.72
Junli Lianhe	December 6, 2021	December 31, 2021	5,255	0.4 million	9.50	72.72
Equity transfers						
Ivory One	October 10, 2021	January 5, 2022	1,226,239	68.6 million[12]	6.94	80.07
Smart Beauty	October 10, 2021	December 27, 2021	126,851	7.1 million[13]	6.94	80.07
Broadband Chengbai	October 10, 2021	October 15, 2021	106,903	6.0 million[14]	6.94	80.07
Qingkong Yinxing	August 5, 2021	August 13, 2021	184,753	10.3 million[15]	6.94	80.07
Ms. Wu Xingtao (吳星陶)	December 26, 2022	January 6, 2023	93,137	6.0 million[16]	8.00	77.03
Jinan Yike No.1 Investment Center (Limited Partnership) (濟南翼可一號投資中心) ("Yike No.1")	December 26, 2022	January 6, 2023	176,961	11.4 million[16]	8.00	77.03
Mr. Tong Xinmiao (童新苗)	September 19, 2024	June 20, 2025	426,191	10 million[17]	5.87	83.14

Name of Pre-IPO Investor(s)	Date of contract	Date of settlement	Registered capital of our Company subscribed for/acquired	Consideration[2]	Cost per Share paid[3]	Discount to the Offer Price[4]
			(RMB)	*(RMB)*	*(RMB)*	*(%)*
Series E Investments (Pre-money valuation: RMB2,000 million; Post-money valuation: RMB2,140.0 million)[1]						
Equity subscription						
Yuhuan City Equity Investment Fund Co., Ltd. (玉環市股權投資基金有限公司) ("Yuhuan Investment")	March 28, 2025	April 3, 2025	3,500,000	140.0 million	10.00	71.29
Equity transfer						
Yuhuan City State-owned Assets Investment Operation Group Co., Ltd. (玉環市國有資產投資經營集團有限公司) ("Yuhuan Guotou")	April 25, 2025	May 9, 2025	5,336,095	110.0 million[18]	5.15	85.21
Series Pre-IPO Investments (Pre-money valuation: RMB3,500 million; Post-money valuation: RMB3,603.9 million)[1]						
Equity subscription						
Fengchi Qianhai Dianche Investment Consulting Partnership (Limited Partnership) (深圳前海風馳電掣投資諮詢合夥企業(有限合夥)) ("Fengchi Dianche")	May 28, 2025	May 28, 2025	41,208	2.7 million	16.36	53.02
Fengchi Qianhai Dianche No.2 Investment Consulting Partnership (Limited Partnership) (深圳前海風馳電掣貳號投資諮詢合夥企業(有限合夥)) ("Fengchi Dianche No.2")	May 28, 2025	May 28, 2025	14,431	0.9 million	16.36	53.02
Mr. Zhang Kiafeng (張凱風)	May 28, 2025	May 28, 2025	4,282	0.3 million	16.36	53.02
Jianhu County Yuehu New Industry Fund Partnership (Limited Partnership) (建湖縣悅湖新興產業基金合夥企業(有限合夥)) ("Jianhu Yuehu")	May 28, 2025	May 29, 2025	764,285	50.0 million	16.36	53.02
Hangzhou Guoke Infore Equity Investment Partnership (Limited Partnership) (杭州國科盈峰股權投資合夥企業(有限合夥)) ("Guoke Infore")	May 28, 2025	May 29, 2025	229,286	15.0 million	16.36	53.02
Shaoxing City Shangyu District Wanxiang Holding Co., Ltd. (紹興市上虞區萬象控股有限公司) ("Wanxiang Holding")	May 28, 2025	May 29, 2025	267,500	17.5 million	16.36	53.02

Name of Pre-IPO Investor(s)	Date of contract	Date of settlement	Registered capital of our Company subscribed for/acquired	Consideration(2)	Cost per Share paid(3)	Discount to the Offer Price(4)
			(RMB)	*(RMB)*	*(RMB)*	*(%)*
Shaoxing Shangyu Caoejiang Economic Development Zone Construction Development Co., Ltd (紹興市上虞曹娥江經濟開發區建設發展有限公司) ("Caoejiang Construction Development")	May 28, 2025	May 29, 2025	267,500	17.5 million	16.36	53.02
Equity transfer						
Fengchi Dianche	May 28, 2025	May 28, 2025	819,635	22.7 million(19)	6.94	80.07
Fengchi Dianche No. 2	May 28, 2025	May 28, 2025	287,032	8.0 million(19)	6.94	80.07
Mr. Zhang Kaifeng (張凱風)	May 28, 2025	May 28, 2025	84,503	2.3 million(19)	6.94	80.07
Chongtian Intelligence (Weifang) Enterprise Management Consulting Center (Limited Partnership) (沖天智能(濰坊)企業管理諮詢中心(有限合夥)) ("Chongtian Intelligence")	May 27, 2025	May 28, 2025	835,268	18.7 million(20)	5.61	83.89
Ms. Wu Xingtao (吳星陶)	May 27, 2025	May 28, 2025	401,250	6.0 million(21)	3.74	89.26
Guoke Infore	May 27, 2025	May 29, 2025	445,766	15.0 million(22)	8.41	75.85
Mr. Lv Dalong (呂大龍)	May 28, 2025	May 30, 2025	277,407	7.0 million(23)	6.31	81.88

(1) The post-money valuation is calculated by dividing the total consideration of equity subscriptions under the relevant round of the pre-IPO investment by the percentage of the new subscribed equity interest in the total registered capital of our Company at the relevant time. The pre-money valuation is calculated by excluding the total consideration of equity subscriptions from the post-money valuation under the relevant round of the pre-IPO investment. The valuation of our Company has been increasing along with our rapid business development.

(2) The consideration for the pre-IPO investments was determined based on arm's length negotiations between the Company and the Pre-IPO Investors, taking into account the timing of the investments and the status of our business and financial performance. Under certain transfers of equity interest between our investors, the relevant investors considered various factors, such as timing of the transaction, past or present relationships between the parties and their respective bargaining power in the negotiations when determining the consideration, in addition to the then valuation of our Company, and thus agreed on a discount to the then valuation.

(3) The cost per Share presented in the table has been adjusted to taking into account the enlarged registered capital of our Company as a result of the transferring from the capital reserve to the registered capital our Company carried out in September 2014 and October 2023 and the Share Subdivision. The amount is arrived at by dividing the total consideration by the total number of Shares to be converted from the registered capital held by the respective investors as a result of the joint stock reform, the Share Subdivision and their respective subscriptions or purchases.

(4) The discount to the Offer Price is calculated based on the Offer Price of HK$30.50 per H Share.

(5) The equity interest was transferred from Dr. Zhang.

(6) The equity interest was transferred from Shanghai Qinjie Enterprise Management Center (Limited Partnership)(上海沁捷企業管理中心(有限合夥)) ("Shanghai Qinjie"). Upon the completion of such transfer, Shanghai Qinjie ceased to be our Shareholder.

(7) Shandong Haomai began negotiations with the Company in January 2019 and quickly confirmed its decision to participate in the series B+ investment. Demonstrating its confidence in our business prospects and trust in our management team, Shandong Haomai made its investment payment in advance on January 11, 2019, even before the final investment agreement for the series B+ round was executed. Due to the participation of other investors in the series B+ financing, the negotiation process for the final investment agreement took around five months and was completed in June 2019.

(8) In December 2017, the Company granted Shenzhen Ruijing Equity Investment Partnership (Limited Partnership) (深圳瑞晶股權投資合夥企業) ("Shenzhen Ruijing") an option to subscribe for the Company's Shares for a total consideration of RMB4,000,000 at an exercise price set at 90% of the price per share in the Company's next round of financing, which shall be adjusted in the event of any subsequent capital increase.

In July 2021, Shenzhen Ruijing exercised its option in full and designated its limited partner, Hangzhou Haorui, as well as Qianhai Landian (a limited partnership managed by Shenzhen Ruijing's general partner), to subscribe for the Shares at an exercise price of RMB2.72 per share, representing a discount of approximately 10.0% to the cost per Share of other share subscriptions in our series B+ investment. The subscription agreement of each of Hangzhou Haorui and Qianhai Landian was entered into in August 2021.

(9) The equity interest was transferred from Chuzhe Zhixin and Lantu Tianxing, respectively.

(10) The equity interest was transferred from Shaoxing Ziqiu LP.

(11) The equity interest was transferred from Runzhe Investment and Profit Glory Investment, respectively, as an intra group transaction. Upon the completion of such transfer, each of Runzhe Investment and Profit Glory Investment ceased to be our Shareholder.

The equity interest was transferred from Shenzhen Yiyi to Ningbo Yiyi, as an intra group transaction. Upon the completion of such transfer, Shenzhen Yiyi ceased to be our Shareholder.

(12) The equity interest was transferred from Jinan Yuzhang Enterprise Management Partnership (Limited Partnership) (濟南宇章企業管理合夥企業(有限合夥)) ("Jinan Yuzhang") and Lantu Tianxing, respectively. Upon the completion of such transfer, each of Jinan Yuzhang and Lantu Tianxing ceased to be our Shareholder.

(13) The equity interest was transferred from Jinan Yuzhang.

(14) The equity interest was transferred from Jinan Yuzhang, Zaozhuang Ruijing Equity Investment Partnership (Limited Partnership) (棗莊瑞景股權投資合夥企業(有限合夥)) ("Zaozhuang Ruijing"), and Hangzhou Haorui, respectively. Upon the completion of such transfer, each of Zaozhuang Ruijing and Hangzhou Haorui ceased to be our Shareholders.

(15) The equity interest was transferred from Zaozhuang Ruijing.

(16) The equity interest was transferred from Quanzhou Shenglian.

(17) The equity interest was transferred from Mr. Li Daqing (李大慶). Upon the completion of such transfer, Mr. Li Daqing ceased to be our Shareholder.

(18) The equity interest was transferred from Ms. Wang Jiaojiao (王嬌嬌), Shanghai Dongshu, Quanzhou Shenglian, Shanghai FreeS, and Qianhai Landian, respectively. Upon the completion of such transfer, each of Ms. Wang Jiaojiao, Shanghai Dongshu and Qianhai Landian ceased to be our Shareholders.

(19) The equity interest was transferred from Mr. Li Chunfan (李春帆), Qingkong Yinxing, Junli Lianhe, and Shanghai FreeS, respectively. Upon the completion of such transfer, each of Mr. Li Chunfan and Junli Lianhe ceased to be our Shareholder.

(20) The equity interest was transferred from Ivy (Changzhou) Equity Investment Fund Partnership (Limited Partnership) (常春藤(常州)股權投資基金合夥企業(有限合夥)) ("Ivy Changzhou") and Chuzhe Zhixin, respectively. Upon the completion of such transfer, Ivy Changzhou ceased to be our Shareholder.

(21) The equity interest was transferred from Shaoxing Ziqiu LP and Shaoxing Zhiqiu LP, respectively. The consideration was determined through arm's length negotiations between the parties taking into account the fact that such Shares were acquired from Share Ownership Platforms and did not carry any special rights.

(22) The equity interest was transferred from Qingkong Yinxing.

(23) The equity interest was transferred from Shanghai FreeS.

Reasons for Fluctuations in Valuation in the Pre-IPO Investments

The principal reasons for the material increases in our Company's valuation in several rounds of our pre-IPO investments were primarily due to the general business status of our Group, and in particular, the launch and commercialization of our Specialist Technology Products as defined under Chapter 18C of the Listing Rules, including our industrial robots and related robotics solutions, the advancement of our R&D efforts, and the prevailing market sentiment amongst the venture capital market at the time of the investments were made, as detailed below:

(1) from Angel Investment to Series Pre-A Investments: we officially launched our parallel robot in 2014, which enabled us to established a strong brand presence and gain broad industry recognition;

(2) from Series Pre-A Investments to Series A1 Investments: we expanded our operations through a newly established branch in Shanghai in 2015 and commenced our cooperation with leading customers in the industry;

(3) from Series A1 Investments to Series B Investments: in 2017, our accumulated orders nearly RMB100 million and we officially commenced our expansion into international markets, laying a solid foundation for the diversification of our revenue source and customer base;

(4) from Series B Investments to Series C Investments: Broadband Chengbai, one of our Pathfinder SIIs, invested in our series B+ investments in 2019, which demonstrated investors' confidence and attracted further investments; we successfully launched our SCARA robot and six-axis robot in 2019 and 2020, respectively, indicating tremendous commercialization potential;

(5) from Series C Investments to Series D Investments: we commenced operation of our Puyi Robotics Park (普翼機器人產業園) in 2021, which serves as our primary base for further expanding our production capacity;

(6) from Series D Investments to Series E Investments: Ivory One, an SII, invested in our series D investments in 2022, which further enhanced our visibility in the private equity market; and from 2022 to 2024, we enriched our product line and further advanced the commercialization process of our products by launching and commercializing our universal controller (通用控制器), AGV/AMR mobile robots, and wafer handling robot.

(7) from Series E Investments to Series Pre-IPO Investments: we had significant revenue growth in 2024 as compared with 2023 according to our Company's financial statements, indicating tremendous commercialization potential.

Reasons for fluctuations in valuation as compared between the valuation in the Global Offering and the valuation in the latest round of Pre-IPO Investment

The increase in the valuation of our Company from our Series Pre-IPO Investment to the Listing was primarily due to the following progresses after our Series Pre-IPO Investment in May 2025, including but not limited to (a) the continuous development of our products, (b) the further achievement in commercialization of our products, and (c) the premium attached to the Shares of our Company as they become freely tradeable upon the Listing.

Use of Proceeds from the Pre-IPO Investments

The proceeds received by us from the pre-IPO investments which involved subscriptions of increased registered capital of our Company amounted to approximately RMB633.9 million. As of the Latest Practicable Date, all of the net proceeds from the pre-IPO investments had been utilized for our general operation and working capital purposes.

Special Rights of Our Pre-IPO Investors

In connection with the pre-IPO investments, our Pre-IPO Investors were granted redemption rights and other certain special rights, including, among others, pre-emptive right, right of first refusal, right of co-sale, information right, anti-dilution right, and special rights in liquidation. In anticipation of the Global Offering, all such special rights granted to our Pre-IPO Investors shall be terminated in compliance with Chapter 4.2 of the Guide prior to the Listing.

In particular, on June 27, 2025, our Company and all our Shareholders reached an agreement in connection with the termination of the special rights (the "Termination Agreement"), confirming that in connection with our application for the Listing, and to meet regulatory review requirements, the special shareholder rights are to be treated as follows:

i. The redemption rights and liquidation preference enjoyed by our Shareholders under the Shareholders' Agreement shall be terminated on the date of signing the Termination Agreement, and shall be *void ab initio* and without legal binding effect;

ii. The priority dividend rights, drag-along rights, pre-emptive purchase rights, co-sale rights, pre-emptive subscription rights, anti-dilution rights, information rights, corporate governance rights, performance bet arrangements and equal treatment rights shall automatically lapse and become unenforceable on the Listing Date. In addition to the above circumstances, our Single Largest Group of Shareholders, promised that if the Company fails to complete the issuance and listing within 18 months from the date of termination of the special rights agreed in the "Termination Agreement", the expiration date of 18 months from the date of termination or the date of any of the following situations (whichever is earlier),

    i. our Company or the Sole Sponsor withdraws the application for the Listing;

    ii. The CSRC expressly refuses to file the Listing;

    iii. If the application for the Listing is rejected by the Stock Exchange to terminate the review, the repurchase rights and liquidation priorities of the Single Largest Group of Shareholders as the obligatory subjects will be restored to the date of termination of such rights.

Pursuant to Articles 143 of the Civil Code of the PRC (中華人民共和國民法典), a civil legal act is valid if it is conducted by parties with the requisite capacity for civil conduct, is based on genuine intent, and does not contravene mandatory provisions of laws, administrative regulations, or public order and morals. Except for information rights and special corporate governance rights, other special rights have never been exercised. Each party of the Termination Agreement has the corresponding civil capacity, their intentions are genuine, and the signing of such agreements does not fall under other circumstances stipulated in the Civil Code of the PRC that would render civil legal acts invalid or revocable. Based on the above, our PRC Legal Advisor is of the view that the Termination Agreement regarding the termination of the Special Rights does not violate PRC mandatory provisions of laws and administrative regulations or go against public order and good moral. and the Termination Agreement regarding the termination of redemption rights and other special rights previously granted to the Pre-IPO Investors to be retroactive to the date on which the relevant investment agreements were respectively signed and no longer be legally binding and effective on the relevant parties are legally binding. Based on the above PRC Legal Advisors' view and independent due diligence work conducted by the Sole Sponsor, the Sole Sponsor is not aware of any material matter in this regard that needs to be brought to the attention of the Stock Exchange.

Prior to the execution of the Termination Agreement, the Pre-IPO Investors only exercised certain information rights and special corporate governance rights under the Shareholders' Agreement. Except for information rights and special corporate governance rights, no Pre-IPO Investor has exercised our Company's redemption rights during the Track Record Period. In addition, the exercise of information rights and special corporate governance rights by the Pre-IPO Investors would not affect the termination and provision for void ab initio of our Company's redemption rights, as advised by our PRC Legal Advisor. For details, please refer to notes 31 to the Accountants' Report.

In addition, our Pre-IPO Investors have been granted redemption rights by our Single Largest Group of Shareholders (the "SLG Redemption Rights"). Our Directors confirm that there is no guarantee provided by our Company or any side agreement in respect of the SLG Redemption Rights, and no liability regarding such SLG Redemption Rights was recorded during the Track Record Period as our Company is not a party to the agreement. For details, please refer to note 36(b) to the Accountants' Report.

Information regarding Our Principal Pre-IPO Investors

Set out below is a description of our Sophisticated Independent Investors (including two Pathfinder SIIs) and other principal Pre-IPO Investors (being sophisticated investors such as private equity funds and corporations, and that have made meaningful investments in our Company (each holding more than 1.00% of our total issued Shares upon the completion of the Global Offering)). Among our Pre-IPO Investors, we have eight Sophisticated Independent Investors, four of which respectively held more than 3.0% of the total issued Shares of the Company as of the Latest Practicable Date. To the best knowledge of our Directors, each of our Sophisticated Independent Investors and other principal Pre-IPO Investors is independent from and not connected with any Director, chief executive or substantial shareholder of our Company, or its subsidiaries, or any of their respective close associates, and each of such Pre-IPO Investors is independent from each other unless as disclosed otherwise.

Our Pathfinder SIIs

Broadband Chengbai

Broadband Chengbai is an equity investment fund established in the form of limited partnership under the laws of the PRC focusing on investments in next-generation information technology and data infrastructure sectors in China. The general partner of Broadband Chengbai is Broadband Tiandi (Hubei) Equity Investment Fund Partnership (Limited Partnership) (寬帶天地(湖北)股權投資基金合夥企業(有限合夥)), which is ultimately controlled by its general partner, Broadband (Tianjin) Investment Management Co., Ltd. (誠柏(天津)投資管理有限公司) ("Broadband Tianjin"). Broadband Chengbai has eight limited partners, which are independent third parties, each holding less than 30.00% partnership interest in Broadband Chengbai. Broadband Tianjin is owned by (i) Ningxia Chengbei Venture Investment Consulting Co., Ltd. (寧夏誠貝創業投資諮詢有限公司) as to 95%, which is wholly owned by Mr. Tian Suning (田溯寧), (ii) Mr. Tian Suning as to 4.5%, and (iii) Mr. E Lixin (鄂立新) as to 0.5%, respectively, each being an independent third party. Our Company became acquainted with Broadband Chengbai by way of an introduction by financial advisors.

Since its establishment, the investment decision of Broadband Tianjin has been ultimately managed and controlled by China Broadband Capital, which is widely recognized as one of the most influential investors in China's Internet and technology sectors. China Broadband Capital has led a number of notable investments across both enterprise and consumer Internet domains. Over the years, it has built a robust portfolio comprising industry-leading tech companies such as 21 Vianet Group, Inc. (NASDAQ: VNET), AsiaInfo Technologies Limited (1675.HK), Longshine Technology Group Co., Ltd. (300682.SZ), Hygon Information Technology Co., Ltd. (688041.SH), MetaLight Inc (02605.HK) and Qiniu Limited (2567.HK). Furthermore, China Broadband Capital has also accumulated investment experience in robotics industry by investing in robotics companies including Xiao-I Corporation, a company listed on NASDAQ (ticker: AIXI).

As of January 13, 2026, Broadband Chengbai held approximately 8.69% of the total issued Shares of our Company. The AUM of China Broadband Capital was approximately HK$8.7 billion as of December 31, 2018 (being a date not more than six months prior to the date on which Broadband

Chengbai signed the relevant definitive agreement for its investment in our Company), and approximately HK$6.1 billion as of September 30, 2025, respectively, both of which were derived primarily from Specialist Technology investments in next-generation information technology and advanced hardware and software sectors, as confirmed by Frost & Sullivan. As the investment decision of Broadband Chengbai are ultimately managed and controlled by China Broadband Capital, whose AUM meets the threshold set out in Chapter 2.5 of the Guide, Broadband Chengbai qualifies as a Sophisticated Independent Investor.

Qingkong Yinxing

Qingkong Yinxing is an equity investment fund established in the form of limited partnership under the laws of the PRC with a primary focus to invest in technology sectors including new generation information technology, advanced manufacturing, and science and technology services. Examples of portfolio companies include Wuhan Changyingtong Optoelectronic Technology Co., Ltd. (武漢長盈通廣電技術股份有限公司) (688143.SH) and Beijing Paratera Technology Co., Ltd. (北京並行科技股份有限公司) (839493.BJ). The general partner of Qingkong Yinxing is Qingkong Yinxing Venture Investment Management (Beijing) Co., Ltd. (清控銀杏創業投資管理(北京)有限公司) ("Qingkong Beijing"), which is ultimately controlled by Mr. Lv Dalong (呂大龍), an independent third party. Qingkong Beijing has accumulated intensive investment experience in robotics and related industries industry by investing in robotics companies including Rokae (Shandong) Robotics Group Inc. (珞石(山東)機器人集團股份有限公司) and sensor and industrial AI companies including Richbeam (Beijing) Technology Co., Ltd. (銳馳智光(北京)科技有限公司) and Senscape Technology (Beijing) Co., Ltd. (觸景無限科技(北京)有限公司). Qingkong Yinxing has six limited partners, where the largest limited partner is Qingkong Yinxing Investment Center (Nantong Limited Partnership) (清控銀杏投資中心(南通有限合夥)), which is managed and controlled by Qingkong Beijing as its general partner, holding 51.11% partnership interest in Qingkong Yinxing. All of the other five limited partners are independent third parties and none of these limited partners holds more than 30% partnership interest in Qingkong Yinxing. Our Company became acquainted with Qingkong Yinxing by way of personal acquaintance with Mr. Lv Dalong.

As of January 13, 2026, Qingkong Yinxing held approximately 5.15% of the total issued Shares of our Company. The AUM of Qingkong Beijing was approximately HK$5.3 billion as of September 30, 2020 (being a date not more than six months prior to the date on which Qingkong Yinxing signed the relevant definitive agreement for its investment in our Company), and approximately HK$9.3 billion as of September 30, 2025, respectively, both of which were derived primarily from Specialist Technology investments in technological innovation investment focusing on hard technology, frontier technologies, and industrial incubation sectors, as confirmed by Frost & Sullivan. As the investment decisions of Qingkong Yinxing are ultimately managed and controlled by Qingkong Beijing, whose AUM meets the threshold set out in Chapter 2.5 of the Guide, Qingkong Yinxing qualifies as a Sophisticated Independent Investor.

Our Pathfinder SIIs, in aggregate, held approximately 13.84% of the total issued share capital of the Company as of January 13, 2026 (being the date of submission of the Company's listing application) and more than 13.84% throughout the pre-application 12-month period.

Our Other Sophisticated Independent Investors

Ivy SIIs (being Ivy Innovation and Ivy Venture)

Each of Ivy Innovation and Ivy Venture is an equity investment fund established in the form of limited partnership under the laws of the PRC. Each of Ivy Innovation and Ivy Venture is managed by their respective general partner, namely Rizhao Ivy Tengxin Investment Center (Limited Partnership) (日照常春藤藤新投資中心(有限合夥)) ("Ivy GP 1") and Rizhao Ivy Venture Investment Management Center (Limited Partnership) (日照常春藤創業投資管理中心(有限合夥) ("Ivy GP 2"). The largest limited partner of Ivy Innovation is Rizhao State-controlled Urban Construction Group Co., Ltd. (日照

國控城市建設集團有限公司), which is ultimately controlled by The State-owned Assets Supervision and Administration Commission of Rizhao City (日照市國有資產監督管理委員會), holding 33.33% partnership interest in Ivy Innovation. None of the other ten limited partners of Ivy Innovation holds more than 30% partnership interest in Ivy Innovation. The largest limited partner of Ivy Venture is Shandong Dongneng Jiachi Industry Investment Fund Partnership (Limited Partnership) (山東動能嘉弛產業投資基金合夥企業(有限合夥)), which is ultimately controlled by Shandong Provincial Department of Finance (山東省財政廳), holding 30.00% partnership interest in Ivy Venture. None of the other 12 limited partners of Ivy Venture holds more than 30% partnership interest in Ivy Venture. All of the limited partners of Ivy Innovation and Ivy Venture are independent third parties. Both of Ivy GP1 and Ivy GP2 are controlled by their common general partner, Shanghai Ivy Investment Holding Co., Ltd. (上海常春藤投資控股有限公司) ("Ivy Capital"), which in turn is owned, directly and indirectly, as to 69.92% by Mr. Weng Jiyi (翁吉義), an independent third party. Our Company became acquaintance with Ivy SIIs upon introduction by our former Shareholders.

As of January 13, 2026, Ivy SIIs held approximately 5.12% of our total issued Shares in aggregate. As each of Ivy SIIs is ultimately managed by Ivy Capital, the different shareholding entities are purely different funds managed by the same fund manager and should be aggregated as one SII pursuant to Chapter 2.5 of the Guide for New Listing Applicants issued by the Stock Exchange. The AUM of Ivy Capital was (1) approximately RMB6.5 billion as of March 30, 2015 (being a date not more than six months prior to the date on which the definitive agreement for their earliest investment in our Company was signed) derived primarily from Specialist Technology investments in next-generation information technology, advanced hardware and software, advanced material, new energy and environmental protection sectors, as confirmed by Frost & Sullivan, and (2) approximately RMB24.0 billion as of December 31, 2025.

Ivy Capital has been focusing on early-stage investments in the technology sector for decades. Ivy Capital has invested in over 130 companies since its inception, especially in Software as a Service (SaaS), semiconductors and chips, cloud computing and the Internet of Things (IoT), intelligent manufacturing, consumer goods and media sectors. For example, Ivy Capital has invested in high-tech companies in next-generation information technology, advanced hardware and software, advanced material, new energy and environmental protection sectors, including OmniVision Integrated Circuits Group Inc. (豪威集成電路(集團)股份有限公司) (603501.SH) (formerly known as Will Semiconductor Co., Ltd. Shanghai (上海韋爾半導體股份有限公司)), JoulWatt Technology Co., Ltd. (杰華特微電子股份有限公司) (688141.SH), GalaxyCore Inc. (格科微有限公司) (688728.SH), Qingdao Eastsoft Communication Technology Co., Ltd. (青島東軟載波科技股份有限公司) (300183.SZ) and Shenzhen Bluetrum Technology Co., Ltd. (深圳市中科藍訊科技股份有限公司) (688332.SH). Furthermore, Ivy Capital has also accumulated investment experience in robotics industry by investing in robotics companies including VisionNav Robotics (Shenzhen) Co., Ltd. (未來機器人(深圳)有限公司), Shanghai Sage Intelligent Technology Co., Ltd. (上海颯智智能科技有限公司), Jingshi Technology (Shanghai) Co., Ltd. (鏡識科技(上海)有限公司) and Yijiahe Technology Co., Ltd. (億嘉和科技股份有限公司).

Ivory One

Ivory One is a company incorporated as a limited liability company under the laws of British Virgin Islands. Ivory One is wholly owned by Primavera Capital Fund III L.P., which is ultimately controlled by Primavera Capital Group ("Primavera Capital"), an independent third party. Primavera Capital Group mainly engages in investments targeting consumer and retail, technology, climate action, healthcare, advanced manufacturing, business services, and financial services sectors. Our Company became acquainted with Ivory One by way of an introduction by financial advisors.

As of January 13, 2026, Ivory One held approximately 2.16% of the total issued Shares of our Company. The AUM of Primavera Capital was over HK$15.0 billion as of June 30, 2021 (being a date not more than six months prior to the date on which Ivory One signed the relevant definitive agreement for its investment in our Company), and over HK$15.0 billion as of December 31, 2025, respectively.

As the investment decisions of Ivory One are ultimately managed and controlled by Primavera Capital, whose AUM meets the threshold set out in Chapter 2.5 of the Guide, Ivory One qualifies as a Sophisticated Independent Investor.

Guoke Infore

Guoke Infore is an equity investment fund established in the form of limited partnership under the laws of the PRC, with its general partners, Ningbo Infore Equity Investment Fund Management Co., Ltd. (寧波盈峰股權投資基金管理有限公司) ("Ningbo Infore") and Guoke Liandong Innovative Technology Services (Hangzhou) Co., Ltd. (國科聯動創新科技服務(杭州)有限公司) ("Guoke Liandong"). Guoke Infore is primarily engaged in investment in new industries including high-end equipment, green industries and IoT sectors. Guoke Infore is managed by its fund manager, Ningbo Infore, which is ultimately controlled and managed by Guangdong Infore Development Co., Ltd. (廣東盈峰發展有限公司), a wholly-owned subsidiary of Infore Group Co., Ltd. (盈峰集團有限公司) ("Infore Group"), which is owned as to 88.09% by Mr. He Jianfeng (何劍鋒), an independent third party. Guoke Liandong is a wholly owned subsidiary of Guoke Yangtze River Delta Capital Management Co., Ltd. (國科長三角資本管理有限公司), an independent third party. Guoke Infore has eight other limited partners, which are independent third parties, each holding less than 30% partnership interest in Guoke Infore. Our Company became acquainted with Guoke Infore by way of an introduction by financial advisors.

As of January 13, 2026, Guoke Infore held approximately 1.23% of the total issued Shares of our Company. As confirmed by Frost & Sullivan, Infore Group is a key participant in the downstream furniture and household products sector and environmental equipment sector in the PRC (in terms of sales revenue) as of December 31, 2024. Infore Group is a downstream participant of the Company industry, involving primarily through the adoption of the Company's industrial robots and solutions in its manufacturing operations and joint efforts to enhance automation efficiency. According to the F&S Report, there are two subsidiaries of Infore Group, namely Infore Enviro and Kuka. In 2024, Infore Enviro held an estimated 30% market share in the new energy sanitation equipment sector, which had a total market size of approximately RMB17 billion in China. Meanwhile, in 2024, Kuka held an estimated 5-10% market share in the upholstered furniture sector, which had a total market size of approximately RMB280 billion in China. The new energy sanitation equipment sector and upholstered furniture industry are among the downstream application areas of industrial robot and solution.

Jasic Robotics

Jasic Robotics is incorporated as a limited liability company under the laws of the PRC. Jasic Robotics is a wholly owned subsidiary of Shenzhen Jasic Technology Co., Ltd. (深圳市佳士科技股份有限公司), a company specializing in the research, development, and production of welding equipment and related solutions, whose shares are listed on the Shenzhen Stock Exchange (300193.SZ). Our Company became acquainted with Jasic Robotics by way of personal acquaintance with the senior management of Jasic Robotics.

As of January 13, 2026, Jasic Robotics held approximately 2.56% of the total issued Shares of our Company. According to Frost & Sullivan, Jasic Robotics is a key participant in the downstream welding and cutting equipment manufacturing industry in the PRC (in terms of sales revenue) as of December 31, 2013 and December 31, 2024, respectively. Jasic Robotics is a downstream participant of the Company industry, mainly involving through the application of the Company's industrial robot and solutions in welding automation. According to Frost & Sullivan, in 2024, Jasic Robotics held an estimated 5% market share in the welding and cutting equipment manufacturing sector, which had a total market size of approximately RMB20 billion in China.

Quanzhou Shenglian

Quanzhou Shenglian is an equity investment fund established in the form of limited partnership under the laws of the PRC, focusing on investments in mobile internet, software, advanced manufacturing and mobility-related sectors. Quanzhou Shenglian has a diverse investment portfolio comprising companies in new energy and environmental protection, advanced hardware and software and next-generation information technology sectors, such as Contemporary Amperex Technology Co., Ltd. (300750.SZ), Shenzhen United Winners Laser Co., Ltd. (688518.SH), Shengyuan Environmental Protection Co., Ltd. (300867.SZ), Montage Technology Co., Ltd. (688008.SH), JD Logistics, Inc. (2618.HK) and SenseTime Group Inc. (00020.HK). The general partner of Quanzhou Shenglian is Quanzhou City Qisheng Venture Investment Co., Ltd. (泉州市七晟創業投資有限公司), which is ultimately controlled by Fujian Septwolves Group Co., Ltd. (福建七匹狼集團有限公司) ("Septwolves Group"), an independent third party. Septwolves Group is owned as to 37.82% by Mr. Zhou Yongwei (周永偉), 31.09% by Mr. Zhou Shaoming (周少明) and 31.09% by Mr. Zhou Shaoxiong (周少雄). The largest limited partner of Xiamen City Huishanghong Equity Investment Co., Ltd. (廈門市匯尚泓股權投資有限公司), which is ultimately controlled by Septwolves Group, holding 67.93% partnership interests in Quanzhou Shenglian. None of the other two limited partners of Quanzhou Shenglian holds no more than 30% partnership interests in Quanzhou Shenglian. Each of Mr. Zhou Yongwei, Mr. Zhou Shaoming, Mr. Zhou Shaoxiong and the limited partners of Quanzhou Shenglian is an independent third party. Our Company became acquaintance with Quanzhou Shenglian upon introduction by other Pre-IPO Investors.

As of January 13, 2026, Quanzhou Shenglian held approximately 0.52% of the total issued Shares of our Company. Septwolves Group is renowned for its manufacturing and retailing of menswear products. As confirmed by Frost & Sullivan, Septwolves Group is a key participant with a meaningful market share and size in the downstream light industry in the PRC (in terms of sales revenue) as of December 31, 2018 and December 31, 2024, respectively. Septwolves Group is a downstream participant of our Company industry, mainly involving through the use of our industrial robot and solutions in garment manufacturing automation. According to Frost & Sullivan, in 2024, Septwolves Group was among the leading companies in men's jacket market in the PRC, with an estimated market share of 1% to 2% in terms of sales revenue. According to Frost & Sullivan, the overall market size for men's jackets in the PRC was approximately RMB50 billion in 2024, and the market remained highly fragmented. In men's jacket market in the PRC, where industry concentration remains very low, a market share of 1% to 2% represents a relatively high level of competitiveness. In addition, as confirmed by Frost & Sullivan, Septwolves is among the most influential men's wear brands in the PRC. In 2024, the China National Garment Association awarded Septwolves Group the title of "Top 100 Enterprises in China's Apparel Industry." At the "2023 China Consumer Goods Market Development Conference and the 31st China Market Commodity Sales Statistics Release," Septwolves Group was recognized with the distinctions of "No. 1 Market Share in 2022 among Men's Jacket in the PRC" and "No. 1 Comprehensive Market Share from 2000 to 2022 among Men's Jacket in the PRC."

FreeS Fund

Shanghai FreeS is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of Shanghai FreeS is Shanghai Ziyou Investment Management Limited (上海自友投資管理有限公司) ("FreeS Fund"), which is controlled by Mr. Li Feng (李豐) as to 95% and Mr. Song Xiaoping (宋曉平) as to 5%, each of whom is an independent third party. Shanghai FreeS has 47 limited partners, each of whom holds less than 30% partnership interest in Shanghai FreeS and is an independent third party. As of January 13, 2026, Shanghai FreeS held approximately 6.44% of the total issued Shares of our Company. Our Company became acquainted with Shanghai FreeS by way of personal acquaintance with Dr. Zhang.

Since its inception in 2015, FreeS Fund has grown into a full-chain fund management company primarily focused on early-stage investments in innovative companies, while actively participating in growth-stage and mid-to-late stage opportunities. FreeS Fund has invested in over 200 companies across diverse industries including artificial intelligence, embodied AI, lifestyle services, culture and entertainment, smart manufacturing, biotech, novel drug R&D, as well as new energy and materials. For example, FreeS Fund has invested in various leading high-tech companies, including Nanjing VisionICs Microelectronics Technology Co., Ltd. (南京芯視界微電子科技有限公司), Shanghai NextVPU Electronic Technology Co., Ltd. (上海肇觀電子科技有限公司) and Calterah Semiconductor Technology (Shanghai) Co., Ltd. (加特蘭微電子科技(上海)有限公司). FreeS Fund's diverse investment portfolio demonstrates its exceptional foresight and robust investment capabilities. Furthermore, FreeS Fund has also accumulated investment experience in robotics industry by investing in robotics companies including Shenzhen Interstellar Lightyear Technology Co., Ltd. (深圳星際光年科技有限公司), Beijing Yuanluo Technology Co., Ltd. (北京源络科技有限公司) and Beijing Inspire Robots Technology Co., Ltd. (北京因時機器人科技有限公司).

As of January 13, 2026, Shanghai FreeS held approximately 6.44% of the total issued Shares of our Company. FreeS Fund had an aggregate investment portfolio of (a) approximately RMB0.7 billion as of December 31, 2015 (being a date not more than six months prior to the date on which the definitive agreement for their earliest investment in our Company was signed), (b) over RMB9.0 billion derived primarily from Specialist Technology investments as of December 31, 2021, and (c) over RMB11.9 billion as of September 30, 2025 derived primarily from Specialist Technology investments in advanced hardware and software, artificial intelligence, new-generation information technology, new energy and environmental protection and advanced materials sectors as confirmed by Frost & Sullivan.

Our Other Principal Pre-IPO Investors

Yuhuan Guotou and Yuhuan Investment

Yuahuan Guotou is a state-owned investment company incorporated as a limited liability company under the laws of the PRC. Yuahuan Guotou is owned as to 90.00% by Yuahuan City Finance Bureau (玉環市財政局) and 10.00% by Zhejiang Provincial Finance Department (浙江省財政廳).

Yuhuan Investment is a state-owned investment platform incorporated as a limited liability company under the laws of the PRC. Yuhuan Investment is ultimately controlled by Yuahuan City Finance Bureau (玉環市財政局).

Jiaxing Runze

Jiaxing Runze is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of Jiaxing Runze is Beijing Junyuan Capital Investment Management Co., Ltd. (北京鈞源資本投資管理有限公司), which is ultimately controlled by Mr. Shen Zhenhong (沈振鴻) as to 61%, an independent third party. The largest limited partner of Jiaxing Runze is Zhu Zhilian (祝志蓮), holding 65% partnership interest in Jiaxing Runze. All of the other seven limited partners are independent third parties and none of these limited partners holds more than 30% partnership interest in Jiaxing Runze.

Feitu Xinyuan and Mr. Yao Lisheng (姚立生)

Feitu Xinyuan is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of Feitu Xinyuan is Feitu Venture Investment (Beijing) Co., Ltd. (飛圖創業投資(北京)有限公司) ("Feitu Venture"). Feitu Venture is owned as to 74.00% by Mr. Yao Lisheng (姚立生), a Shareholder beneficially interested in approximately 0.77% of the equity interest in our Company. The largest limited partner of Feitu Xinyuan is Mr. Yao Lisheng, holding 31.625% partnership interest in Feitu Xinyuan. None of the other 14 limited partners of Feitu Xinyuan holds more than 30% partnership interests in Feitu Xinyuan. Each Mr. Yao Lisheng and the limited partners of Feitu Xinyuan is an independent third party.

ChinaEquity Chenxin

ChinaEquity Chenxin is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of ChinaEquity Chenxin is Beijing ChinaEquity Equity Investment Management Co., Ltd. (北京信中利股權投資管理有限公司) ("Beijing ChinaEquity"), which is owned as to 60.00% by Jiaxing Xianglai Investment Partnership (Limited Partnership) (嘉興祥來投資合夥企業(有限合夥)) ("Jiaxing Xianglai") and 40.00% by Zhongji Investment Co., Ltd. (中冀投資股份有限公司) ("Zhongji Investment"). Jiaxing Xianglai is ultimately controlled by Ms. Chen Chunmei (陳春梅), an independent third party. Zhongji Investment is a subsidiary of RiseSun Real Estate Development Co., Ltd. (榮盛房地產開發股份有限公司), whose shares are listed on the Shenzhen Stock Exchange (stock code: 002146). The largest limited partner of ChinaEquity Chenxin is Shanghai Prosperico Venture Investment Co., Ltd. (上海景旭創業投資有限公司), holding 73.54% partnership interest in ChinaEquity Chenxin. None of the other 13 limited partners holds more than 30% partnership interests in ChinaEquity Chenxin. Each of the limited partners of ChinaEquity Chenxin is an independent third party.

Fengchi Dianche, Fengchi Dianche No. 2 and Mr. Zhang Kaifeng (張凱風)

Each of Fengchi Dianche and Fengchi Dianche No. 2 is an equity investment fund established in the form of limited partnership under the laws of the PRC. The common general partner of Fengchi Dianche and Fengchi Dianche No. 2 is Shenzhen Jiafeng Technology Co., Ltd. (深圳嘉風科技有限公司) ("Shenzhen Jiafeng"), which is wholly owned by Mr. Zhang Kaifeng, a Shareholder beneficially interested in approximately 0.16% of the equity interest in our Company. None of the other nine limited partners of Fengchi Dianche holds more than 30% partnership interests in Fengchi Dianche. The largest limited partner of Fengchi Dianche No. 2 is Mr. Zhu Mengye (朱孟驊), holding 44.43% partnership interests in Fengchi Dianche No. 2. None of the other four limited partners of Fengchi Dianche No. 2 holds more than 30% partnership interests in Fengchi Dianche No. 2. Each of Mr. Zhang Kaifeng, and the limited partners of Fengchi Dianche and Fengchi Dianche No. 2 is an independent third party.

Mr. Si Shaohua (司紹華)

Mr. Si Shaohua has extensive experience in venture investment. He has served as the senior partner at Feitu Venture Investment (Beijing) Co., Ltd. (飛圖創業投資(北京)有限公司), a company specializing in investments and incubation in TMT-related sectors since July 2015. Mr. Si is an independent third party.

Chongtian Intelligence

Chongtian Intelligence is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of Chongtian Intelligence is Mr. Guo Dawei (郭達偉), an independent third party. Chongtian Intelligence has two limited partners, namely Ms. Chenqing (陳卿), an independent third party, and Ningbo Xuanzi Zhichuang Corporate Management Partnership (Limited Partnership) (寧波炫梓智創企業管理合夥企業(有限合夥) ("Ningbo Xuanzi"), holding 51.91% and 48.04% partnership interests in Chongtian Intelligence, respectively. The general partner of Ningbo Xuanzi is Mr. Zhao Chong (趙沖), an independent third party.

Chuzhe Zhixin

Chuzhe Zhixin is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of Chuzhe Zhixin is Beijing Chuzhe Zhixin Investment Management Co., Ltd. (北京初者之心投資管理有限公司) ("Beijing Chuxin"). Beijing Chuxin is ultimately controlled by Ms. Tian Jiangchuan (田江川). Chuzhe Zhixin has 11 limited partners, each holding less than 30% partnership interests in Chuzhe Zhixin. Each of Mr. Tian Jiangchuan and the limited partners of Beijing Chuxin is an independent third party.

Jianhu Yuehu

Jianhu Yuehu is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of Jianhu Yuehu is Shanghai Wutong Private Equity Fund Management Co., Ltd. (上海吾同私募基金管理有限公司), which is controlled by Mr. Wang Lin (王林). The largest limited partners of Jianhu Yuehu are Jianhu County Development Zone Construction Investment Co., Ltd. (建湖縣開發區建設投資有限公司) and Jianhu County High-tech Investment Development Co., Ltd. (建湖縣高新投資發展有限公司), both wholly owned by Jianhu County People's Government (建湖縣人民政府), each holding 40.00% partnership interests in Jianhu Yuehu. Each of Mr. Wang Lin and the limited partners of Jianhu Yuehu is an independent third party.

Shanghai Qingwang

Shanghai Qingwang is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of Shanghai Qingwang is Shanghai Keke Investment Management Center (Limited Partnership) (上海恪可投資管理中心(有限合夥)), which is controlled by its general partner Shanghai Keke Private Equity Fund Management Co., Ltd. (上海可可私募基金管理有限公司) ("Shanghai Keke"). Shanghai Keke is ultimately controlled by Mr. Wei Feng (魏鋒) as to 80.99%. None of 14 limited partners of Shanghai Qingwang holds more than 30% partnership interests in Shanghai Qingwang. Each of Mr. Wei Feng and the limited partners of Shanghai Qingwang is an independent third party.

Ferry Growth

Ferry Growth is an equity investment fund established in the form of limited partnership under the laws of the PRC. The general partner of Ferry Growth is Wuxi Ferry Weilun Corporate Management Partnership (Limited Partnership) (無錫源渡偉倫企業管理合夥企業(有限合夥)) ("Wuxi Ferry"). Wuxi Ferry is controlled by its general partner Wuxi Ferry Growth Enterprise Management Co., Ltd. (無錫源渡成長企業管理有限公司), a wholly owned subsidiary of Ferry Equity Investment Management (Shanghai) Co., Ltd. (源渡股權投資管理(上海)有限公司) ("Ferry Equity"). Ferry Equity is owned as to 35.00%, 33.00%, and 32.00% by Ms. Dai Yanjuan (戴燕娟), Mr. Wang Xuefeng (王學峰), and Mr. Huang Jian (黃堅), respectively. None of 12 limited partners of Ferry Growth holds more than 30% partnership interest in Ferry Growth. Each of Ms. Dai Yanjuan, Mr. Wang Xuefeng, Mr. Huang Jian and the limited partners of Ferry Growth is an independent third party.

Meaningful Investment from Sophisticated Independent Investors

We have received investments from two Pathfinder SIIs, namely Broadband Chengbai and Qingkong Yinxing, each having invested in the Group for at least 12 months prior to the first submission of our listing application to the Stock Exchange for the purpose of the Global Offering. In compliance with Chapter 2.5 of the Guide, each of our Pathfinder SIIs held more than 3%, and in aggregate more than 13.84% of the issued share capital of our Company as of the date of our listing application and throughout the pre-application 12-months period.

As of the Latest Practicable Date, our Sophisticated Independent Investors held, in aggregate, approximately 31.86% in the total issued share capital of our Company. Upon the Listing, such Sophisticated Independent Investors will hold, in aggregate, no less than 20.00% in the total issued share capital of our Company, assuming that our expected market capitalization at the time of Listing will be more than HK$4 billion but less than HK$15 billion.

Compliance with the Guide

Based on the fact that (i) the consideration for the pre-IPO investments was irrevocably settled on a date, which was more than 120 days before the Listing Date, and (ii) the special rights granted to the Pre-IPO Investors shall be terminated in compliance with Chapter 4.2 of the Guide, the Sole Sponsor has confirmed that the pre-IPO investments are in compliance with the Chapter 4.2 of the Guide.

In particular, in confirming that the redemption right and liquidation preferences rights granted by the Company to the Pre-IPO Investors had been irrecoverably terminated and shall be void ab initio, the Sole Sponsor has conducted due diligence work including, among others: (i) reviewing the share subscription agreements and shareholders' agreements entered into by our Company and the then Shareholders from April 2014 to May 2025, as well as the executed termination agreement regarding such special rights, (ii) reviewing the legal opinion issued by the PRC Legal Advisor, and (iii) discussing with the PRC Legal Advisor and the Sole Sponsors' PRC legal advisors to understand the treatment of such redemption right and liquidation preferences rights granted by the Company under PRC laws. Based on the due diligence work conducted, nothing has come to the Sole Sponsor' attention that would cause it to cast doubt on the Company's and the PRC Legal Advisor's views above.

PRC Legal Advisor's Confirmation

As advised by our PRC Legal Advisor, the equity transfers and increases in the registered capital in respect of our Company and our Company's principal subsidiary, as described above have been completed and settled, and all regulatory approvals, registrations or filings have been granted in accordance with PRC laws and regulations.

LOCK-UP PERIOD

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

The following Shares will be subject to disposal restrictions pursuant to Rule 18C.14 of the Listing Rules at the time of the Listing:

Name	Capacity	Aggregate number of Shares held immediately following the completion of the Share Subdivision and the Global Offering[1]	Aggregate ownership percentage of shareholding in the total issued share capital of our Company following the completion of the Share Subdivision and the Global Offering	Lock-up period
Key persons and their close associates				
Dr. Zhang[1]	Founder, chairman of our Board, executive Director, president and core R&D team member	24,611,704	10.05	
Shaoxing Ziqiu LP[2]	Share ownership platform controlled by Dr. Zhang	19,310,376	7.88	Commencing on the date of this prospectus and ending on expiry of 12 months from the Listing Date
Shaoxing Yuzhang LP[2]	Share ownership platform controlled by Dr. Zhang	6,000,004	2.45	
Shaoxing Zhiqiu LP[2]	Share ownership platform controlled by Dr. Zhang	5,318,548	2.17	

Name	Capacity	Aggregate number of Shares held immediately following the completion of the Share Subdivision and the Global Offering(1)	Aggregate ownership percentage of shareholding in the total issued share capital of our Company following the completion of the Share Subdivision and the Global Offering	Lock-up period
Pathfinder SIIs				
Broadband Chengbai .	Pathfinder SII	19,141,836	7.81	Commencing on the date of this prospectus and ending on expiry of six months from the Listing Date
Qingkong Yinxing . .	Pathfinder SII	11,352,060	4.63	

(1) Dr. Zhang, our founder, chairman of our Board, executive Director and president, is a key person responsible for our technical operations and/or the research and development of our Specialist Technology Products who is subject to lock-up requirements pursuant to Rule 18C.14 of the Listing Rules. Except for Dr. Zhang, none of our other executive Directors, senior management members or core members of R&D beneficially owns any Shares of our Company and are therefore not subject to the lock-up requirements under the Rule 18C.14 of the Listing Rules.

(2) As of the Latest Practicable Date, each of Shaoxing Ziqiu LP, Shaoxing Yuzhang LP and Shaoxing Zhiqiu LP was controlled by Dr. Zhang as the general partner. Therefore, each of Shaoxing Zhiqiu LP, Shaoxing Ziqiu LP and Shaoxing Yuzhang LP is a close associate of Dr. Zhang under the Listing Rules and is subject to the lock-up requirements pursuant to Rule 18C.14 of the Listing Rules.

PUBLIC FLOAT

Pursuant to Rule 8.08(1) of the Listing Rules, based on an Offer Price of HK$30.50 per Offer Share, our expected market capitalization upon the Listing is HK$747.00 million, and the minimum prescribed public float percentage applicable to our Shares is 20.08% under 19A.13A(1) of the Listing Rules.

Of the 220,353,968 H Shares to be converted from Unlisted Shares and listed on the Stock Exchange following the Completion of the Share Subdivision, the Global Offering and the Conversion of Unlisted Shares into H Shares:

(a) 55,240,632 H Shares representing approximately 22.55% of our total issued Shares upon the Listing will not be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules upon the Listing as such H Shares are held by the Single Largest Shareholders, namely Dr. Zhang, Shaoxing Ziqiu LP, Shaoxing Zhiqiu LP and Shaoxing Yuzhang LP, which are the core connected persons of our Company;

(b) 35,344,380 H Shares representing approximately 14.43% of our total issued Shares upon the Listing will not be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules upon the Listing as such H Shares are held by Yuhuan Guotou and Yuhuan Investment in aggregate, which are the core connected persons of our Company; and

(c) the remaining 129,768,956 H Shares (representing approximately 52.98% of our total issued Shares upon the Listing will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules after the Listing as such Shareholders are not core connected persons of our Company upon the Listing nor accustomed to take instructions from our Company's core connected persons in relation to the acquisition, disposal, voting or other disposition of their Shares and their acquisition of Shares were not financed directly or indirectly by our Company's core connected persons.

Therefore, our Company will be able to meet the minimum public float 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: (i) represent at least 10% 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 (ii) have an expected market value at the time of listing of not less than HK$600,000,000.

Considering that (i) the expected market capitalization of our Company at the time of the Listing will be over HK$7.47 billion (based on the Offer Price of HK$30.50 per Offer Share, (ii) the expected market capitalization of the H Shares to be issued in the Global Offering, which will represent approximately 10.04% of our enlarged share capital immediately after the completion of the Global Offering, will be over HK$747.00 million (based on Offer Price of HK$30.50 per Offer Share, (iii) our Company and the Overall Coordinators will comply with the minimum free float requirement under Rule 19A.13C when determining the allocation of the Offer Shares in the placing tranche, our Company will be able to satisfy the requirements under Rule 19A.13C of the Listing Rules.

Share Subdivision

Pursuant to the resolutions of our Shareholders dated June 20, 2025, each of our Share with nominal value of RMB1.00 will be subdivided into four Shares with nominal value of RMB0.25 each immediately prior to the Listing. Upon completion of such Share Subdivision, the registered capital of our Company, which is RMB55,088,492, will be divided into 220,353,968 Shares with nominal value of RMB0.25 per Share, which will be subscribed by all our then Shareholders in proportion to their respective equity interests in our Company immediately before the Listing.

SHARE OWNERSHIP PLATFORMS

In recognition of the contributions of our key employees and to incentivize them to further promote our development, Shaoxing Ziqiu LP, Shaoxing Yuzhang LP and Shaoxing Zhiqiu LP were established as our employee share ownership platforms through which we have adopted an employee share ownership plan in July 2016 as amended in May 2025 to award the partnership interest in, Shaoxing Ziqiu LP, Shaoxing Yuzhang LP and Shaoxing Zhiqiu LP to the eligible participants. The employee share ownership plan is not subject to the provisions of Chapter 17 of the Listing Rules. Each of Shaoxing Ziqiu LP, Shaoxing Yuzhang LP and Shaoxing Zhiqiu LP is controlled by the same general partner, Dr. Zhang, and thus, together with Dr. Zhang, constitute our Single Largest Group of Shareholders.

According to the employee share ownership plan and the respective grant agreements, our certain employees were granted awards and registered as the limited partners of relevant share ownership platforms upon grants or exercise of their awards. All management and voting powers of the share ownership platforms are exercised by their general partner, Dr. Zhang, according to the respective partnership agreements, whereas the relevant employees as the limited partners of such share ownership platforms are entitled to the economic interest.

Shaoxing Ziqiu LP

Shaoxing Ziqiu LP was established as a limited partnership under the laws of the PRC on June 13, 2016. As of the Latest Practicable Date, Shaoxing Ziqiu LP held approximately 8.76% of our total issued Shares, and its partnership structure was as follows:

Name	Position	Capacity of partnership interests in Shaoxing Ziqiu LP	Approximate percentage of partnership interests
Dr. Zhang	Founder, chairman of our Board, executive Director, president and core R&D team member	General partner	13.36%
Mr. Zhang Zichao (張子超).	Executive Director and the executive vice president	Limited partner	42.26%
Mr. Dou Zhiyuan (竇志遠).	Executive Director	Limited partner	1.38%
Mr. Sun Tongliang (孫同亮).	Executive Director	Limited partner	1.26%
33 other persons	Employees	Limited partners	41.74%

Shaoxing Yuzhang LP

Shaoxing Yuzhang LP was established as a limited partnership under the laws of the PRC on December 27, 2022. As of the Latest Practicable Date, Shaoxing Yuzhang LP held approximately 2.72% of our total issued Shares, and its partnership structure was as follows:

Name	Position	Capacity of partnership interests in Shaoxing Yuzhang LP	Approximate percentage of partnership interests
Dr. Zhang	Founder, chairman of our Board, executive Director, president and core R&D team member	General partner	89.93%
Mr. Zhang Xu (張旭)	Deputy general manager	Limited partner	3.12%
22 other persons	Employees	Limited partners	6.95%

Shaoxing Zhiqiu LP

Shaoxing Zhiqiu LP was established as a limited partnership under the laws of the PRC on June 12, 2016. As of the Latest Practicable Date, Shaoxing Zhiqiu LP held approximately 2.41% of our total issued Shares, and its partnership structure was as follows:

Name	Position	Capacity of partnership interests in Shaoxing Zhiqin LP	Approximate percentage of partnership interests
Dr. Zhang	Founder, chairman of our Board, executive Director, president and core R&D team member	General partner	23.95%
Mr. Zhang Zhongfa (張忠法)	Robotics software engineer	Limited partner	4.57%
34 other persons	Employees	Limited partners	71.48%

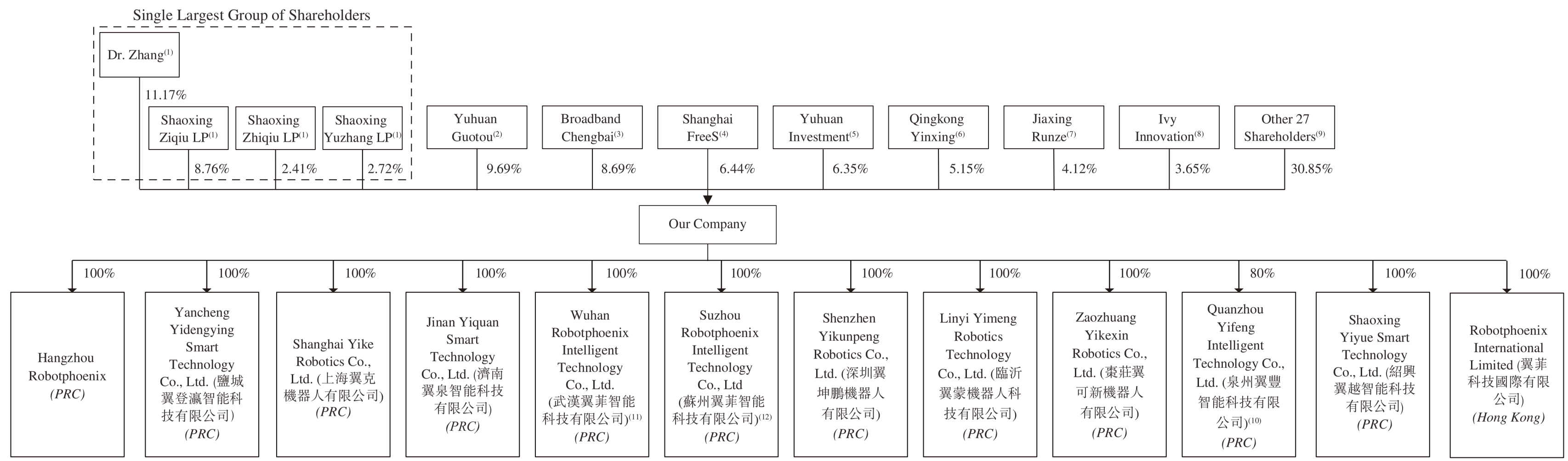
CAPITALIZATION OF OUR COMPANY

The following table sets forth our shareholding structure as of the Latest Practicable Date and immediately upon the Listing:

Name of Shareholder	Number of Shares as of the Latest Practicable Date	Ownership percentage as of the Latest Practicable Date	Number of Shares upon the Listing taking into account the Share Subdivision	Ownership percentage upon the Listing
				(%)
Single Largest Group of Shareholders				
Dr. Zhang	6,152,926	11.17%	24,611,704	10.05
Shaoxing Ziqiu LP	4,827,594	8.76%	19,310,376	7.88
Shaoxing Yuzhang LP	1,500,001	2.72%	6,000,004	2.45
Shaoxing Zhiqiu LP	1,329,637	2.41%	5,318,548	2.17
Other Shareholders				
Yuhuan Guotou	5,336,095	9.69%	21,344,380	8.71
Broadband Chengbai	4,785,459	8.69%	19,141,836	7.81
Shanghai FreeS	3,548,250	6.44%	14,193,000	5.79
Yuhuan Investment	3,500,000	6.35%	14,000,000	5.72
Qingkong Yinxing	2,838,015	5.15%	11,352,060	4.63
Jiaxing Runze	2,271,328	4.12%	9,085,312	3.71
Ivy Innovation	2,013,153	3.65%	8,052,612	3.29
Jasic Robotics	1,408,209	2.56%	5,632,836	2.30
Feitu Xinyuan	1,278,582	2.32%	5,114,328	2.09
Ivory One	1,190,808	2.16%	4,763,232	1.94
ChinaEquity Chenxin	1,085,045	1.97%	4,340,180	1.77
Fengchi Dianche	860,843	1.56%	3,443,372	1.41
Mr. Si Shaohua (司紹華)	852,385	1.55%	3,409,540	1.39
Chongtian Intelligence	835,268	1.52%	3,341,072	1.36
Ivy Venture	811,321	1.47%	3,245,284	1.32
Chuzhe Zhixin	777,884	1.41%	3,111,536	1.27
Jianhu Yuehu	764,285	1.39%	3,057,140	1.25
Shanghai Qingwang	759,533	1.38%	3,038,132	1.24
Guoke Infore	675,052	1.23%	2,700,208	1.10
Ferry Growth	639,289	1.16%	2,557,156	1.04
Smart Beauty	599,563	1.09%	2,398,252	0.98
Ms. Wu Xingtao (吳星陶)	588,749	1.07%	2,354,996	0.96
Mr. Yao Lisheng (姚立生)	426,191	0.77%	1,704,764	0.70
Mr. Wang Yanfeng (王彥峰)	426,191	0.77%	1,704,764	0.70
Mr. Tong Xinmiao (童新苗)	426,191	0.77%	1,704,764	0.70
Qidi Star	412,320	0.75%	1,649,280	0.67
Yike No.1	356,250	0.65%	1,425,000	0.58
Ningbo Yiyi	325,513	0.59%	1,302,052	0.53
Fengchi Dianche No.2	301,463	0.55%	1,205,852	0.49
Quanzhou Shenglian	283,907	0.52%	1,135,628	0.46
Mr. Lv Dalong (呂大龍)	277,407	0.50%	1,109,628	0.45
Wanxiang Holding	267,500	0.49%	1,070,000	0.44
Caoejiang Construction Development	267,500	0.49%	1,070,000	0.44
Mr. Zhang Kaifeng (張凱風)	88,785	0.16%	355,140	0.14
Global Offering Shareholders	—	—	24,600,000	10.04
Total	**55,088,492**	**100%**	**244,953,968**	**100%**

CORPORATE STRUCTURE

The following chart sets forth our corporate structure immediately prior to the Share Subdivision, the Global Offering and the Conversion of Unlisted Shares into H Shares:



(1) Shaoxing Ziqiu LP, Shaoxing Zhiqiu LP and Shaoxing Yuzhang LP are controlled by their general partner, Dr. Zhang. See "— Share Ownership platforms" for the partnership structure of Shaoxing Ziqiu LP, Shaoxing Zhiqiu LP and Shaoxing Yuzhang LP.

(2) See "— Pre-IPO Investments — Information regarding Our Principal Pre-IPO Investors — Our Other Principal Pre-IPO Investors — Yuhuan Guotou and Yuhuan Investment".

(3) See "— Pre-IPO Investments — Information regarding Our Principal Pre-IPO Investors — Our Pathfinder SIIs — Broadband Chengbai".

(4) See "— Pre-IPO Investments — Information regarding Our Principal Pre-IPO Investors — Our Other Sophisticated Independent Investors — FreeS Fund".

(5) See "— Pre-IPO Investments — Information regarding Our Principal Pre-IPO Investors — Our Other Principal Pre-IPO Investors — Yuhuan Guotou and Yuhuan Investment".

(6) See "— Pre-IPO Investments — Information regarding Our Principal Pre-IPO Investors — Our Pathfinder SIIs — Qingkong Yinxing".

(7) See "— Pre-IPO Investments — Information regarding Our Principal Pre-IPO Investors — Our Other Principal Pre-IPO Investors — Jiaxing Runze".

(8) See "— Pre-IPO Investments — Information regarding Our Principal Pre-IPO Investors — Our Other Sophisticated Independent Investors — Ivy SIIs (being Ivy Innovation and Ivy Venture)".

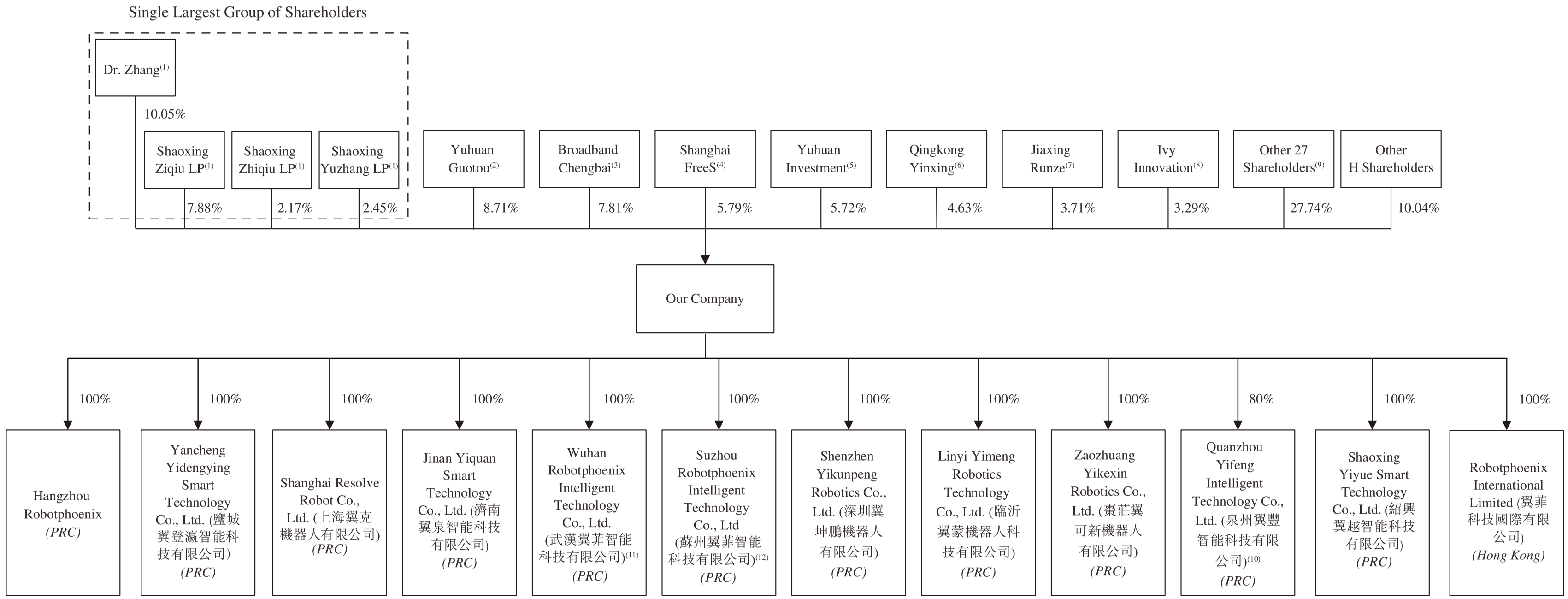
(9) As of the Latest Practicable Date, we had 27 other Shareholders who were also our Pre-IPO Investors each holding less than 3% shareholding of our Company. See "— Capitalization of Our Company" for details.

(10) As of the Latest Practicable Date, Quanzhou Yifeng Intelligent Technology Co., Ltd. was owned as to 80.00% by our Company and 20.00% by Mr. Liu Shijie (劉世杰).

(11) Formerly known as Wuhan Yichu Automation Technology Co., Ltd. (武漢翼楚自動化科技有限公司).

(12) Formerly known as Suzhou Yidongwu Robotics Co., Ltd. (蘇州翼東吳機器人有限公司).

The following chart sets forth our corporate structure immediately after the completion of the Share Subdivision, the Global Offering and the Conversion of Unlisted Shares into H Shares:



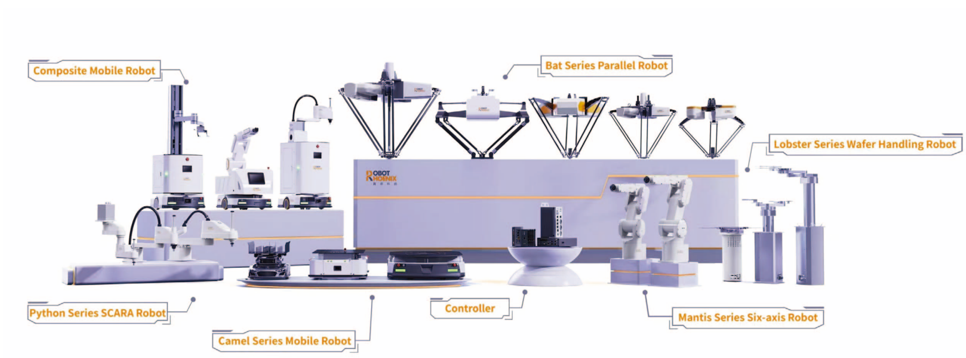
(1) to (12): See notes to the corporate structure on the preceding page.

OVERVIEW

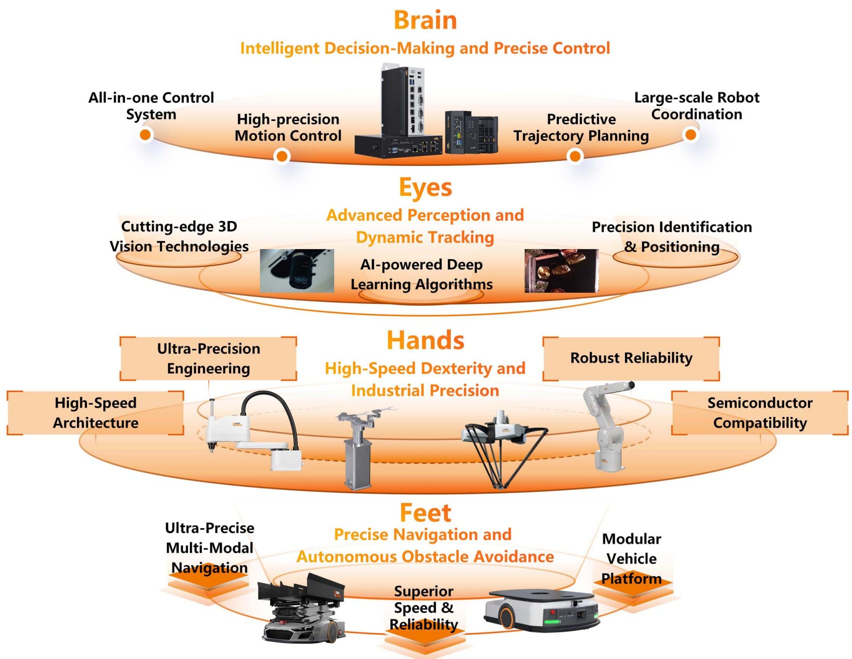
We are an industrial robotics company in China, specializing in the design, development, manufacturing and commercialization of industrial robots and the offering of integrated robotics solutions, dedicated to the application scenarios in the light industry. Leveraging our proprietary robot bodies, control and vision systems, and manufacturing process, we have established an all-inclusive technology ecosystem to achieve at scale intelligent decision-making, environmental perception, precise manipulation, and autonomous mobility.

We are the fourth largest domestic company, in terms of revenue in 2025, offering industrial robots and related robotics solutions in China dedicated to the application scenarios in the light industry, according to the F&S Report. We are also among a select few robotics companies in China with a coverage of industrial robots and related robotics solutions at scale, according to the same source, empowering enterprise customers in various industry sectors to enhance productivity level, optimize production costs, and improve product quality, ultimately driving their intelligent transformation.

We curate a portfolio of industrial robots purpose-built for the application scenarios in the light industry in particular in China, spanning parallel robots (*Bat series*), AGV/AMR mobile robots (*Camel series*), SCARA robots (*Python series*), wafer handling robots (*Lobster series*), and six-axis industrial robots (*Mantis series*), powered by our proprietary core technologies in control and vision systems (*Gorilla* and *Kingkong series*). Building upon our robotic portfolio, we also offer integrated robotics solutions based in intelligent automation systems to address the specific application scenarios in smart manufacturing. We launch these solutions with various degrees of customization to support a wide range of automation functions, including among others, loading and unloading, sorting, picking and placing, packing, vision detection, assembly and gluing systems.



We boast a robotic architecture that centers around four foundational pillars unique to the essential functionalities of a skillful human worker, from “Brain,” “Eyes,” “Hands” to “Feet,” commanding intelligent decision-making, environmental perception, precise manipulation, and autonomous mobility. The “Brain” is embodied in our all-in-one control system, which enables intelligent decision-making to achieve high-speed, high-precision motion and real-time, multi-robot coordination. The “Eyes” represent our advanced vision system, which combines 3D imaging and deep-learning algorithms, mission-critical for high-accuracy dynamic tracking. The “Hands” combine advanced modeling technology with precision manufacturing to deliver consistent performance and industrial-grade reliability. The “Feet” consist of our mobile platform of proprietary hardware and scheduling software to support autonomous navigation and dynamic obstacle avoidance. Together, these capabilities form a cohesive, scalable technology substrate for our offerings.



By translating our R&D prowess into market-ready products, we deliver robot bodies and related robotics solutions to customers in various sectors of China's light industry in particular, including among others, consumer electronics, automotive components and new energy, healthcare, FMCG, and semiconductors.

As of the Latest Practicable Date, we had a broad and growing global customer base, which covers 29 provinces, autonomous regions and municipalities in China and 25 overseas countries and regions in Hong Kong, Europe, North America, Latin America, and Southeast Asia. Our overseas revenue contribution continued to increase during the Track Record Period. In 2024 and 2025, our overseas revenue was RMB25.5 million and RMB38.0 million, respectively, accounting for approximately 9.5% and 9.8% of our revenue, respectively. We have an extensive sales network via primarily direct sales, flexibly adapted to the regional market conditions to facilitate timely and efficient sales and service support to our global customer base. As of March 31, 2026, we had a backlog of customer contracts valued at RMB501.6 million.

China's industrial robot market, in terms of revenue, was approximately RMB67.3 billion in 2025 and is expected to reach RMB147.2 billion by 2030, at a CAGR of 17.2% from 2026 to 2030, according to the F&S Report. Relatedly, China's industrial robotics solution market, in terms of revenue, was approximately RMB235.6 billion in 2025 and is expected to reach RMB588.8 billion by 2030, at a CAGR of 20.3% from 2026 to 2030, according to the same source. The localization of supply chains in China is gaining pace, replacing imports with cost-effective and technologically competitive solutions. Against this backdrop, we have achieved remarkable financial growth in recent years, in both revenue and sales volume. Our revenue increased from RMB201.2 million in 2023 to RMB387.4 million in 2025, at a CAGR of 38.8%. This performance result underscores our ability to capture the substantial upside of the robotics markets in China and globally.

COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and differentiated us from our competitors.

Major Manufacturer in Industrial Robots and Related Robotics Solutions

We are the fourth largest domestic company, in terms of revenue in 2025, offering industrial robots and related robotics solutions in China dedicated to the application scenarios in the light industry, according to the F&S Report. We are also among a select few robotics companies in China with a coverage of industrial robots and related robotics solutions at scale, according to the same source, empowering enterprise customers in various industry sectors to enhance productivity level, optimize production costs, and improve product quality, ultimately driving their intelligent transformation. Select application scenarios in the key industry sectors we serve include the following.

Consumer electronics sector. We have developed the first large-scale deployment of parallel robots in the pre-coating process of mobile phone cover glass to achieve high-precision alignment before coating with multi-vision and multi-robot coordination, according to the F&S Report. This technological breakthrough has significantly reduced surface defects caused by vibration and friction during high-speed handling, thereby improving product yield rate and production efficiency.

Automotive components and new energy sector. To enhance an automotive parts processing procedure, we deployed multiple SCARA robots for automated CNC machine loading and unloading, thereby reducing operator labor intensity and headcount. Additionally, our proprietary vision system has enabled the development of inline and stand-alone vision inspection stations, which can detect appearance defects, such as burrs and indentations, and measure critical dimensions, such as outer and inner diameter, thickness, and tooth profile angle. Replacing manual sampling inspection with this robotic automation has significantly improved part processing quality rates.

Healthcare sector. We have deployed parallel robots, SCARA robots, and vision technologies to enable damage detection for glass ampoules and automate sponge tray loading, cartoning, and boxing processes. This deployment addressed the low efficiency and poor packaging consistency associated with manual operations in the healthcare sector.

FMCG sector. We have deployed parallel robots in high-speed lid gluing application in wet wipe production. Their high-speed, high-precision motion control can handle varying, complex contours, and thus significantly improved efficiency and ensured consistent quality, avoiding issues caused by human error.

Semiconductor sector. We have deployed wafer handling robots for reticle-cleaning equipment in lithography yellow rooms at leading semiconductor fabs, enabling nano-level clean operations. This deployment has bridged a critical domestic gap in semiconductor equipment and strengthened China's technological sovereignty over the supply chain in domestic chip manufacturing.

We actively participate in the development of national industrial standards. From 2021 to 2025, we contributed to the drafting of multiple national standards, covering industrial automation systems and robot safety specifications, which served to enhance our industry influence and recognition. We have designed our robots to deliver consistent performance for both general industrial and semiconductor applications, with a strong focus on durability, cleanliness and safety. For example, our Bat series parallel robots are the first domestic models to achieve reliability and durability certifications, offering 20,000-hour trouble-free operation, according to the F&S Report. Our Python series SCARA robots meet ISO Class 4 cleanliness standards, a high-precision manufacturing grade, while our Lobster series wafer handling robot line has secured TÜV SEMI certifications, with RW-A wafer handling robots in particular achieving ISO Class 1 cleanliness, the highest cleanliness level. Our entire robotic portfolio has passed the rigorous reliability tests in compliance with EU safety standards.

We have received numerous national, provincial and industrial accolades, including the National-Level Specialized and Sophisticated "Little Giant" Enterprise (國家級專精特新"小巨人"企業), the First Prize of China Machinery Industry Science and Technology Award (中國機械工業科學技術獎

一等奬), Shandong Province Manufacturing Single Champion Enterprise (山東省製造業單項冠軍企業), Provincial Industrial Design Center (山東省省級工業設計中心), and the First Prize of Shandong Science and Technology Progress Award (山東省科學技術進步一等奬).

Robust In-House R&D Capabilities and Deep Technology Repository

We boast a robotic architecture that centers around four foundational pillars unique to the essential functionalities of a skillful human worker, from "Brain," "Eyes," "Hands" to "Feet," commanding intelligent decision-making, environmental perception, precise manipulation, and autonomous mobility.

"Brain" — Intelligent Decision-Making and Precise Control

The intelligent control system is the core brain of our industrial robots, responsible for precise motion planning, real-time decision-making, and multi-robot collaborative control. The system utilizes an "all-in-one" architecture, which dramatically reduces the system size and also the complexity of debugging and deployment. In terms of control performance, the system deploys precise control technology based on a complete dynamic model and integrates intelligent velocity predictive trajectory planning, achieving high precision and efficiency in motion control. This architecture also supports multiple robots collaborating on the same task as a coordinated team while ensuring smooth and rapid movement.

"Eyes" — Intelligent Perception and Dynamic Tracking

Our vision-control architecture leverages proprietary software with advanced 2D/3D vision and deep-learning algorithms. The system integrates 3D vision technologies and optimized deep learning networks, significantly enhancing the precision and stability of vision positioning. This technology has high precision in automotive applications.

"Hands" — High-Speed Dexterity and Industrial Precision

Our mechanical design combines advanced modeling technology with precision manufacturing to deliver consistent performance and industrial-grade reliability. High-speed architecture enables enhanced speeds and acceleration, while ultra-precision engineering, supported by full-parameter calibration and low-backlash gearboxes, ensures outstanding positioning accuracy. We have achieved robust reliability through lightweight composite structures and one-piece casting, minimizing mechanical failure risks. Additionally, with super cleanness design and intricate assembly procedure, we have also achieved compatibility with the ever more stringent semiconductor manufacturing processes.

"Feet" — Precise Navigation and Autonomous Obstacle Avoidance

Our mobile robot system delivers navigation precision through proprietary architecture. The modular vehicle platform allows rapid customization and supports multiple models, from latent mobile robots to composite mobile robots, with international safety certifications. Our robot controller integrates multi-modal navigation technologies, including laser SLAM, QR code, odometry, inertial, and vision systems, achieving millimeter-level positioning accuracy and real-time obstacle avoidance. Our Camel series mobile robots, in particular, operate at high speeds with solid stability across wide temperature ranges, maintaining ultra-low failure rates under the control of advanced robotic technology.

Through our innovations across these four key pillars, our technology achieves millisecond-level coordination from perception to execution. This technology substrate enables our robots and robotics solutions to meet the high-speed and high-precision requirements in the addressable industry sectors. With the advanced environmental adaptation and autonomous learning capabilities, it also lays a solid foundation for the commercial deployment of the next-generation intelligent robots at scale. According to F&S, the technology application of our Company represents the leading level among the domestic peers in the robot bodies and robotics solutions industry.

Our R&D team comprises 227 experts and engineers in the robotics industry as of the Latest Practicable Date, representing 36.0% of our total headcount. The average work experience of our R&D team is approximately nine years. Our R&D framework fuses numerous innovative subjects in precision mechanics, intelligent control algorithms, deep-learning models, and human-machine interaction engineering, forming a cross-disciplinary platform that accelerates breakthrough development. We also collaborate with prestigious education or research institutions, such as Tsinghua University, Zhejiang University and Shandong University, in our relentless R&D efforts. As of the Latest Practicable Date, we held 286 granted patents, including 39 invention patents and 231 utility model patents, and 99 software copyrights, forming a competitive barrier.

Comprehensive and Flexible Robotic Portfolio with Scalability

We curate a portfolio of industrial robots purpose-built for the application scenarios in the light industry in particular in China, spanning parallel robots (*Bat series*), AGV/AMR mobile robots (*Camel series*), SCARA robots (*Python series*), wafer handling robots (*Lobster series*), and six-axis industrial robots (*Mantis series*), powered by our proprietary core technologies in control and vision systems (*Gorilla* and *Kingkong series*). In November 2025, we officially launched "Hogene," our first leg-wheel humanoid robot. Featuring a bionic dual-arm structure and a lifting column, it is powered by our proprietary YiBrain multimodal large model, enabling high-precision, high output and compliant force-controlled operations. Building upon our robotic portfolio, we also offer integrated robotics solutions based in intelligent automation systems to address the specific application scenarios in smart manufacturing. This robotic portfolio provides a versatile performance coverage, with payload capacities from 0.5 kg to 20 kg, multiple axis configurations, high-speed operation, and robust repeatability. Together with an expanding library of dedicated process packages, these capabilities enable us to address over 1,000 specific customer use cases across diverse industry sectors, covering substantially all of the application scenarios in the light industry, according to the F&S Report. These cases consistently deliver our customers with measurable outcomes of enhanced productivity level, reduced production costs, and improved product quality, ultimately driving their intelligent transformation, with our major products having average selling prices comparable to those of the domestic peers during the Track Record Period, according to the same source.

Our product iteration and technological advancements are fundamentally driven by our in-depth understanding of the strategic requirements and typical application scenarios of our customers who are leaders in their respective industries. Through close collaboration with market leaders, we have developed granular insights into sector-specific challenges and requirements. In semiconductor manufacturing, where precision and reliability standards are exceptionally rigorous, our robots have successfully passed stringent validation processes of multiple leading customers. Similarly, in automotive acoustic component packaging, where complex geometries, fragile materials, and varying specifications demand sophisticated multi-robot coordination, our integrated robotics solutions deploy an ensemble of parallel, SCARA, and six-axis robots with 2D/3D vision and deep-learning technologies. This comprehensive approach leverages our extensive robotics expertise and in-depth application knowledge to ensure rapid, high-quality project delivery. The continuous feedback loop from these frontline applications enables us to optimize our robotic portfolio and respond rapidly to evolving market demands, ensuring that our technology remains at the industry forefront.

Strong Customer Portfolio and Extensive Delivery-and-Service Network

Our customers include well-recognized industry leaders, such as the global leader in one-stop precision manufacturing solutions, the global leader in bioactive materials and synthetic biology, a world's largest supplier of miniature acoustic devices, and a world's largest new-energy vehicle manufacturer, according to the F&S Report. We have established long-term, stable relationships with these customers. Being recognized as a qualified supplier to such industry-leading customers not only validates our exceptional product quality but also enables us to rapidly capture the latest market requirements and translate market demands into highly relevant robots and robotics solutions, providing a powerful driver for sustainable growth.

We boast robust one-stop delivery capability, which extends beyond robot bodies and accessories to end-to-end support from project consultation, customized solution design, case-specific equipment selection to on-site installation and after-sales service for a wide range of application scenarios in various industry sectors. This service model enables customers to access efficient, convenient and customized solutions for their production automation and smart manufacturing needs.

We have established a global sales-and-service platform. In China, as of the Latest Practicable Date, we built 14 sales service centers, and our customer base covered 29 provinces, autonomous regions and municipalities to facilitate our direct sales to customers. As of December 31, 2023, 2024 and 2025, we served 158, 275 and 507 direct sale customers, respectively, generating revenue of RMB198.9 million, RMB259.6 million and RMB347.3 million in 2023, 2024 and 2025, respectively, accounting for 98.9%, 96.8% and 89.7% of our total revenue in the same periods, respectively. We provide 24/7 emergency support to offer strong delivery capability and foster high customer stickiness. In the overseas markets, we have engaged overseas distributors in seven countries to support the exports to more than 20 countries and regions in Europe, North America, Latin America, and Southeast Asia as of December 31, 2025. Our domestic service centers and overseas distributors enhance our local presence, enable customized delivery, and ensure customer satisfaction. We strive to offer timely and efficient sales and service support to our global customer base.

Experienced Management Team

Our growth is driven by a management team whose members combine extensive industry experience. The core founders and senior executives each have a proven record in robot R&D, product design, market development and corporate management, equipping us with strong execution capability and a clear strategic vision. Dr. Zhang, our founder, Executive Director, Chairman of the Board and president, holds a bachelor's degree in thermal engineering from Tsinghua University, a master of science degree in mechanical engineering from Columbia University, and a doctor of engineering degree in advanced manufacturing from Tsinghua University. He was accredited as a Senior Engineer (高級工程師) by Human Resource and Social Security Bureau of Jinan (濟南市人力資源和社會保障局) in May 2019 and was honored with 2023 Taishan Industry Innovation Leaders under "Taishan Industrial Experts Program" in 2023 (2023年度泰山產業創新領軍人才). With a clear grasp of our strategic direction, Dr. Zhang, together with other senior management members, have led our Company through market competition with steadfast and sustained progress.

We place significant emphasis on cultivation and recruitment of R&D talent. As of December 31, 2025, we established collaborations with various universities and research institutions to carry out a series of industry-university-research initiatives, including Tsinghua University, Zhejiang University and Shandong University. We also provide a clear career path and an effective mechanism, which have attracted a large number of professionals and contributed to the formation of a strong talent pool that underpins our technological innovation and R&D capabilities.

GROWTH STRATEGIES

We intend to continue to growth our business through the following key strategies.

Advancement of Technology and Continuous Innovation

We will continue to focus on core robotics R&D and technological innovation, advancing industrial intelligence through the following five key technological directions.

Modular Vision-Drive-Control Platform. We will continue to develop an integrated system combining motion control, vision processing and power drive algorithms with real-time communication protocols. We expect this system to achieve significant volume and power reduction with millisecond-level response and enable single-controller management of compound robotic systems with "one Brain controlling Eyes, Hands, and Feet" coordination, establishing a foundation for embodied intelligence.

Algorithm Optimization. We will continue to enhance the trajectory planning, vision servoing, and dynamics control algorithms to improve adaptive capabilities and dynamic response precision in complex environments, ensuring stable operation under high-speed, high-precision, and high-payload conditions.

Intelligent Safety System. We intend to establish a comprehensive safety solution meeting ISO10218 standard, utilizing FSoE safety bus protocol and integrating LiDAR with vision perception for AI-driven active safety protection.

AI-Robot Deep Integration. We actively integrate generative AI technologies with robotic control systems. We will optimize multi-modal AI capabilities in action generalization and scene adaptation and enhance our robots' environmental understanding, task planning, and execution precision, driving embodied intelligence applications in the addressable industry sectors.

Industry Process Development. We will continue to build industry knowledge bases and adaptive algorithms to develop comprehensive industry process packages, enabling robots with automatic process parameter optimization, anomaly identification, and autonomous decision-making capabilities. We will also develop advanced user interfaces for programming-free, wizard-based configuration to significantly simplify robot applications.

Specifically, we are developing (1) the integrated robot controller for Bat series parallel robots and high-load Bat series parallel robots; (2) the integrated robot controller for Python series SCARA robots and high-rigidity Python series SCARA robots; and (3) wafer handling robots. We plan to commercialize the new robots and related solutions in early 2026. We expect that the new types of robots and solution would strengthen our position in the industry and meet the diverse demands of our customers.

Approximately 40.0% of the net proceeds, or HK$269.2 million, will be used for development of our robotics technology from 2026 to 2030.

Strategic Product Portfolio Expansion

We will continue to enhance competitive advantage and expand market presence through strategic expansion in robotics portfolio. We intend to upgrade the ultra-high-speed precision series with enhanced accuracy, develop high-payload parallel robots, and upgrade SCARA robots to achieve precision assembly and heavy-duty processing. In the semiconductor sector, we intend to develop single-arm dual-finger atmospheric robots for integrated transport and advance vacuum robots with triple-joint coaxial and lightweight Z-axis-free models. Furthermore, we plan to develop a sealed equipment front end module solution with nitrogen purge functionality to meet high-purity nitrogen microenvironment requirements. Additionally, we intend to develop general-purpose embodied intelligent robots for environmental understanding and autonomous task execution. We believe that our expanded product portfolio with upgraded technology will meet various customer demands and capture more market share.

Approximately 20.0% of the net proceeds, or HK$134.6 million, will be used for expansion of our product portfolio from 2026 to 2030.

Capacity Enhancement and Supply-Chain Optimization

We intend to coordinate our production capacity with upstream and downstream partners and allocate production targets across our production facilities to align with our product characteristics. We intend to introduce advanced automated production lines in new factories to reduce labor costs, enhance production efficiency, and lower per-unit manufacturing cost, thereby furthering the market competitiveness of our offerings. Specifically, we plan to build two production lines for parallel robots, two for articulated robots, and one for other types of robots, increasing our annual production capacity. Furthermore, we plan to construct three to four production bases in Mainland China, such as in

Zhejiang Province and Jiangsu Province, by 2027, with operations commencing in 2028. By constructing new intelligent production lines and new production bases, we expect to expand our production scale and increase production yield, thereby enhancing our market penetration and profitability.

We also intend to reduce raw material procurement costs and improve the stability and efficiency of the supply chain by implementing bulk purchasing, establishing strategic partnerships with suppliers, and optimizing the procurement process. We aim to bring high-quality suppliers to maintain superior component quality and production efficiency. Specifically, for investment in the upstream supply chain, we will primarily consider the complementarity of upstream suppliers with our technology and their contribution to supply chain security, further enhancing our cost advantage. For investment in the downstream supply chain, we plan to invest in various industry sectors, including among others, consumer electronics, healthcare, and FMCG, through mergers and acquisitions or establishment of joint ventures to expand our customer base. We plan to conduct mergers and acquisitions or establish joint ventures in the upstream and downstream supply chain, with substantive progress expected in 2027 and 2030, respectively. As of the Latest Practicable Date, we have not identified any specific investment targets, nor have we entered into any definitive investment agreements.

Approximately 28.0% of the net proceeds, or HK$188.4 million, will be used for construction or enhancement of production bases and production line from 2026 to 2030 and approximately 10.0% of the net proceeds, or HK$67.3 million, will be used for investment in the supply chain in upstream and downstream from 2026 to 2030.

Market Expansion and Brand Building

We intend to expand our sales network, increase market penetration, and optimize the marketing system. We will implement a "land and expand" strategy to continue to maintain close relationship with industry-leading customers and further deepen the scope of our collaboration. We also intend to develop standardized, replicable solutions that can be readily applied across a wider customer base, enabling scalable, cost-effective market expansion.

We intend to step up marketing expenditure and enhance brand visibility through various channels such as leading industry media, high-scale trade shows, and mainstream social media to drive market share growth. We also intend to expand our nationwide sales network covering major industrial regions across the country and continue to open regional service centers in closer proximity to our current and future customers. Furthermore, we will maintain close cooperation with channel partners, such as system integrators and distributors, to jointly develop the market. We will provide comprehensive support to our partners, including training, technical support, and marketing resources, to help them enhance their sales capabilities and service quality.

International Strategy and Overseas Footprints

We intend to accelerate our global strategic expansion to drive rapid growth in overseas revenue contribution. Such expansion is an extension of our existing operations, either in the form of supporting our existing domestic customers in their overseas expansion or as further development of our current overseas operations. During the Track Record Period, leveraging our strong relationships with major domestic customers in China in the consumer electronics and new energy vehicle sectors, we supported a total of four domestic customers in their overseas expansion activities. In addition to supporting domestic customers with their overseas expansions, we have established a dedicated overseas marketing department and hired experienced personnel in international business development to lead our overseas efforts. During the Track Record Period, the number of our overseas customers, save as the aforementioned domestic customers with overseas expansions, was eight, 13 and 19 in 2023, 2024 and 2025, respectively.

We intend to develop the distribution networks by engaging overseas distributors in the Southeast Asian, European and Latin American markets to broaden our geographical reach and deepen our market penetration. Specifically, in Europe, from 2025 to 2029, we aim to engage distributors in nine countries and regions, including Italy, France, the United Kingdom, the Czech Republic, Poland, Spain, Hungary, the Benelux, and Romania. By 2030, we aim to achieve a 5% market share in the European light industrial robot market. In the Latin American market, we plan to select distributors or system integrators with industry experience, technical support and marketing teams, and an established mature distribution network. Initially, we will focus on Brazil and Mexico, with each country developing two distributors to cover the surrounding markets.

We use a flexible overseas distributor model, adapting strategies by region, such as exclusive agents in Europe and regional agents in the Americas. Exclusivity can be ended with six months' notice. Core control mechanisms include escalating minimum purchase requirements, prohibitions on public pricing, and a project lock-in mechanism to maintain price stability. We may terminate agreements for persistent breaches or repeated failure to meet purchase targets, enabling a shift to multi-distributor model to avoid single channel dependency.

Approximately 12.0% of the net proceeds, or HK$80.7 million, will be used for development of overseas business network from 2026 to 2030.

We also intend to facilitate expansion of our overseas business by establishing a subsidiary in Hong Kong and recruiting high-caliber R&D talent, thereby enhancing our international R&D capabilities. In addition, to effectively address local market demands and build long-term, stable customer relationships, we intend to establish a subsidiary in Vietnam to serve the regional customers based in Southeast Asia. We will seek partnerships with global leaders to introduce advanced technology and management practices, thereby enhancing our core competitiveness. We closely monitor technological development in the international market and promptly adjust our products and solutions and pivot R&D directions. We also proactively pursue strategic merger and acquisition opportunities, targeting upstream supply-chain companies, industry AI companies, and key component manufacturers for humanoid robots, thereby enhancing our comprehensive capabilities and our marketing position.

OUR OFFERINGS

We specialize in the design, development, manufacturing and commercialization of industrial robots. Our industrial robots include Bat series (parallel robots), Camel series (mobile robots), Python series (SCARA robots), Mantis series (six-axis robots), Lobster series (wafer handling robots), Gorilla series (universal controllers), and Kingkong series (dedicated controllers). Building upon our industrial robots, we also offer integrated robotics solutions based in intelligent automation systems to address specific use cases. We launch these solutions with various degrees of customization to support a wide range of automation functions, including among others, loading and unloading, sorting, picking and placing, packing, assembly, and gluing systems. Our industrial robots and related robotics solutions have reached broad and growing global customer across various industry sectors, including among others, consumer electronics, automotive components and new energy, healthcare, FMCG and semiconductor.

The following table sets forth a breakdown of our revenue by product offerings for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB 000'	*%*	*RMB 000'*	*%*	*RMB 000'*	*%*
Robot bodies	25,673	12.8	55,724	20.8	123,615	31.9
Parallel robots	*9,398*	*4.7*	*19,904*	*7.4*	*54,205*	*14.0*
Mobile robots	*3,760*	*1.9*	*10,342*	*3.9*	*40,273*	*10.4*
Articulated robots[(1)]	*7,239*	*3.6*	*15,625*	*5.8*	*21,294*	*5.5*
Controllers and vision systems	*940*	*0.5*	*1,043*	*0.4*	*1,933*	*0.5*
Others[(2)]	*4,336*	*2.1*	*8,810*	*3.3*	*5,910*	*1.5*
Robotics solutions	175,497	87.2	212,285	79.2	263,744	68.1
Total	**201,170**	**100.0**	**268,009**	**100.0**	**387,359**	**100.0**

(1) Primarily include SCARA robots, six-axis robots and wafer handling robots.

(2) Primarily include accessories for robot bodies and related after-sale service.

The following table sets forth the key projects during the Track Record Period.

As of December 31, 2025

No.	Project type	Customer type	Solution offered	Contract sum	Revenue recognized	Estimated completion date	Revenue to be recognized
				(RMB 000')	*(RMB 000')*		*(RMB 000')*
1	Robotics solution	Direct sale	Warehouse logistics	65,329.2	—	June 2027	65,329.2
2	Robotics solution	Direct sale	Warehouse logistics	15,896.2	—	July 2026	15,896.2
3	Robotics solution	Direct sale	Warehouse logistics	13,760.0	13,760.0	Completed	—
4	Robotics solution	Direct sale	Packing system	12,337.3	—	December 2026	12,337.3
5	Robotics solution	Direct sale	Warehouse logistics	10,486.4	10,486.4	Completed	—
6	Robotics solution	Direct sale	Warehouse logistics	7,900.0	—	December 2026	7,900.0
7	Robotics solution	Direct sale	Loading and unloading	7,783.5	7,783.5	Completed	—
8	Robotics solution	Direct sale	Warehouse logistics	6,660.6	—	December 2026	6,660.6
9	Robotics solution	Direct sale	Assembly	5,600.0	—	July 2026	5,600.0
10	Robotics solution	Direct sale	Loading and unloading	5,113.2	4,599.6	June 2026	513.6

As of December 31, 2024

No.	Project type	Customer type	Solution offered	Contract sum	Revenue recognized[(1)]	Estimated completion date	Revenue to be recognized[(1)]
				(RMB 000')	*(RMB 000')*		*(RMB 000')*
1	Robotics solution	Direct sale	Warehouse logistics	39,540.0	39,540.0	Completed	—
2	Robotics solution	Direct sale	Warehouse logistics	24,800.0	24,800	Completed	—
3	Robotics solution	Direct sale	Warehouse logistics	13,560.0	13,560.0	Completed	—
4	Parallel robots	Direct sale	Robot bodies	10,457.7	8,699.7	July 2026	1,758.0
5	Robotics solution	Direct sale	Loading and unloading	9,583.8	9,583.8	Completed	—
6	Robotics solution	Direct sale	Warehouse logistics	6,600.0	6,600.0	Completed	—
7	Robotics solution	Direct sale	Assembly	6,000.0	6,000.0	Completed	—
8	Robotics solution	Direct sale	Vision recognition	5,750.0	5,750.0	Completed	—
9	Robotics solution	Direct sale	Loading and unloading	5,350.0	5,350.0	Completed	—
10	Robotics solution	Direct sale	Loading and unloading	5,161.8	5,161.8	Completed	—

As of December 31, 2023

No.	Project type	Customer type	Solution offered	Contract sum	Revenue recognized[(1)]	Estimated completion date	Revenue to be recognized[(1)]
				(RMB 000')	*(RMB 000')*		*(RMB 000')*
1	Robotics solution . . .	Direct sale	Warehouse logistics	17,854.0	4,105.6	November 2026	13,748.4
2	Robotics solution . . .	Direct sale	Packaging	8,980.0	8,980.0	Completed	—
3	Robotics solution . . .	Direct sale	Assembly	8,814.0	8,814.0	Completed	—
4	Robotics solution . . .	Direct sale	Warehouse logistics	7,898.0	7,898.0	Completed	—
5	Robotics solution . . .	Direct sale	Loading and unloading	4,900.5	4,900.5	Completed	—
6	Robotics solution . . .	Direct sale	Packaging	4,600.0	4,600.0	Completed	—
7	Robotics solution . . .	Direct sale	Packaging	4,294.0	4,294.0	Completed	—
8	Robotics solution . . .	Direct sale	Warehouse logistics	4,028.4	3,068.4	August 2026	960.0
9	Robotics solution . . .	Direct sale	Loading and unloading	3,645.0	3,645.0	Completed	—
10	Robotics solution . . .	Direct sale	Loading and unloading	2,990.0	2,990.0	Completed	—

(1) Revenue before tax.

The following table sets forth the number of units produced and sold for each series of the robot bodies and their respective average selling prices and the number of completed robotics solutions during the Track Record Period. We delivered 1,327, 891 and 929 units of robotics solutions in 2023, 2024 and 2025, respectively. Leveraging our technological maturity and achieving economies of scale, we create a clear and sustainable path to lower prices and stronger market competitiveness.

	For the Year Ended December 31,														
	2023					2024					2025				
	Beginning inventory	Production quantity	Sales volume	Other uses[(1)]	Average price	Beginning inventory	Production quantity	Sales volume	Other uses[(1)]	Average price	Beginning inventory	Production quantity	Sales volume	Other uses[(1)]	Average price
Robot bodies															
Parallel robots –															
Bat series	20	460	128	145	73	207	308	350	46	57	119	1,600	1,170	389	46
Mobile robots – Camel series	–	93	89	–	42	4	628	373	–	28	259	3,160	1,640	1,448	25
Articulated robots															
Python series	36	942	269	16	21	693	151	568	94	22	182	1,234	909	446	18
Mantis series	8	66	9	31	47	34	25	30	21	50	8	19	7	19	50
Lobster series	–	58	4	52	296	2	95	5	85	321	7	249	36	218	130
Controllers and vision system															
Gorilla series	5	251	24	230	5	2	331	15	201	4	117	789	12	739	4
Kingkong series	–	1,101	–	813	–	288	495	94	502	5	187	2,282	328	2,025	4
Vision system	–	8	8	–	102	–	80	7	73	78	—	98	98	—	6

(1) Primarily include robots used for robotics solutions.

Industrial Robots

We have categorized our industrial robots into various series in terms of structure and functionality.

Bat Series — Parallel Robots

Our Bat series parallel robots are developed based on a Delta structure, featuring two to four degrees of freedom. They can move in a two-dimensional plane and three-dimensional space, as well as rotate around a vertical axis. The core function of our Bat series robots is to perform high-speed, high-precision picking and placing within their workspace, completing operations such as high-speed sorting, precise boxing and packaging, material loading and unloading, arranging and organizing, precision assembly, glue application and dot dispensing, and dynamic tracking and grabbing.

We have launched five generations with over 20 standard models, featuring modular designs and a proprietary control system. This allows for various degrees of customization to meet almost all application needs in various sectors within the application scenarios in the light industry. The robots can provide a cleanroom version specifically designed for certain light industry sectors, such as consumer electronics, healthcare and FMCG, to ensure zero-level oil-free operation and preventing contamination.

As of the Latest Practicable Date, we were developing the new integrated robot controller for Bat series parallel robots and high-load Bat series parallel robots. Both types are currently undergoing small batch trial production. There are no impediments to our development process. We plan to commercialize them in early 2026, respectively.

The following images illustrate our Bat series parallel robots.

Bat 800M-S3
(Fourth-axis under-mounted parallel robot)

Bat 800-S3
(Standard four-axis parallel robot)

Bat 1100B-S6
(Two-axis parallel robot)

Bat 1100C-S3
(Three-axis parallel robot)

Camel Series — Mobile Robots

Our Camel series AGV/AMR mobile robots achieve automated and efficient handling of goods by diving underneath shelves or pallets for lifting and transportation. Our Camel series mobile robots offer full-category solutions from bins to pallets, with payload from 50 kg to 3,000 kg. Our Camel series mobile robots utilize a navigation algorithm based on multi-sensor fusion, including QR code, laser SLAM, odometer, and inertial navigation. They can achieve automated and efficient transportation of goods, with a maximum movement speed of 4 m/s and a continuous working time of more than eight hours under rated conditions. Our Camel series mobile robots are equipped with safety protection measures such as laser obstacle avoidance, piezoelectric touch edges, and comprehensive battery management. In January and May 2025, we launched *Chameleon* series composite mobile robots that can be integrated with our other robots and *Squirrel* series material bin mobile robots, respectively.

The following images illustrate various types of our Camel, Chameleon and Squirrel series mobile robots.

Camel-1500-D
(Mobile robot;
Maximal payload: 1,500 kg)

Chameleon-S200
(Composite mobile robot chassis;
Maximal payload: 200 kg)

Squirrel-50
(Material bin mobile robot;
Maximal payload: 50 kg)

Our Chameleon series mobile robots can be integrated with our other robot products, such as SCARA and six-axis robots to form a "mobile composite robot." The core advantage lies in the deep integration of "mobile intelligence" and "flexible operation," breaking through the limitations of traditional automation equipment that is fixed in position and has a single function. Mobile composite robots are widely used in industries such as semiconductor wafer handling and loading and unloading, material transfer in biopharmaceutical laboratories, CNC machine tool loading and unloading, and injection molding machine loading and unloading. The following images illustrate our Chameleon series mobile robots integrated with our Python series SCARA robots and Mantis series six-axis robots, respectively.

SCARA Mobile Composite Robot

Six-Axis Mobile Composite Robot

Python Series — SCARA Robots

Our Python series SCARA robots feature unique structure of three rotational joints and one vertical linear joint, with reach from 450 mm to 800 mm. Our Python series SCARA robots feature a modular design. The main parts of our Python series SCARA robots are rigorously designed and validated, utilizing high-pressure casting. The critical transmission structures are custom-tuned to ensure excellent performance and precision retention. We offer specific options suitable for cleanroom environments, achieving cleanliness levels up to CLASS 4 to meet stringent cleanliness requirements. Additionally, we offer various robot models to accommodate different customer installation methods.

As of the Latest Practicable Date, we were developing the new integrated robot controller for Python series SCARA robots and high-rigidity Python series SCARA robots. The former is currently undergoing prototype verification, while the latter is in small batch trial production. There are no impediments to our development process. We plan to commercialize both types in early 2026.

The following images illustrate our Python series SCARA robots.

Python 450-B6
(Standard
light-payload
SCARA robot)

Python 550F-B6
(Ceiling-mounted-type
full workspace
SCARA robot)

Python 800-T20
(Standard
high-payload
SCARA robot)

A4-500-Z600
(Column-type
SCARA robot)

Mantis Series — Six-axis Robots

Our Mantis series six-axis robots feature a six-axis serial articulated architecture with a modular design. Our Mantis series six-axis robots are compact, space-efficient, easy to maintain, and highly reliable, making them ideal for forming small units in space-constrained environments. Its design facilitates maintenance, ensuring high reliability and providing a solid foundation for continuous operation.

Utilizing a full dynamic model, our robots achieve torque feed forward and high-speed response, ensuring stability in production quality during loading and unloading, sorting, and assembly processes. Our robots have a working range of 570 to 1,000 mm and a payload of 3 to 7 kg. Their repeated positioning accuracy reaches ±0.02 mm, meeting the demands for high precision and speed, and accommodating various customer requirements. With their flexibility, high accuracy, and intelligent adaptability, they are widely used in complex working conditions in many industry sectors, such as consumer electronics and automotive components.

The following images illustrate our Mantis series six-axis robots.

Mantis 570-A3
(Reach 570 mm;
payload: 3 kg)

Mantis 830-A6
(Reach 830 mm;
payload: 6 kg)

Mantis 1000-A7
(Reach 1,000 mm;
payload: 7 kg)

Lobster Series — Wafer Handling Robots

Our Lobster series wafer handling robots typically have four degrees of freedom, each driven by a servo motor or a direct-drive motor. Our Lobster wafer handling robots adopt a modular platform design, including single-arm, dual-arm, and bases with standard interfaces. In response to customers’ various requirements, the robot arms support configurations for both single-arm and dual-arm, and can provide a variety of end-effectors, including vacuum type, frame clamping type, edge clamping type, flipping type, batch type, and Bernoulli type. All end-effector interfaces are standardized for convenient interchangeability.

Our wafer handling robots feature high cleanliness, high stability, and high payload capacity, compatible with various end effectors to achieve complex handling in multiple scenarios, such as standard wafer handling, ultra-thin and warped wafer handling, and reticle handling in the semiconductor sector. Our wafer handling robots adapt a pre-aligner to achieve wafer pick-and-place plus edge-finding functionality.

The following images illustrate our Lobster series wafer handling robots.

Atmospheric-type single arm robot

Atmospheric-type dual arm robot

Vacuum-type magnetic fluid sealed single arm robot

Vacuum-type direct-drive motor double arm robot

As of the Latest Practicable Date, we were developing a variable pitch atmospheric wafer handling robot, currently undergoing on-site testing. This robot serves as the core transfer mechanism inside furnace equipment. It features five forks, which can be configured for lifting or clamping, allowing it to handle a single wafer or five wafers simultaneously. The spacing between the five wafers is continuously variable, and it has mapping capabilities to facilitate wafer transfer. At the beginning of 2025, we developed a prototype that has been running continuously for over 10 million cycles. We have already signed a condition-demo contract with a customer and delivered our product. There are no impediments to our development process. We plan to commercialize this wafer handling robot in 2026.

Gorilla Series — Universal Controllers

Our Gorilla series universal controllers are general-purpose motion controllers. They adopt a modular architecture design and are compatible with mainstream industrial equipment protocols. They also provide an open API interface to facilitate various expansions for controlling common automation equipment.

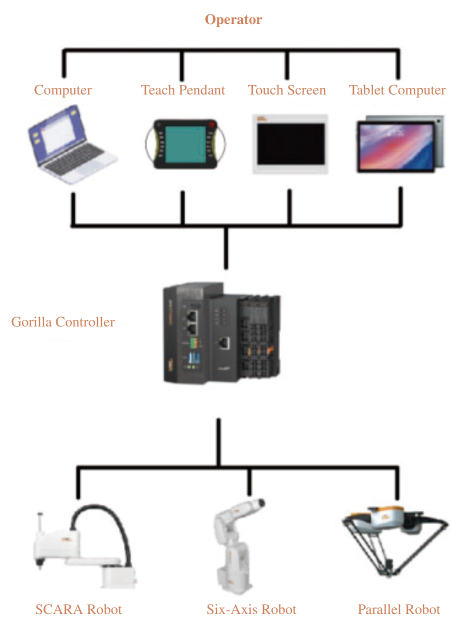
The Gorilla series controllers support multi-axis synchronous control and feature built-in electronic cam functionality, making them suitable for master-slave axis coordination scenarios. They integrate standard motion control instructions, enabling various types of robots and axis control, with a maximum of 256 axes. The controllers come with pre-configured algorithms for parallel, SCARA, and six-axis robot arms, supporting optimal trajectory planning.

The controllers support plug-in expansion installation for IO modules and sensor modules, both of which are accessories of the controllers and can be selected and customized according to actual application needs.

The following image demonstrates our Gorilla controller A10.

Gorilla Controller A10

Customers can use computer, teach pendant, or touchscreen to control our Gorilla controller, which in turn effectively manages a range of robots, including SCARA robots, six-axis robots, parallel robots and other robots and actuators as illustrated in the following image.



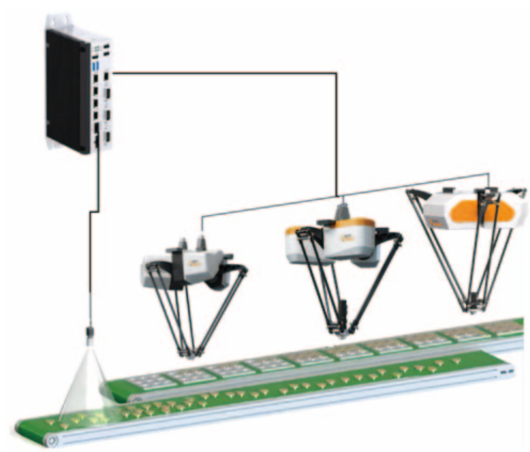
Kingkong Series — Dedicated Controllers

Our Kingkong series are dedicated controllers, supporting Bat series parallel robots, Python series SCARA robots, and Mantis series six-axis robots. The controllers include two models: Kingkong Nano robot dedicated controllers and Kingkong vision-control integrated controllers, as shown in the following images.

Kingkong Nano robot controller

Kingkong C1 vision-control integrated controller

Our Kingkong Nano robot controllers are based on the ARM architecture, featuring a compact design and cost efficiency for our customers. Our Kingkong C1 vision-control integrated controllers are based on the X86 architecture with high performance and incorporate our proprietary vision system with various process packages. As shown in the following image, the Kingkong C1 controller integrates a vision system and three parallel robots. The vision system identifies objects on the incoming conveyor, and the controller allocates the identified objects to the three robots as needed for tracking, enabling the three robots to collaborate on the same production.



Robotics Solutions

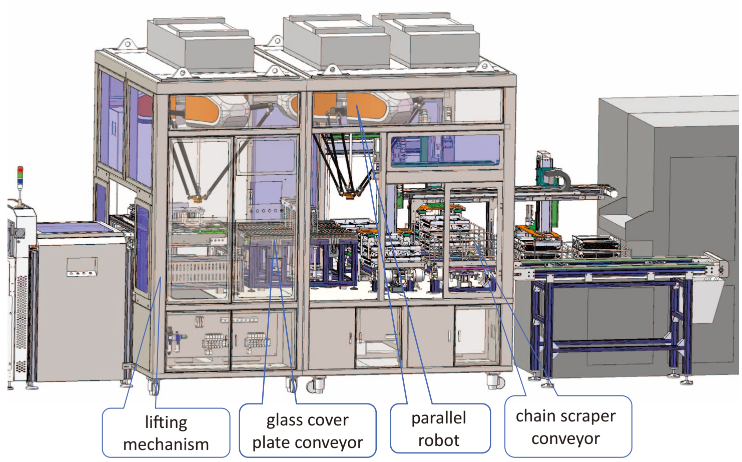
Building upon our robotic portfolio, we offer integrated robotics solutions based in intelligent automation systems to address specific application scenarios, especially in the application scenarios in the light industry, including among others, consumer electronics, automotive components and new energy, healthcare, FMCG, and semiconductor sectors. Our robotics solutions typically consist of one or more categories of robots. Leveraging our engineering experience and our in-depth insight into the various application scenarios, we design robotics solutions tailored to the specific needs of our customers and procure supporting equipment and components. In our own production facilities, we handle the physical assembly, electrical wiring, pneumatic connections, programming, and debugging for our self-developed core modules, such as the robot body and controller, as well as standard modules purchased externally or outsourced. We then conduct in-depth software development and system integration, seamlessly integrating software modules into a unified, efficient system. The robotics solution is disassembled, packaged, and delivered to the customer's site for deployment. We handle the on-site assembly and system commissioning of the solution.

The completion of the robotics solutions depends on their complexity, including physical installation and debugging, system integration and fine-tuning, safety verification, and customization, such as environmental adaptation, process customization, and software customization. The time required to complete a robotics solution depends on various factors, including the preparation of the customer's site infrastructure, the complexity of installation, system integration and optimization to address various on-site challenges, and a trial operation period, such as 72 hours or a week, to meet the various customer acceptance standards. For instance, deploying a standard high-speed sorting robotics solution may take two to six weeks, while deploying a complex automated robotics solution with multiple robots working in coordination may take 1.5 to seven months or even longer.

We launch our robotics solutions with various degrees of customization to support a wide range of automation functions, including among others, loading and unloading, sorting, picking and placing, packing, assembly, and gluing systems. We select typical examples to demonstrate the key functionalities of each solution.

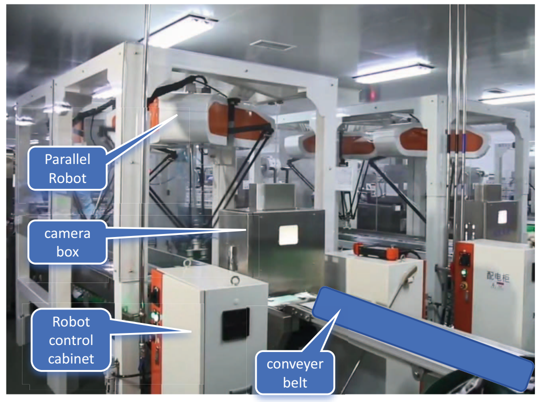
Loading and Unloading System

We provide loading and unloading systems to work with PVD coating machine. The system enables (1) PVD loading machines, equipped with two sets of module grippers, to remove the cleaning material rack from the cleaning machine; (2) Bat series parallel robots to place the customer's products from the cleaning material rack into the coating carrier; and (3) PVD unloading machines, equipped with Bat series parallel robots, to remove the products from the carrier and place them on the baking rack or conveyor. An empty coating plate is accessed from the lower layer of the PVD equipment. After positioning, the Bat series parallel robots place the products on the empty coating plate. The equipment is further equipped with a non-marking roller conveyor and non-marking PEEK material suction cups, effectively preventing dirt and scratches on the glass. The entire system has a capacity of 24 pieces per 33 seconds, with a placement accuracy of ±0.2 mm. The following image illustrates our loading and unloading systems.



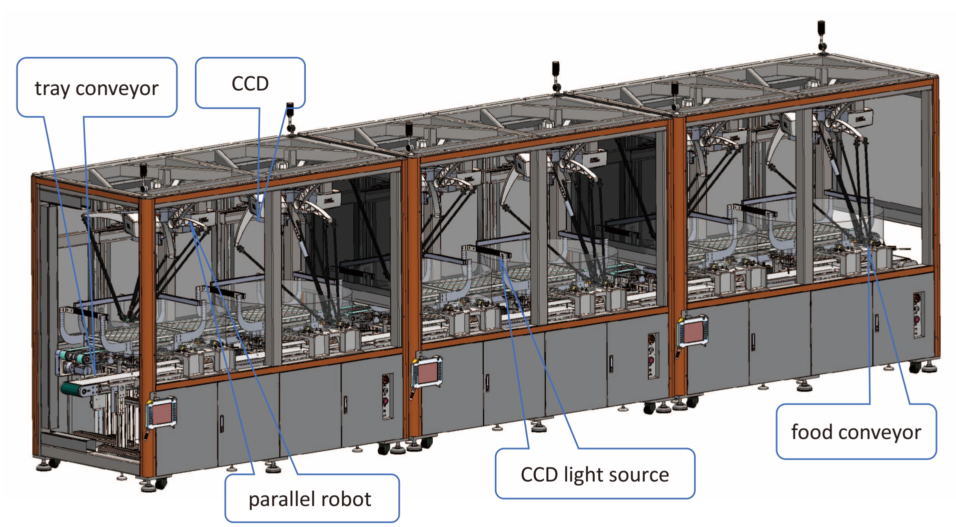
Sorting system

We have customized a food sorting line for our customers in the food industry, utilizing a total of 20 parallel robots. Our sorting system employs a self-developed visual recognition system that can identify the front and back sides of products, ensuring that only the front side is picked. With dual suction cup grippers, a single parallel robot can achieve a picking speed of up to 140 pieces per minute, enabling high-speed and precise sorting operations. Additionally, the electromagnetic oscillator conveyor speed exceeds 130 pieces per minute. This system is compatible with two types of customer products and can complete exchanges within 5 minutes. Our sorting system addresses issues of low production efficiency, poor hygiene conditions, and unstable quality for our customers. The following image illustrates our sorting systems in the food industry.



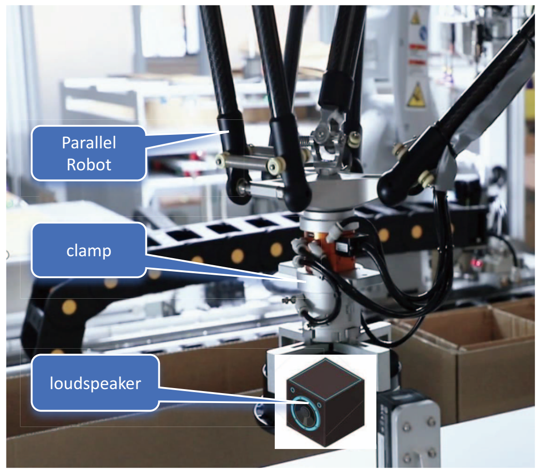
Picking and placing system

We have customized an automatic picking and placing system for our customers in the food industry. This system primarily includes six Bat series parallel robots, an automatic pallet unpacking machine, conveyors, a positioning module, and vision inspection systems. The vision systems use specialized CCD cameras to inspect materials, and the parallel robots pick up materials and place them in fixed plastic pallets. Once the pallets are filled, they are conveyed to the next station. The vision systems then automatically recognize three types of pallets, and the parallel robots place materials according to the pallet type. For different types of materials, we provide various end-effectors to ensure compatibility with multiple material types. The following image illustrates our picking and placing system.



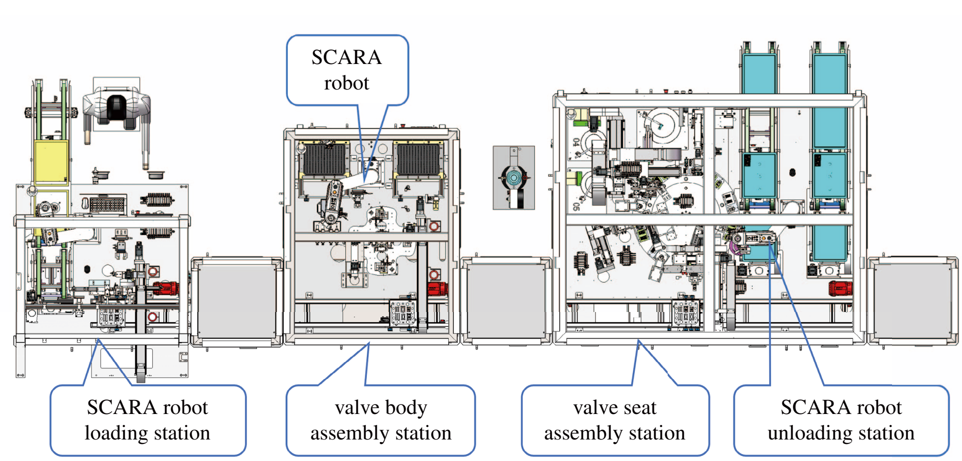
Packing system

Our packing system mainly includes our Bat series parallel robots, MES scanning machines, vision tracking and inspection system, and product and carton conveyer. The system can be used in the electronics industry to receive products (e.g., speakers) and cartons from the upstream conveyor and pack them. The MES scanning machine scans the QR codes of the products and cartons, binds them, and uploads the information to the MES. The parallel robot automatically labels the corresponding positions on the outer carton with a labeling accuracy of ±3 mm. The parallel robot then tracks the conveyor and sequentially grabs the products, loading them into the carton. The vision inspection system takes photos to confirm the quantity and placement for products. After the carton is packed, the parallel robot takes the pallet and place it on the conveyor to stack the cartons. The vision inspection system confirms packing completion, and the entire machine outputs the cartons filled with products. The following image illustrates our packing systems.



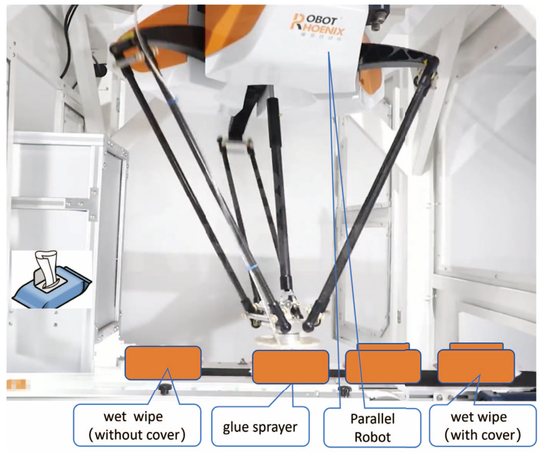
Assembly system

We have designed a fully automated production line for assembling and testing solenoid valves for our customers. This line is compatible with multiple products. The assembly process includes process control, visual inspection, and quick change modules. The system balances production rhythms to achieve efficient production capacity, ensuring the entire production is stable and controllable. Specifically, the vision inspection system guides the SCARA robot to pick up the valve body from the material box for loading. The system assembles the valve, while the SCARA robot assembles the tube and end cap, and picks up the spring and spring seat for assembly. The SCARA robot then unloads the valve to conveyor. The following image illustrates our assembly system.



Gluing system

We provide a gluing system designed for attaching wet wipe covers in wet wipe production. This system automates the entire process of labeling, gluing, and attaching the covers. An automatic labeling machine is used to affix labels to the covers. Our parallel robot, equipped with a suction cup, picks up the covers and applies glue around them. Our vision inspection system tracks the covers, ensuring that they are successfully attached. The gluing system can achieve a maximum speed of 100 packs per minute, with a mislabeling error of no more than ±1 mm. It features six adjustable feeding cylinders for wet wipe covers, compatible with various sizes of wet wipe covers and packs, and can store up to 600 wet wipe covers. Our gluing system addresses the issues of low manual production efficiency, poor hygiene conditions, and unstable quality for customers. The following image illustrates our gluing system.



Reticle cleaning system with double-sided water washing function

As of the Latest Practicable Date, we are developing a reticle water cleaning for the glass side and barcode side of the reticle cleaning system with a double-sided water washing function. This system is a key piece of supporting equipment for 12-inch fab lithography machines. It can open various reticle carriers, and it supports the E84 communication protocol and allows for visual inspection of reticles in a microenvironment, which could avoid the pollution and risks caused by manual operations. Additionally, it supports air knife cleaning for the glass side and pellicle side of the reticle, as well as water cleaning for the glass side and barcode side of the reticle. The price of this system is relatively high, approximately RMB2.0 million. We are at the forefront of the domestic market, with an estimated annual demand of approximately ten to 15 systems. We received a formal purchase order in 2025 and delivered the product to the customer's site for testing.

International Standards

The industrial robotics industry follows a series of international standards to ensure the safety, reliability, and compatibility of products throughout their design, manufacturing, and usage.

EN ISO 10218-1:2011: Robots and Robotic Devices — Safety Requirements for Robots. This standard specifically stipulates safety design requirements for robots, including mechanical structure, control systems, motion range, speed, emergency stop functions, and human-machine interaction safety. It aims to ensure that robots do not cause harm to personnel during operation. Our key specialized products, including the Bat series parallel robots (Bat 800-S3, Bat 1100-S3, Bat 1300-S6, and Bat 1600-S6) and the Python series SCARA robots (Python 450-B6, Python 550-B6, Python 650-B6, Python 800-B10, and Python 800-B20), meet the EN ISO 10218-1:2011 standard.

EN 60204-1:2018: Safety of Machinery — Electrical Equipment of Machines. This standard applies to the electrical and electronic systems of machinery, specifying the design, installation, and verification requirements for electrical systems. These include power connections, electrical protection, control circuits, and measures to prevent electric shock, ensuring that electrical systems do not pose a hazard to operators or equipment. Our Bat series parallel robots (Bat 800-S3, Bat 1100-S3, Bat 1300-S6, and Bat 1600-S6) and Python series SCARA robots (Python 450-B6, Python 550-B6, Python 650-B6, Python 800-B10, and Python 800-B20) meet the EN 60204-1:2018 standard.

EN ISO 12100:2010: Safety of Machinery — General Principles for Design. This standard applies to all types of machinery, providing the basic principles and methodology for machinery safety design. It emphasizes a systematic approach to risk assessment and risk reduction, covering all stages of the machinery lifecycle. Our parallel robot series (Bat 800-S3, Bat 1100-S3, Bat 1300-S6, and Bat 1600-S6) and SCARA robot series (Python 450-B6, Python 550-B6, Python 650-B6, Python 800-B10, and Python 800-B20) all comply with the EN ISO 12100:2010 standard.

ISO 14644-1:2015 and ISO 14644-14:2016: Cleanrooms and Associated Controlled Environments Standards. These standards specify the classification and assessment methods for cleanrooms and associated controlled environments. They are widely used in industrial scenarios with strict cleanliness requirements. Our Python series SCARA robot (Python 800-C10) complies with the ISO 14644-1:2015 and ISO 14644-14:2016 standards, achieving ISO Class 4 cleanliness,

Additionally, in the semiconductor equipment sector, the industry primarily adheres to Semiconductor Equipment and Materials International ("SEMI") standards. These global standards and regulations apply to semiconductor and display materials and manufacturing equipment, aiming to reduce mechanical hazard risks. They cover all equipment used in chip manufacturing, measurement, assembly, and testing, becoming essential specifications for equipment systems in the semiconductor industry.

SEMI S2: Environmental, Health, and Safety Guidelines for Semiconductor Manufacturing Equipment. SEMI S2 is a standard that specifies the basic health and safety requirements for semiconductor process equipment suppliers, covering various safety areas such as electrical, mechanical, fire, chemical, radiation, noise, and seismic protection. Compliance with SEMI S2 not only meets international regulations but is also a necessary condition required by semiconductor industry insurance companies. It has become the de facto safety standard for semiconductor manufacturing equipment both in the United States and internationally. Our mainstream semiconductor robots and solutions, including atmospheric wafer robots, equipment frontend modules, reticle cleaning systems, and pre-aligners, are all designed and manufactured in accordance with SEMI S2 standards and have passed SEMI S2 certification.

Commercialization

We specialize in the design, development, manufacturing and commercialization of industrial robots and the offering of integrated robotics solutions. All of our industrial robots and related robotics solutions are designated Specialist Technology Products as defined under Chapter 18C of the Listing Rules. Our Directors are of the view that our industrial robots and related robotics solutions fall within an acceptable sector of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules on the following basis, as advised by Frost & Sullivan: (1) our industrial robots of various series and Gorilla and Kingkong series controllers, designed for application scenarios in various industry sectors, are programmable products, and thus fall within the definition of robot technology, and (2) our integrated robotics solutions involve the application and integration of robots, computer software and vision detection system for the improved performance of tasks and automation processes. We have adopted a transaction-based model for the sales of our industrial robots and related robotics solutions. The following table sets forth a summary of how all of our industrial robots and related robotics solutions fall within an acceptable sector of a Specialist Technology Industry as defined under Chapter 18C of the Listing Rules.

Specialist technology products	Specialist technology industry acceptable sector	Main function analysis
Bat series	Robotics and automation (robot technology)	Our Bat series robot demonstrates remarkable versatility across multiple industries. With its fast and flexible characteristics, it is particularly suitable for product sorting, material handling, and packaging in light industry sectors.

Specialist technology products	Specialist technology industry acceptable sector	Main function analysis
Camel series	Robotics and automation (robot technology)	Our Camel series robot is designed for material transport for multiple industries. It is widely used in industries such as semi-conductor loading and unloading, material transfer in biopharmaceutical laboratories, CNC machine tool loading and unloading, and injection molding machine loading and unloading.
Python series. . . .	Robotics and automation (robot technology)	Our Python series robot brings improvements to precision assembly, high-speed handling, and adaptability in multiple industries. Its specific functions and application areas include precision assembly and positioning, high speed material handling and sorting, adaptability to complex environments.
Mantis series. . . .	Robotics and automation (robot technology)	Our Mantis series robot has multi-degree-of-freedom and high flexibility. The robot can perform tasks such as loading and unloading, sorting, and assembly with high speed and precision. It has been successfully applied in automotive parts processing and electronics assembly.
Lobster series . . .	Robotics and automation (robot technology)	Our Lobster series robot is specifically designed for semiconductor industry. It can achieve complex handling in multiple scenarios, such as standard wafer handling, ultra-thin and warped wafers handling, and reticle handling, ensuring high cleanliness, high stability, and high payload.
Gorilla series. . . .	Robotics and automation (robot technology)	Our Gorilla series controller can effectively manage a range of robots, including parallel robots, SCARA robots, and six-axis robots, and can be used in multiple industries. It controls robots to perform tasks such as loading and unloading, sorting, picking and placing, packing, assembly, and gluing.
Kingkong series . .	Robotics and automation (robot technology)	Our Kingkong series controller can manage both vision detection system and multiple robots, including Bat series robots, Python series robots, and Mantis series robots. Specifically, it collects information from vision detection system and control robots to perform tasks in the tracking, picking and multi-robot collaborative loading system in multiple sectors.
Integrated robotics solutions	Robotics and automation (robot technology)	Our integrated robotics solution is designed to address specific application scenarios, particularly in various industry sectors such as consumer electronics, automotive components and new energy, healthcare, FMCG, and semiconductor equipment. The solutions integrates our robots with other hardware, software and systems in various degrees of customization to support a wide range of automation functions.

Major customer type and customer demand drivers

Our customers are corporations primarily in light industry covering consumer electronics, automotive components and new energy, healthcare, FMCG, and semiconductor sectors. According to the F&S Report, the rapid growth of the industrial robot and solution markets are primarily driven by several key factors, including increasing labor costs and workforce shortages, technological advancements in core components, demand from emerging and traditional sectors, and government policies and strategic support.

Pricing and payment

We determine the price for our industrial robots and related robotics solutions based on several factors, including our costs, customers' demand, economic condition and competitive landscape of a particular geographical market. Additionally, we have also adopted tiered pricing strategies based on procurement amount and relationship with specific customers.

The following table sets forth the timeline of our commercialization of each of our industrial robot series and related robotics solutions.

Product series	Bat Series	Camel Series	Python Series	Mantis Series	Lobster Series	Gorilla Series	Kingkong Series	Robotics Solutions
Commencement of revenue generation. . .	2014	2023	2021	2021	2022	2022	2024	2014

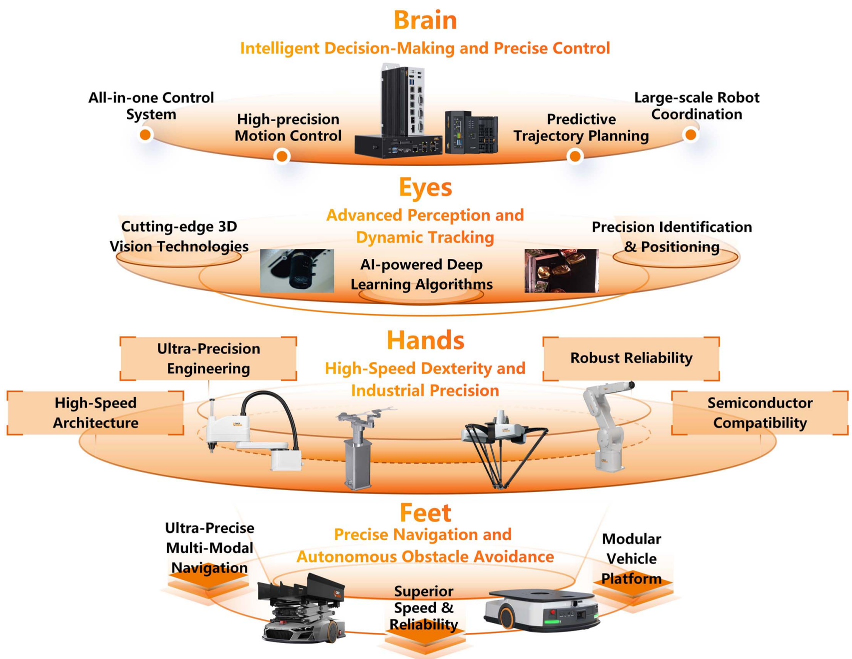
Market Opportunity and Competition

China's industrial robot market, in terms of revenue, grew from RMB37.9 billion in 2021 to RMB67.3 billion in 2025, at a CAGR of 15.4%. As downstream application scenarios and market demand continue to expand, the market is expected to reach RMB147.2 billion by 2030, at a CAGR of 17.2% from 2026 to 2030. China's light industrial robot market, in particular, is expanding rapidly, driven by automation upgrades and policy support for smart manufacturing. China's light industrial robot market grew from RMB14.3 billion in 2021 to RMB24.6 billion in 2025, at a CAGR of 14.5%. As more industry sectors seek to enhance efficiency and precision through robotic automation, China's light industrial robot market is expected to reach RMB53.1 billion by 2030, at a CAGR of 17.0% from 2026 to 2030. Relatedly, China's light industrial robot solution market grew from RMB44.3 billion in 2021 to RMB86.1 billion in 2025, at a CAGR of 18.0%. With the increasing adoption of automation in downstream industry sectors and the demand for smart manufacturing, China's light industrial robot solution market is expected to reach RMB212.6 billion in 2030, at a CAGR of 20.2% from 2026 to 2030.

In China's industrial robot and solution market, there are two main types of participants, including companies that provide both robot bodies and integrated robotics solutions, and system integrators that focus solely on integration using third-party hardware. Companies in the former category generally have significantly greater advantages in technology control, supply chain coordination, and solution consistency.

OUR CORE TECHNOLOGIES

Leveraging our interdisciplinary R&D capabilities, we are dedicated to creating fully autonomous embodied intelligent robot technology. We have established a core technology system that integrates the "Brain," "Eyes," "Hands," and "Feet," as illustrated in the image below. This system endows robots with robust intelligent decision-making, environmental perception, precise manipulation, and autonomous mobility, allowing them to seamlessly integrate into complex industrial environments.



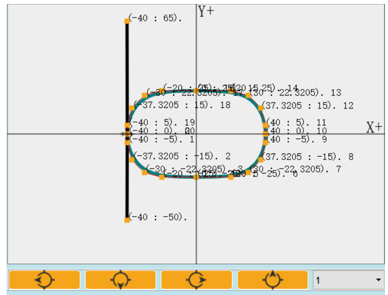
Brain — Intelligent Decision-Making and Precise Control

The intelligent control system is the core brain of our industrial robots, responsible for precise motion planning, real-time decision-making, and multi-robot collaborative control. As of the Latest Practicable Date, we had developed over a dozen of intelligent process packages which automatically adjust operational parameters based on real-time conditions and simplify operational steps to optimize the robotic performance.

All-in-one control system. Our intelligent control system utilizes an "all-in-one" architecture, which combines robot and vision control on one platform, considerably reducing the system size compared to traditional robots that deploy vision separately. This effectively simplifies the complexity of debugging and deployment.

High-precision motion control and predictive trajectory planning. In terms of control performance, the system employs precise control technology based on a complete dynamic model and integrates intelligent velocity predictive trajectory planning, achieving high precision and efficiency in motion control.

Large-scale robot coordination. We have developed advanced distributed multi-robot co-operative control technology to facilitate intelligent coordination among large-scale robot fleet. The application of this technology increases cluster-sorting efficiency by over 30% compared with single-robot control, higher than the industry average, according to the F&S Report. Building upon various industrial process know-how, we have iteratively developed over a dozen of process packages that address a wide range of industrial scenarios. For instance, in gluing and capping process for wet wipe packaging, the production speed empowered by our system reaches approximately 100 packs/minute, above the industry norm of 80 packs/minute. The following figure demonstrates the glue application trajectory creation interface.



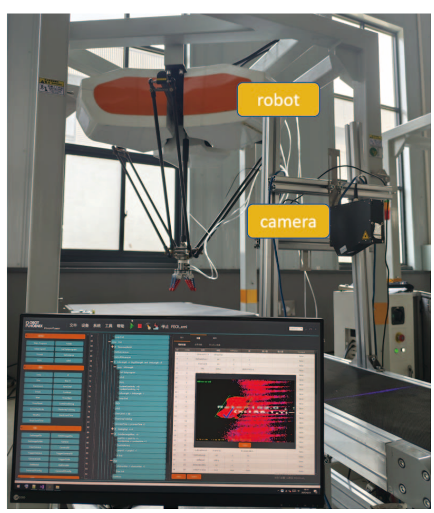
Eyes — Intelligent Perception and Dynamic Tracking

Our vision-control architecture leverages proprietary software with advanced 2D/3D vision and deep-learning algorithms. The system integrates 3D vision technologies and optimized deep learning networks, significantly enhancing the precision and stability of vision positioning. It includes cameras, lenses, and light sources, and a proprietary vision software platform, which is highly compatible with our robots. The platform offers flexible programming and user-friendly operation, supporting deep learning and 3D applications. Our vision software platform can utilize various types of cameras and supports multiple communication protocols.

3D vision technologies. The system features self-developed libraries for vision image processing, integrating 3D vision technologies, such as TOF and 3D laser for robotic positioning.

AI-powered deep learning algorithms. Leveraging neural networks and AI technologies together with big data, these systems deliver superior object detection capabilities for complex application scenarios involving random positioning, stacking, and overlapping arrangements.

Precision identification and positioning. Our proprietary vision technology seamlessly integrates with robotic systems. The following figure demonstrates the integration of our vision software platform with Bat series parallel robots to achieve high-precision alignment of brake pads in the automotive industry.



Hands — High Speed Dexterity and Industrial Precision

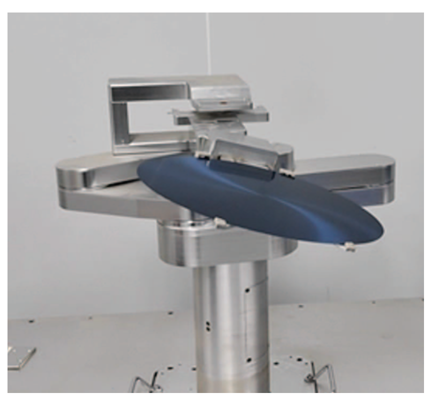
Our mechanical design combines advanced modeling technology with precision manufacturing to deliver consistent performance and industrial-grade reliability. High-speed architecture enables enhanced speeds and acceleration, while ultra-precision engineering, supported by full-parameter calibration and low-backlash gearboxes, ensures outstanding positioning accuracy. We have achieved robust reliability through lightweight composite structures and one-piece casting, minimizing mechanical failure risks. Furthermore, through our ultra-clean design and meticulous assembly procedures, we successfully meet the demanding requirements of modern semiconductor processes.

Ultra-precision engineering. Through calibration, our robots attain absolute positioning accuracy of up to 0.28 mm, enabling real-time tracking and bi-directional multi-position arrays. We employ high-precision gearboxes to bring our robotic arms to achieve repeatability of up to ±0.02 mm, making them well-suited for high-precise assembly tasks.

High-speed architecture. Our parallel robot achieves a speed of up to 8.4 m/s, an acceleration of 15 G. Through kinematic and dynamic simulation optimization, under the same load-stroke-cycle parameters, the motor power is reduced by more than 30%, demonstrating excellent energy-saving performance.

Robust reliability. Key components of our robots, e.g., gearbox and motor, are subject to multiple rounds of stress analysis during the design phase to withstand the most demanding operating conditions. Advanced casting process are deployed to ensure long-term precision stability, while our proprietary carbon fiber composite structure ensures both lightweight design and high structural strength for the robot. Our Bat series parallel robots are the first domestic model to pass the 20,000-hour trouble-free operation.

Semiconductor compatibility. Our optimized design enables wafer handling robots to achieve high-cleanliness transfers that meet ISO Class 1 standards. The system features advanced multifunctional end-effectors, including non-contact Bernoulli grippers with integrated in-situ detection capabilities and flip-clamp reticle end-effectors equipped with precise torque control. Furthermore, the high-integration cable design and high payload capability work together to significantly enhance the robot's process adaptability, enabling it to seamlessly meet the demanding requirements of semiconductor manufacturing processes.

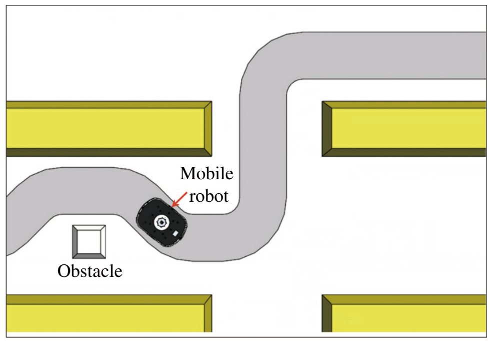


Non-contact Bernoulli grippers with integrated in-situ detection

Feet — Precise Navigation and Autonomous Obstacle Avoidance

Our mobile robot system delivers navigation precision through proprietary architecture. The modular vehicle platform allows rapid customization and supports multiple models, from latent mobile robots to composite mobile robots, with international safety certifications. Our robot controller integrates multi-modal navigation technologies, including laser SLAM, QR code, odometry, inertial, and vision systems, achieving millimeter-level positioning accuracy and real-time obstacle avoidance. Our Camel series mobile robots, in particular, operate at high speeds with solid stability across wide temperature ranges, maintaining ultra-low failure rates under the control of advanced robotic technology.

Ultra-precise multi-modal navigation. Our mobile robots support real-time obstacle avoidance in dynamic environments. The upcoming third-generation controller uses a multi-agent scheduling algorithm, capable of simultaneously scheduling over 500 vehicles, and can improve operational efficiency by more than 10% through dynamic path planning and deadlock prevention mechanisms. The following image illustrates how our mobile robots can detect obstacles, navigate around them, and find an alternative path to continue their journey.



Real-time obstacle avoidance

Superior speed & reliability. Our Camel series mobile robots can reach a maximum operating speed of 4 m/s and can operate stably in a wide temperature range of -10°C to 40°C, which is far superior to the industry average. Our mobile robots can also be integrated with our other robotic products, such as SCARA and Mantis series robots.

Modular vehicle platform. Through its modular design, the vehicle platform accommodates various controllers, navigation methods, and vehicle models, enabling it to meet diverse customer requirements.

Through our innovations across these four key pillars, our technology achieves millisecond-level coordination from perception to execution. This technology substrate enables our robots and robotics solutions to meet the high-speed and high-precision requirements in the addressable industry sectors. With the advanced environmental adaptation and autonomous learning capabilities, it also lays a solid foundation for the commercial deployment of the next-generation intelligent robots at scale.

RESEARCH AND DEVELOPMENT

We have established interdisciplinary R&D capabilities that draw upon a diverse range of fields, such as mechanical engineering, control systems, computer science, human-machine interaction, artificial intelligence, and sensor technologies. During the Track Record Period, we have continued to invest in R&D to drive innovation and enhance our product offerings. Notable ongoing projects include the development of the 2025 Bat Series High-Load Product, which comprises five new high-load parallel robot models with workspace diameters ranging from 1,100 mm to 2,200 mm. These models are designed to meet increasing customer demand for higher payload capacities, offering significantly improved load capabilities of 15 kg and 25 kg. In addition, we are advancing the 2025 Heavy-Duty Wafer Robot project for the semiconductor industry, aimed at developing a robot with a 10 kg load capacity. This solution is tailored to address the growing market need for handling semiconductor ingots, Panel Level Packaging (PLP) glass substrates, and complex end effectors.

Our R&D Strategies

Our in-house R&D team strives to expand the available functionalities and use cases of our industrial robots and related robotics solutions, accommodating the specific needs of diverse sectors, especially in the application scenarios in the light industry. During the Track Record Period, our research and development expenses were RMB33.1 million, RMB38.7 million and RMB70.8 million in 2023, 2024 and 2025, respectively, accounting for 16.5%, 27.1% and 18.3% of our revenue in the same periods, respectively.

We have not in-licensed any intellectual property rights or outsourced any R&D processes to third parties. Since our inception and up to the Latest Practicable Date, we had not been subject to any legal claims or proceedings that may have a negative impact on the R&D of our robot products.

Our R&D Team and Core Members

As of the Latest Practicable Date, we had a R&D team of 227 experts and engineers in the robotics industry, representing 36.0% of our total headcount. Among our R&D members, approximately 89% hold a bachelor's degree or higher. The average work experience of our R&D team is approximately nine years. This extensive experience allows our team to effectively enhance R&D efficiency and minimize R&D risks. The following table sets forth the details of our core R&D members.

Core members	Profile
Dr. ZHANG Sai	Dr. Zhang has served as a Director since June 2012, the chairman of the Board since May 2014 and president of our Company since March 2016, and was redesignated as an executive Director in June 2025. He is primarily responsible for the overall strategic planning and business operations of our Group. Dr. Zhang has over 17 years of experience in mechanical engineering, intelligent manufacturing and corporate management. Prior to joining our Group, from September 2007 to November 2012, he worked as a senior engineer of CPS promotion department at Chen Hsong Machinery (Shenzhen) Co., Ltd. (震雄機械(深圳)有限公司), a company primarily engaged in the production of injection molding machines, where he was primarily responsible for injection molding machine design and lean production management. Dr. Zhang obtained a bachelor of engineering degree in thermal and power engineering from Tsinghua University in the PRC in July 2006, a master of science degree in mechanical engineering from Columbia University in the United States in May 2007, and a doctor of engineering degree in advanced manufacturing from Tsinghua University in December 2024. See "Directors and Senior Management" for details.
Mr. TU Shengping	Mr. Tu is our Deputy General Manager and Chief Technology Officer. He holds a bachelor's degree in mechanical engineering and automation and a master's degree in instrument science and technology from Tsinghua University, as well as a management diploma from China Europe International Business School. Mr. Tu has over 15 years of R&D and management experience at global industrial robotics companies, with comprehensive expertise across the entire product lifecycle of robotics systems, including technology research, design, testing, production, and iteration. He previously served as R&D manager for the China region at ABB Robotics, where he led large-scale R&D teams, spearheading the development and commercialization of advanced industrial and collaborative robots, and next-generation SOC platform controllers. Mr. Tu also served as a committee member of the National Robotics Standardization Committee.

Core members	Profile
Mr. SUN Tongliang	Mr. Sun has served as a Director since March 2017, and was redesignated as an executive Director in June 2025. He is primarily responsible for the development and management of controller products of our Group. Mr. Sun has over 11 years of experience in engineering and intelligent manufacturing. Prior to joining our Group, from August 2008 to June 2010, he worked at POWERCHINA Nuclear Engineering Co., Ltd. (中國電建集團核電工程有限公司) (formerly known as Shandong ElectricPower Construction No.2 Co., Ltd. (山東電力建設第二工程公司)), a company primarily engaged in electric power construction. Mr. Sun obtained a bachelor's degree in automation from Shandong University of Light Industry in the PRC in July 2008 and a master's degree in control science and engineering from Shandong University in the PRC in June 2013.
Mr. ZHANG Zhongfa	Mr. Zhang has served as the robotics software scientist of our Company since August 2023. He is primarily responsible for AGV and warehouse logistics of our Group. Mr. Zhang has over 15 years of experience in software development. Mr. Zhang joined our Company in July 2014 as the manager of software team, where he was primarily responsible for the overall software development. Earlier in his career, from August 2009 to May 2010, he worked as an equipment engineer at Qilu Pharmaceutical Co., Ltd. (齊魯製藥有限公司), a company primarily engaged in production of pharmaceuticals and raw materials, where he was primarily responsible for maintenance of equipment. From June 2010 to May 2014, he worked as a software control engineer and later the chief engineer at Jinan Runtian Testing Machinery Co., Ltd. (濟南潤天測試機械有限公司), a company primarily engaged in production of test machinery for the oil pump industry, where he was primarily responsible for development of test equipment. Mr. Zhang obtained a bachelor's degree in automation from Shandong University in the PRC in June 2009.
Mr. ZOU Lei	Mr. Zou is the head of our semiconductor business unit. He holds a bachelor's degree in mechanical design, manufacturing, and automation from Harbin Institute of Technology. As a core R&D member of our semiconductor sector, he has proposed a new platform for atmospheric robots, compatible with payloads ranging from 0.5 to 5 kg. This platform features modular arms and bodies that can be interchanged within a flexible system. He has developed a specialized wafer transfer system for a complete set of coating and developing machines, specialized robots for cleaning processes and furnace tube processes, vacuum robots, as well as integrated machine for reticle cleaning and inspection in lithography equipment. Additionally, he has led the development of four major product lines for wafer handling systems, including (1) universal wafer handling robots, developed in 2023 and commercialized in 2024; (2) process wafer handling robots, developed from 2023 to 2024 and commercialized from 2023 to 2025; (3) wafer handling accessories, developed in 2023 and commercialized in 2024; and (4) wafer handling equipment, developed from 2023 to 2024 and commercialized in 2024.

Core members	Profile
Mr. LI Xiangming	Mr. Li is our General Manager of the humanoid robot business unit. He holds a master's degree in information engineering from Tongji University and is a senior expert in intelligent control and robotics with over 13 years of R&D management experience. He has full-process control capabilities, from team building to project implementation. Previously, Mr. Li served as CTO of an embodied intelligent robot company and as deputy general manager of R&D department at UBTECH Robotics. He also worked as a director at Midea Group, where he led the application of AI technology in robots and home appliances. The products developed under his leadership won the "Wu Wenjun AI Science and Technology Progress Award" in 2019 and 2020.

We retain key managerial and technical staff by (1) offering competitive remuneration packages and incentive benefits; (2) providing opportunities for internal job transfers and external education; and (3) signing non-competition agreements. We also invest in training programs to upskill our key managerial and technical staff. In the event of termination of employment requested by a key staff, we closely communicate with the staff for the reason of departure and feedback for us. We mitigate the impact of employment termination by (1) establishing an intellectual property management system and filing patent applications promptly; (2) building an R&D database to consolidate industry knowledge; and (3) providing at least one backup employee for key positions. We also recruit candidates with relevant knowledge and skills by online recruitment, internal referrals and employment agencies, among others, to avoid the negative impact that could be caused by the departure of any key staff.

The salient terms of agreements with management and technical staff are set out below.

No conflict. During the employment, the employee shall not engage in any other job, whether full-time or part-time.

Inventions arrangement. We own all rights, titles and interests (including patent rights, copyrights, trade secret rights and all other intellectual property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), designs, know-how, ideas and information made, conceived or reduced to practice, in whole or in part, by the employee during the term of the employment contract to the fullest extent allowed by applicable laws, and the employee shall promptly disclose all inventions to us.

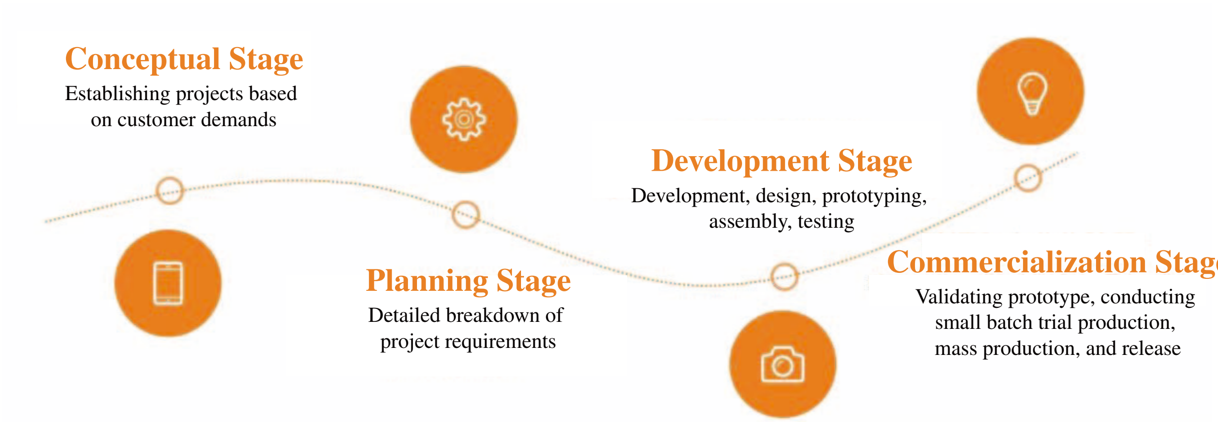
Proprietary information arrangement. All inventions and all other business, technical and financial information (including, without limitation, the identity of and information relating to customers or employees) the employee develops, learns or obtains during the term of the employment contract that relate to us or our business or demonstrably anticipated business, or that are developed in whole or in part during the employment or using our equipment, supplies, facilities or confidential information, or that are received by or for us in confidence, constitute proprietary information. The employee shall hold in confidence and not disclose or, except within the scope of the employment, use any proprietary information.

Confidentiality. During the employment, the employee shall not, without our prior written consent, disclose, divulge, announce, publish, impart, transfer or otherwise make known to any third party, or in any way use any information, such as technical and trade secrets, belonging to us or belonging to any other party for which we have a duty of confidentiality.

Non-competition. We have the right to unilaterally initiate a non-competition period of up to two years following the termination of employment. During the term of employment and the non-competition period initiated by us, the employee shall not engage in any competitive behavior.

Our R&D Process

Our R&D process involves a framework in which factors such as customers demand, feasibility analysis, technology developments, and use cases are taken into consideration. The diagram below sets out the principal steps which we generally follow in our R&D process.



Our R&D process mainly includes conceptual stage, planning stage, development stage, and commercialization stage.

Conceptual stage. Conceptual stage includes the preparatory stages from demand planning to project establishment. In this stage, our product planning department conducts demand research and data collection as well as market and technical feasibility analysis, and submits relevant R&D project establishment application for management's review.

Planning stage. Planning stage focuses on systematic requirement decomposition and design concept development. In this stage, our R&D department conducts comprehensive requirement breakdown analysis based on the conceptual stage inputs, develops core design concepts and technical approaches, and establishes detailed project planning frameworks. This includes defining system architecture specifications, component requirement matrices, software algorithm concepts, and establishing technical milestones and development timelines that serve as the foundation for the entire product development lifecycle.

Development stage. Development stage encompasses detailed engineering design through prototype verification and testing. In this stage, our R&D team executes precision mechanical design, electrical system integration, and control algorithm implementation based on the planning stage specifications. We conduct components manufacturing and procurement, followed by systematic assembly and integration of robotic prototypes. Concurrent with the prototype development, our testing department performs comprehensive functional verification, motion accuracy testing, payload capacity validation, repeatability analysis, and reliability assessment to ensure the prototype meets industrial automation standards and performance requirements.

Commercialization stage. Commercialization stage includes the stages from trial production review to full-scale commercialization. During the trial production review, we determine whether to carry out small batch trial production of relevant products. The validation process is conducted based on small batch trial production results, where we perform comprehensive market validation, manufacturing process validation, quality consistency assessment, and customer acceptance testing to ensure product readiness for mass production. Based on these validation outcomes, we further determine whether to proceed with full-scale mass production, which represents the successful commercialization of relevant products.

INTELLECTUAL PROPERTY RIGHTS

We believe that our intellectual property rights are critical to our continued success. Our future commercial success depends, in part, on our ability to obtain and maintain patents and other intellectual property and proprietary protections for commercially important technologies, inventions and knowhow related to our business. It is also crucial for us to defend and enforce our patents, preserve the confidentiality of our trade secrets, and operate without infringing, misappropriating or otherwise violating the valid and enforceable intellectual property rights of third parties.

We have taken the following key measures to protect our intellectual property rights, including: (1) implementing a set of comprehensive internal policies to establish robust management over our intellectual property rights, (2) establishing an intellectual property taskforce to guide, manage, supervise and monitor our daily work regarding intellectual properties, (3) timely registration, filing and application for ownership of our intellectual properties, (4) actively tracking the registration and authorization status of intellectual properties and taking action in timely manner if any potential conflicts with our intellectual property rights are identified, and (5) clearly stating all rights and obligations regarding the ownership and protection of intellectual properties in the employment agreements we enter into.

As of the Latest Practicable Date, we had 286 granted patents, including 39 invention patents, 231 utility model patents and 16 design patents, and filed 74 patent applications which were pending approval. All the applications are independently filed by us, and aside from the application fees, there are no other significant payment obligations. As of the Latest Practicable Date, there were three co-ownership arrangements covering 13 patents, which relate to a legacy model of parallel robots that is distinct from our current model and certain specific robotics solutions involving packing and sorting and are not material to our technology substrate, robot lineup or solution offerings. Each of the three co-ownership arrangements were entered into with a distinct counterparty, which spanned renowned academic institutions and large corporations. Revenue generated from our co-owners of patents during the Track Record Period amounted to RMB6.9 million. Major rights and duties according to the three co-ownership agreements typically include:

Ownership. The relevant patents developed under the agreement are held jointly by us and the co-owner.

Obligations. We engage in different forms of R&D collaboration. In one case, we fund the research while our partner conduct model development and we perform subsequent fine-tuning for application. In the other two, our partners fund the projects, while we conduct the R&D work and offer the robotics solutions.

Payment. All payments are settled within the duration of the agreement, which is between one and three years, in the form of R&D funding.

Licensing and confidentiality restrictions. Any licensing or authorization to third parties generally requires the prior consent of both parties. Both parties are required to maintain strict confidentiality regarding the patents and related collaborative work.

The following table demonstrates examples of patents that are self-developed and held by us in connection with our core technologies which we consider to be material to our business, all of which are solely owned by us.

Product	Patent Name	Patent Type	Jurisdiction	Application date	Expiry date	Status	Core technology	Functions
Bat series parallel robots . . .	High-Efficiency Express Sorting System and Sorting Method (一種快遞高效分揀系統及其分揀方法)	Invention	China	March 2019	March 2039	Valid	Identification of distribution of materials	Achieve recognition and sorting of materials in mixed arrangement and stacking

Product	Patent Name	Patent Type	Jurisdiction	Application date	Expiry date	Status	Core technology	Functions
	Flexible Path Algorithm for Robot Pick-and-Place Operations (一種機器人取放柔性路徑算法)	Invention	China	March 2019	March 2039	Valid	Analyze the information to obtain a flexible path	Adjust picking and placing sequence to improve production efficiency
	Torque-based Home Position Calibration Method for DELTA Robots (DELTA機器人扭矩找零點方法)	Invention	China	March 2019	March 2039	Valid	A method for a robot to return to its home position	Quickly return to the robot's homing position, improving accuracy
	Three-in-one croissant grabber device (三合一牛角包抓手裝置)	Invention	China	September 2019	September 2039	Valid	A device to grabber three types of croissant	Achieve grabbing croissant by using parallel robot
	Wet tissue cover feeding mechanism (濕巾蓋上料機構)	Utility Model	China	May 2021	May 2031	Valid	A module to feed different categories of wet tissue cover	Achieve cover feeding by using parallel robot, improving efficiency
	Home Position Calibration Method for Parallel Robots (並聯機器人的零點標定方法)	Invention	China	April 2022	April 2042	Valid	A method to improve calibration accuracy	Maximize the calibration accuracy of parallel robot
	Integrated Upper Arm for Parallel Robots (一種並聯機器人一體式上臂)	Utility Model	China	November 2022	November 2032	Valid	A robot arm with enhanced rigidity	A structure to significantly enhance the rigidity of the upper arm
	Moving Platform with Rotating Airflow Function (一種帶旋轉通氣功能的動平台)	Utility Model	China	November 2022	November 2032	Valid	A platform with dynamic sealing function	Achieve infinite rotation of the moving platform without entanglement of air tubes
	Testing Fixture for Industrial Robot Electrical Cabinet Functions (一種用於工業機器人電箱功能的測試工裝)	Utility Model	China	November 2022	November 2032	Valid	A fixture to test multiple functions of robot	Achieve multiple functions of robot electrical cabinet
	Modular Rotary Conveyor (一種模塊化旋轉輸送線)	Utility Model	China	January 2023	January 2033	Valid	A conveyor with rotary function	Achieve rotary movement of conveyor by module feature
Camel series mobile robots . . .	Latent AGV trolley body (一種潛伏式AGV車體)	Utility Model	China	May 2022	May 2032	Valid	An AGV body with optimized internal structure	Achieve more stable transportation
	Liftable Telescopic Fork-type AGV (一種可升降伸縮貨叉式AGV)	Utility Model	China	December 2022	December 2032	Valid	Efficient, flexible, precise, and highly compatible AGV robot	Achieve functions such as moving, clamping, lifting, and telescoping to meet the needs of various scenarios
Python series SCARA robots . . .	Calibration Method for Mechanical Parameters of SCARA Robots (一種SCARA機器人機械參數的標定方法)	Invention	China	April 2022	April 2042	Valid	A method to calibrate SCARA robots with high precision	Achieve high-precision calibration of SCARA robots through a simple fixture
	SCARA Electric Model (一種SCARA電動模型)	Utility Model	China	November 2022	November 2032	Valid	A model to simplify the process of handling complex structures	Express complex structure of the SCARA robot through a simplified structure
	Portable Automated Testing Device for Industrial Robot Control Cabinets (一種用於工業機器人控制櫃的便攜式自動化檢測裝置)	Utility Model	China	February 2024	February 2034	Valid	A portable control cabinet with multiple functions	Reduce device weight and achieve multiple detection functions

Product	Patent Name	Patent Type	Jurisdiction	Application date	Expiry date	Status	Core technology	Functions
	Portable Control Device for Dynamic Assembly of Harmonic Gearboxes in Industrial Robots (一種用於工業機器人諧波減速機動態裝配的便攜式控制裝置)	Utility Model	China	April 2024	April 2034	Valid	A device of portable dynamic state	Significantly improve the assembly accuracy of harmonic gearboxes
Mantis series six-axis robots . . .	Calibration Method for Mechanical Parameters of Six-Axis Serial Robots (六軸串聯機器人機械參數的標定方法)	Invention	China	May 2022	May 2042	Valid	A simple and efficient calibration method based on spatial geometry	Achieve high-precision parameter calibration for six-axis robots.
	Wrist Mechanism for Industrial Robots (一種工業機器人的手腕)	Utility Model	China	December 2023	December 2033	Valid	A robot wrist with specific features	Significantly reduce the robot's size and improve transmission accuracy
	Joint Mechanism for Industrial Robots (一種工業機器人的關節)	Utility Model	China	December 2023	December 2033	Valid	A joint with specific features	Reduce weight of the robot's end-effector by placing the power system at the rear
Lobster series wafer handling robots . . .	A wafer handling robot (一種晶圓搬運機器人)	Utility Model	China	July 2024	July 2034	Valid	A wafer robot with specific function	Grasp semiconductor wafers in both cassettes and lot boxes and move them simultaneously
	Wafer Transfer System (一種晶圓傳輸系統)	Utility Model	China	July 2024	July 2034	Valid	A system with transportation function	Achieve the wafer robot's transportation efficiency
Kingkong series dedicated controller. .	Teaching Pendant for Industrial Robots (工業機器人示教器)	Utility Model	China	September 2020	September 2030	Valid	A teaching pendant with optimized internal structure	Ensure operation safety
Vision detection system. . .	3D Vision-Guided Container Depalletizing/Palletizing Method, System and Gantry Robot (3D視覺引導的貨箱拆垛、碼垛方法、系統及桁架機器人)	Invention	China	July 2022	July 2042	Valid	A method for robots to efficiently complete depalletizing and palletizing	Improve positioning accuracy of robot palletizing
	Adjustable Anti-Light-Leakage Vision Device (一種可調節防漏光視覺裝置)	Utility Model	China	September 2020	September 2030	Valid	Adjust the camera installation position and provide uniform and stable lighting	Improve accuracy, stability, and efficiency of visual recognition
Robotics solutions . .	Automatic loading and unloading device of tester (一種檢測機自動上下料裝置)	Invention	China	December 2018	December 2038	Valid	A device with continuous, fast-paced, high-precision automatic loading and unloading	Improve equipment structure and decrease cost and size
	Doughnut robot grip (一種甜甜圈機器人抓手)	Invention	China	February 2019	February 2039	Valid	A robot with gripping function	Remove sticky products for subsequent grasping
	Loading and unloading machine of pallet (一種托盤上下料機)	Invention	China	May 2020	May 2040	Valid	A loading and unloading machine for robot picking and placing	Improve loading and unloading cycle time

Product	Patent Name	Patent Type	Jurisdiction	Application date	Expiry date	Status	Core technology	Functions
	Feeding machine for mobile phone glass PVD coating machine (一種用於手機玻璃PVD鍍膜機的上料機)	Invention	China	May 2020	May 2040	Valid	A loading machine between the mobile phone glass cleaning machine and the PVD coating machine	Improve product yield and purity as well as production efficiency
	Inclined boxing device (傾斜裝箱裝置)	Invention	China	August 2021	August 2041	Valid	A device with incline function	Achieve automation within small box space
	Glass sorting and loading system (一種玻璃分揀裝載系統)	Invention	China	November 2021	November 2041	Valid	A system with sorting and loading function	Improve accuracy and production efficiency
	PLC and HMI Fusion Algorithm (一種PLC與HMI融合算法)	Invention	China	April 2022	April 2042	Valid	An algorithm with both PLC and HMI	Save HMI and PLC programming time
	An automatic cover plating production line and plating method (一種護蓋自動鍍金產線及鍍金方法)	Invention	China	October 2025	October 2045	Valid	A mechanization and enclosed design	Reduces the harm caused by corrosive gases to production personnel

Before determining whether to file a patent application, we neither publish research papers nor disclose the technique to the public in any way, such as through exhibitions, advertisements, or trial sales. For intellectual property rights not registered or in the process of registration, we rely on trade secret and/or confidential information to protect aspects of our industrial robots. We sign confidentiality agreements with partners and intellectual property ownership clauses in the employment agreements with our employees to protect our industrial robots. We have entered into confidentiality clauses in the employment agreements with our senior management and key members of our R&D team and other employees who have access to trade secrets or confidential information about our business. Our standard employment contract, which we used to employ each of our employees, contains an assignment clause, under which we own all the rights to all inventions, technology, know-how and trade secrets derived during the course of such employee's work. Before our employees leave the company, they must return all technical materials, products, and results acquired during their R&D work. They are also responsible for protecting our intellectual property and must not copy, disclose, or use it without authorization.

We also seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems. Despite any measures taken to protect our data and intellectual property, unauthorized parties may attempt to or successfully gain access to and use information that we regard as proprietary. See "Risk Factors — Risks Relating to the Research and Development and Intellectual Property Rights in Our Products and Solutions."

We conduct our business under the brand name of "Robot Phoenix" or "翼菲." As of the Latest Practicable Date, we held 28 trademarks in China, 99 software copyrights, and four domain names.

Our Directors confirm that we did not have any material disputes or any other pending material legal proceedings of intellectual property rights with third parties during the Track Record Period and up to the Latest Practicable Date.

OUR SALES NETWORK

We have built up a broad and geographically diversified customer base in China and globally, spreading across 25 countries and regions as of the Latest Practicable Date. We sell our industrial robots and related robotics solutions through primarily direct sales, and to a much lesser extent, sell our industrial robots to distributors. As of the Latest Practicable Date, we had a sales and marketing team of 126 members, representing 20.0% of our total headcount. Among our sales and marketing members, approximately 55.6% hold a bachelor's degree or higher. The average work experience of our sales and marketing team is approximately eight years.

Our sales force is essential to building our brand image by interacting, introducing and demonstrating the features of our products and solutions directly to our customers. Our sales team is equipped with knowledge of our products and solutions and is primarily responsible for frequently communicating with our customers and understanding their feedback on the quality, preferences, improvements and market demand of our products and solutions. They play an important part in the planning, development and implementation of our planned marketing strategies. To encourage and incentivize our sales force, we have implemented a compensation structure that includes a fixed component as well as a performance-based component and also set performance targets for our sales team. We generally evaluate the performance of our sales team members on a quarterly basis and pay out performance-based compensation accordingly.

The following table sets forth key metrics of our customers for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
Number of customers	170	309	581
Number of new customers	141	234	435
Number of transactions	530	1,060	955
Average transaction value[1] *(RMB in thousands)*	379.6	252.8	405.6
Customer retention rate	42.0%	44.1%	47.3%
Net dollar retention rate of customers[2]	75.4%	86.8%	117.3%
Average contract value *(RMB in thousands)*	509.1	496.6	371.7

(1) Calculated by dividing the revenue generated in a given period by the number of transactions by our customers in the same period.

(2) Calculated by dividing the revenue of a current period from direct sale customers of both current and previous periods by the revenue of the previous period of such direct sale customers, multiplied by 100%.

Direct Sales

As of December 31, 2023, 2024 and 2025, we had 158, 275 and 507 direct sales customers, respectively. Our direct sales customers mainly comprise enterprise customers in the application scenarios in the light industry, including among others, consumer electronics, automotive components and new energy, healthcare, FMCG, and semiconductor sectors. We also sell robot bodies to system integrators, which incorporate our robots into their automation solutions dedicated to the application scenarios in the light industry.

We source new business opportunities mainly through direct marketing initiatives, by participating in industry exhibitions or acting upon publicly available information published by potential customers, among other measures. For instance, for certain direct sales customers, such as large-scale group-company customers, public tender is sometimes required. Upon becoming aware of the tender, we make a preliminary assessment of the potential tender. In considering whether to bid for the tender, we generally take into account the following factors: (1) the profitability of the order including the cost of raw materials and labor and potential revenue, (2) the feasibility of undertaking such project with reference to customers' demand, our capacity and expertise, our then available labor force and financial resources, and (3) the delivery schedule.

The following table sets forth key metrics of our direct sale customers for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
Number of direct sale customers	158	275	507
Number of new direct sale customers	129	208	380
Number of transactions with direct sale customers	496	972	835
Average direct sale customer value[(1)] *(RMB in thousands)*	1,258.8	943.8	685.0
Average transaction value of direct sale customers[(2)] *(RMB in thousands)*	401.0	267.0	415.9
Net dollar retention rate of direct sale customers[(3)]	75.4%	86.8%	115.2%

(1) Calculated by dividing the revenue generated from direct sales in a given period by the number of direct sale customers who purchased our products in the same period.

(2) Calculated by dividing the revenue generated from direct sales in a given period by the number of transactions by our direct sales customers in the same period.

(3) Calculated by dividing the revenue of a current period from direct sale customers of both current and previous periods by the revenue of the previous period of such direct sale customers, multiplied by 100.0%.

Distributors

We selectively engage distributors to market our industrial robots. We leverage their experience and knowledge of the target markets as well as their existing sales network and resources. This approach allows us to expand our market reach over a wider geographical area and achieve deeper market penetration than if we relied solely on direct sales and marketing. Additionally, this strategy helps us avoid substantial sales and marketing costs, create synergy with our products and solutions, expand our industry presence, and enhance our brand recognition, thereby facilitating cross-selling among our products and solutions. As of December 31, 2023, 2024 and 2025, there were 12, 34 and 74 distributors, respectively. These distributors were located across 14 provinces in China, with a significant concentration in Guangdong Province and Jiangsu Province, as well as an overseas presence in Hong Kong, Thailand, Peru, and South Korea.

Our relationship with our distributors is a buyer and seller relationship, as our distributors acquire ownership of the products we deliver to them. We generally allow returns and/or exchanges for limited circumstances such as quality defects or damages during transportation. We recognize sales revenues from distributors when the control over our products is transferred to them. We designate pre-determined distribution areas for our distributors as defined in their respective distribution agreements to encourage them to explore more potential customers within such pre-determined areas. We have implemented a regional management approach for distributors, primarily based on their registered province, with additional reporting as needed. Specifically, the pre-determined distribution area is the distributor's registered province. If a distributor needs to supply products across provinces due to customer extension, it must report to us in advance and can proceed only upon confirmation that there is no channel conflict.

We have implemented internal control measures to prevent channel stuffing: (1) most distributors are not allowed to proactively stock our products; (2) we regularly track distributor inventory and sales progress through phone calls, emails, and on-site visits; and (3) if a distributor has unsold stock, we will immediately communicate with it to assist with promotions and simultaneously reduce or suspend subsequent replenishment quotas to ensure rapid inventory clearance. As of the Latest Practicable Date, due to the effective operation of these measures, to our best knowledge, the number of products that remain unsold by the distributors was extremely low.

As part of our commitment to maintaining high standards, we select new distributors throughout the year. We have implemented rigorous selection criteria for new distributors to ensure that they are well equipped to represent our brand and promote our products. Our primary evaluation criteria, among others, are their advertising and marketing activities, such as seminars, webinars, industry exhibitions and social media marketing, and their actual annual purchase amounts.

The following table sets forth key metrics of our distributors for the periods indicated.

	For the Year ended December 31,		
	2023	2024	2025
Number of distributors	12	34	74
Number of new distributors	12	26	55
Number of transactions with distributors	34	88	120
Average distributor value(1) *(RMB in thousands)*	190.5	248.8	541.1
Average transaction value of distributors(2) *(RMB in thousands)*	67.2	96.1	333.7
Net dollar retention rate of distributors(3)	—	80.4%	189.1%

(1) Calculated by dividing the revenue generated from distributorship in a given year by the number of distributors who purchased our products in the same year.

(2) Calculated by dividing the revenue generated from distributorship in a given year by the number of transactions by our distributors in the same year.

(3) Calculated by dividing the revenue of a current period from distributors of both current and previous periods by the revenue of the previous period of such distributors, multiplied by 100.0%.

Major term of distribution agreements

We typically enter into standard distribution agreements with our distributors. However, depending on the country where a specific distributor is located, the terms could be different due to local laws and regulations. Major terms of our standard distribution agreements with our distributors include:

Distribution Rights. We grant our distributor exclusive rights to promote and distribute our robot products within the predetermined geographic area.

Duration. The duration of distribution agreements is typically three years.

Obligations. Our distributors shall promote and sell our robot products within the predetermined geographic area, maintain adequate stock levels to meet market demand; and provide customer service and post-sale support. We provide marketing materials, technical support, and training to the distributor.

R&D collaboration. Both parties shall establish a joint research committee to oversee projects of mutual interest. Each party shall bear its own costs and expenses incurred in connection with the R&D activities, unless otherwise agreed in writing. All intellectual property rights resulting from joint R&D efforts shall be jointly owned by both parties.

Prices. We provide distributors with suggested wholesale prices of our robot products.

Scope of distribution. Our distributors are generally only permitted to sell our robot products in a predetermined geographic area.

Payment. Payments for our robot products shall be generally made within 30 days from the date of invoice.

Product warranties. We warrant that our products shall be free from defects in material and workmanship under normal use for a period of 12 months from the date of delivery.

Termination. Either party may terminate the distribution agreement for cause if the other party breaches any material term or condition and such breach remains uncured for a period of 90 days after written notice. Either party may terminate the distribution agreement without cause by providing six months written notice to the other party.

During the Track Record Period, we did not experience material breach of distribution agreements that had a significant impact on our business. During the same period, we did not have any material disputes with or any material return or exchange of products from our distributors that had a significant impact on our business.

OUR MARKETING

We seek to explore the use cases of our products and solutions through maintaining and building relationships with our existing or new customers. To achieve this, we adopt multi-faceted marketing initiatives, including industry exhibitions, digital marketing, content marketing, search engine marketing and advertising campaigns, among others. Part of our marketing strategies is to demonstrate the capabilities of our products and solutions and share our experience and knowledge with our customers, so we engage with our community through a wide variety of content, with the goal of creating interactive exchanges with our customers and promoting and sharing the information of our products and solutions. We also upload videos that demonstrate the use cases of our industrial robots for viewing on our official website. In 2023, 2024 and 2025, our selling and marketing expenses were RMB31.2 million, RMB53.1 million and RMB60.4 million, respectively, representing 15.5%, 19.8% and 15.6% of our revenue for the same years, respectively.

The following table sets forth the details of our marketing activities.

Types	Details
Social media	Interacting with our customers through multiple types of social media platforms, we aim to enhance our brand awareness among our existing and potential customers. As of the Latest Practicable Date, we had established our presence on LinkedIn, Facebook, YouTube, WeChat Channels (微信視頻號), Douyin, Kuaishou, and WeChat Official Accounts (微信公眾號), among others. We illustrate the advancement of our products on these platforms and collect user feedback to further enhance our customer experience and engagement.
Industry exhibitions	We have been actively participating in various industry exhibitions and trade shows, including China International Industrial Fair, ITES Shenzhen Industrial Exhibition, China International Medical Equipment Design and Manufacturing Technology, among others. Participating in these exhibitions provides us with the opportunity to showcase our products to customers around the world and communicate with potential customers.
Sponsorships	We actively promote our products and solutions and reinforce our position as an established provider in the industry through our support of relevant competition events. For example, we sponsored Shandong Province "Skill Empowerment Shandong" Vocational Skills Competition — Shandong Province Technological Upgrading Vocational Skills Competition in Industrial Internet Identification and Resolution and 15th Shandong Province College Student Technology Festival Starlight Original Technology Empowerment Competition — i-ROB Future Smart Manufacturing Dream Factory Event.

OUR CUSTOMERS

We are a China-based company with overseas footprint. We have forged relationships with international companies across different industry sectors. We value compatibility and the impact brought by our partnerships to the world, amid the global upsurge of smart manufacturing. To this end, we analyze customer dynamics and market trends in key sectors to seek more opportunities across industries, which allows us to enlarge the use cases of our offerings and our customer base. We have a broad and growing global customer base, which covers 29 provinces, autonomous regions and municipalities in China and 25 overseas countries and regions in Europe, North America, Latin America, and Southeast Asia as of the Latest Practicable Date. Our offerings support both the global expansion by our domestic customers and the technological upgrades to smart manufacturing by our overseas customers. We are committed to continuously expanding our overseas business. In 2024 and 2025, our overseas revenue was RMB25.5 million and RMB38.0 million, accounting for approximately 9.5% and 9.8% of our revenue, respectively.

As of March 31, 2026, we had a backlog of customer contracts valued at RMB501.6 million. The following table sets forth the details of project backlog (calculated on a tax-exclusive basis) during the Track Record Period.

	For the Year Ended December 31,					
	2023		2024		2025[(1)]	
	Revenue	Backlog	Revenue	Backlog	Revenue	Backlog
	(RMB in thousands)					
Robot bodies	25,673	9,064	55,724	45,376	123,615	122,546
Parallel robots	*9,398*	*4,267*	*19,904*	*17,544*	*54,205*	*54,247*
Mobile robots	*3,760*	*436*	*10,342*	*15,068*	*40,273*	*53,102*
Articulated robots	*7,239*	*1,257*	*15,625*	*8,519*	*21,294*	*12,152*
Controllers and vision systems	*940*	*750*	*1,043*	*3,276*	*1,933*	*2,348*
Others	*4,336*	*2,354*	*8,810*	*968*	*5,910*	*697*
Robotics solutions	175,497	148,477	212,285	189,231	263,744	289,233
Total	**201,170**	**157,540**	**268,009**	**234,606**	**387,359**	**411,779**

(1) We expect to realize the revenue from the backlog as of December 31, 2025 in 2026 and 2027.

Major Customers

In 2023, 2024 and 2025, our sales to the top five customers in each year during the Track Record Period in total was RMB122.0 million, RMB134.2 million and RMB181.3 million respectively, accounting for 60.7%, 50.1% and 46.8% of the total revenue for the periods, respectively. In the same periods, our sales to the single largest customer in each year during the Track Record Period was RMB81.0 million, RMB63.6 million and RMB76.4 million, accounting for 40.3%, 23.7% and 19.7% of the total revenue for the periods, respectively.

The following tables set forth the details of the top five customers in each year during the Track Record Period.

Customer	Transaction amount	Percentage of revenue	Commencement of collaboration	Credit period	Payment method	Product/service purchased	Major series/product purchased
	(RMB in millions)	*(%)*	*(Year)*				
For the year ended December 31, 2025							
Customer A[(1)]	76.4	19.7	Since 2017	30 days	Bank Transfer	robotics solution	Bat, Python, Mantis, Camel
Customer B[(2)]	42.0	10.8	Since 2023	30 days	Bank Transfer or Bank Acceptance Note	robotics solution	Camel
Customer C[(3)]	34.0	8.8	Since 2022	30 days	Bank Acceptance Note	robotics solution	Bat, Python
Customer D[(4)]	18.9	4.9	Since 2024	90 days	Bank Transfer or Bank Acceptance Note	robotics solution	Camel
Customer E[(5)]	10.0	2.6	Since 2025	30 days	Bank Transfer or Bank Acceptance Note	Robot bodies	Camel
Total	181.3	46.8					
For the year ended December 31, 2024							
Customer A	63.6	23.7	Since 2017	30 days	Bank Transfer	robotics solution	Bat, Python, Mantis, Camel
Customer C	30.7	11.4	Since 2022	30 days	Bank Acceptance Note	robotics solution	Bat, Python
Customer F[(6)]	15.1	5.6	Since 2021	180 days	Bank Transfer	robotics solution	Bat, Python, Lobster, Camel
Customer G[(7)]	12.8	4.8	Since 2023	30 days	Bank Transfer	robotics solution	Bat
Customer H[(8)]	12.0	4.6	Since 2024	30 days	Bank Acceptance Note	robotics solution	Camel
Total	134.2	50.1	—	—			
For the year ended December 31, 2023							
Customer A	81.0	40.3	Since 2017	30 days	Bank Transfer	robotics solution	Bat, Python, Mantis, Camel
Customer I[(9)]	11.2	5.6	Since 2020	10 days	Bank Transfer	robotics solution	Bat, Vision system, Camel
Customer F	10.4	5.2	Since 2021	180 days	Bank Transfer	robotics solution	Bat, Python, Lobster, Camel
Customer C	10.2	5.1	Since 2022	60 days	Bank Acceptance Note	robotics solution	Bat, Python
Customer J[(10)]	9.2	4.5	Since 2022	60 days	Bank Transfer	robotics solution	Bat, Camel
Total	122.0	60.7	—	—			

(1) A leading provider headquartered in Hunan Province, China, and listed in Shenzhen Stock Exchange and HKEx, providing one-stop precision manufacturing solutions for the entire industrial chain of smart terminals, with registered capital of RMB5,000.0 million.

(2) A company headquartered in Anhui Province, China, focusing on development production and sales of intelligent robots, with registered capital of RMB52.0 million.

(3) A company headquartered in Shandong Province, China, and listed in Shenzhen Stock Exchange, focusing on key links in the industrial chain, including chip design, product development, packaging testing, and system applications, with registered capital of RMB3,400.0 million.

(4) A company headquartered in Jiangsu Province, China, primarily engaging in the new-energy intelligent equipment solutions, with registered capital of RMB1.6 billion.

(5) A company headquartered in Yunnan Province, China, focusing on smart logistics systems and smart production line solutions, with registered capital of RMB50.0 million.

(6) A new technology private enterprise headquartered in Guangdong Province, China, and listed in HKEx, with three major industrial groups: IT, automotive, and new energy, with registered capital of RMB3,000.0 million.

(7) A company headquartered in Henan Province, China, focusing on the research and application of technology in the field of industrial appearance inspection, with registered capital of RMB44.0 million.

(8) A company headquartered in Shandong Province, China, focusing on intelligent manufacturing and smart logistics, with registered capital of RMB50.0 million.

(9) A biotechnology and biomaterials company headquartered in Shandong Province, China, and listed in SSE STAR market, focusing on improving the quality of life and extending lifespan, bringing healthcare, beauty, and happiness to human life experiences, with registered capital of RMB500.0 million.

(10) A company headquartered in Beijing, China, focusing on the research and development of intelligent logistics systems, with registered capital of RMB100.0 million.

We are exposed to concentration with Customer A. According to the F&S Report, reliance on major customers is an industry norm. For instance, suppliers of components used in consumer electronics typically heavily rely on their major customers to drive scale. This trend is also prevalent in the automotive industry, where reliance on top OEMs is an industry norm for suppliers. The likelihood of termination or deterioration of our relationship with Customer A is remote, because (1) we have established a solid business relationship with Customer A, which has lasted for nearly a decade, where the depth of our cooperation continued to increase over the years, fully reflecting the solid foundation of mutual trust between both parties; (2) throughout our long-term cooperation, we have maintained an efficient and smooth communication mechanism with Customer A, with no major disagreements or disputes; and (3) we have formed a highly complementary strategic synergy with Customer A in several key areas, such as technical collaboration, capacity assurance, and supply chain security. Additionally, our revenue from Customer A decreased gradually from 2023 to 2025, indicative of a decreasing concentration trend. Furthermore, our dependence on Customer A is expected to continue to decline in the future, because (1) we are actively promoting product line diversification and upgrading our customer structure, with the expected overall revenue growth rate significantly exceeding the transaction growth rate of Customer A; and (2) we are continuously introducing new customers and new orders in different industry sectors. As such, as our emerging businesses scale up, our revenue from Customer A will continue to be diluted. Although there are no foreseeable major risk factors, we plan to effectively mitigate adverse events of concentration by (1) deepening our cooperation with Customer A to ensure the stability of our customer relationships; (2) accelerating the introduction of diverse customers in emerging sectors to diversify revenue sources; (3) expanding our new products and business growth by enhancing our R&D investment and production capacity; and (4) establishing a monitoring mechanism to ensure that customer concentration remains within a controllable range.

To the best of our knowledge, all of our top five customers in each year during the Track Record Period were independent third parties. As of the Latest Practicable Date, none of our Directors, their associates or any of our Shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our top five customers in each year during the Track Record Period.

OUR SUPPLIERS

Our suppliers primarily consist of providers of raw materials and components as well as relevant delivery services for the production of our industrial robots. We select leading suppliers in the relevant industry sectors in order to ensure the availability and quality of such raw materials, components and services. Our procurement process is under periodic review for higher efficiency and cost control purpose without jeopardizing the quality of deliverables. The key raw materials and components for our industrial robots and related robotics solutions primarily include industrial computers, fabricated parts, motor, gearboxes, sensors, and machine components. We require the suppliers to develop and manufacture the components based on our specifications with quality standards satisfactory to us. Upon receiving the components, we retain the right to reject or return based on the results of our inspection. We typically obtain quotations from at least three suppliers, in order to ensure supply stability and optimal procurement cost control, whereas we may source those components which we believe substitute suppliers can be easily identified.

We normally enter into framework agreements with raw materials and components providers which set out the general terms and conditions of cooperation. We make separate purchase orders pursuant to the framework agreements and negotiate prices and volumes before each purchase order. We make the payment as set forth in the purchase order, and the supplier is typically responsible for the delivery of the products. Prior to entering into business relationships with such raw materials and components providers, we evaluate a variety of factors, including their product quality, qualification, reputation, pricing and overall services. We perform thorough due diligence on our suppliers, request samples before making purchase orders and regularly monitor and review their performance.

Major Suppliers

In 2023, 2024 and 2025, the purchases from our top five suppliers were RMB25.5 million, RMB35.9 million and RMB61.2 million, respectively, accounting for 17.4%, 17.9% and 16.3% of the total purchases for the respective periods, respectively. The purchases from our largest supplier in each year during the Track Record Period were RMB5.9 million, RMB9.0 million and RMB15.0 million, respectively, accounting for 4.0%, 4.5% and 4.0% of the total purchases for the respective periods, respectively.

The following tables set forth the details of our top five suppliers in each year during the Track Record Period.

Supplier	Transaction amount	Percentage of total purchases	Commencement of collaboration	Credit period	Payment method	Type of supplier
	(RMB in millions)	*(%)*	*(Year)*			
For the year ended December 31, 2025						
Supplier A[(1)]	15.0	4.0	Since 2023	90 days	Bank Transfer	Machine component
Supplier B[(2)]	11.3	3.0	Since 2025	30 days	Bank Acceptance Note or Bank Transfer	Mechanical Assembly
Supplier C[(3)]	13.7	3.7	Since 2023	60 days	Bank Acceptance Note or Bank Transfer	Servo motor and drive
Supplier D[(4)]	11.7	3.1	Since 2024	90 days	Bank Acceptance Note or Bank Transfer	Servo motor and drive
Supplier E[(5)]	9.5	2.5	Since 2019	90 days	Bank Acceptance Note	Machine component
Total	61.2	16.3				

Supplier	Transaction amount	Percentage of total purchases	Commencement of collaboration	Credit period	Payment method	Type of supplier
	(RMB in millions)	*(%)*	*(Year)*			
For the year ended December 31, 2024						
Supplier F(6)	9.0	4.5	Since 2024	90 days	Bank Acceptance Note or Bank Transfer	Electrical materials and installation
Supplier G(7)	7.8	3.9	Since 2024	180 days	Bank Transfer	Machine component
Supplier H(8)	7.2	3.6	Since 2024	15 days	Bank Acceptance Note or Bank Transfer	Machine component
Supplier I(9)	6.0	3.0	Since 2019	90 days	Bank Acceptance Note or Bank Transfer	Rack, sheet metal materials
Supplier J(10)	5.8	2.9	Since 2024	Prepayment	Bank Acceptance Note or Bank Transfer	Machine component
Total	35.9	17.9	—	—		
For the year ended December 31, 2023						
Supplier C	5.9	4.0	Since 2023	30 days	Bank Acceptance Note or Bank Transfer	Servo motor and drive
Supplier K(11)	5.3	3.6	Since 2019	30 days	Bank Acceptance Note or Bank Transfer	Servo motor
Supplier I	5.0	3.4	Since 2019	60 days	Bank Acceptance Note or Bank Transfer	Rack, sheet metal materials
Supplier E	4.8	3.3	Since 2019	60 days	Bank Acceptance Note or Bank Transfer	Machine component
Supplier A	4.6	3.1	Since 2023	30 days	Bank Acceptance Note or Bank Transfer	Machine component
Total	25.5	17.4	—	—		

(1) A company headquartered in Jiangsu Province, China, primarily engaging in general machinery manufacturing, with registered capital of RMB30.0 million.

(2) A company headquartered in Jiangsu Province, China, primarily engaging in meter and instrument manufacturing, with registered capital of RMB20.0 million

(3) A company headquartered in Guangdong Province, China, specializing in the manufacturing industry, with registered capital of USD1.0 million.

(4) A company headquartered in Guangdong Province, China, primarily engaging in the development of hardware in automation, with registered capital of RMB150.0 million.

(5) A company headquartered in Guangdong Province, China, primarily engaging in R&D, manufacture and sale of precision machinery, automation equipment, and hardware accessories, with registered capital of RMB5.0 million.

(6) A company headquartered in Shandong Province, China, focusing on the metal products, machinery, and equipment repair industry, with registered capital of RMB10.0 million.

(7) A company headquartered in Guangdong Province, China, and listed in SSE STAR market, focusing on research and clinical application transformation through multi-omics technology, with registered capital of RMB400.0 million.

(8) A company headquartered in Guangdong Province, China, focusing on R&D, and manufacture of precision machinery and automation equipment, with registered capital of approximately RMB13.0 million.

(9) A company headquartered in Shandong Province, China, focusing on the general equipment manufacturing industry, with registered capital of RMB1.0 million.

(10) A company headquartered in Shanghai, China, primarily focusing on the professional technical services industry, with registered capital of RMB21.2 million.

(11) A company headquartered in Guangdong Province, China, company primarily engaging in wholesale business, with registered capital of RMB2.0 million.

Our Directors confirm that we had not experienced any significant material fluctuation in prices set by our suppliers, material breach of contract on the part of our suppliers or delay in delivery of our orders from our suppliers during the Track Record Period. As of the Latest Practicable Date, none of our Directors, their associates or any of our Shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five suppliers.

We place purchase orders with our suppliers on case-by-case basis. Set forth below is a summary of our standard terms of purchase order for raw materials and components.

Payment. The purchase orders set out specific payment terms depending on the type of materials and/or components to be procured.

Delivery. The supplier is generally responsible for delivering the raw materials and/or components to our designated locations.

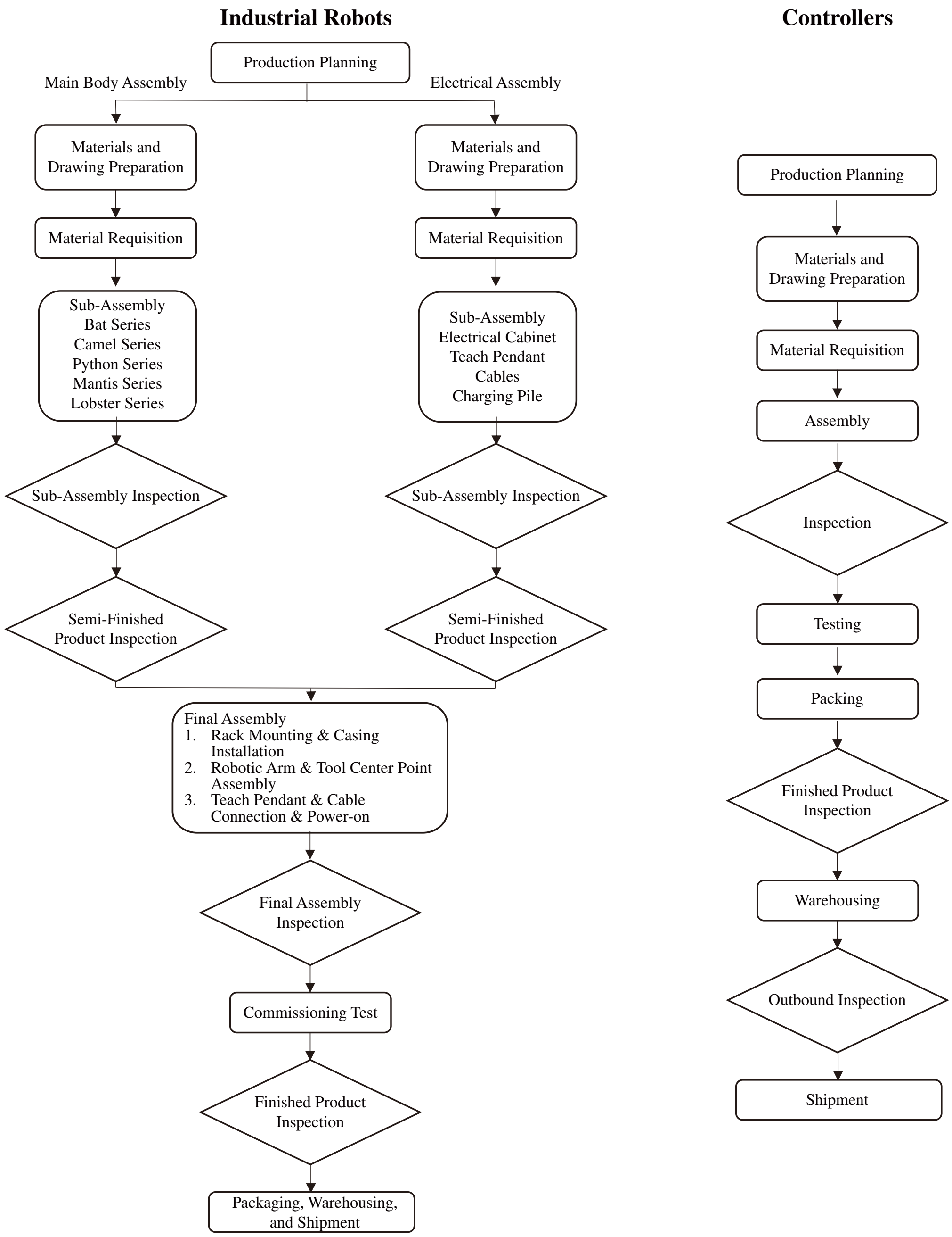
Quality assurance. We require the raw materials and/or components to satisfy our quality standard. The supplier is responsible for returns and/or exchanges in the event of any defects.

OUR PRODUCTION

During the Track Record Period, we manufactured all of our products through our three production facilities in Jinan, Shandong Province, Hangzhou, Zhejiang Province, and Linyi, Shandong Province, respectively. We formulate production schedules and plans according to the market demand, taking into consideration the level of our stock and utilization rates of our production facilities. We have implemented a set of internal production and operation policies to promote our compliance with applicable national and international industry standards. We carry out regular inspections to assess the conditions of our production facilities and conduct necessary repairs and maintenance. We have also introduced and implemented a stringent reporting system as to all the accidents and malfunction of the equipment and keep all the relevant records.

Our Production Processes

The following diagram illustrates the principal steps of the production process generally applicable to our industrial robots and controllers, respectively.

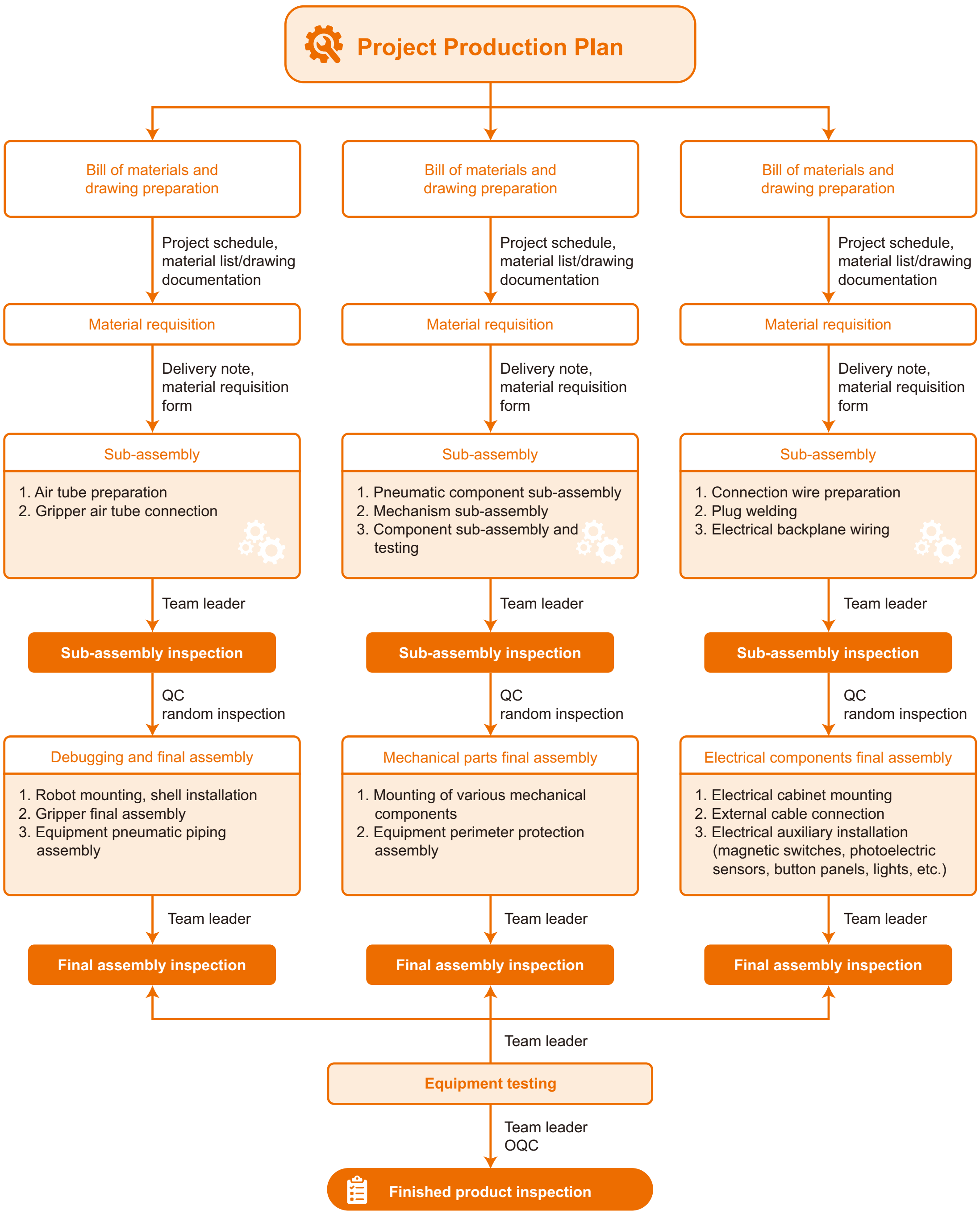


Assembly stage. We generally start the production process of our industrial robots by first assembling the essential industrial robot components to form the core body of the product. Depending on the type of product being produced and the functionalities required, the core body is further imported with various parameters.

Testing stage. After we assemble all of the required components for our industrial robot product, an overall completeness check is performed to ensure that all components have been properly assembled, and necessary software checks are also carried out at this stage. An overall functionality test is then conducted to test whether the product could perform all of its intended functions properly. The next step is reliability test, where we evaluate reliability and stability for 24 to 72 hours depending on various product models.

Packaging stage. The finished industrial robots are packaged and transported to the warehouses for final delivery.

The following diagram illustrates the principal steps of the production process generally applicable to our robotics solutions.



The production process of our robotics solutions includes material requisition, sub-assembly, final assembly, and equipment testing. The entire process ensures that each step is efficiently connected and meets quality requirements. From sub-assembly to final assembly, and from final assembly to equipment testing, we have added mandatory strict inspections to these two critical steps to ensure that the products flowing to the next step are free of any issues, thereby minimizing rework. If the robotics solutions have a quality issue, we can also quickly trace the specific step where the problem occurred, providing a basis for problem-solving and accountability. For the testing process before the robotics solution products leave the factory, we will use the customer's actual products 100% under conditions, and simulate the operation completely according to the customer's actual process requirements and contract technical parameters. It ensures that our equipment can be quickly put into use after being delivered to the customer's factory.

Our Production Facilities

As of the Latest Practicable Date, we had three production facilities in (1) Jinan, Shandong Province, (2) Taizhou, Zhejiang Province, and (3) Linyi, Shandong Province, respectively. The following table sets forth the details of our production facilities.

Location	Approximate gross floor area (square meters)	Main function
Jinan, Shandong[(1)]	13,944	Production for Bat series, Camel series, Python series, Mantis series, Lobster series, Kingkong series, Gorilla series and related robotics solutions
Taizhou, Zhejiang[(1)(2)] . . .	22,518.0	Production for Bat series and related robotics solutions
Linyi, Shandong	6,694.9	Production for Camel series

(1) We are gradually transferring the production capacity of our Jinan facility to our Taizhou facility which is in closer proximity with our corporate headquarters.

(2) We commenced pilot production in our Taizhou production facility in the fourth quarter of 2025 and launched formal production in February 2026.

During the Track Record Period, we had a production facility in Hangzhou, Zhejiang Province, which had ceased production operations and had been converted into our office as of the Latest Practicable Date.

The following tables sets forth the details of the production capacities and utilization rates of our production facilities during the Track Record Period.

Location[(7)]	Production line	Production capacity of finished products[(1)]			Production volume of finished products			Utilization rate[(2)]		
		2023	2024	2025	2023	2024	2025	2023	2024	2025
					(units, except for percentages)					
Jinan . . .	Bat series, Camel series, Python series, Mantis series[(3)]	1,600	1,600	4,000	1,054	1,112	3,833	66%	70%	96%
Jinan . . .	Lobster series[(8)]	130	130	260	58	95	249	45%	73%	96%
Jinan . . .	Gorilla series, Kingkong series	1,500	1,500	3,500	1,352	826	3,071	90%	55%	88%
Hangzhou .	Python series[(4)(5)(6)]	700	—	—	507	—	—	72%	—	—
Linyi . . .	Camel series	—	—	2,400	—	—	2,180	—	—	91%

(1) Production capacity is calculated based on the actual operating days of each production line in each year during the Track Record Period, operating at eight hours per day.

(2) Utilization rate is calculated by dividing the production volume of a given year by the production capacity of the same year.

(3) Bat series, Camel series, Python series, and Mantis series industrial robot products share the same production lines.

(4) Our Hangzhou facility began operations in 2023, and did not manufacture Python series robots since 2024 because we sold them from the existing inventory. The production capacity of the Hangzhou facility was recorded as zero since 2024 because no production personnel were assigned to the facility. The production capacity is calculated based on the actual working hours of production staff. As there were no production staff deployed at the Hangzhou facility since 2024, the facility's production capacity was recorded as zero, despite the physical infrastructure being in place.

(5) There is no indication of impairment in respect of our Hangzhou facility, because (i) the production equipment previously located there has been relocated to other manufacturing sites, and therefore no impairment arises in relation to such assets; and (ii) the Hangzhou premises are leased properties that were previously converted for production use and are now fully utilized as office space. Consequently, neither the equipment nor the property has shown any indication of impairment.

(6) Our Hangzhou facility had ceased production operations and had been converted into our office as of the Latest Practicable Date.

(7) Our facilities in Jinan and Hangzhou manufacture identical Python series robots.

(8) The increase in production capacity of our Lobster series in 2025 was primarily due to the expansion of cleanroom facilities for the production of wafer handling robots in 2025. The utilization rate improved primarily due to our market expansion and increased demand, so we increased production volume accordingly.

The significant increase in production volume in 2023 was primarily driven by a sharp rise in customer orders during that year. In response to this heightened demand, the company ramped up its manufacturing activities, resulting in a certain level of overproduction. The excess inventory generated in 2023 was subsequently utilized to meet sales demand in 2024, which contributed to higher revenue in 2024 through the inventory drawdown but also led to a reduction in production volume for the year. As a result, the company achieved increased revenue in 2024 compared to 2023, despite a decrease in production during the same period.

The substantial increase in production capacity and production volume across production lines in the Jinan facility in 2025 was primarily because we achieved greater operational specialization across our manufacturing network. Specifically, the majority production of the Camel series was transferred to our Linyi facility. With the production of Camel series moved to Linyi, the Jinan facility now operates with reduced downtime and improved throughput. Furthermore, the standard manufacturing hours per single Camel series unit is approximately twice as much as that of other robots, which resulted in higher production capacity and production volume for our Jinan facility in terms of units. In addition, during 2025, we implemented a modular design approach for our robot bodies, which significantly improved the standardization of our production processes, in turn reducing the average manufacturing hours per unit and increasing production capacity across our different facilities.

LOGISTICS AND INVENTORY MANAGEMENT

We leverage on our own warehouse for storing work-in-progress, finished products and certain components and raw materials, and we engage third-party logistics service providers for delivery services. Finished products that have passed quality inspections are delivered by the logistics service providers from our own production facilities directly to our customers or to our designated warehouses and ultimately to locations specified by our customers.

Our inventories include contract fulfillment cost, raw materials, work-in-process, finished goods and goods in transit. As of December 31, 2023, 2024 and 2025, our inventories were RMB120.6 million, RMB139.5 million and RMB244.7 million, respectively. See "Financial Information — Discussion of Certain Balance Sheet Items — Inventories." We have a strict inventory control policy to monitor our inventory levels in order to minimize obsolete inventory. Through close coordination with our customers, we are able to carry less raw materials and in-process inventories and lower our inventory risk.

In order to prevent future occurrences of significant write-down of inventories, we have implemented the following inventory management measures: (1) conducting more detailed sales forecasts taking into consideration of factors such as sales strategy, historical sales data, industry changes, inventory levels of finished goods, and supply chain risks; (2) conducting regular checks and reviews on the performance of distributors and provide supports to underperformed distributors; (3)

strengthening the reviewing process of the key terms in relation to our agreements with customers and distributors to mitigate inventory risks which may arise from such agreements; and (4) communicating more frequently with customers and distributors to obtain a better understanding of market demand.

QUALITY CONTROL

We are committed to maintaining high level of quality and safety for our products and solutions. We have designed and implemented stringent monitoring and quality control systems to manage our manufacturing activities. Our quality control system compasses all aspects of our operations, including product design and development, sourcing and procuring of raw material, parts and components, production, packaging, inventory storage, delivery and after-sales services. Our products and solutions comply with the safety standards and quality requirements of various countries and regions. We have also adopted the appropriate quality control system and engaged independent product testing and certification organizations to test and certify our products on the relevant standards of each target market. As a result of our adherence to quality control procedures, we did not experience any material sales returns or any material product liability or major legal claims due to product safety and quality control issues, and we did not recall any products or experience any serious adverse events during the Track Record Period and up to the Latest Practicable Date.

We typically provide 12 months warranties as stated in our contracts with our customers. Our warranty term is usually limited to defects or failure of products or solutions that do not meet the quality standards as specified and agreed with our customers. In case of product failure within the warranty period, we will arrange for repair or replacement of products and/or services without extra charge. After the warranty period expires, we may provide maintenance and repair services at a reasonable cost.

As of December 31, 2023, 2024 and 2025, our provision for product warranties was RMB2.9 million, RMB6.8 million and RMB5.1 million, respectively. Our product quality engineers work with our engineering team to ensure that the product designs meet functional specifications and durability requirements of the relevant industry standards and our customer requirements. At the procurement stage, we select reliable suppliers and enter into quality control agreements with them, allowing us to seek remedies, such as damages and rectification if supplies fall below our quality standards. We conduct thorough test and examination of product samples to make sure they satisfy all the technical requirements set forth in our design. Our main component suppliers provide manufacturer warranties for a period ranging from one to two years. Our quality control team continually monitors the quality of incoming components and materials, finished products, and the assembling processes at our production facilities.

EMPLOYEES

As of the Latest Practicable Date, we had 631 employees. Most of our employees are based in China. The following table sets forth a breakdown of our employees by function as of the Latest Practicable Date.

	As of the Latest Practicable Date	
Function	**Number of Employees**	**% of Total**
R&D	227	36.0
Management and administrative	126	20.0
Sales and marketing	126	20.0
Manufacturing	152	24.0
Total	**631**	**100.0**

Our success rests with our ability to attract, retain and motivate qualified talents, with the belief that our high-quality talent pool is one of our core strengths and competitive advantages. We recruit talents, with high standards and rigorous procedures and through various methods, including campus recruitment, online recruitment, internal referrals, and third-party recruiters, to select the best-fit personnel for the corresponding positions in response to our various talent demands. We invest in continuing training programs, including regular and tailor-made internal and external training, for our employees to improve their professional knowledge and management skills, upgrade their skill sets, and keep abreast of the industry standards in their respective positions. Pre-employment induction training and orientation is provided to all new hiring. We also organize activities to provide our employees with a deeper understanding of our culture. We offer competitive remuneration package to our employees, which are generally based on their qualifications, industry experience, position and performance. We regularly evaluate the performance of our employees and reward well-performing employees with bonus and promotion.

We are required by PRC social insurance and housing provident fund laws and regulations to make contributions for mandatory social insurance and housing provident funds for our employees. During the Track Record Period, we did not make adequate contributions to the social insurance and housing provident funds with respect to certain of our employees as required by the relevant PRC laws and regulations. We recorded the estimated shortfall amounts of social insurance of RMB12.1 million, RMB10.1 million and RMB9.4 million in 2023, 2024, and 2025, respectively. Additionally, we recorded the estimated shortfall of the housing provident fund of RMB1.9 million, RMB1.0 million and RMB1.1 million in 2023, 2024 and 2025, respectively. To rectify these non-compliance issues, we will take the following measures: (1) we undertake to pay social insurance and housing provident fund contributions for employees in accordance with relevant laws and regulations; (2) we have obtained written consent from some employees to continue paying social insurance and housing provident fund contributions for them as currently practiced; (3) our human resources department will continuously monitor our compliance with social insurance and housing provident fund contributions to ensure that necessary measures are implemented; (4) we will regularly review and monitor the reporting and payment of social insurance and housing provident fund contributions, and stay informed of relevant regulatory developments; and (5) we commit to maintaining close communication with the relevant competent authorities, regularly seeking clarification on their specific requirements and interpretations of relevant regulations, and promptly completing the payment of social insurance and housing provident fund contributions in accordance with their explicit guidance.

Furthermore, during the Track Record Period, instead of making the contributions to the social insurance and housing provident funds on our own for certain employees, we engaged third-party agencies to make such contributions, which was not in strict compliance with applicable PRC laws and regulations.

We have maintained a good relationship and expect to maintain an amicable relationship in the future with our employees. During the Track Record Period and up to the Latest Practicable Date, there were no material strikes which had an adverse impact on our operations and no material disputes between our Company and our employees.

INSURANCE

We believe we have adequate insurance coverage in connection with our business operations by putting in place all the mandatory insurance policies required by PRC laws and regulations covering employee safety. As required by PRC laws and regulations, our employee-related insurance includes pension insurance, maternity insurance, unemployment insurance, work-related injury insurance and medical insurance. During the Track Record Period, we did not make any material insurance claim in relation to our business.

PROPERTIES

As of the Latest Practicable Date, we did not own any real property.

Leased Properties

As of the Latest Practicable Date, we leased 14 properties from third parties relating to our business operations in total with an aggregate gross floor area of approximately 59,256.2 square meters in China, which had been used mainly as production base, office and storage. As of the same date, there were defects in some of our leased properties in China. As of the Latest Practicable Date, we had not filed the lease agreement for registration with respect to 14 leased properties in China. According to the relevant PRC regulations, we may be ordered by the relevant government authorities to register the lease agreement within a prescribed period, and we may be subject to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease if we fail to comply. See "Risk Factors — Risks Relating to Our General Operations and Industry — We lease properties in various place as premises primarily for our office spaces. Any non-renewal of leases, substantial increase in rent, or any third-party or government challenge to our leasehold interest may affect our business and financial performance."

LICENSES, APPROVALS AND PERMITS

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.

The following table sets out a list of material licenses, permits and approval held by us as of the Latest Practicable Date.

License/Permit	Holder	Grant date	Expiry date
Recording Certificate of Customs Declaration Entity (中國海關報關單位備案證明)	The Company	December 19, 2016	N/A
Quality Management System Certificate (質量管理體系認證證書) GB/T19001-2016 idt ISO9001:2015	The Company	June 4, 2025	June 3, 2028
Environmental Management System Certificate (環境管理體系認證證書) GB/T 24001-2016 idt ISO 14001:2015	The Company	June 4, 2025	June 3, 2028
Occupational Health and Safety Management System Certificate (職業健康安全管理體系認證證書) GB/T 45001-2020 idt ISO 45001:2018	The Company	June 4, 2025	June 3, 2028
High-tech Enterprise Certificate (高新技術企業證書)	Hangzhou Robotphoenix	December 6, 2024	December 5, 2027

AWARDS AND RECOGNITIONS

During the Track Record Period and up to the Latest Practicable Date, we received a number of awards and recognitions in connection with our business. Some of the significant awards and recognitions we have received in recent years are set forth below.

Awarding Year	Award/Certificate	Issuing Organization
2022	National Specialized, Refined, Distinctive and Innovative Key Little Giant Enterprise (國家級專精特新重點小巨人企業)	Ministry of Industry and Information Technology of the People's Republic of China
2022	The Sixth Batch of Manufacturing Single Champion Enterprises in Shandong Province — Lightweight High Performance Industrial Robots (山東省第六批製造業單項冠軍企業 — 輕量級高性能工業機器人)	Shandong Provincial Department of Industry and Information Technology, Shandong Provincial Federation of Industrial Economics
2022	Provincial Industrial Design Center (省級工業設計中心)	Provincial Department of Industry and Information Technology
2023	2023 GaoGong Golden Globe Award — Innovative Product of the Year 2023 (2023高工金球獎 — 2023年度創新產品)	Shenzhen Gaogong Consulting Co., Ltd.
2024	2024 GG Robotics Ten-Year Industry Contribution Award (2024年高工機器人十年行業貢獻獎)	Shenzhen Gaogong Consulting Co., Ltd.
2025	Decade of Distinction•Mobile Robot Engineering Application Exemplar Award (十年榮耀•移動機器人工程應用典範獎)	China Mobile Robot (AGV/AMR) Industry Alliance
2025	Mobile Robot Product of the Year (移動機器人年度產品獎)	Shenzhen Gaogong Consulting Co., Ltd.
2025	First Prize of Shandong Science and Technology Progress Award (山東省科學技術進步一等獎)	People's Government of Shandong Province

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time become a party to various legal, arbitration or administrative proceedings arising in the ordinary course of our business. As of the Latest Practicable Date, there were no litigation, arbitration or administrative proceedings pending or threatened against our Company or any of the Directors which could have a material and adverse effect on our financial condition or results of operations. During the Track Record Period and up to the Latest Practicable Date, there were no litigation, arbitration or administrative proceedings against our Company or any of the Directors which had caused a material and adverse effect on our business, results of operations or financial condition.

Compliance

We are subject to various regulatory requirements and guidelines issued by regulatory authorities in China. During the Track Record Period and up to the Latest Practicable Date, we did not commit any material non-compliance of the laws and regulations, and we did not experience any material non-compliance incident, which taken as a whole, in the opinion of our Directors, is likely to have a material and adverse effect on our business, results of operations or financial condition. As advised by our PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, we had complied with the relevant laws and regulations in all material respects in China.

RISK MANAGEMENT AND INTERNAL CONTROL

Our Board is responsible for the overall effectiveness of our risk management and establishing our internal control system and reviewing its effectiveness. We have established and we maintain risk management and internal control systems consisting of policies and procedures that are appropriate for our business operations, and we are dedicated to continuously improving and implementing these systems to ensure our policies and implementation are effective and sufficient.

In preparation for the Listing, we have engaged an independent third-party consultant (the "Internal Control Consultant") to perform a review over selected areas of our internal control effectiveness in April 2025 (the "Internal Control Review"). The scope of the Internal Control Review performed by the Internal Control Consultant was agreed by our Company, the Sole Sponsor, and the Internal Control Consultant. The selected areas of our internal controls included entity-level controls and business process level controls, including corporate governance; financial reporting procedures and disclosure controls; sales, accounts receivable, and collections; procurement, accounts payable, and payments; production and cost management; inventory management; human resources and compensation management; banking and cash management; investment and financing management; expense management; fixed asset management; intangible asset management; tax management; R&D management; insurance management; IT management; environmental protection compliance management.

The Internal Control Consultant performed the follow-up reviews in June 2025 to review the status of the management actions taken by us to address the findings of the Internal Control Review (the "Follow-up Review"). The Internal Control Consultant has no further comments on the identified internal control weaknesses within the scope of the test and the corrective actions taken by our Company in the Follow-up Review.

Having considered the report prepared by our Internal Control Consultant, the Directors confirmed that all of the major recommendations provided by the Internal Control Consultant have been followed and corrective actions were taken accordingly to address our internal control deficiencies and weaknesses. Our Directors are of the view that our enhanced internal control measures are adequate and effective to ensure compliance with relevant laws and regulations going forward.

DATA SECURITY AND PRIVACY

During the use of our products, we do not collect any personal information of users. During our provision of products, with the prior consent of our customers and distributors, we collect and maintain their delivery and contact information to the extent necessary and in accordance with the relevant laws and regulations on data privacy and security in China. We have taken measures to maintain the confidentiality of such information to ensure regulatory compliance. Specifically, we classify and manage stored information with varying levels of access. Only a designated group of sales employees have customer management permissions, and they can only view the information they have personally created. In accordance with relevant data protection laws and regulations in China, any information that can identify a specific individual or reflect specific individual activities must comply with regulatory requirements in its collection, storage, use, retention, and transmission. Thus, classifying and managing information with different levels of access is a necessary compliance measure to effectively protect the personal information of customers and distributors. We also 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 title and function. We have entered into confidentiality clauses in the employment agreements with our employees to prevent improper use or disclosure of information.

In addition, we continue to pay close attention to the legislative and regulatory developments in cybersecurity to keep pace with regulatory development. In particular, we have established a comprehensive information security management framework that covers organizational systems, institutional norms, and technical safeguards. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material data leakage or data loss, nor did we experience any material unauthorized use of customers' or distributors' personal information.

U.S. TARIFFS AND EXPORT CONTROLS

As for the U.S. tariffs, the United States is continually adjusting its tariff measures worldwide, including Section 122 tariffs effective February 24, 2026 and Section 301 tariffs which have been continually updated since their enactment (including the new round of investigations launched on March 11, 2026), among others. Consequently, these tariff measures may result in goods exported to the United States being subject to additional tariff costs. However, although our exports to the United States might be subject to the tariffs of the United States, these exports accounted for a very small proportion of our revenue during the Track Record Period, representing approximately 0.2%, 1.2% and 0.1% of our total revenue in 2023, 2024 and 2025, respectively, primarily involving Bat series and Python series. These products did not contain raw materials from the United States. Furthermore, any tariffs incurred on products exported to the United States were borne by the purchasers, and we do not bear the tariff costs.

As for the U.S. export controls, a screening of our customers and suppliers against U.S. export control blacklists identified only a small number of them on the Entity List. In 2023, 2024 and 2025, the revenue generated from counterparties on the Entity List accounted for 4.2%, 2.9% and 1.5% of our total revenue, respectively, and the purchases from such entities accounted for 1.2%, 0.8% and 0.7% of our total purchase amount, respectively. After analyzing transactions with these entities, we are not aware of any transactions with these suppliers and clients which would violate U.S. export control regulations as of the Latest Practicable Date, because our products are not subject to the U.S. Export Administration Regulations ("EAR") and thus the U.S. export license requirements are inapplicable to our sales. Furthermore, we also believe that, should the goods involved in future transactions remain unchanged, any future transactions with the above-mentioned entities should also not expected to violate U.S. export control regulations.

Therefore, as advised by King & Wood, our legal advisor as to international sanctions matters, we are of the view that the U.S. tariffs and/or export controls did not and were not expected to have any direct material adverse impact on our business operations and financial performance as of the Latest Practicable Date.

Nonetheless, we cannot quantify the potential indirect impact of the U.S. tariffs on us, given that some of our customers and their downstream customers may have sales to the U.S. tariffs and may be responsible to pay such tariffs, which may affect their demand for our products and solutions. The magnitude of such indirect impact depends on several factors, such as their reliance on their sales in the United States and their business adjustments in response to U.S. tariffs. We and the Sole Sponsor have actively engaged in discussions with our legal advisor as to international sanctions matters and Frost & Sullivan to stay informed about the latest tariff policies as well as their possible indirect or knock-on impact on us. In addition, we have maintained active communication with our customers and closely monitored their order status to identify any unusual reductions in order volume or instances of order cancellations or termination of purchase agreements by our customers.

To the best of our knowledge, as of the Latest Practicable Date, we had not experienced any material adverse changes in our order volume, product pricing, customer payment or logistics arrangements, and none of our customers had canceled or postponed orders with us due to the U.S. tariffs. However, given that we do not have knowledge of the direct impact of the U.S. tariffs on our customers, our customers' market share, revenue, and profitability in the United States, and the business adjustments made by our customers, the magnitude of the indirect or knock-on impact on our business operations and financial condition cannot be quantified at this stage and remains subject to uncertainty and future developments.

See "Risk Factors — Risks relating to Our General Operations and Industry — We may be subject to the risks associated with international trade policies, geopolitics and trade protection measures, including imposition of trade restrictions and sanctions, and our reputation, business, results of operations and financial condition could be adversely affected," and "— International sanctions, export control laws and economic or trade restrictions may disrupt the operations of our customers and suppliers and in turn adversely affect our business, financial conditions and results of operations."

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

ESG Governance

Led by the Board, we integrate environmental, social and governance ("ESG") considerations into our business operations. To support the Board's oversight, the management places emphasis on ESG issues and has established relevant operational mechanisms.

The Board regularly reviews our overall ESG performance. In collaboration with management, the Board evaluates ESG performance by referencing industry leaders and comparable peers to support continuous improvement. The Board and management monitor coordination among business divisions to ensure alignment with our ESG visions, approaches, strategies and initiatives. To foster effective communication, our communication mechanisms facilitate the reporting and exchange of ESG-related issues. The Board receives regular updates through Board meetings and reports to remain informed of ESG-related matters and developments.

The Board consists of members with a diverse range of expertise and knowledge in the management of ESG-related matters. The table below outlines the brief descriptions of the ESG-related expertise and qualifications of nine members of the Board:

Name and Position	Qualifications and Education	Expertise, Competencies and Experience
Mr. Zhang Sai (Executive Director, chairman of the Board and president) .	• Doctor of engineering degree in advanced manufacturing from Tsinghua University (清華大學) • Master of science degree in mechanical engineering from Columbia University • Bachelor of engineering degree in thermal and power engineering from Tsinghua University (清華大學) • Qualification of Senior Engineer issued by Human Resource and Social Security Bureau of Jinan (濟南市人力資源和社會保障局)	Over 17 years of experience in mechanical engineering, intelligent manufacturing and corporate management, specializing in: • operations oversight and management • R&D oversight • product quality control and assurance
Mr. Zhang Zichao (Executive Director and executive vice president)	• Pursuing Master of business administration at China Europe International Business School (中歐國際商學院) • Bachelor's degree in mechatronic engineering from Heze University (菏澤學院)	Extensive knowledge and experience in operation and management as well as product responsibility, specializing in: • business ethics and anti-corruption oversight • product quality • pre-sales, sales support and after-sales services • customer satisfaction

Name and Position	Qualifications and Education	Expertise, Competencies and Experience
Mr. Sun Tongliang (Executive Director) .	• Master's degree in control science and engineering from Shandong University (山東大學) • Bachelor's degree in automation from Shandong University of Light Industry (山東輕工業學院)	Over 11 years of experience in engineering and intelligent manufacturing, specializing in: • leading R&D initiatives • project oversight • product quality control • product line management and development
Mr. Dou Zhiyuan (Executive Director and general manager of the Jupiter business unit)	• Bachelor's degree in automation from Qilu University of Technology (齊魯工業大學) (formerly known as Shandong Institute of Light Industry (山東輕工業學院))	Over 13 years of experience in electrical engineering and intelligent automation, specializing in: • technological advancement • operation management • compliance with industry standards and requirements
Mr. Wang Maike (Non-executive Director)	• Diploma in business administration from Dalian University of Technology (大連理工學院)	Over 20 years of experience in public administration and corporate management, specializing in: • management oversight • stakeholder engagement • compliance monitoring
Mr. Song Pengfei (Non-executive Director)	• Master's degree in international trade from Fudan University (復旦大學) • Bachelor's degree in optical information science and technology from The University of Shanghai for Science and Technology (上海理工大學)	Over 13 years of experience in operational and investment management, specializing in: • operational leadership • risk oversight
Mr. Xiong Minghua (Independent Non-executive Director)	• Master of science degree in information retrieval from Chinese Defense Science and Technology Information Center (中國國防科技信息中心) • Bachelor of engineering degree in information system engineering from National University of Defense Technology (國防科技大學)	Over 21 years of experience in technology innovation, corporate strategy and investment, specializing in: • international markets • product strategy planning • technological advancements • R&D leadership
Ms. Zhou Shuang (Independent Non-executive Director)	• Master's degree in management from Stanford University • Bachelor's degree in accounting from Tsinghua University (清華大學) • Qualified as a Chartered Financial Analyst (CFA) by the CFA Institute • Certified as a certified public accountant by the Certified Public Accountants Examination Committee of the Ministry of Finance (財政部註冊會計師考試委員會) • Certified public accountant by CPA Canada • Fellow chartered and certified accountant by The Association of Chartered Certified Accountants	Extensive experience in auditing and investment management, specializing in: • financial oversight • risk management • compliance

Name and Position	Qualifications and Education	Expertise, Competencies and Experience
Ms. Zhao Fengmei (Independent Non-executive Director)	• Master of laws degree in civil and commercial law from Shandong University (山東大學) • Bachelor of engineering degree in polymer synthesis from Chengdu University of Science and Technology (成都科技大學) • Awarded the Legal Professional Qualification (法律職業資格) by the Ministry of Justice of the PRC (中華人民共和國司法部) • Accredited as an associate professor by Shandong Jianzhu University (山東建築工程學院)	Over 21 years of experience in legal education, specializing in: • environmental compliance • employment, health and safety, as well as labor practices compliance • product responsibility compliance • business ethics and anti-corruption

Delegated by the Board, an ESG working group consisting of senior executives will be established upon listing to drive the planning and implementation of our ESG-related matters. The aim of the ESG working group is to provide relevant information and to advise the Board on ESG-related matters.

Identification and Management of ESG-related Risks and Opportunities

We conduct periodic assessments to identify, evaluate and prioritize material ESG-related risks and opportunities relevant to our business, either negative or positive, actual or potential, taking into account our business nature, industry characteristics, and with reference to local and international reporting frameworks. With the assistance of third-party ESG consultants, we formulate a dual ESG-related risks and opportunities rating system to dynamically monitor and assess both the risks and the effectiveness of our corresponding mitigation measures. Below set forth a summary of the material ESG-related risks and opportunities identified and the corresponding measures adopted.

ESG-related risks	Timeframe and potential impacts	Our responses
Climate-related physical risks		
Acute risks Increased severity and frequency of extreme weather events due to climate change (e.g. typhoon, rainstorms)	Short-, medium- to long-term • Damage to property and assets in our operating locations, which may adversely impact our financial results • Delays in project planning authorization and implementation, as well as disruption to business operation, supply chain and logistics arrangement • Reduction in our production capacity	In response to unusual weather conditions, we have implemented the following measures: (i) establishing an emergency evacuation plan and issue safety warnings to notify employees and on-site workers about special work and safety arrangements; (ii) adopting special work arrangements and policies under typhoon signals; and (iii) closely monitoring daily observatory predictions and will promptly notify our employees and other personnel of any related measures in case of extreme weather.
Climate-related transition risks		
Policy and legal risks Evolving climate-related laws and regulations in transition to a lower-carbon economy including China's 2060 carbon neutral goal, which may impose carbon pricing and emission reduction mandates	Medium- to long-term • Increased compliance and operating costs	We regularly and closely monitor changes in laws and regulations, and promptly communicate updates to employees to ensure compliance.

ESG-related risks	Timeframe and potential impacts	Our responses
Other ESG-related risks		
Operational compliance risks Increased compliance burden under governmental policies, as well as applicable laws, regulations governing our business activities operations . .	Long-term • Increased compliance and operating costs	Compliance with laws and regulations underpins our operations and reputation. We established comprehensive procurement and supplier management procedures including supplier admission and performance review system that require adherence to environmental laws and responsible sourcing. We also provide product quality control and management training to enhance employees' awareness of compliance.
Product quality management Failure to meet customer expectations due to poor product and service quality, and poor supply chain stability . . .	Long-term • Increase in reputational risks or liability claims, which may adversely impact our business performance and/or financial results	We have implemented a set of policies to ensure quality control throughout the entire production to after-sales process, covering warehouse management, manufacturing processes, quality inspections, and post-delivery service.
Research and development Failure to make technological advances in order to maintain the competitiveness of our products or expand our product offerings.	Long-term • Delays in product launches or failure to capture market opportunities, which may adversely affect our business development and/or financial performance	As an innovative enterprise, we prioritize research and development. To standardize product development and project management, we have implemented effective controls over R&D projects, new product development, and design processes — enhancing development quality and strengthening our competitive edge.
Intellectual property protection Failure to patent R&D achievements promptly and protect intellectual property. . .	Long-term • Increased risks to business development	To protect our technological advancements, we actively pursue patent applications and have established comprehensive intellectual property management policies, including R&D, Intellectual Property Management Policy, Sales and After-sales Intellectual Property Management Procedures, and Technical and Commercial Confidentiality Management Policy.
Employment compliance Increased compliance burden under applicable employment laws and regulations	Long-term • Increased compliance and operating costs	We prioritize safeguarding our employees' lawful rights and interests and have established policies on recruitment, employment, performance management, and attendance management.
Occupational health and safety ("OHS") risks Increased compliance burden under occupational health and safety standards or requirements.	Long-term • Workplace safety failures may increase reputational and compliance risks, cause production delays, suspensions, or operational shutdowns, which may adversely impact our financial results	We develop an annual OHS plan, set annual safety management objectives, and enhance employee health and efficiency through hazard identification and mitigation, emergency drills, safety training and health screening. Our OHS management system is certified to ISO 45001:2018 standard.

ESG Policy

We are committed to incorporating ESG factors into our business decision-making process. As such, we have established a group-level ESG policy complemented by a set of measures and initiatives to guide our actions and measures to strengthen our sustainability efforts.

Environmental protection

In addition to the strict compliance with applicable laws and regulations, we have formulated internal environmental management documents and established an environmental management system that meets the requirements of ISO 14001:2015. The cost of meeting environmental compliance includes third-party environmental testing or treatment, investment in establishing an environmental management system, and environmental safety management service fees. During the Track Record Period, we did not have any material non-compliance with environmental laws and regulations. In 2023, 2024 and 2025, our environmental compliance costs were approximately RMB11,500, RMB5,000 and RMB22,333, respectively. We monitor the following metrics to assess and manage the environmental and climate-related risks arising from our manufacturing processes:

GHG emissions

The major source of greenhouse gas ("GHG") emissions (Scope 1 and 2) includes the use of purchased electricity and vehicle fuel consumption. To reduce GHG emissions, we have implemented relevant policies and emission reduction measures including: (1) implementing an intelligent space management system including: zoning and automated control of air conditioning and lighting, sensor and timer controls, preset temperature and fan speed settings, remote monitoring and control via mobile applications, and data monitoring and analysis; (2) considering the possibility of replacing our current vehicles with electric vehicles in the future; (3) promoting paper conservation practices, including double-sided printing and ink-saving mode, electronic communication, monitoring and setting print limits for users when applicable, and conducting periodic paper usage audits to identify areas for improvement; and (4) encouraging sustainable transportation among employees, including the use of public transport, prioritizing direct flights for necessary business travel, and substituting non-essential international travel with video conferencing.

Resource consumption

We monitor electricity consumption at our production bases and offices, including conducting monthly electricity usage statistics to track energy consumption patterns. We have set it as our target to strengthen the promotion of energy-saving measures and reduce electricity consumption. We reduce electricity usage through: (1) turning off electronic devices during non-working hours; (2) paying attention to unplugging electric kettles and microwaves, especially before weekends and holidays, to reduce power consumption in the office; and (3) installing independently controllable lighting switches in different lighting zones and using motion sensor or sound-activated lights in public areas. We monitor water consumption at our production bases and offices and have implemented measures to promote water conservation. These include encouraging employees to turn off faucets properly to prevent water leakage, posting water-saving reminders and promptly repairing leaks.

Pollutant management

Vehicles are our primary source of air pollutant emissions. Due to the availability of air pollutant data for only one year, we currently do not have sufficient data to establish quantitative targets. However, we are committed to reducing air pollutant emissions through: (1) reducing vehicle use and exploring options such as electric vehicles; and (2) encouraging public transportation and adopting online meetings whenever possible.

Green office initiatives

To support our green office targets, we have established an intelligent IoT platform management system to effectively monitor and manage office operations, incorporated intelligent gateways, smart scene panels, smart lighting fixtures, intelligent light sensors, smart plugs and intelligent air conditioning controllers, enabling us to optimize energy usage and improve operational efficiency. By integrating these intelligent solutions into our office, we can monitor and manage energy consumption and reduce waste.

Environmental metrics and targets

To advance our commitment to environmental protection, we have established the following reduction targets by 2027, using 2024 as the baseline.

Aspect	Targets[(1)]
GHG emissions	1) Reduce the total GHG emission intensity by 5% 2) Reduce the Scope 2 GHG emission intensity by 6% 3) Reduce the Scope 3 GHG emission intensity by 5%
Electricity consumption	Reduce the electricity consumption intensity by 4%
Water Consumption	Reduce the water consumption intensity by 6%

The table below sets forth key environmental metrics of our business operations[(1)(2)]:

		For the year ended December 31,		
	Unit	2023	2024	2025
Emissions				
GHG emissions[3]				
Total (Scopes 1, 2)	*tCO_2e*	325.5	1,099.5	371.1
Total (Scopes 1, 2, 3)	*tCO_2e*	1,200.3	1,913.5	1,564.9
(i) Direct emissions (Scope 1)	*tCO_2e*	12.7	678.7	14.9
(ii) Energy indirect emissions (Scope 2)	*tCO_2e*	312.7	420.8	356.2
(iii) Other indirect emissions (Scope 3)[4]	*tCO_2e*	874.9	814.0	1,193.8
Total (Scopes 1, 2) intensity	*tCO_2e/ revenue in RMB million*	1.6	4.1	1.0
Total (Scopes 1, 2, 3) intensity	*tCO_2e/ revenue in RMB million*	6.0	7.1	4.0
Use of Resources				
Energy				
Total consumption	*MWh*	884.5	1,011.8	1,040.6
(i) Non-renewable electricity purchased	*MWh*	512.6	689.7	624.5
(ii) Off-site renewable electricity purchased	*MWh*	327.2	261.5	363.4
(iii) Diesel oil	*MWh*	12.0	16.7	17.0
(iv) Unleaded petrol	*MWh*	32.7	43.9	35.7
Intensity	*MWh/revenue in RMB million*	4.4	3.8	2.7
Water				
Total consumption	*m^3*	5,073.2	5,238.0	3,908.0
Intensity	*m^3/revenue in RMB million*	25.2	19.5	10.1

(1) The data covers our major business operations.
(2) Totals may not be the exact sum of numbers stated here due to rounding.
(3) The calculation of GHG emissions made reference to the GHG Protocol published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). Scope 1 (Direct) emissions cover GHG emissions directly produced by business owned or controlled by us, Scope 2 (Indirect) emissions cover GHG emissions of indirect energy resulted from purchased electricity consumed by our operations, while Scope 3 (Other Indirect) emissions that occur in our value chain.
(4) The Scope 3 emissions include available data arising from Category 6: business travel and Category 7: employee commuting.

(1) All intensities are calculated based on million RMB revenue.

Social responsibility

We commit to promoting fairness and equality in the workplace and ensure transparent and fair recruitment and promotion, ensuring that all employees are provided with equal opportunities in recruitment, promotion, welfare protection, and career development. We do not tolerate any form of discrimination, including gender, sexual orientation, disability, age, race, nationality, family status, or any other legally protected factors. We embrace diversity, equal and respectful treatment of all employees in hiring, training, wellness and professional and personal development. This approach applies to all employee activities and human resources matters, including recruitment, promotion, transfer, rewards, and training. While maximizing equal career opportunity for everyone, we continue to promote work-life balance and create a pleasant workplace for every employees.

Occupational health and safety

Compliance with laws and regulations pertaining to employee health and safety is our priority. To mitigate risks and safeguard employee well-being, we have developed comprehensive internal policies and measures on occupational health and safety, including safety management plans and inspection schedules to identify and address potential hazards. During the Track Record Period, we had maintained a strong safety record with no significant accidents reported, and we were not aware of any material claims related to health and occupational safety.

Supply chain management

We are devoted to establishing a well-defined supplier management procedure and rigorous supplier risk management process. In particular, we have established a supply chain ESG risk management policy and supplier code of conduct, which lays out our sustainability expectations including employment practices, health and safety, business ethics, data privacy and environmental protection. We conduct a comprehensive three-step process when introducing new suppliers, comprising material review, supplier investigation, and collective decision-making. We generally require suppliers to provide environmentally friendly products based on business needs and encourage them to minimize raw material use during production and design processes.

Sound supply chain management is essential to product quality, reliability and efficiency. Suppliers are evaluated based on quality system documents, procurement and supplier management, engineering management, warehouse management, quality management, and product management. Suppliers are approved only upon meeting these criteria. In 2023, 2024 and 2025, we had approximately 730, 782 and 812 suppliers, respectively, all of which were based in Chinese Mainland.

Product responsibility

As part of our commitment to product excellence, we have implemented a quality management system under which products undergo testing prior to market launch. We monitor and respond to customer feedback and take appropriate actions in response to product quality and safety issues. See "— Quality Control." We also maintain relevant management system certifications, including ISO 9001:2015 and ISO 14001:2015, to uphold high quality standards. During the Track Record Period, we had successfully maintained an impeccable record with no product recalls attributed to safety and health concerns and we had received no substantial complaints regarding product quality.

Operational compliance

To uphold high standards of ethical conduct and integrity, we have established an anti-fraud policy on conflict of interest, confidentiality, bribery, anti-corruption and equal opportunity. Violations may result in termination of the business relationship or employment. We incorporate fraud risk assessment into our enterprise risk assessment and implement relevant internal controls measures for anti-fraud, such as approval, authorization, verification, cross-checking, division of duties and performance review.

In addition, we have established reporting channels, including reporting hotline, email and suggestion box. We encourage employees and relevant parties to report internal violations of discipline or law, fraud and potential misconduct.

Community engagement

We aim to cultivate young talent in science and technology innovation and have hosted educational and popular science public welfare activities, including AI public welfare experience activities, headquarter visits and providing experiences with industrial robot products to foster their interest in AI. Going forward, we will continue to invest in community education, by offering learning opportunities and resources to young people, and planning to collaborate with schools to establish scholarships to incentivize technological innovation. We also plan to hold at least one donation event, including donating public welfare books and used goods, and at least one charity sale donation event each year to encourage employees to participate in public welfare charity donations in support of community development.

Social targets

To strengthen our commitment to safeguarding employee health and safety, ensuring product safety, protecting intellectual property rights, and upholding employment compliance, we have established the following social targets: (1) achieve 0% safety accident rate for our products; (2) achieve 100% training on intellectual property among employees; (3) ensure zero incidents of intellectual property rights violations each year; (4) maintain employment compliance, our target is to have no major violations of employment regulations each year; and (5) consider the health and safety of every employee as our primary responsibility and strive to ensure that there are no major safety accidents.

PATH TO PROFITABILITY

We are still at a relatively early stage of commercialization of our comprehensive offerings. During the Track Record Period, we generally experienced continuous revenue growth in all offering types from RMB201.2 million in 2023 to RMB387.4 million in 2025, at a CAGR of 38.8%.

In 2023, 2024 and 2025, we had loss for the year of RMB110.6 million, RMB71.5 million, and RMB152.9 million, respectively. We have made incentive share grants for the purpose of providing incentives and rewards to eligible participants who contribute to the success of our operations. Our adjusted net loss (non-IFRS measure) in 2023, 2024 and 2025 was RMB105.8 million, RMB52.3 million and RMB86.6 million, respectively. We recorded accumulated losses as of January 1, 2022, primarily because we have been in the early stages of commercialization for an extended period since our inception. During the Track Record Period, we consistently maintained high R&D investments and built an increasingly larger sales and marketing team to expand our robotics business. This led to net losses both before and after non-IFRS adjustments and caused a downward trend in our net assets during the Track Record Period. Additionally, a significant portion of our business is in robotics solutions, which have a long operating cycle and require relatively high upfront working capital investment. This resulted in net cash outflows from operating activities. Consequently, our external financing needs increased, and the balance of bank loans showed an overall upward trend. This led to a decrease in net current assets, followed by an increase due to the pre-IPO investments in April 2025.

We may continue to incur net losses after the Track Record Period. Going forward, we plan to maintain sustainability and achieve profitability by driving sustainable revenue growth and business scale and effectively managing our costs and expenses. Specifically, our business plans and strategies to turn around our net losses and operating cash outflows include: (1) increasing the proportion of high-margin businesses by (i) expanding overseas markets, which features a higher gross profit margin during the Track Record Period; and (ii) increasing the proportion of robot body sales, particularly Bat series parallel robots and Lobster series wafer handling robots; and (2) reducing costs and increasing efficiency by (i) continuously investing in R&D and enhancing product competitiveness to improve range of use-case applications, performance, and stability of our robots and robotics solutions; (ii) improving material costs, delivery times, and settlement cycles by leveraging the mature manufacturing supply chain and logistics system in the Yangtze River Delta region; and (iii) continuously improving the efficiency of our sales and marketing team. We aim to achieve profit breakeven and net operating cash inflow on a quarterly basis before the end of 2026.

Driving Sustainable Revenue Growth and Business Scale

Rapid growth of industrial robot market

China's industrial robot market, in terms of revenue, grew from RMB37.9 billion in 2021 to RMB67.3 billion in 2025, at a CAGR of 15.4%. As downstream application scenarios and market demand continue to expand, the market is expected to reach RMB147.2 billion by 2030, at a CAGR of 17.2% from 2026 to 2030. China's light industrial robot market, in particular, is expanding rapidly, driven by automation upgrades and policy support for smart manufacturing. China's light industrial robot market grew from RMB14.3 billion in 2021 to RMB24.6 billion in 2025, at a CAGR of 14.5%. As more industry sectors seek to enhance efficiency and precision through robotic automation, China's light industrial robot market is expected to reach RMB53.1 billion by 2030, at a CAGR of 17.0% from 2026 to 2030. Relatedly, China's light industrial robot solution market grew from RMB44.3 billion in 2021 to RMB86.1 billion in 2025, at a CAGR of 18.0%. With the increasing adoption of automation in downstream industry sectors and the demand for smart manufacturing, China's light industrial robot solution market is expected to reach RMB212.6 billion in 2030, at a CAGR of 20.2% from 2026 to 2030.

Our robotic portfolio offers versatile performance coverage, with payload capacities ranging from 0.5 kg to 20 kg, multiple axis configurations, high-speed operation, and robust repeatability. Building upon this portfolio, we provide a variety of solutions with varying degrees of customization to support a wide range of automation functions, including loading and unloading, sorting, picking and placing, packing, assembly, and gluing systems. Our robotics solutions typically consist of one or more categories of robots to address specific use cases. Consequently, our industrial robots and related robotics solutions have reached a broad and growing global customer base across various industry sectors, including consumer electronics, automotive components and new energy, healthcare, FMCG, and semiconductors. Despite the industrial robot and solutions market in China dedicated to the application scenarios in the light industry remains highly fragmented with each participant holding relatively small market shares, we believe we are equipped to capture the substantial market opportunity and achieve continuous growth.

Technological innovation and product iteration

Leveraging the success of our offerings, we continue to iterate and expand our robotic portfolio to improve their adaptability, accuracy and efficiency, thereby strengthening our competitive advantages and enhancing our market presence. For example, we aim to upgrade the ultra-high-speed precision series with enhanced accuracy, develop high-payload parallel robots, upgrade SCARA robots to achieve precision assembly and heavy-duty processing, and develop general-purpose embodied intelligent robots for environmental understanding and autonomous task execution. Specifically, we plan to develop (1) Bat series parallel robots, designed for high-load, high-precision performance, with an arm span ranging from 1100 mm to 1800 mm, a load capacity of 15 kg to 30 kg, and a cycle time exceeding 80pcs/min to meet the new technological demands arising from industrial upgrades in sectors such as medical and food industries. Our Bat1100M-S15 model outperforms the mainstream competing product in both cycle time and load capacity. Our Bat1300M-S15 model has a Z-axis range of 750mm, filling the gap in the industry and shows significant potential in hygiene product and food packaging applications; (2) Python series SCARA robots, with an arm span of 450 to 650 mm, a rated load exceeding 10 kg, a rotational inertia greater than 0.3 $kg \cdot m^2$, and a 50% reduction in dynamic settling time, specifically designed to meet the demand in the consumer electronics sector for high-performance robots. Our Python550-H10 model outperforms the mainstream competing product with larger workspace and higher inertia, making it more suitable for applications in consumer electronics that require rapid starts and stops, as well as scenarios involving short-distance high acceleration movements that demand greater robot rigidity; and (3) Lobster series wafer robots, with a load capacity of 10kg, representing a significant improvement compared to the current 5kg load model. This new model will be comparable to the mainstream model with a similar load in the current market. It is designed to meet the emerging demands of third-generation semiconductors and advanced packaging including 12-inch silicon carbide (SiC) ingots and PLP glass substrates (510x515). According to Frost & Sullivan, driven by the steady expansion of consumer electronics, photovoltaic energy, automotive electronic components and other fields, the demands for advanced packaging technology continue to increase. In 2025, China's advanced packaging market reached RMB99.8 billion, and fueled by surging demand for AI and high-performance computing, the market is projected to increase from RMB125.0 billion in 2026 to RMB254.6 billion in 2030, with a CAGR of 19.5%, according to the same source. In addition, China's silicon carbide semiconductor market is in a stage of rapid development. In 2025, China's silicon carbide semiconductor market size was approximately RMB32.3 billion. In the forecast period, as the applications of silicon carbide semiconductor further expand to new energy vehicles, consumer electronics, data centers and other fields, the market size of China's silicon carbide semiconductor is expected to further increase from RMB38.1 billion in 2026 to RMB93.9 billion in 2030, at a CAGR of 25.3%. We believe that the commercialization of the abovementioned products will enhance our market penetration and increase our revenue.

We also plan to advance our technological innovation by focusing on key technological directions. For example, we will continue to develop an integrated system combining motion control, vision processing and power drive algorithms with real-time communication protocols to achieve significant volume and power reduction with millisecond-level response. We will continue to enhance the trajectory planning, vision servoing, and dynamics control algorithms to improve adaptive capabilities and dynamic response precision in complex environments, ensuring stable operation under high-speed, high-precision, and high-payload conditions.

To expand our business scale, we continue to enrich and expand our offerings to meet the increasing demand of the rapidly evolving market. Our strategy involves developing new products that cater to the dynamic needs of the market, thereby enhancing our market share and visibility. Leveraging our R&D team consisting of industry experts and engineers with extensive experience in the robotics industry, we intend to focus on comprehensive improvements in product performance, durability and usability. This includes continuous development of process packages for specific applications, which simplifies product use in targeted applications and opens up new markets. We also intend to further advance in perception and interaction technologies to bolster our competitive edge.

Specifically, we are developing (1) the integrated robot controller for Bat series parallel robots and high-load Bat series parallel robots; (2) the integrated robot controller for Python series SCARA robots and high-rigidity Python series SCARA robots; and (3) wafer handling robots. We plan to commercialize the new robots or solution in early 2026. See "— Our Offerings." We expect that the new types of robots and solution strengthen our position in the industry, meet customers's different demands and capture huge markets.

Expansion of production scale

We plan to build two production lines for parallel robots, two for articulated robots, and one for other types of robots, increasing our annual production capacity. Furthermore, we plan to construct three to four production bases in China, such as in Zhejiang Province and Jiangsu Province, by 2027, with operations commencing by 2028. See "Future Plans and Use of Proceeds — Use of Proceeds." By constructing new intelligent production lines and new production bases, we expect to expand our production scale and increase production yield, thereby enhancing our market penetration and profitability.

Sales network expansion and market penetration

Customer recognition and satisfaction are critical to our business sustainability and growth. We have established long-term, stable relationships with our existing customers who are well-recognized industry leaders in their respective industry sectors. Collaborations with these reputable companies not only validate our technological capabilities but also help strengthen our brand influence and attract a broader customer base. We intend to expand our sales network, increase our market penetration, and optimize our marketing system. We also intend to expand our nationwide sales network covering major industrial regions across the country and continue to open regional service centers in closer proximity to our customers. See "— Growth Strategies" for details.

Additionally, leveraging our existing overseas distribution network, we intend to further develop the distribution network by engaging more overseas distributors in the Southeast Asian, European and Latin American markets to broaden our geographical reach and deepen our market penetration. In 2023, 2024 and 2025, the sales in Southeast Asia, Europe and Latin America altogether featured relatively favorable gross profit margins, which were 59.7%, 51.5% and 36.7%, respectively, as compared to our overall gross profit margins of 18.3%, 26.5% and 24.8% in the respective periods. According to Frost & Sullivan, the Southeast Asian industrial robot market, in terms of revenue, was RMB22.2 billion in 2025. In the forecast period, as Southeast Asian countries continue to advance the industrialization process, as well as global supply chain restructuring and manufacturing transfer, the market is projected to reach RMB49.9 billion by 2030, at a CAGR of 17.6% from 2025 to 2030, according to the same source. The industrial robot market in Southeast Asia is relatively fragmented, with major global players holding a large share at the current stage. Our overseas distribution strategy employs a tiered partnership model to ensure broad market coverage and high-quality local customer service. We plan to appoint a primary distributor in each key country, which will be responsible for managing a network of secondary distributors within its territory. This structure is designed to ensure that sales and support are always handled by the partner closest to the customers. Our primary distributors will be established entities with proven track records in industrial automation. They will be selected based on their technical capabilities, including maintaining pre-sales engineering and after-sales service teams, as well as their ability to hold local demonstration inventory and spare parts. Their existing industry reputation and customer relationships in their respective markets are expected to accelerate our initial market entry and revenue generation. Secondary distributors, nominated by the primary distributors and approved by us, will extend our market reach under the primary distributors' management. This model is designed to penetrate new markets efficiently by leveraging our partners' established local presence and expertise, allowing us to focus our resources on product development, training, and supporting our partners' efforts. During the Track Record Period and up to the Latest Practicable Date, we had engaged a total of seven overseas distributors. We believe our plan to expand into nine countries and regions by 2029 is a feasible and capital-efficient growth strategy. By partnering with established local players who already possess the necessary infrastructure and customer relationships, we can achieve significant geographic scale without the substantial capital expenditure and operational complexity of building a fully owned overseas subsidiary network. This partner-centric approach is designed to mitigate execution risk while accelerating our time-to-market and revenue growth internationally. In Europe, from 2025 to 2029, we aim to engage distributors in nine countries and regions, including Italy, France, the United Kingdom, the Czech Republic, Poland, Spain, Hungary, the Benelux, and Romania. By 2030, we aim to achieve a 5% market share in the European light industrial robot market. In the Latin American market, we plan to select distributors or system integrators with industry experience, technical support and marketing teams, and an established mature distribution network. Initially, we will focus on Brazil and Mexico, with each country developing two distributors to cover the surrounding markets. We also intend to facilitate expansion of our overseas business by establishing a subsidiary in Hong Kong and recruiting high-caliber talent to enhance our international sales and R&D capabilities.

Our strategy is to leverage our strong relationships with major domestic customers in China in the consumer electronics and new energy vehicle sectors as they expand overseas. We have already supported their new factory expansion in Southeast Asia, including Vietnam, Malaysia, and Thailand, and are engaging with them on their planned expansions into Europe and North Africa. During the Track Record Period, we supported a total of four domestic customers in their overseas expansion activities, all of which are in the form of robotics solutions. Such support took the form of both direct exports (i.e., sales shipped directly to the customers' overseas operations) and indirect exports (i.e., sales to the customers' domestic entities, who then sold the products overseas). Revenue generated from such activities during the Track Record Period and up to the Latest Practicable Date, direct and indirect, amounted to RMB78.4 million. For example, during the Track Record Period, we supported Customer A's overseas expansion in Southeast Asia. As Customer A had then recently established its new manufacturing facility, we supplied a range of robotics solutions commonly used in China, including loading and unloading systems and oiling and scanning machines, with related technical support. Our robotics solutions enabled Customer A to achieve production automation and reduce manpower requirements. In addition, to assist Customer A in securing orders from its own downstream customers, we undertook the R&D of new robotics solutions, such as grinder loading and unloading systems and thickness binning inspection machines. During the Track Record Period and up to the Latest Practicable Date, we generated a total revenue of RMB38.8 million from Customer A's overseas expansion in Southeast Asia. Our support to Customer A was representative of our "follow-the-customer" approach, which provides a basis of proven demand and allows us to enter new markets with lower customer acquisition costs. We supplement this by proactively targeting customer-facing projects in these regions, leveraging our application-specific know-how and cost-effective solutions. See "Future Plans and Use of Proceeds — Use of Proceeds."

Continually Improving Net Profit Margin

Narrowed gross loss margin

Continually improving our profit profile is crucial to achieving long-term profitability. We expect that more streamlined manufacturing costs will result from a greater effect of economies of scale from mass production as the demand continues to grow for our robots and related solutions, which typically consist of one or more categories of robots, modular design and standardized components to address specific use cases. Mass production can reduce our manufacturing costs because (1) greater order sizes lowers procurement management price per unit and logistics transportation cost per unit; (2) large-scale manufacturing requires purchasing raw materials and components in bulk, often at discounted rates, which reduces the cost of materials per unit; and (3) mass production generally increases efficiency and productivity, thereby reducing the time required to produce each unit. An increase in the demand for robotics solutions will lower manufacturing costs, primarily due to (1) the standardization of solution architecture and the recycle of common modules and software, which reduces design and commissioning efforts; (2) greater learning-curve efficiencies as engineering teams gain experience across recurring projects; and (3) greater supply-chain and resource utilization benefits, as larger order volumes allow batch procurement and higher utilization of shared production and service facilities. In terms of robot bodies, for example, we achieved a 14.3% reduction in the unit cost for the same industrial personal computer, driven by the increased order volume from 300 units in 2024 to 1,410 units in 2025 for the same supplier. In terms of solutions, for example, we achieved a 10% reduction in the unit cost for the same oiling and scanning machine model, driven by the increased order volume from two units in 2023 to nine units in 2024 for the same supplier. In addition, modular design has significantly increased the production efficiency of our production lines across our facilities. See "— Our Production — Our Production Facilities." Going forward, we expect to continue to improve our modular design capabilities, which will further reduce production costs and improve our gross profit margin.

We also expect that the long-term relationships with our customers will significantly reduce our cost in terms of our robotics solution business line, as this allows us to obtain repeat orders for similar robotics solutions, and it takes less time and labor consumption to design, manufacture and deliver such robotics solutions, leading to reduced costs and enhanced profit margins. For instance, we have established a solid business relationship with Customer A that has lasted for nearly a decade. The depth of our cooperation has continued to increase over the years. Throughout our long-term partnership, we have maintained efficient and smooth communication with Customer A and formed a highly complementary strategic synergy in several key areas, such as technical collaboration, capacity assurance, and supply chain security. This smooth communication and complementary strategic synergy allows us to design and manufacture robotics solutions for Customer A with less time and labor cost, leading to reduced costs and enhanced profit margins. We also aim to improve the stability and efficiency of the supply chain by implementing bulk purchasing, establishing strategic partnerships with suppliers, and optimizing the procurement process.

We aim for cost and efficiency optimization across production, administration, and R&D. On the production side, our initiatives include the selective introduction of automated processes to reduce labor costs, the digitalization of the production management system, and the improved quality traceability. With respect to optimizing our administrative costs, we intend to maintain the current management team structure. The significant increase of RMB46.5 million in administrative expenses for 2025, compared with 2024, was primarily attributable to listing expenses and financial advisory expenses totaling RMB22.7 million, which were incurred exclusively in 2025. In terms of enhancing R&D efficiency, we will focus on acquiring top industry talent to leverage their proven experience and reduce trial-and-error costs. We plan to allocate more R&D resources to high-value initiatives such as (1) the development of a next-generation all-in-one robot controller, and (2) the expansion of our parallel robot product line, including new models tailored for high-temperature industrial applications. We plan to eliminate redundant efforts by consolidating multiple controller platform developments into a unified, scalable architecture, and streamlining our supplier base for key components to improve efficiency and strengthen supply chain stability. We also aim to streamline cross-departmental workflows to accelerate decision making and improve information sharing. Collectively, these measures are designed to improve operational efficiency, control costs, and reinforce our long-term competitiveness.

Strategic shift towards scalable product offerings

To enhance operational efficiency and profitability, we intend to progressively increase the proportion of robot body sales within our overall revenue mix. Compared with robotics solutions with various degrees of customization, robot bodies are generally standardized in design and production, allowing for shorter delivery cycles and higher inventory turnover. In 2023, we began our strategic shift towards manufacturing and selling more standalone robot bodies and increasing its sales to distributors to appeal to a wider customer base, such as allowing us to capture the demand of system integrators in addition to end-users. Since then, revenue from our sales of robot bodies as a percentage of our total revenue increased from 12.8% in 2023 to 20.8% in 2024, and further to 31.9% in 2025. Going forward, we expect to derive a higher percentage of our revenue from robot bodies. This strategic shift not only enables us to better respond to customer demand with scalable offerings, but also contributes to margin improvement through cost optimization and production efficiency. Additionally, this strategic shift impacts our cash conversion cycle. The lead time for the robot business is typically one month, while the lead time for our robotics solutions, from order acceptance to completion of acceptance inspection, is usually three to nine months, which can be lengthened depending on the complexity of the projects, the level of customization, and the specific customer requirements, among other factors. Our customer credit term is generally 30 to 180 days. Furthermore, for the robotics solutions, some payments can only be settled after a one to three-year warranty period. With no significant difference in the settlement cycle of our suppliers, the strategic shift to the robot business helps shorten our cash conversion cycle. Our cash conversion cycle, as calculated by inventory turnover days plus trade receivables turnover days minus trade payables turnover days, decreased from 286 days in 2023 to 187 days in 2025. Our inventory turnover days remained stable at 241 days in 2024 and 241 days in 2025.

Despite an increase in revenue from robot bodies as a percentage of total revenue, which allows for shorter delivery cycles and higher inventory turnover, our inventory turnover days remained stable at 241 days in 2024 and 2025, primarily due to an increase in the inventory turnover cycle for robotic solutions, whose scale was increasing on average and thus requires a longer execution cycle. Based on the above Directors' view and the discussion with the Company, the Sole Sponsor is not aware of any material matter in this regard that needs to be brought to the attention of the Stock Exchange.

No material changes to our cost structure

We expect no material changes in cost structure, because (1) the increase in the scale of the robot body business may lead to an increase in the scale of direct materials, which will be partially offset by improvements in the supply chain; and (2) the construction of new facilities may lead to an increase in fixed overhead, which will be offset by the increase in capacity utilization.

OVERVIEW

As of the Latest Practicable Date, Dr. Zhang controlled approximately 25.07% of the voting power at the general meetings of our Company, comprising (i) approximately 11.17% beneficially owned by him directly, (ii) approximately 8.76% beneficially owned by Shaoxing Ziqiu LP, where Dr. Zhang acted as its general partner, (iii) approximately 2.72% beneficially owned by Shaoxing Yuzhang LP, where Dr. Zhang acted as its general partner and (iv) approximately 2.41% beneficially owned by Shaoxing Zhiqiu LP, where Dr. Zhang acted as its general partner. Upon the Listing, Dr. Zhang will control 22.55% of the voting power at the general meetings of our Company, comprising (i) approximately 10.05% beneficially owned by him directly, (ii) approximately 7.88% beneficially owned by Shaoxing Ziqiu LP, (iii) approximately 2.45% beneficially owned by Shaoxing Yuzhang LP and (iv) approximately 2.17% beneficially owned by Shaoxing Zhiqiu LP. Therefore, Dr. Zhang, together with Shaoxing Ziqiu LP, Shaoxing Yuzhang LP and Shaoxing Zhiqiu LP, were the Single Largest Group of Shareholders of the Company as of the Latest Practicable Date and will be our Single Largest Group of Shareholders upon the Listing.

NO COMPETITION AND CLEAR DELINEATION OF BUSINESS

Our Single Largest Group of Shareholders have confirmed that as of the Latest Practicable Date, none of them or any of their respective close associates had any interest in a business that competes or is likely to compete, either directly or indirectly, with our business, which is subject to disclosure pursuant to Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Management Independence

Our business is primarily managed and conducted by our Board and senior management. Upon the completion of the Listing, our Board will comprise of four executive Directors, three non-executive Directors and four independent non-executive Directors. See "Directors and Senior Management" for more information.

Our Directors believe that our Board and senior management is able to manage our business and function independently from our Single Largest Group of Shareholders based on the following reasons:

(1) each of our Directors is aware of his/her fiduciary duties as a Director of our Company which require, among other things, that he/she acts for the benefit and in the best interests of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interest;

(2) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Directors or their respective associates, the interested Directors shall abstain from voting at the relevant board meetings of our Company in respect of such transactions and shall not be counted in the quorum;

(3) we have four independent non-executive Directors, who have extensive experience in different areas and have been appointed to ensure that the decisions of our Board are made after due consideration of independent and impartial opinions. Certain matters of our Company must always be referred to the independent non-executive Directors for review in accordance with the Listing Rules, the applicable laws and our Articles of Association and internal policies;

(4) our daily management and operations are carried out by our senior management team. Except Dr. Zhang himself, our senior management team members are independent from our Single Largest Group of Shareholders, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interest of our Group; and

(5) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Single Largest Group of Shareholders which would support our independent management. See "— Corporate Governance."

Operation Independence

We have established our own organizational structure comprised of individual departments, each with specific areas of responsibilities. We have also established various internal controls procedures to facilitate the effective operation of our business. Our Group is not operationally dependent on our Single Largest Group of Shareholders. Our Company (through our subsidiaries) holds or enjoys the benefit of all relevant licenses and owns all relevant intellectual property and R&D facilities necessary to carry on our business. We have sufficient capital, facilities, equipment and employees to operate our business independently from our Single Largest Group of Shareholders. We also have independent access to our customers and suppliers.

Based on the above, our Directors believe that we are capable of carrying on our business independently of our Single Largest Group of Shareholders and their close associates.

Financial Independence

We have an independent financial system. Our Group's accounting and finance functions are independent of our Single Largest Group of Shareholders and their close associates. Our Group makes financial decisions according to our own business needs. Our Group's major finance operations are handled by our financial management department, which operates independently from our Single Largest Group of Shareholders and their close associates. We do not share any other functions or resources with any of our Single Largest Group of Shareholders or their close associates.

During the Track Record Period, we primarily financed our business operations through cash generated from our business activities and equity financing activities. During the Track Record Period and up to the Latest Practicable Date, certain bank loans to the Group (the "Guaranteed Loans") were guaranteed by Dr. Zhang, our founder and a member of our Single Largest Group of Shareholders. As of March 31, 2026, being the latest practicable date for liquidity disclosure in this prospectus, the outstanding principal amount of the Guaranteed Loans was RMB179.5 million. See note 36 to the Accountant's Report as set out in the Appendix I to this prospectus and "Financial Information — Related party transactions" for details of such loans and guarantees. As of the date of this prospectus, the relevant banks had commenced the process of releasing the guarantee provided for our benefit by Dr. Zhang, all requisite procedures of which are expected to be fully completed within six months after the Listing.

Based on the above, our Directors believe that our Group is able to operate with financial independence from our Single Largest Group of Shareholders and their close associates.

CORPORATE GOVERNANCE

We have put in place sufficient corporate governance measures to manage the conflict of interest and potential competition from our Single Largest Group of Shareholders and safeguard the interest of our Shareholders, including:

(1) where a Shareholders' meeting is to be held for considering proposed transactions in which our Single Largest Group of Shareholders or any of their close associates has a material interest, our Single Largest Group of Shareholders will not vote on the resolutions and shall not be counted in the quorum in the voting;

(2) our Company has established internal control mechanism to identify connected transactions. After the Listing, our Company will comply with the requirements in connection with connected transactions under the Listing Rules;

(3) where our Directors reasonably request the advice of independent professionals, such as independent financial advisors, the appointment of such independent professional will be made at our Company's expense;

(4) we have appointed Sinolink Securities (Hong Kong) Company Limited as our compliance advisor to provide advice and guidance to us in respect of compliance with the applicable laws and regulations, as well as the Listing Rules, including various requirements relating to corporate governance;

(5) we have established the audit committee, remuneration and appraisal committee and nomination committee and strategy committee with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code;

(6) our Single Largest Group of Shareholders will confirm the status of their non-competing interest on an annual basis and to provide all information necessary, including all relevant financial, operational and market information and any other necessary information as required by our Company; and

(7) our Company will disclose decisions (with basis), if any, on matters reviewed by the independent non-executive Directors either in its annual report or by way of announcements.

Our Directors consider that the above corporate governance measures are sufficient to manage any potential conflict of interests between our Single Largest Group of Shareholders and their respective close associates and our Group and to protect the interests of our Shareholders, in particular, the minority Shareholders.

OVERVIEW

Upon the Listing, the Board will consist of eleven Directors, including four executive Directors, three non-executive Directors and four independent non-executive Directors. The Board is responsible, and has general authority for, the management and operation of the Company. Our Directors are appointed for a term of three years and are eligible for re-election upon expiry of their term of office.

Our senior management is responsible for the day-to-day operations of the Company.

All of the Directors and senior management have met the qualification requirements under the relevant PRC laws and regulations and the Listing Rules for their respective positions.

BOARD OF DIRECTORS

The following table sets forth certain information regarding the members of our Board.

Name	Age	Position	Date of joining our Group	Date of appointment as a Director	Responsibility	Relationship with other Directors and senior management
Executive Directors						
Dr. Zhang Sai (張賽)	42	Executive Director, chairman of the Board and president	June 26, 2012	June 26, 2012	Overall strategic planning and business operations of our Group	N/A
Mr. Zhang Zichao (張子超)	39	Executive Director and executive vice president	January 1, 2013	January 4, 2022	Assisting the chairman of the Board in the overall operation and management of our Group	N/A
Mr. Sun Tongliang (孫同亮)	41	Executive Director	July 5, 2013	March 28, 2017	Development and management of controller products of our Group	N/A
Mr. Dou Zhiyuan (竇志遠)	37	Executive Director and general manager of the Jupiter business unit	July 1, 2013	May 26, 2025	Management of parallel robotics workstations and automated solution operations of our Group	N/A
Non-executive Directors						
Mr. Wang Maike (王麥克)	39	Non-executive Director	May 26, 2025	May 26, 2025	Providing strategic advice and oversight to the Board	N/A
Mr. Lee Shen Kai (李笙凱)	45	Non-executive Director	July 16, 2015	July 16, 2015	Providing strategic advice and guidance to the Board	N/A
Mr. Song Pengfei (宋鵬飛)	38	Non-executive Director	January 30, 2023	January 30, 2023	Providing strategic advice and guidance to the Board	N/A
Independent non-executive Directors						
Mr. Xiong Minghua (熊明華)	60	Independent Non-executive Director	May 26, 2025	May 26, 2025	Providing independent judgment and advice to the Board	N/A
Ms. Zhou Shuang (周爽)	42	Independent Non-executive Director	April 23, 2023	April 23, 2023	Providing independent judgment and advice to the Board	N/A

Name	Age	Position	Date of joining our Group	Date of appointment as a Director	Responsibility	Relationship with other Directors and senior management
Ms. Zhao Fengmei (趙鳳梅)	58	Independent Non-executive Director	April 23, 2023	April 23, 2023	Providing independent judgment and advice to the Board	N/A
Mr. Wu Qingyao (吳慶耀)	41	Independent Non-executive Director	August 18, 2025	August 18, 2025	Providing independent judgment and advice to the Board	N/A

Executive Directors

Dr. Zhang Sai (張賽), aged 42, has served as a Director since June 2012, the chairman of the Board since May 2014 and president of our Company since March 2016, and was redesignated as an executive Director in June 2025. He is primarily responsible for the overall strategic planning and business operations of our Group.

Dr. Zhang has over 17 years of experience in mechanical engineering, intelligent manufacturing and corporate management. Prior to joining our Group, from September 2007 to November 2012, he worked as a senior engineer of CPS promotion department at Chen Hsong Machinery (Shenzhen) Co., Ltd. (震雄機械(深圳)有限公司), a company primarily engaged in the production of injection molding machines, where he was primarily responsible for injection molding machine design and lean production management.

Dr. Zhang obtained a bachelor of engineering degree in thermal and power engineering from Tsinghua University (清華大學) in the PRC in July 2006. He further obtained a master of science degree in mechanical engineering from Columbia University in USA in May 2007 and a doctor of engineering degree in advanced manufacturing from Tsinghua University (清華大學) in December 2024. Dr. Zhang was accredited as a Senior Engineer (高級工程師) by Human Resource and Social Security Bureau of Jinan (濟南市人力資源和社會保障局) in May 2019.

Mr. Zhang Zichao (張子超), aged 39, has served as a Director since January 2022, and was redesignated as an executive Director in June 2025. He joined our Company in January 2013 as deputy general manager and was appointed as the executive vice president in April 2023. He is primarily responsible for assisting the chairman of the Board in the overall operation and management of our Group.

Prior to joining our Group, from February 2011 to January 2013, he also worked at the engineering research and development department of Chen Hsong Machinery (Shenzhen) Co., Ltd. (震雄機械(深圳)有限公司), a company primarily engaged in production of injection molding machines, where he was primarily responsible for the research and development of injection molding machines.

Mr. Zhang obtained a bachelor's degree in mechatronic engineering from Heze University (菏澤學院) in the PRC in June 2011 and a master's degree of business administration from China Europe International Business School (中歐國際工商學院) in the PRC in July 2025.

Mr. Sun Tongliang (孫同亮), aged 41, joined our Company in July 2013 and has served as a Director since March 2017, and was redesignated as an executive Director in June 2025. He is primarily responsible for the development and management of controller products of our Group.

Mr. Sun has over 11 years of experience in engineering and intelligent manufacturing. Prior to joining our Group, from August 2008 to May 2010, he worked as a technician at POWERCHINA Nuclear Engineering Co., Ltd. (中國電建集團核電工程有限公司) (formerly known as Shandong Electric Power Construction No.2 Co., Ltd. (山東電力建設第二工程公司)), a company primarily engaged in electric power construction, where he was primarily responsible for technical matters within the team.

Mr. Sun obtained a bachelor's degree in automation from Shandong University of Light Industry (山東輕工業學院) in the PRC in July 2008 and a master's degree in control science and engineering from Shandong University (山東大學) in the PRC in June 2013.

Mr. Dou Zhiyuan (竇志遠), aged 37, has served as a Director since May 2025, and was redesignated as an executive Director in June 2025. He joined our Company in July 2013 as manager of the electrical engineering department. He also has been serving as the general manager of our Jupiter Business Unit since January 2023. He is primarily responsible for the management of parallel robotics workstations and automated solution operations of our Group.

Mr. Dou has over 13 years of experience in electrical engineering and intelligent automation. From August 2011 to May 2013, he worked as a staff at automation department of Jinan Auto Technology Co., Ltd. (濟南奧圖自動化股份有限公司) (formerly known as Jinan Auto Technology Engineering Co., Ltd. (濟南奧圖自動化工程有限公司)), an automotive stamping service provider whose shares are quoted on the National Equities Exchange and Quotations (stock code: 833748), where he was primarily responsible for electrical design and programming.

Mr. Dou obtained a bachelor's degree in automation from Qilu University of Technology (齊魯工業大學) (formerly known as Shandong Institute of Light Industry (山東輕工業學院)) in the PRC in June 2011.

Non-executive Director

Mr. Wang Maike (王麥克), aged 39, has served as a Director since May 2025, and was redesignated as a non-executive Director in June 2025. He is primarily responsible for providing strategic advice and oversight to the Board.

Mr. Wang has over 20 years of experience in public administration and corporate management. From December 2004 to February 2014, he successively served in the Ningbo Airport Border Inspection Station (寧波機場邊防檢查站) as a conscripted soldier and served as a staff member, the deputy director of the Illegal Construction Enforcement Office at Lupu Town Urban and Rural Construction Office (蘆浦鎮村鎮建設辦), where he was primarily responsible for construction affairs. Since February 2014, he successively served as the director, general manager, and the chairman of the board at Yuhuan Lupu Economic Development Co., Ltd. (玉環市蘆浦經濟發展有限公司), a company primarily engaged in infrastructure investment and property development, where he was primarily responsible for the overall strategy and operations of the company.

Mr. Wang obtained a diploma in business administration from Dalian University of Technology (大連理工學院) in the PRC in January 2009.

Mr. Lee Shen Kai (李笙凱), aged 45, has served as a Director since July 2015, and was redesignated as a non-executive Director in June 2025. He is primarily responsible for providing strategic advice and guidance to the Board.

Mr. Lee has over 16 years of experience in venture capital investment and strategic consulting. From September 2008 to September 2009, he worked as a consulting director (諮詢總監) at Beijing Adfaith Enterprise Management Consulting Co., Ltd. (北京正略鈞策企業管理諮詢有限公司) ("Adfaith Consulting"), a company primarily engaged in commercial consulting and was dissolved as at the Latest Practicable Date, where he was primarily responsible for consulting. From October 2009 to August 2011, he worked as a consulting director at Shanghai Adfaith Enterprise Management Consulting Co., Ltd. (上海正略鈞策企業管理諮詢有限公司), a company primarily engaged in commercial consulting, where he was primarily responsible for consulting. From July 2011 to March 2014, he was a senior manager of innovation engine at Shanghai Ruiqi Technology Development Co., Ltd. (上海瑞啟科技發展有限公司), a company primarily engaged in IT development and consulting services, where he was primarily responsible for entrepreneur incubation, park development and international cooperation. From April 2014 to June 2020, he served as the partner at Shanghai Keke Private Equity Fund

Management Co., Ltd. (上海可可私募基金管理有限公司) (formerly known as Shanghai Keke Space Investment Management Co., Ltd. (上海可可空間投資管理有限公司) and Shanghai Keke Investment Management Co., Ltd. (上海可可投資管理有限公司)) ("Keke Investment"), a company primarily engaged in venture capital investment, where he was primarily responsible for venture capital investment and incubation in the robotics industry. Since July 2020, he has been serving as a partner at Feitu Venture Investment (Beijing) Co., Ltd. (飛圖創業投資(北京)有限公司), a company primarily engaged in venture capital investment, where he was primarily responsible for early-stage investments.

Mr. Lee obtained a bachelor of engineering degree in mechanical engineering and automation and a master of engineering degree in management science and engineering from Tsinghua University (清華大學) in the PRC in July 2005 and July 2007, respectively.

Adfaith Consulting was solvent at the time of its dissolution without any material non-compliance and it was voluntarily dissolved by its then directors and shareholders as they decided to shift their business focus to other business platforms. The dissolution of Adfaith Consulting was not related to Mr. Lee, who only served as a consulting director, a mid-level position primarily responsible for providing consulting services to clients, and did not hold any directorship or senior management roles at Adfaith Consulting.

Mr. Song Pengfei (宋鵬飛), aged 38, has served as a Director since January 2023, and was redesignated as a non-executive Director in June 2025. He is primarily responsible for providing strategic advice and guidance to the Board.

Mr. Song has over 13 years of experience in operational and investment management. From June 2012 to June 2015, he served as an investment manager at China Broadband Capital (寬帶資本), an investment company focusing on investments in the technology, media, and telecommunications sectors, where he was primarily responsible for investment management. From July 2015 to September 2016, Mr. Song served as the chief operational officer at Beijing Tangguo Yangcheng Technology Co., Ltd. (北京糖果養成科技有限公司), a company engaged in development of social media applications, where he was primarily responsible for overall operational management of the company. Since October 2016, Mr. Song has served as a vice president of China Broadband Capital, primarily responsible for investment management.

Mr. Song obtained a bachelor's degree in optical information science and technology from The University of Shanghai for Science and Technology (上海理工大學) in the PRC in July 2008. He further graduated from Fudan University (復旦大學) in the PRC with a master's degree in international trade in June 2012.

Independent Non-executive Directors

Mr. Xiong Minghua (熊明華), aged 60, has served as a Director since May 2025, and was redesignated as an independent non-executive Director in June 2025. He is primarily responsible for providing independent judgment and advice to the Board.

Mr. Xiong has over 21 years of experience in technology innovation, corporate strategy and investment. Mr. Xiong has served as the chairman of the board of directors and the general manager of Seven Seas Management Company (Hong Kong), Limited (七海管理有限公司), a venture capital firm focusing on investing cross border technology companies with potential in the United States and China, where he was primarily responsible for investment management, since November 2018. Mr. Xiong was the former chief technology officer for Tencent Holdings Limited (a company listed on the Stock Exchange, Stock Code: 700) from 2005 to 2013, where he was responsible for the overall technical management of the company. He worked at Microsoft Corporation for 9 years from November 1996 to October 2005 as program manager in Internet Explorer, Windows and MSN product groups, and as founding director of MSN China Development Center.

Mr. Xiong has served as an independent director of SOHO China Limited (SOHO中國有限公司), a company whose shares are listed on the Stock Exchange (stock code: 0410), and an independent director of Telling Telecommunication Holding Co., Ltd. (天音通信控股股份有限公司), a company whose shares are listed on the Shenzhen Stock Exchange (stock code: 000829), since May 2015 and September 2018, respectively.

Mr. Xiong received his bachelor of engineering degree in information system engineering from National University of Defense Technology (國防科技大學) in the PRC in 1987 and a master of science degree in information retrieval from Chinese Defense Science and Technology Information Center (中國國防科技信息中心) in the PRC in 1990.

Ms. Zhou Shuang (周爽), aged 42, has served as an independent Director since April 2023, and was redesignated as an independent non-executive Director in June 2025. She is primarily responsible for providing independent judgment and advice to the Board.

Ms. Zhou has extensive experience in auditing and investment management. From November 2018 to October 2021, she was the partner of National Investment and Construction Fund Management (Beijing) Co., Ltd. (國投建銀基金管理(北京)有限公司), a company principally engaged in investment management and consultancy for non-securities business, project investment and asset management, where she was primarily responsible for the overall management. She has served as the head of strategy at Beijing Xunlu Intelligent Technology Co., Ltd. (北京馴鹿智能科技有限公司), a company principally engaged in technology development, software services and computer system services, where she was primarily responsible for the overall management, since November 2021. Ms. Zhou began her career at KPMG Huazhen LLP (畢馬威華振會計師事務所), a company principally engaged in professional accounting services, where she worked as a project manager from September 2005 to April 2010 and was primarily responsible for project auditing. From October 2011 to July 2013, she served as a project manager at the Office of the Auditor General of British Columbia in Canada, where she was primarily responsible for auditing. From August 2013 to October 2015, she worked as a valuation analyst at British Columbia Investment Management Co., Ltd., a company principally engaged in managing the assets and making investments across the board, where she was primarily responsible for investment and valuation-related work.

Ms. Zhou obtained a bachelor's degree in accounting from Tsinghua University (清華大學) in the PRC in July 2005 and a master's degree in management from Stanford University in USA in June 2018. Ms. Zhou was qualified as a Chartered Financial Analyst (CFA) by the CFA Institute in September 2012. She was certified as a certified public accountant by the Certified Public Accountants Examination Committee of the Ministry of Finance (財政部註冊會計師考試委員會) in January 2009, a certified public accountant by CPA Canada in June 2010 and a fellow chartered and certified accountant by The Association of Chartered Certified Accountants in June 2013.

Ms. Zhao Fengmei (趙鳳梅), aged 58, has served as an independent Director since April 2023, and was redesignated as an independent non-executive Director in June 2025. She is primarily responsible for providing independent judgment and advice to the Board.

Ms. Zhao has over 21 years of experience in legal education. She has served as a full-time lecturer in law at Shandong Jianzhu University (山東建築大學) since July 2003. Earlier in her career, Ms. Zhao also worked as a staff member at Jinan Sanzhu Pharmaceutical Co., Ltd. (濟南三株藥業有限公司), a company primarily engaged in research and development, production and sales of health food, medical devices and pharmaceuticals, where she was primarily responsible for quality and enterprise management, from January 1996 to March 1999 and worked as an employee at Jinan Chensheng Medical Technology Co., Ltd. (濟南晨生醫療科技有限公司) (formerly known as Jinan Medical Silicone Rubber Products Factory (濟南醫用硅橡膠製品廠)), a company primarily engaged in sales of healthcare products, where she was primarily responsible for workshop production process, from July 1988 to December 1995.

Ms. Zhao obtained a bachelor of engineering degree in polymer synthesis from Chengdu University of Science and Technology (成都科技大學) in the PRC in July 1988 and a master of laws degree in civil and commercial law from Shandong University (山東大學) in the PRC in June 2003. Ms. Zhao was awarded the Legal Professional Qualification (法律職業資格) by the Ministry of Justice of the PRC (中華人民共和國司法部) in September 2002 and was accredited as an associate professor by Shandong Jianzhu University (山東建築工程學院) in September 2005.

Mr. Wu Qingyao (吳慶耀), aged 41, was appointed as an independent non-executive Director in August 2025. He is primarily responsible for providing independent judgment and advice and to the Board.

Mr. Wu has over 11 years of academic and research experience in computer science and software engineering. Mr. Wu has successively served as an associate professor and a professor at South China University of Technology (華南理工大學) since March 2015 and his research is primarily focused on cross-media heterogeneous data analysis, vision-language integration, knowledge graph mining, and deep learning applications. From December 2013 to March 2015, Mr. Wu was a postdoctoral researcher at Nanyang Technological University (新加坡南洋理工大學).

Mr. Wu obtained a bachelor's degree in software engineering from South China University of Technology (華南理工大學) in the PRC in June 2007. He further successively obtained a master's degree in computer science and technology and a doctoral degree in computer software and theory from Harbin Institute of Technology (哈爾濱工業大學) in the PRC in July 2009 and January 2014, respectively.

As of June 30, 2025 (being the date of submission of our Company's listing application), the Board also included Mr. Pang Xueyu (龐學玉), a professor at China University of Petroleum (East China) (中國石油大學(華東)), who was appointed as an independent non-executive Director in April 2023. Mr. Pang resigned as an independent non-executive Director in July 2025 according to applicable administrative rules of China University of Petroleum (East China) after being promoted to an associate dean. Mr. Pang has confirmed that he has no disagreement with the Board and there are no matters in respect of his resignation that need to be brought to the attention of the Stock Exchange or the Shareholders.

SENIOR MANAGEMENT

Dr. Zhang Sai (張賽), our executive Director, chairman of the Board and president.

Mr. Zhang Zichao (張子超), our executive Director.

Mr. Sun Tongliang (孫同亮), our executive Director.

Mr. Dou Zhiyuan (竇志遠), our executive Director and general manager of the Jupiter business unit.

Mr. Xin Yaguang (辛亞光), aged 42, has served as the chief financial officer of our Company since April 2025. He is primarily responsible for overseeing financial management and internal control of our Group.

Mr. Xin has over 11 years of experience in auditing. Earlier in his career, Mr. Xin held the position of senior auditor at Ernst & Young Hua Ming LLP, Qingdao Branch (安永華明會計師事務所(特殊普通合夥)青島分所), where he was primarily responsible for financial statements audits, from October 2013 to March 2018. From March 2018 to January 2019, he served as a risk manager at Haier Group (Qingdao) Financial Holdings Co., Ltd. (海爾集團(青島)金融控股有限公司), a company principally engaged in providing financial services, where he was primarily responsible for risk management. He also worked as a senior consultant at Ernst & Young (China) Advisory Ltd., Qingdao Branch (安永(中國)企業諮詢有限公司青島分公司), a company primarily engaged in providing consulting services, where he was principally responsible for risk management consultancy, from

January 2019 to July 2021. From October 2021 to December 2024, he was an audit manager at Ernst & Young Hua Ming LLP, Qingdao Branch (安永華明會計師事務所(特殊普通合夥)青島分所), a partnership principally engaged in providing assurance services, where he was primarily responsible for financial statement audits.

Mr. Xin obtained a bachelor's degree in polymer materials and engineering from East China University of Science and Technology (華東理工大學) in the PRC in July 2005 and a master's degree in political economy from Qingdao University (青島大學) in the PRC in June 2013. Mr. Xin was qualified as the Certified Internal Auditor (CIA) by The Institute of Internal Auditors (內部審計師協會) in January 2020 and the Certified Management Accountant (CMA) by the Institute of Management Accountants (管理會計師協會) in April 2025.

Mr. Tu Shengping (屠升平), aged 43, has served as the deputy general manager and chief engineer of our Company since May 2025. He is primarily responsible for the research and development of robotic products, exploration of frontier technologies, and contributing to our Group's strategic planning and operations.

Mr. Tu has over 16 years of experience in robotics, industrial automation, and engineering management. Prior to joining us, from July 2008 to May 2023, he was the lead of robotics R&D at Shanghai ABB Engineering Co., Ltd. (上海ABB工程有限公司), a company principally engaged in robotics and automation, where he was primarily responsible for product development and team management. From June 2023 to May 2024, he was the chief technology officer at Shanghai Qiaotian Intelligent Equipment Co., Ltd. (上海橋田智能設備有限公司), where he was primarily responsible for the planning and development of robotic end-of-arm tooling and corporate strategy. He also served as an executive vice president at Shanghai Xingdongyuan Intelligent Technology Co., Ltd. (上海行動元智能科技有限公司), a company primarily engaged in industrial artificial intelligence, where he was primarily responsible for industrial automation EVP, from July 2024 to October 2024.

Mr. Tu obtained a bachelor's degree in mechanical engineering and automation and a master's degree in instrument science and technology from Tsinghua University (清華大學) in the PRC in July 2005 and July 2007, respectively.

Mr. Zhang Xu (張旭), aged 42, has served as the deputy general manager of our Company since August 2023. He is primarily responsible for corporate strategy and market development of our Group.

Mr. Zhang has extensive experience in ICT and intelligent logistics sectors. Earlier in his career, from August 2006 to July 2011, he worked as a staff number at Huawei Technologies Co., Ltd. (華為技術有限公司), a company principally engaged in ICT technologies, where he was primarily responsible for national business development and management. He then successively worked as an account manager at Microsoft (China) Co., Ltd. (微軟(中國)有限公司), a subsidiary of Microsoft Corporation whose shares are listed on the Nasdaq (ticker: MSFT), where he was primarily responsible for client relationship management and business development, from August 2012 to August 2014 and as the director of Shenzhen Youai Zhihe Robotics Technology Co., Ltd. (深圳優艾智合機器人科技有限公司), a company principally engaged in AGV and logistics, where he was primarily responsible for new business expansion, from October 2021 to December 2022. From June 2020 to September 2021, he worked at Keda Intelligent Robot Technology Co., Ltd. (科大智能機器人技術有限公司). Since 2018, he has also been registered as a securities broker with Lianchu Securities Co., Ltd. (聯儲證券股份有限公司).

Mr. Zhang obtained a bachelor's degree in French language and culture from Guangdong University of Foreign Studies (廣東外語外貿大學) in the PRC in June 2006.

Mr. Zhang Zhongfa (張忠法), aged 39, has served as the robotics software scientist of our Company since August 2023. He is primarily responsible for AGV and warehouse logistics of our Group.

Mr. Zhang has over 15 years of experience in software development. Mr. Zhang joined our Company in July 2014 as the manager of software team, where he was primarily responsible for the overall software development. From April 2020 to August 2023, he served as the manager of the warehouse logistics team of our Company, where he was primarily responsible for the development of warehouse logistics software and AGV products. Earlier in his career, from March 2010 to May 2010, he also worked as an equipment engineer at Qilu Pharmaceutical Co., Ltd. (齊魯製藥有限公司), a company primarily engaged in production of pharmaceuticals and raw materials, where he was primarily responsible for maintenance of equipment. From March 2011 to May 2014, he worked as the chief engineer at Jinan Runtian Testing Machinery Co., Ltd. (濟南潤天測試機械有限公司), a company primarily engaged in production of test machinery for the oil pump industry, where he was primarily responsible for development of test equipment.

Mr. Zhang obtained a bachelor's degree in automation from Shandong University (山東大學) in the PRC in June 2009.

Ms. Yang Xu (楊絮), aged 35, has served as a deputy general manager and the board secretary of our Company since March 2025. She is primarily responsible for investor relations and corporate governance affairs of our Group.

Ms. Yang has over nine years of experience in commercial consulting and investment management. Prior to joining us, from June 2022 to February 2025, Ms. Yang served as the managing partner of Xiamen Albatross Aoxiang Investment Partnership (Limited Partnership) (廈門信天翁翺翔投資合夥企業(有限合夥)), an equity investment partnership focusing on investment in new energy, new material and intelligent manufacturing sectors, where she was primarily responsible for investment management. From May 2018 to May 2022, Ms. Yang served as the founding partner of Blox, Inc in Tokyo, a company primarily focusing on strategic consulting, market research, technical cooperation and talent introduction, where she was primarily responsible for overall management and business development of the company. From April 2016 to April 2018, Ms. Yang also worked as a senior consultant of strategy consulting department at Deloitte Tohmatsu Consulting LLC in Tokyo, a professional consulting firm, where she was primarily responsible for management consulting services.

Ms. Yang obtained a bachelor's degree in Japanese literature from Tsinghua University (清華大學) in the PRC in July 2012. She further studied at Hitotsubashi University in Japan from September 2012 to March 2016, and obtained a master's degree in commerce and management in March 2016.

Save as disclosed above in the sections headed "— Directors" and "— Senior Management", each of our Directors and senior management members confirms with respect to himself or herself that (1) he or she had no other relationship with any Director, senior management or substantial Shareholder of our Company as at the Latest Practicable Date; (2) he or she did not hold any other directorships in the three years prior to the Latest Practicable Date in any public companies of which the securities are listed on any stock exchange in Hong Kong and/or overseas; and (3) there are no other matters concerning our Directors' appointment that need to be brought to the attention of our Shareholders and the Stock Exchange or shall be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

JOINT COMPANY SECRETARIES

Ms. Yang Xu (楊絮) was appointed as one of our joint company secretaries in June 2025. Ms. Yang is our deputy general manager and the board secretary of our Company.

Ms. Shum Kit Han (岑潔嫺), one of our joint company secretaries since June 2025. She is responsible for providing corporate secretarial and compliance services to listed companies.

Ms. Shum has over 10 years of experience in company secretary and corporate governance field. She obtained her master's degree in professional accounting and corporate governance in July 2015 and her bachelor's degree in English for professional communication in November 2005, both from the City

University of Hong Kong. She also obtained her executive diploma in anti-money laundering and counter-terrorist financing from the University of Hong Kong School of Professional and Continuing Education in October 2022, and a diploma in Spanish as a foreign language in September 2023.

Ms. Shum is a Chartered Secretary, a Chartered Governance Professional, a fellow member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, and a member of the executive committee of the Mexican Chamber of Commerce in Hong Kong.

BOARD COMMITTEES

Our Company has established four committees under the Board of Directors, namely the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy Committee.

Audit Committee

The Audit Committee consists of four Directors, namely Ms. Zhou Shuang, Mr. Xiong Minghua, Ms. Zhao Fengmei and Mr. Wu Qingyao, with Ms. Zhou Shuang currently serving as the chairlady. Ms. Zhou Shuang has the appropriate professional qualification and experiences as required under Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee is mainly responsible for reviewing and overseeing the financial reporting procedure, risk management and internal control system of our Group and has the terms of reference in compliance with the relevant PRC laws and regulations and Rule 3.21 of the Listing Rules and paragraph D.3 of part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

Remuneration and Appraisal Committee

The Remuneration and Appraisal Committee consists of four Directors, namely Ms. Zhao Fengmei, Mr. Xiong Minghua, Ms. Zhou Shuang and Mr. Wu Qingyao, with Ms. Zhao Fengmei currently serving as the chairlady. The Remuneration and Appraisal Committee is mainly responsible for evaluating the remuneration polices for Directors and senior management of our Group and making recommendations thereon to the Board of Directors and has the terms of reference in compliance with relevant laws and regulations of the PRC and paragraph E.1 of part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

Nomination Committee

The Nomination Committee consists of four Directors, namely Mr. Wu Qingyao, Mr. Xiong Minghua, Ms. Zhao Fengmei and Ms. Zhou Shuang, with Mr. Wu Qingyao currently serving as the chairman. The Nomination Committee is mainly responsible for identifying, screening and recommending to the Board of Directors qualified candidates to serve as the Directors and senior management and monitoring the procedures for evaluating the performance of the Board of Directors and has the terms of reference in compliance with the relevant laws and regulations of the PRC and paragraph B.3 of part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

Strategy Committee

The Strategy Committee consists of six Directors, namely Dr. Zhang, Mr. Lee Shen Kai, Mr. Wang Maike, Mr. Zhang Zichao, Mr. Song Pengfei, and Ms. Zhou Shuang, with Dr. Zhang Sai serving as the chairman. The Strategy Committee is mainly responsible for researching and recommending the development strategy and capital operation of our Company to the Board of Directors and has the terms of reference in compliance with the relevant PRC laws and regulations.

DIVERSITY POLICY OF THE BOARD OF DIRECTORS

The Board of Directors has adopted a board diversity policy (the "Board Diversity Policy") in order to enhance the effectiveness of our Board of Directors and to maintain high standard of corporate governance. The Board Diversity Policy sets out the criteria in selecting candidates to our Board of Directors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to our Board of Directors.

Our Directors have a balanced mixed of knowledge and skills, including but not limited to overall business management, finance and accounting, robot technology and law. The Board of Directors is of the view that our Board of Directors satisfies the Board Diversity Policy. In addition, our Board of Directors has a wide range of age, ranging from 37 years old to 60 years old. Two of our Directors are female. Our Board of Directors will also ensure that appropriate balance of gender diversity is achieved with reference to investors' expectation, and international and local recommended best practices.

Going forward, our Company will consider the possibility of nominating female senior management to the Board or appointed more female Directors who has the necessary skills and experience. In particular, we target to achieve more than one third female representation in the Board within three years after the Listing, subject to our Directors (i) being satisfied with the competence and experience of the relevant candidates after a comprehensive review process based on reasonable and unbiased criteria, and (ii) fulfilling their fiduciary duties to act in the best interest of our Company and our Shareholders as a whole when deliberating on the appointment. To develop a pipeline of potential female successors to the Board, our Company will (i) ensure that there is gender diversity when recruiting staff at mid to senior levels; and (ii) engage more resources in training female staff and involving them in periodical discussion with the Directors on corporate governance and business decision making, with the aim of promoting them to be members of our senior management or the Board.

The Nomination Committee is responsible for reviewing the diversity of the Board of Directors. After Listing, the Nomination Committee will monitor and evaluate the implementation of the Board Diversity Policy from time to time to ensure its continued effectiveness. The Nomination Committee will also include in successive annual reports a summary of the Board Diversity Policy, including any measurable objectives set for implementing the Board Diversity Policy and the progress on achieving these objectives.

CORPORATE GOVERNANCE

Our Directors recognize the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. Save as disclosed below, our Group is expected to comply with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

Pursuant to code provision C.2.1 of Part 2 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the roles of chairman and chief executive should be separate and should not be performed by the same individual. We do not have a separate chairman and chief executive and Dr. Zhang currently performs these two roles. Our Board believes that vesting the roles of both the chairman of our Board and the president of our Company in the same person has the benefit of (1) ensuring consistent leadership within our Company, (2) enabling more effective and efficient overall strategic planning for our Company, and (3) facilitating the flow of information between the management and our Board. Our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. Our Board will continue to review and consider splitting the roles of the chairman of our Board and the president of our Company at a time when it is appropriate by taking into account the circumstances of our Company as a whole.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors and members of our senior management receive compensation from our Group in the form of fees, salaries and other benefits and contribution to pension scheme.

The aggregate amounts of remuneration (including fees, salaries, contribution to pension schemes, housing allowances, other allowances and benefits-in-kind and discretionary bonuses and share-based payment) paid to the Directors for the three years ended December 31, 2023, 2024 and 2025, were RMB2.8 million, RMB9.9 million and RMB14.7 million, respectively.

The aggregate amounts of remuneration (including fees, salaries, contribution to pension schemes, housing allowances, other allowances and benefits-in-kind and discretionary bonuses and share-based payment) paid to the five highest paid individuals, excluding Directors and chief executive, for the three years ended December 31, 2023, 2024 and 2025, were RMB1.5 million, RMB6.7 million and RMB25.9 million, respectively.

It is estimated that remuneration (including fees, salaries, contribution to pension schemes, housing allowances, other allowances and benefits-in-kind and discretionary bonuses and share-based payment) equivalent to approximately RMB6.0 million in aggregate will be paid to the Directors by the Company for the year ending December 31, 2026, based on the arrangements in force as of the date of the prospectus.

No remuneration was paid by the Company to the Directors or the five highest paid individuals as inducement to join or upon joining the Company or as a compensation for loss of office during the Track Record Period. Furthermore, none of the Directors had waived or agreed to waive any remuneration during the Track Record Period.

COMPLIANCE ADVISOR

The Company appointed Sinolink Securities (Hong Kong) Company Limited as the compliance advisor pursuant to Rules 3A.19 of the Listing Rules, and the compliance advisor will advise the Company in the following circumstances:

(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 the Company proposes to use the proceeds of the Global Offering in a manner that is different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecasts, estimates or other information in this prospectus; and

(iv) where the Stock Exchange makes an inquiry of the Company regarding unusual movements in the price or trading volume of the Shares, the possible development of a false market in the Shares or any other matters.

The terms of the appointment of the compliance advisor will commence on the Listing Date and end on the date when the Company distributes the annual report of its financial results for the first full financial year commencing after the Listing Date.

CORE R&D TEAM MEMBERS

For further details of the experience of our core R&D team members, see "Business — Research and Development — Our R&D Team and Core Members" in this prospectus.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that, as of the Latest Practicable Date, he or she did not have any interest in any business which competes, or is likely to compete, directly or indirectly, with our business, and requires disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (1) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on June 5, 2025; and (2) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors confirms (1) his/her independence as regards each of the factors referred to in Rule 3.13(1) to (8) of the Listing Rules; (2) that he/she has no past or present financial or other interest in the business of our Company or our subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date; and (3) that there are no other factors that may affect his/her independence at the time of his/her appointment.

Our registered share capital as of the Latest Practicable Date was RMB55,088,492, divided into 55,088,492 Unlisted Shares of nominal value RMB1.00 each. Upon Listing, the ordinary shares of the Company will be split on a one for four basis, and the aforementioned registered share capital of the Company of RMB55,088,492 will be divided into 220,353,968 Shares of par value RMB0.25 each.

The share capital of our Company immediately after the Share Subdivision, the Global Offering and Conversion of Unlisted Shares and Unlisted Foreign Shares into H Shares will be as follows:

Description of Shares	Number of Shares	Aggregate nominal value of Shares
		(RMB)
H Shares to be converted from Unlisted Shares	220,353,968	55,088,492
H Shares issued pursuant to the Global Offering	24,600,000	6,150,000
Total	**244,953,968**	**61,238,492**

The above table assumes that the Global Offering has become unconditional and the H Shares are issued pursuant to the Global Offering.

RANKING

Upon the completion of the Global Offering and Conversion of Unlisted Shares into H Shares, the Shares will consist of H Shares only. H Shares are all ordinary Shares in the share capital of the Company.

Apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities, H Shares generally cannot be subscribed for by or traded between legal or natural PRC persons.

If further issued following the completion of the Global Offering and Conversion of Unlisted Shares into H Shares, Unlisted Shares and H Shares are regarded as two different classes of Shares. The differences between the Unlisted Shares and the H Shares, provisions on class rights, dispatch of notices and financial reports to Shareholders, dispute resolution, registration of Shares on different registers of Shareholders, the procedure of transfer of Shares and appointment of dividend receiving agents as contained in the Articles of Association are summarized in "Appendix V — Summary of the Articles of Association" to this prospectus.

Furthermore, any change or abrogation of the rights of class Shareholders shall be approved by way of a special resolution of the general meeting of Shareholders and by a separate class shareholders meeting of class Shareholders convened by the affected class of Shareholders. The circumstances under which a general meeting and/or a class meeting is required are summarized in "Appendix V — Summary of the Articles of Association" to this prospectus. However, the special approval process of separate classes of Shareholders is not required under the following circumstances:

(i) issue of Unlisted Shares or H Shares of not more than 20% of existing Unlisted Shares or H Shares, respectively, either separately or concurrently in a period of 12 months, pursuant to an approval by a special resolution of the general meeting;

(ii) proposal to issue of Unlisted Shares and H Shares of the Company upon its establishment pursuant to approval of the securities regulatory authority under the State Council, provided that such proposal is carried out within 15 months after such approval; or

(iii) upon the approval by securities regulatory authority of the State Council, (a) transfer by holders of the Unlisted Shares to overseas investors, or (b) conversion of the Unlisted Shares held by them into overseas-listed shares, in whole or in part, and the listing and trading of such Shares on an overseas stock exchange.

Unlisted and H Shares shall rank *pari passu* with each other in all other respects and, in particular, will rank equally for dividends or distributions declared, paid or made. All dividends for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars or Renminbi, whereas all dividends for Unlisted Shares will be paid in Renminbi. Other than cash, dividends could also be paid in the form of shares.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND CLASS MEETING ARE REQUIRED

For details of circumstances under which the Shareholders' general meeting and class Shareholders' meeting are required, please refer to "5. General Provisions on the General Meeting" under "Appendix V — Summary of the Articles of Association" to this prospectus.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

Pursuant to the regulations prescribed by the securities regulatory authorities of the State Council and the Articles of Association, the Unlisted Shares may be converted into overseas-listed Shares. Such converted Shares could be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted Shares, any requisite internal approval process has been duly completed and the approvals from the relevant regulatory authorities, including CSRC, have been obtained. In addition, such conversion and trading shall comply with the regulations, requirements and procedures prescribed by the relevant overseas stock exchange. If any of the Unlisted Shares are to be converted, listed and traded as H Shares on the Stock Exchange, such conversion, listing and trading will need the approval of the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange. The listing and trading of such converted H Shares on the Stock Exchange will also require the approval of the Stock Exchange.

Listing Review and Approval by the CSRC

In accordance with the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (H股公司境內未上市股份申請"全流通"業務指引) announced by the CSRC, H-share listed companies or any unlisted domestic joint stock company which apply for the conversion of domestic shares into H shares for listing and circulation on the Stock Exchange shall file the application with the CSRC according to the administrative licensing procedures necessary for the "examination and approval of public issuance and listing (including additional issuance) of overseas shares by a joint stock company."

An H-share listed company may apply for a "full circulation" separately or when applying for refinancing overseas. An unlisted domestic joint stock company may apply for "full circulation" when applying for an overseas initial public offering. The Company applied for a "full circulation" when applying for an overseas listing with the CSRC on July 2, 2025, and submitted the application reports, authorization documents of the shareholders of domestic unlisted shares for which an H-share "full circulation" were applied, explanation about the compliance of share acquisition and other documents in accordance with the requirements of the CSRC.

The Company has received the reply from the CSRC dated March 10, 2026 in relation to the approval of the overseas listing and "full circulation" pursuant to which, (1) the Company was approved to issue no more than 44,718,900 H Shares with a nominal value of RMB0.25 each, which are all ordinary shares, and upon this issuance the Company may be listed on the Main Board of the Stock Exchange; (2) a total of 220,353,968 Unlisted Shares (with a nominal value of RMB0.25 each) held by Dr. Zhang, Shaoxing Ziqiu LP, Shaoxing Yuzhang LP, Shaoxing Zhiqiu LP and the Pre-IPO Investors (the "Participating Shareholders") were approved to be converted into H Shares, and the relevant Shares may be listed on the Stock Exchange upon completion of the conversion. This reply shall remain effective within 12 months from the date of approval.

Listing Approval by the Stock Exchange

We have applied to the Listing Committee of the Stock Exchange for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering and the H Shares to be converted from 220,353,968 Unlisted Shares on the Stock Exchange, which is subject to the approval by the Stock Exchange.

We will perform the follow procedures for the conversion of unlisted shares into H Shares after receiving the approval of the Stock Exchange: (1) giving instructions to our H Share Registrar regarding relevant share certificates of the converted H Shares; and (2) enabling the converted H Shares to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the CCASS. The Participating Shareholders may only deal in the Shares upon completion of following domestic procedures. No approval by separate class meeting is required for the listing and trading of such converted Shares on an overseas stock exchange. Any application for listing of the converted Shares on the Stock Exchange after our initial listing is subject to prior notification by way of announcement to inform the Shareholders and the public of any proposed conversion.

TRANSFER OF SHARES ISSUED PRIOR TO THE GLOBAL OFFERING

According to the Company Law, the Shares issued by the Company prior to the Global Offering are restricted from trading within one year from the Listing Date.

The Company will work with the Domestic Securities Company to be engaged by the Company to restrict the trading of the H Shares converted from Unlisted Shares technically within one year after the Listing.

REGISTRATION OF SHARES NOT LISTED ON AN OVERSEAS STOCK EXCHANGE

According to the Notice of Centralized Registration and Deposit of Non-overseas Listed Shares of Companies Listed on an Overseas Stock Exchange (關於境外上市公司非境外上市股份集中登記存管有關事宜的通知) issued by the CSRC, an overseas listed company is required to register its shares that are not listed on an overseas stock exchange with the CSDC within 15 business days upon listing and provide a written report to the CSRC regarding the centralized registration and deposit of its non-overseas listed shares as well as the current offering and listing of shares.

SHAREHOLDERS' APPROVAL FOR THE GLOBAL OFFERING

Approval from holders of the Shares is required for the Company to issue H Shares and seek the listing of H Shares on the Stock Exchange. The Company has obtained such approval at the Shareholders' general meeting held on June 20, 2025.

To the best of our Directors' knowledge and information, the following persons will, immediately following the completion of the Share Subdivision, the Global Offering and the Conversion of Unlisted Shares into H Shares, have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at any general meeting of our Company:

		As of the Latest Practicable Date		Immediately following the completion of the Share Subdivision, the Global Offering and the Conversion of Unlisted Shares into H Shares	
Shareholder	Nature of interest	Number of Unlisted Shares	Approximate percentage of shareholding in the total issued share capital of our Company	Number of Shares	Approximate percentage of shareholding in the total issued share capital of our Company
Dr. Zhang	Beneficial owner	6,152,926	11.17%	24,611,704	10.05%
	Interest in controlled corporation[1]	7,657,232	13.90%	30,628,928	12.50%
Shaoxing Ziqiu LP	Beneficial Owner	4,827,594	8.76%	19,310,376	7.88%
Mr. Zhang Zichao (張子超)	Interest in controlled corporation[3]	4,827,594	8.76%	19,310,376	7.88%
Yuhuan Guotou and Yuhuan Investment					
Yuhuan City State-owned Assets Investment Operation Group Co., Ltd. (玉環市國有資產投資經營集團有限公司) ("Yuhuan Guotou")	Beneficial owner	5,336,095	9.69%	21,344,380	8.71%
	Interest held jointly with another person[2]	3,500,000	6.35%	14,000,000	5.72%
Yuhuan City Equity Investment Fund Co., Ltd. (玉環市股權投資基金有限公司) ("Yuhuan Investment")	Beneficial owner	3,500,000	6.35%	14,000,000	5.72%
	Interest held jointly with another person[2]	5,336,095	9.69%	21,344,380	8.71%
Broadband Chengbai					
Broadband Chengbai Yangtze River (Hubei) Investment Fund Partnership (Limited Partnership) (寬帶誠柏長江(湖北)投資基金合夥企業(有限合夥)) ("Broadband Chengbai")	Beneficial owner	4,785,459	8.69%	19,141,836	7.81%
Broadband Tiandi (Hubei) Equity Investment Fund Partnership (Limited Partnership) (寬帶天地(湖北)股權投資基金合夥企業(有限合夥))	Interest in controlled corporation[4]	4,785,459	8.69%	19,141,836	7.81%
Broadband (Tianjin) Investment Management Co., Ltd. (誠柏(天津)投資管理有限公司)	Interest in controlled corporation[4]	4,785,459	8.69%	19,141,836	7.81%
Ningxia Chengbei Venture In-vestment Consulting Co., Ltd. (寧夏誠貝創業投資諮詢有限公司)	Interest in controlled corporation[4]	4,785,459	8.69%	19,141,836	7.81%

Shareholder	Nature of interest	As of the Latest Practicable Date		Immediately following the completion of the Share Subdivision, the Global Offering and the Conversion of Unlisted Shares into H Shares	
		Number of Unlisted Shares	Approximate percentage of shareholding in the total issued share capital of our Company	Number of Shares	Approximate percentage of shareholding in the total issued share capital of our Company
Mr. Tian Suning (田溯寧)	Interest in controlled corporation[4]	4,785,459	8.69%	19,141,836	7.81%
Shanghai FreeS					
Shanghai FreeS Venture Capital Center (Limited Partnership) (上海峰瑞創業投資中心(有限合夥)) ("Shanghai FreeS")	Beneficial owner	3,548,250	6.44%	14,193,000	5.79%
Shanghai Ziyou In-vestment Management Limited (上海自友投資管理有限公司)[5]	Interest in controlled corporation[5]	3,548,250	6.44%	14,193,000	5.79%
Mr. Li Feng (李豐)	Interest in controlled corporation[5]	3,548,250	6.44%	14,193,000	5.79%

(1) As of the Latest Practicable Date, Dr. Zhang acted as the general partner of Shaoxing Ziqiu LP, Shaoxing Zhiqiu LP and Shaoxing Yuzhang LP. Under the SFO, Dr. Zhang is deemed to be interested in the entire Shares held by Shaoxing Ziqiu LP, Shaoxing Zhiqiu LP and Shaoxing Yuzhang LP. See "History and Corporation Structure — Capitalization of Our Company" for the respective numbers of Unlisted Shares and H Shares held by the relevant controlled corporations immediately before and after the completion of the Share Subdivision, the Global Offering and the Conversion of Unlisted Shares into H Shares.

(2) Yuhuan Guotou and Yuhuan Investment are acting in concert. Under the SFO, each of Yuhuan Guotou and Yuhuan Investment is deemed to be interested in the entire interest held by each other.

(3) As of the Latest Practicable Date, Mr. Zhang Zichao owned as to 42.26% partnership interest in Shaoxing Ziqiu LP as a limited partner. Under the SFO, Mr. Zhang Zichao is deemed to be interested in the entire Shares held by Shaoxing Ziqiu LP.

(4) As of the Latest Practicable Date, the general partner of Broadband Chengbai is Broadband Tiandi (Hubei) Equity Investment Fund Partnership (Limited Partnership) (寬帶天地(湖北)股權投資基金合夥企業(有限合夥)) ("Broadband Tiandi"), which is ultimately controlled by its general partner, Broadband (Tianjin) Investment Management Co., Ltd. (誠柏(天津)投資管理有限公司) ("Broadband Tianjin"). Broadband Chengbai has eight limited partners, which are independent third parties, each holding less than 30.00% partnership interest in Broadband Chengbai. Broadband Tianjin is owned by Ningxia Chengbei Venture Investment Consulting Co., Ltd. (寧夏誠貝創業投資諮詢有限公司) ("Ningxia Chengbei") as to 95%, which is owned by Mr. Tian Suning (田溯寧) as to 99.00%, and Mr. Tian Suning as to 4.5%. Therefore, each of Broadband Tiandi, Broadband Tianjin, Ningxia Chengbei and Mr. Tian Suning is deemed to be interested in the Shares held by Broadband Chengbai under the SFO.

(5) As of the Latest Practicable Date, the general partner of Shanghai FreeS is Shanghai Ziyou Investment Management Limited (上海自友投資管理有限公司) ("FreeS Fund"), which is controlled by Mr. Li Feng (李豐) as to 95%. Therefore, each of FreeS Fund and Mr. LiFeng is deemed to be interested in the Shares held by Shanghai FreeS under the SFO.

Save as disclosed herein and in "Appendix VI — Statutory and General Information" of this prospectus, our Directors are not aware of any person who will, immediately following the completion of the Global Offering and the Conversion of Unlisted Shares into H Shares, have an interest or short position in the Shares or underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of our Group.

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

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

OVERVIEW

We are an industrial robotics company in China, specializing in the design, development, manufacturing and commercialization of industrial robots and the offering of integrated robotics solutions, dedicated to the application scenarios in the light industry. Leveraging our proprietary robot bodies, control and vision systems, and manufacturing process, we have established an all-inclusive technology ecosystem to achieve at scale intelligent decision-making, environmental perception, precise manipulation, and autonomous mobility.

We achieved rapid revenue growth during the Track Record Period. Our revenue increased from RMB201.2 million in 2023 to RMB387.4 million in 2025, at a CAGR of 38.8%. We had loss for the year of RMB110.6 million, RMB71.5 million and RMB152.9 million in 2023, 2024 and 2025, respectively. We recorded adjusted net loss (non-IFRS measure) of RMB105.8 million, RMB52.3 million and RMB86.6 million for 2023, 2024 and 2025, respectively. See "— Results of Operations — Non-IFRS Measure."

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

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

Growth Trends in Industrial Robots and the Overall Demand Environment

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

China's industrial robot market, in terms of revenue, is expected to reach RMB147.2 billion by 2030, at a CAGR of 17.2% from 2026 to 2030, according to the F&S Report. China's light industrial robot market, in particular, is expanding rapidly, driven by automation upgrades and policy support for smart manufacturing. China's light industrial robot market is expected to reach RMB53.1 billion by 2030, at a CAGR of 17.0% from 2026 to 2030, according to the same source. Relatedly, China's light industrial robot solution market is expected to reach RMB212.6 billion in 2030, at a CAGR of 20.2% from 2026 to 2030, according to the same source.

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

Supportive Regulatory Climate for Industrial Robots and Solutions

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

Our Capability in Building Extensive Robotic Portfolio to Seize Market Opportunity

Our robotic portfolio is subject to diversified application scenarios and rapidly evolving customer demands. To maintain our leading position in the industrial robot and solution market and achieve sustainable growth, we must continuously enhance our robotic portfolio to keep pace with these changes in a timely and effective manner. To that end, our ability to efficiently develop and launch new industrial robots and related robotics solutions and enhance our existing robotic portfolio is critical to our growth prospects. We have a proven track record in this regard, as demonstrated by our extensive robotic portfolio catering to a wide range of application scenarios. We aspire to continue to leverage our existing advantages in this regard and strengthen our robotic portfolio to drive our growth.

We have been committed to in-house R&D of advanced robotics technologies since our inception and have established a forward-looking technological layout in the industry. Technological leadership requires sustained substantial investment in R&D, which may affect our short-term profitability but is vital to maintaining our long-term market competitiveness.

Our Capability in Robust Sales and Marketing to Expand Customer Base

We have made proactive efforts in product commercialization and global market expansion, which has contributed significantly to the expansion of our market reach and customer base, and, as a result, the growth of our revenue. As of December 31, 2023, 2024 and 2025, we had 158, 275 and 507 direct sale customers, respectively, and as of the same dates, we had 12, 34 and 74 distributors, respectively. We believe that our marketing approach has enabled us to tap into both the benefits of direct sales in customer engagement and product enhancements, and the benefits of distributorship in market outreach and technical support. However, our active efforts to acquire new customers or launch new products may result in higher initial layout of costs required to meet specific customer needs, including longer on-site implementation lead time required for our robotics solutions to onboarding customers, and mold development and/or production line adjustments associated with the mass production of our newly launched robot bodies. Our ability to strengthen our customer base, expand market reach, generate sales, and achieve business growth in the future will continue to rely on the efficiency and breadth of our sales network. In order to achieve continuous revenue growth, we have committed, and expect to continue to commit, significant resources to our sales and marketing initiatives to deepen our market penetration and enhance brand recognition, including the development of our global sales team and brand marketing efforts, such as attending industry exhibitions and technology forums.

Our Capability in Managing Costs and Expenses to Enhance Operational Efficiency

Our ability to achieve profitability and sustainable growth depends in part on our management of cost of sales. In 2023, 2024 and 2025, our cost of sales was RMB164.3 million, RMB197.0 million and RMB291.2 million, respectively, accounting for 81.7%, 73.5% and 75.2% of our revenue for the same periods, respectively. Our cost of sales primarily consists of cost of direct materials, overhead costs, and direct labor costs. Changes in any major component of our cost of sales and our overall cost structure could have an impact on our gross profit and gross profit margin. For instance, our cost of raw materials accounted for 67.0%, 68.8% and 77.7% of our total cost of sales in 2023, 2024 and 2025, respectively. The procurement costs for such raw materials may fluctuate due to a number of factors beyond our control, such as supply chain disruptions and inflation, and we are susceptible to significant changes in the availability, price and standard of critical raw materials.

In addition, our results of operations may, from time to time, be affected by the impairment of inventories to net realizable value. We assess our inventory for indicators of impairment on a regular basis. Where such indicators exist, we perform an assessment by comparing the inventory's carrying amount to its estimated net realizable value. A significant portion of our inventory at year-end relates to our robotics solution projects that are scheduled for completion and delivery in the following year. As these capitalized project costs have been recognized as cost of inventory, they are subject to this impairment assessment. Furthermore, our robot body business, which commenced mass production in 2023, incurred substantial initial costs related to design iteration and process refinement during its ramp-up phase. According to our accounting policies, these costs were capitalized, resulting in a higher carrying value for the initial inventory batches. Consequently, when this carrying value was compared to the net realizable value at year-end, it resulted in the recognition of impairment losses. Accordingly, our inventory impairment losses may fluctuate from year to year, influenced by factors such as our business scale, project mix, and production cycles, and such fluctuations could have a material effect on our results of operations.

Our results of operations and profitability are also significantly affected by our operating expenses, which primarily comprised selling and marketing expenses, administrative expenses and research and development expenses during the Track Record Period. We expect that our selling and marketing expenses and research and development expenses may continue to increase and account for a significant portion of our total operating expenses. We expect that our administrative expenses will remain relatively stable in relation to our revenue.

Our Capability in Strategically Pivoting Offering Mix

The revenue mix from our different offerings impacts our overall profitability. Due to the nature of these business lines and the levels of customization, our robot bodies and robotics solutions have distinct gross profit margin profiles. During the Track Record Period, robot bodies generated gross profit margin of 7.1%, 35.6% and 29.6% in 2023, 2024 and 2025, respectively. Robotics solutions generated gross profit margin of 20.0%, 24.1% and 22.6% in the same periods, respectively. Robot bodies, which are generally standardized products to benefit from the economics of scale, typically have higher gross profit margin, compared to robotics solutions, which entail various degrees of customization and thus generally have lower gross profit margin. Customized solutions often require tailored hardware configurations, software development, and integration services to meet specific customer needs. Although these processes are typically more resource-intensive and less scalable, resulting in higher cost of sales and lower margin efficiency, our ability to charge premium prices to pass on the higher cost is constrained alongside our efforts to maintain long-term customer relationships to expand our market share, particularly in light of the intense market competition from the supply side and the cost-sensitivity from the demand side. During the Track Record Period, the revenue contribution from our robot bodies increased from 12.8% in 2023 to 31.9% in 2025. The increase was primarily driven by our strategic shift from solution-centric offerings to a ramp-up of robot body sales, which we expect would result in higher profitability and faster inventory turnover. We previously delivered robot bodies primarily as part of customized robotics solutions in limited volumes. In 2023, we launched our robot bodies at scale as a distinct offering category. To facilitate the mass production of robot bodies, we incurred higher initial layout of costs, which were one-off expenses to (1) develop and test molds and production lines, (2) refine process parameters and quality-control systems to achieve stable yields, (3) qualify suppliers and standardize components, and (4) validate the new models with pilot customers across different industries. These activities inevitably increased material, labor and trial costs during the ramp-up stage but were essential to ensure reliable mass production and long-term cost efficiency. The initial layout of costs has led to a temporary decline in margin. Over a longer span of time, the continued development of our robot bodies will result in more favorable margin profile. The gross profit margin of our robotics solution offerings increased from 20.0% in 2023 to 22.6% in 2025, primarily due to improved familiarity with new sectors and application scenarios such as the consumer electronics sector and the automotive components and new energy sector.

Seasonality

Seasonality impacts our financial performance, driven by our customers' purchasing practices and the seasonality of the industries where they operate. Due to the impact of our customers' budgeting and procurement cycles, we generally recognized the majority of our revenue in the second half of the year, as a result of the following: (1) certain of our customers, in particular those that adopt our products or solutions in the consumer electronics sector, tend to complete their inspection in the second half of the year in accordance with their own business practices, which causes such revenue to be recognized in the second half of the year according to relevant revenue recognition policy; and (2) our customers tend to schedule their procurement in advance of the major holidays in China and overseas markets, many of which are in the second half of the year, to avoid potential supply chain issues associated with the holidays. The degree of seasonality may vary from year to year due to conditions in the industry and other factors, which makes it difficult for us to predict the level of demand with precision.

BASIS OF PREPARATION

The historical financial information has been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) as issued by the International Accounting Standards Board ("IASB"). All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2024, together with the relevant transitional provisions, have been early adopted by us in the preparation of the historical financial information throughout the Track Record Period.

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

For ordinary shares issued to Pre-IPO Investors, pursuant to the supplemental agreements entered into between our Company and the Pre-IPO Investors in relation to the termination of the Pre-IPO Investors' redemption rights, which are *void ab initio* as described in note 31 to the Accountants' Report, having taking into account the legal and regulatory framework of our Company's jurisdiction and the governing law of the supplemental agreements, our Directors considered that it is appropriate to present the pre-IPO investments as equity throughout the Track Record Period. For details of the financial impacts, see note 31 to the Accountants' Report.

CRITICAL ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

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

Our management continually evaluates such estimates, assumptions and judgments based on historical experience and other assumptions which our management believes to be reasonable under the circumstances.

We set forth below accounting policies that we believe involve the most significant estimates, assumptions and judgments used in the preparation of our financial statements. Our material accounting policies, as well as our key source of estimation uncertainties, which are important for understanding our financial condition and results of operations, are set forth in Notes 2.3 and 3 to the Accountants' Report in Appendix I to this prospectus.

Revenue Recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which we expect 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 we 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 recognized 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 us and the customer at contract inception. When the contract contains a financing component which provides us with a significant financial benefit for more than one year, revenue recognized 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 robotics solutions

Robotics solutions involve design, production, implement and commissioning of customized robotic systems, which can complete required tasks in specified scenarios as indicated in the sales contract. We determine that the promised goods and services in robotics solutions represent one performance obligation, because these promises are highly interdependent, and the customer is unable to derive significant benefits from the access to an individual promise for the intended purposes without receipt of the other goods or services.

As none of the criteria under paragraph 35 of IFRS 15 can be met for the control transfers over time, revenue from the sale of robotics solutions is recognized at point in time when the robotics solutions are accepted by the customers.

(b) Sales of robots

Domestic revenue from the sale of robots and others is recognized at the point in time when control of the product is transferred to the customer, generally on delivery or acceptance of the products as agreed in the sales contracts. Revenue from export sales of robots and others is recognized at the point when the goods cross the ship's rail at the port of shipment under CIF or FOB terms.

(c) Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which we will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognized. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognized for the right to recover products from a customer.

Inventories

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

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 capitalized 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, we recognize 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:

	Shorter of remaining lease terms and estimated useful lives
Leasehold improvements	20.00%–33.33%
Machinery and molds	9.50%–31.67%
Vehicles	9.50%–23.75%
Electronic and office equipment	19.00%–31.67%

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 recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in the statement of profit or loss in the year the asset is derecognized 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.

Impairment Testing of Certain Non-financial Assets

In accordance with IAS 36.12, we assess at the end of each reporting period whether there are any indications that non-current assets (other than inventories, contract assets, deferred tax assets, financial assets) may be impaired. If any such indication exists, we estimate the recoverable amount of the assets.

In 2023, 2024 and 2025, we recorded net losses of RMB110.6 million, RMB71.5 million and RMB152.9 million, respectively. Our losses were mainly due to the fact that industrial robots industry is an emerging, technology-intensive sector characterized by significant upfront R&D and market investment, which in turn mandates continual R&D and market promotion. Our industrial robots have been launched in the market for a relatively short period of time. Given our prolonged period of overall losses, there are indications of impairment.

We evaluate non-financial assets that include fixed assets involved in our production activities, intangible assets directly related to these operational activities, right-of-use assets required for production and prepayments for property, plant and equipment and other intangible assets. As of December 31, 2023, 2024 and 2025, we recorded non-financial assets of RMB56.3 million, RMB41.7 million and RMB89.3 million, respectively. We utilize the income approach for evaluation, estimating cash flow projections based on financial budgets. We use the present value of expected future cash flows as the recoverable amount of the non-financial assets and estimate the budgeted sales and profit indicators based on historical financial data and expected market developments. According to the impairment test results, the recoverable amount of the non-financial assets is greater than the book value of the non-financial assets at the end of each reporting period, and therefore no impairment provision is required.

In accordance with IAS 36, we performed impairment tests at each period-end on non-current assets (primarily including property, plant and equipment, right-of-use assets, intangible assets, and other non-current assets) that show indications of impairment and estimate the recoverable amount of the non-current asset. The recoverable amount is determined for the cash-generating unit to which the asset belongs.

We are primarily engaged in the design, development, manufacturing and commercialization of industrial robots and integrated robotics solutions based in intelligent automation systems. We are highly centralized managed and our activities including R&D, procurement, manufacture and production, sales are all governed and managed in headquarters and we only have one operating segment. The non-current assets other than financial assets mainly include manufacturing machinery and right-of-use assets. The entities that hold these assets are highly inter-related and cannot be considered to generate cash inflows that are largely independent of each other. Therefore, non-current assets, other than financial assets located in different entities, are all allocated to the whole Group which is defined as the cash-generating unit ("CGU") that generates cash flows that are largely independent for impairment testing.

The recoverable amount of the CGU is determined based on a value in use calculation using cash flow projections based on financial budgets approved by the management. The budgeted sales and margins are estimated based on historical information achieved and the expected market development. The discount rates used reflect specific risks relating to our Company. According to the impairment test results, the recoverable amount of the CGU was larger than the carrying amount of the non-current assets at the end of each reporting period, thus no impairment was required.

RESULTS OF OPERATIONS

The following table sets forth our consolidated statements of profit or loss in absolute amounts and as a percentage of our revenue for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Revenue	**201,170**	**100.0**	**268,009**	**100.0**	**387,359**	**100.0**
Cost of sales	(164,302)	(81.7)	(196,991)	(73.5)	(291,160)	(75.2)
Gross profit	**36,868**	**18.3**	**71,018**	**26.5**	**96,199**	**24.8**
Other income, gains and losses	3,814	1.9	8,857	3.3	5,748	1.5
Selling and marketing expenses	(31,220)	(15.5)	(53,149)	(19.8)	(60,422)	(15.6)
Administrative expenses	(25,791)	(12.8)	(38,814)	(14.5)	(85,287)	(22.0)
Research and development expenses	(33,143)	(16.5)	(38,657)	(14.4)	(70,792)	(18.3)
Impairment on financial assets	(965)	(0.5)	(3,303)	(1.2)	(5,971)	(1.5)
Reversal of impairment/(Impairment) on contract assets	82	0.0	(409)	(0.2)	321	0.1
Other expenses	(57,957)	(28.8)	(12,591)	(4.7)	(26,246)	(6.8)
Finance costs	(1,498)	(0.7)	(4,127)	(1.5)	(5,642)	(1.5)
Share of loss of associates	(794)	(0.4)	(320)	(0.1)	(849)	(0.2)
Loss before tax	**(110,604)**	**(55.0)**	**(71,495)**	**(26.7)**	**(152,941)**	**(39.5)**
Income tax expense	(2)	(0.0)	—	—	—	—
Loss for the year	**(110,606)**	**(55.0)**	**(71,495)**	**(26.7)**	**(152,941)**	**(39.5)**

For details on the accounting treatment of redemption rights and liquidation preference rights of pre-IPO investments, see "— Share Capital/Paid-in Capital and Total Equity" below and note 31 to the Accountants' Report set out in Appendix I to this prospectus.

Non-IFRS Measure

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

We define adjusted net loss (non-IFRS measure) as loss for the year adjusted for share-based payment expenses and listing expenses. Share-based payment expenses are non-cash expenses arising from incentive grants to senior management and employees. The following table sets out a reconciliation from adjusted net loss (non-IFRS measure) to loss for the year which is presented in accordance with the IFRSs.

	For the Year Ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Loss for the year	**(110,606)**	**(71,495)**	**(152,941)**
Non-IFRS adjustments:			
Share-based payment expenses	4,782	19,170	49,720
Listing expenses	—	—	16,584
Adjusted net loss (non-IFRS measure)	**(105,824)**	**(52,325)**	**(86,637)**

Our adjusted net loss (non-IFRS measure) decreased from RMB105.8 million in 2023 to RMB52.3 million in 2024, primarily due to a decrease of RMB39.1 million in loss for the year, primarily as a result of a decrease of RMB45.4 million in other expenses and an increase of RMB34.2 million in gross profit, as adjusted by the share-based payment expenses of RMB19.2 million. Our adjusted net loss (non-IFRS measure) increased from RMB52.3 million in 2024 to RMB86.6 million in 2025, primarily due to an increase to RMB152.9 million in loss for the year, primarily as a result of an increase to RMB85.3 million in administrative expenses, an increase to RMB70.8 million of research and development expenses, and an increase to RMB26.2 million in other expenses, partially offset by an increase to RMB96.2 million in gross profit, as adjusted by the share-based payment expenses of RMB49.7 million and the listing expenses of RMB16.6 million.

KEY COMPONENTS OF OUR CONSOLIDATED INCOME STATEMENTS

Revenue

During the Track Record Period, we primarily generated revenue from the commercialization of industrial robots and the offering of integrated robotics solutions.

Revenue by Offering Type

The following table sets forth a breakdown of our revenue by offering type for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
			(RMB in thousands, except for percentages)			
Robot bodies	25,673	12.8	55,724	20.8	123,615	31.9
Parallel robots	*9,398*	*4.7*	*19,904*	*7.4*	*54,205*	*14.0*
Mobile robots	*3,760*	*1.9*	*10,342*	*3.9*	*40,273*	*10.4*
Articulated robots[(1)]	*7,239*	*3.6*	*15,625*	*5.8*	*21,294*	*5.5*
Controllers and vision systems	*940*	*0.5*	*1,043*	*0.4*	*1,933*	*0.5*
Others[(2)]	*4,336*	*2.1*	*8,810*	*3.3*	*5,910*	*1.5*
Robotics solutions	175,497	87.2	212,285	79.2	263,744	68.1
Total	**201,170**	**100.0**	**268,009**	**100.0**	**387,359**	**100.0**

(1) Primarily include SCARA robots, six-axis robots and wafer handling robots.

(2) Primarily include accessories for robot bodies and related after-sale service.

Robot bodies are generally standardized products and accessories compatible with robot bodies and related after-sale service.

Robotics solutions are customized technology projects to meet specific needs from customers, which typically include robot bodies, custom-designed components, machine components, integration control system and commissioning.

Our revenues in all offering types generally increased during the Track Record Period, primarily driven by the expansion of our robotic portfolio, the increase in the demand for our offerings, and the growth of our customer base.

Revenue by Industry Sector

The following table sets forth a breakdown of our revenue by industry sector for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Consumer electronics	100,304	49.9	122,652	45.8	162,850	42.0
Automotive components & new energy	15,867	7.9	46,116	17.2	59,584	15.4
Healthcare	18,725	9.3	20,854	7.8	16,122	4.2
FMCG	32,146	16.0	29,142	10.9	86,102	22.2
Semiconductor	9,716	4.8	7,088	2.6	14,544	3.8
Others(1)	24,412	12.1	42,157	15.7	48,157	12.4
Total	**201,170**	**100.0**	**268,009**	**100.0**	**387,359**	**100.0**

(1) Primarily include mining, education and finance sectors.

We continued to diversify the application scenarios for our offerings, with a particular focus on the light industry sectors, during the Track Record Period.

Revenue by Geographic Market

During the Track Record Period, we generated revenue from multiple countries and regions, primarily including China, Europe, North America, Latin America, and Southeast Asia. The following table sets forth a breakdown of our revenue by geographic market/country for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
China	199,293	99.1	242,552	90.5	349,400	90.2
Other countries and regions(1) (2)	1,877	0.9	25,457	9.5	37,959	9.8
Total	**201,170**	**100.0**	**268,009**	**100.0**	**387,359**	**100.0**

(1) During the Track Record Period, the proportion of overseas revenue to total revenue fluctuated, primarily due to the expansion phase of our robotics solutions in overseas markets. Our customized robotics solutions follow project-specific delivery and acceptance cycles, which are inherently irregular. Consequently, the timing of revenue recognition, which occurs at a point in time upon customer acceptance, can lead to fluctuations in the overseas revenue contribution for a specific period.

(2) During the Track Record Period, we sold products primarily to Southeast Asia countries, such as Vietnam and Thailand, European countries, such as Italy and the United Kingdom, Latin American countries, such as Mexico and Peru, as well as other overseas regions including primarily North America, East Asia and Africa.

Revenue by Sales Channels

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

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Direct sales	198,884	98.9	259,551	96.8	347,315	89.7
Distributor ship	2,286	1.1	8,458	3.2	40,044	10.3
Total	**201,170**	**100.0**	**268,009**	**100.0**	**387,359**	**100.0**

Cost of Sales

In 2023, 2024 and 2025, our cost of sales accounted for 81.7%, 73.5% and 75.2% of our revenue for the same periods, respectively. Our cost of sales primarily consists of (1) direct materials, primarily including industrial computers, fabricated parts, motor, gearboxes, sensors and machine components; (2) direct labor costs, primarily related to our production personnel; and (3) overhead costs, primarily including utilities fees for production facilities and depreciation charges of our production equipment. The following table sets forth a breakdown of our cost of sales by nature for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Direct materials	110,149	67.0	135,480	68.8	226,234	77.7
Direct labor costs	29,331	17.9	28,409	14.4	27,399	9.4
Overhead costs	24,822	15.1	33,102	16.8	37,527	12.9
Total	**164,302**	**100.0**	**196,991**	**100.0**	**291,160**	**100.0**

Gross Profit and Gross Profit Margin

In 2023, 2024 and 2025, our gross profit was RMB36.9 million, RMB71.0 million and RMB96.2 million, respectively, representing gross profit margin of 18.3%, 26.5% and 24.8%, respectively. The following table sets forth a breakdown of our gross profit and gross profit margin by offering type for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*GPM*	*Amount*	*GPM*	*Amount*	*GPM*
	(RMB in thousands, except for percentages)					
Robot bodies	1,814	7.1	19,851	35.6	36,614	29.6
Parallel robots	3,017	32.1	7,335	36.9	19,854	36.6
Mobile robots	656	17.4	3,479	33.6	9,524	23.6
Articulated robots[1]	(2,836)	(39.2)	4,949	31.7	4,532	21.3
Controllers and vision systems	72	7.7	238	22.8	873	45.2
Others[2]	905	20.9	3,850	43.7	1,831	31.0
Robotics solutions	35,054	20.0	51,167	24.1	59,585	22.6
Total	**36,868**	**18.3**	**71,018**	**26.5**	**96,199**	**24.8**

(1) Primarily include SCARA robots, six-axis robots and wafer handling robots.

(2) Primarily include accessories for robot bodies and related after-sale service.

We incurred gross loss margin for articulated robots in 2023, as we incurred higher initial layout of costs leading up to the mass production of such robot bodies.

Selling and Marketing Expenses

Our selling and marketing expenses primarily consist of employee compensation, travel expenses, after-sales service and business development expenses. The following table sets forth a breakdown of our selling and marketing expenses for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Employee compensation	16,061	51.4	23,739	44.7	30,975	51.3
Business development expenses	6,954	22.3	7,292	13.7	4,981	8.2
Travel expenses	3,647	11.7	4,772	9.0	5,592	9.3
After-sales service	2,904	9.3	12,005	22.6	9,327	15.4
Depreciation and amortization	237	0.8	703	1.3	981	1.6
Other expenses[1]	1,417	4.5	4,638	8.7	8,566	14.2
Total	**31,220**	**100.0**	**53,149**	**100.0**	**60,422**	**100.0**

(1) Primarily include rental property fee, office expenses and others.

In 2023, 2024 and 2025, our selling and marketing expenses were RMB31.2 million, RMB53.1 million and RMB60.4 million, respectively, accounting for 15.5%, 19.8% and 15.6% of our revenue for the same periods, respectively. We recorded after-sales service fees of RMB2.9 million, RMB12.0 million and RMB9.3 million, respectively, accounting for 9.3%, 22.6% and 15.4% of total selling and marketing expenses for the same periods, respectively. A limited portion of after-sales service fees were related to the robot body, with the remaining substantial portion associated with robotics solutions. The increase in after-sales service fees for robotics solutions was primarily because (1) we experienced a growth in product deliveries and corresponding revenue in 2023, which led to a higher demand for after-sale support; and (2) we actively developed and delivered robotics solutions tailored to new use scenarios such as oiling and scanning, and speaker assembly, starting in 2023. During the initial phase of collaboration, both we and our customers were still gaining familiarity with these new applications, resulting in a relatively high volume of after-sale service activities in 2024 and a temporary increase in the after-sale service expenses to revenue ratio.

Administrative Expenses

Our administrative expenses primarily consist of employee compensation, professional advisory fee, depreciation and amortization, and office and premises-related expenses. The following table sets forth a breakdown of our administrative expenses for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Employee compensation	13,755	53.3	26,774	69.0	42,742	50.1
Professional advisory fee	2,118	8.2	953	2.5	25,330	29.7
Depreciation and amortization	5,994	23.2	7,640	19.7	11,702	13.7
Office and premises-related expenses	1,816	7.0	1,497	3.9	1,558	1.8
Other expenses[1]	2,108	8.3	1,950	4.9	3,955	4.7
Total	**25,791**	**100.0**	**38,814**	**100.0**	**85,287**	**100.0**

(1) Primarily include travel expenses, recruitment fee, business entertainment and others.

In 2023, 2024 and 2025, our administrative expenses accounted for 12.8%, 14.5% and 22.0% of our revenue for the same periods, respectively.

Research and Development Expenses

Our research and development expenses primarily consist of employee compensation, material consumables and depreciation and amortization. The following table sets forth a breakdown of our research and development expenses for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Employee compensation	26,326	79.4	29,694	76.8	53,386	75.4
Material consumables	3,195	9.6	4,982	12.9	10,828	15.3
Depreciation and amortization	2,443	7.4	2,913	7.5	3,875	5.5
Other expenses[1]	1,179	3.6	1,068	2.8	2,703	3.8
Total	**33,143**	**100.0**	**38,657**	**100.0**	**70,792**	**100.0**

(1) Primarily include travel expenses and others related to research and development activities, such as technical exchanges, data collection, and on-site tests.

In 2023, 2024 and 2025, our research and development expenses accounted for 16.5%, 14.4% and 18.3% of our revenue for the same periods, respectively. Our research and development expenses increased from 2023 to 2024, primarily due to our continued efforts in advancing our technologies and expanding our R&D team with skilled and experienced personnel. The increase of our research and development expenses in 2025 as compared in 2024 was primarily due to an increase in share-based payments to our R&D team and an increase in material consumables mainly attributable to our development of new products such as humanoid robots.

Other Income, Gains and Losses

We recorded other income, gains and losses of RMB3.8 million, RMB8.9 million and RMB5.7 million in 2023, 2024 and 2025, respectively. Other income and gains and loss primarily consist of (1) government grants in connection with our R&D efforts and business achievements, (2) interest income on our deposits with banks, (3) investment income from financial assets at fair value through profit or loss, which primarily represents interest income from the wealth management products that we purchased from commercial banks, and (4) foreign exchange differences.

Other Expenses

Our other expenses represent impairment of inventories to net realizable value, which primarily relate to the fluctuation of the market selling price of our inventories and material wastage and obsolete inventory arising from changes in specifications or production tooling as we commenced the mass production of our robot bodies. We recorded other expenses of RMB58.0 million, RMB12.6 million and RMB26.2 million in 2023, 2024 and 2025, respectively.

Finance costs

Our finance costs primarily include interest on lease liabilities and interest on interest-bearing bank borrowings. We recorded finance costs of RMB1.5 million, RMB4.1 million and RMB5.6 million in 2023, 2024 and 2025, respectively.

Loss for the Year

As a result of the foregoing, we recorded loss for the year of RMB110.6 million, RMB71.5 million and RMB152.9 million in 2023, 2024 and 2025, respectively.

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

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

Revenue

Our revenue increased by 44.5% from RMB268.0 million in 2024 to RMB387.4 million in 2025, primarily driven by (1) continued purchases from existing customers, as evidenced by an increase in our net dollar retention rate of direct sale customers from 86.8% in 2024 to 115.2% in 2025, and (2) an expansion of our customer base from 275 direct sale customers in 2024 to 507 direct sale customers in 2025.

Revenue by Offering Type

Our revenue generated from robot bodies as a percentage of our revenue increased from 20.8% in 2024 to 31.9% in 2025, primarily driven by our continued effort to scale up our robot body sales.

Revenue by Industry Sector

Our revenue generated from all industry sectors except for healthcare increased in absolute amounts, primarily driven by our continued effort to diversify the application scenarios for our offerings. Revenue from the healthcare sector decreased primarily because a significant number of healthcare orders remained in backlog and were not recognized as revenue in 2025. As of March 31, 2026, we had a backlog of RMB31.5 million from the healthcare sector. Revenue from the FMCG sector increased significantly from RMB29.1 million in 2024 to RMB86.1 million in 2025, primarily because we recognized revenue from a relatively large order for robotic solutions in the FMCG sector in 2025.

Cost of sales

Our cost of sales increased by 47.8% from RMB197.0 million in 2024 to RMB291.2 million in 2025, generally in line with our revenue growth. Our direct material costs increased as our robot body sales accounted for a greater proportion of our revenue.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 35.5% from RMB71.0 million in 2024 to RMB96.2 million in 2025. Our gross profit margin remained relatively stable at 26.5% and to 24.8% in 2024 and 2025, respectively. The slight decrease in our gross profit margin in 2025 was primarily driven by (1) a decrease in the gross profit margin of our robotic solutions, mainly because we completed a greater number of early-stage warehouse logistics automation solutions during the year, and (2) a decrease in gross profit margin in our robot bodies, mainly attributable to our delivery mix in 2025, which included a higher proportion of our lower-margin Python series and Camel series products compared to that in 2024.

Selling and marketing expenses

Our selling and marketing expenses increased by 13.7% from RMB53.1 million in 2024 to RMB60.4 million in 2025, primarily due to an increase in employee compensation, mainly attributable to the expansion of the sales team to support business development.

Administrative expenses

Our administrative expenses increased significantly from RMB38.8 million in 2024 to RMB85.3 million in 2025, primarily due to (1) the incurrence of listing expenses and professional advisory fee for Series E and Series Pre-IPO financing rounds amounting to RMB22.7 million, and (2) an increase of RMB15.9 million in employee compensation, mainly comprising an increase of RMB9.6 million in share-based payments to our management team.

Research and development expenses

Our research and development expenses increased by 83.1% from RMB38.7 million in 2024 to RMB70.8 million in 2025, primarily due to (1) an increase of RMB23.7 million in employee benefits in line with our expansion of R&D team, mainly consisting an increase of RMB16.6 million in share-based payments and an increase of RMB7.1 million in salary, and (2) an increase of RMB5.8 million in material consumables as a result of product development. Our research and development expenses as a percentage of revenue increased from 14.4% in 2024 to 18.3% in 2025.

Other income, gains and losses

Our other income, gains and losses decreased by 35.1% from RMB8.9 million in 2024 to RMB5.7 million in 2025, primarily due to a decrease in government grants.

Other expenses

Our other expenses increased significantly from RMB12.6 million in 2024 to RMB26.2 million in 2025, primarily because our warehouse logistics solution was in its early stage of development, involving relatively higher initial costs. In 2025, we had a larger scale of warehouse logistics solution, leading to an increase in inventory impairment loss in 2025.

Finance costs

Our finance costs increased by 36.7% from RMB4.1 million in 2024 to RMB5.6 million in 2025, primarily due to an increase of RMB1.0 million of interest on interest-bearing bank borrowings and lease liabilities.

Loss for the year

As a result of foregoing, our loss for the year increased by 113.9% from RMB71.5 million in 2024 to RMB152.9 million in 2025.

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

Revenue

Our revenue increased by 33.2% from RMB201.2 million in 2023 to RMB268.0 million in 2024, primarily driven by continued purchases from existing customers, as evidenced by (1) an increase in our net dollar retention rate of direct sale customers from 75.4% in 2023 to 86.8% in 2024, and (2) an expansion of our customer base from 158 direct sale customers in 2023 to 275 direct sale customers in 2024.

Revenue by Offering Type

Our revenue generated from robot bodies as a percentage of our revenue increased from 12.8% in 2023 to 20.8% in 2024, primarily driven our continued effort to scale up our robot body sales.

Revenue by Industry Sector

Our revenue generated from all industry sectors except for FMCG and semiconductors increased in absolute amounts, primarily driven by our continued effort to diversify the application scenarios for our offerings.

Cost of sales

Our cost of sales increased by 19.9% from RMB164.3 million in 2023 to RMB197.0 million in 2024, which was slower in pace than our revenue growth. Our direct material costs increased as our robot body sales accounted for a greater proportion of our revenue. Our direct labor costs decreased, primarily due to our improved efficiency in delivering our robotics solutions gained from our deeper insights into customer needs through long-term collaboration.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 92.4% from RMB36.9 million in 2023 to RMB71.0 million in 2024. Our gross profit margin increased from 18.3% in 2023 to 26.5% in 2024, primarily due to higher robot bodies sales and oversea sales, which typically feature higher margins, driven by improvement of our overall operation, greater effect of economies of scale, more established brand name, and a strategic shift in offering mix with a greater proportion of robot bodies.

Specifically, the gross profit margin of our robot bodies increased significantly from 7.1% in 2023 to 35.6% in 2024, primarily due to the upgrades of our robot bodies with respect to technical design upgrades (such as structural light weighting and controller upgrade), the adoption of domestically sourced components, and the transition to mass production. In 2023, we incurred higher initial layout of costs to facilitate the mass production of certain robot bodies.

Selling and marketing expenses

Our selling and marketing expenses increased by 70.2% from RMB31.2 million in 2023 to RMB53.1 million in 2024, primarily due to (1) an increase in employee benefit expenses in connection with our ongoing market expansion and share-based payments related to employee incentive grants; and (2) an increase in after-sales service.

Administrative expenses

Our administrative expenses increased by 50.4% from RMB25.8 million in 2023 to RMB38.8 million in 2024, primarily due to (1) an increase in employee benefit expenses in connection with share-based payments related to employee incentive grants, and (2) an increase in depreciation and amortization from our newly leased office premises and purchases of office software.

Research and development expenses

Our research and development expenses increased by 16.9% from RMB33.1 million in 2023 to RMB38.7 million in 2024, primarily due to our continued efforts in advancing our technologies and expanding our R&D team with skilled and experienced personnel. Our research and development expenses as a percentage of revenue decreased from 16.5% in 2023 to 14.4% in 2024, which mainly reflected more targeted and efficient R&D efforts.

Other income, gains and losses

Our other income, gains and losses increased significantly from RMB3.8 million in 2023 to RMB8.9 million in 2024, primarily due to an increase in government grants in connection with our R&D efforts and business achievements.

Other expenses

Our other expenses decreased by 78.3% from RMB58.0 million in 2023 to RMB12.6 million in 2024, primarily due to a decrease in impairment losses on inventories, attributable to (1) our improved inventory management as we became more familiar with customer requirements; and (2) our improved raw material utilization, which resulted in less material wastage gained from more optimized product design.

Finance costs

Our finance costs increased significantly from RMB1.5 million in 2023 to RMB4.1 million in 2024, primarily due to an increase in interest on interest-bearing bank borrowings as a result of increased funding needs to support our business growth.

Loss for the year

As a result of foregoing, our loss for the year decreased by 35.4% from RMB110.6 million in 2023 to RMB71.5 million in 2024.

DISCUSSION OF CERTAIN BALANCE SHEET ITEMS

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

	As of December 31,		
	2023	**2024**	**2025**
		(RMB in thousands)	
NON-CURRENT ASSETS			
Property, plant and equipment	20,001	15,929	44,199
Right-of-use assets	28,795	18,822	37,611
Other intangible assets	7,475	6,993	6,970
Investment in associates	12,194	11,873	11,024
Contract assets	2,782	2,340	5,421
Prepayments, other receivables and other assets	—	—	550
Total non-current assets	**71,247**	**55,957**	**105,775**

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
CURRENT ASSETS			
Inventories	120,578	139,486	244,691
Trade and bills receivables	52,293	138,353	179,286
Contract assets	10,029	14,822	12,339
Prepayments, other receivables and other assets	21,972	18,155	32,448
Financial assets at fair value through profit or loss	8,000	4,000	1,396
Restricted cash	11,047	4,193	3,496
Cash and cash equivalents	19,092	22,895	51,121
Total current assets	**243,011**	**341,904**	**524,777**
Total assets	**314,258**	**397,861**	**630,552**
CURRENT LIABILITIES			
Trade and bills payables	56,213	130,986	190,492
Other payables and accruals	25,843	23,801	31,155
Interest-bearing bank borrowings	45,619	134,680	84,226
Lease liabilities	10,016	10,816	14,476
Contract liabilities	54,891	35,208	27,257
Tax payable	—	—	—
Provision	2,623	6,360	4,836
Total current liabilities	**195,205**	**341,851**	**352,442**
NET CURRENT ASSETS	**47,806**	**53**	**172,335**
TOTAL ASSETS LESS CURRENT LIABILITIES	**119,053**	**56,010**	**278,110**
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings	286	115	75,500
Lease liabilities	20,126	9,360	23,248
Deferred income	—	—	1,900
Provision	229	448	221
Total non-current liabilities	**20,641**	**9,923**	**100,869**
Total Liabilities	**215,846**	**351,774**	**453,311**
Net assets	**98,412**	**46,087**	**177,241**
EQUITY			
Equity attributable to owners of the parent			
Paid-in capital/Share capital	50,000	50,000	55,088
Reserves	48,412	(3,913)	122,153
Total equity	98,412	46,087	177,241

For details on the accounting treatment of redemption rights and liquidation preference rights of pre-IPO investments, see "— Share Capital/Paid-in Capital and Total Equity" below and note 31 to the Accountants' Report set out in Appendix I to this prospectus.

Property, Plant and Equipment

Our property, plant and equipment primarily consist of leasehold improvements, office equipment and electronic devices and machinery. The following table sets forth the carrying amount of our property, plant and equipment as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Leasehold improvements	9,874	6,727	28,682
Machinery and molds	6,129	6,352	6,318
Vehicles	207	126	395
Electronic and office equipment	3,791	2,724	5,886
Construction in progress	—	—	2,918
Total	**20,001**	**15,929**	**44,199**

Our property, plant and equipment decreased from RMB20.0 million as of December 31, 2023 to RMB15.9 million as of December 31, 2024, primarily due to (1) a decrease of leasehold improvements related to renovation of our leased properties, and (2) a decrease of electronic and office equipment. Our property, plant and equipment then increased to RMB44.2 million as of December 31, 2025, primarily due to an increase of RMB22.0 million in leasehold improvements mainly attributable to the relocation of our headquarters.

Right-of-use Assets

Our right-of-use assets primarily consist of the lease contracts for leasehold properties we use for our business operations. Our right-of-use assets decreased from RMB28.8 million as of December 31, 2023 to RMB18.8 million as of December 31, 2024, primarily due to the depreciation of right-of-use assets. Our right-of-use asset then increased to RMB37.6 million as of December 31, 2025, primarily due to our new leases for operational facilities such as those in Linyi.

Other Intangible Assets

Our other intangible assets primarily arose from software-related assets. Other intangible assets decreased from RMB7.5 million as of December 31, 2023 to RMB7.0 million as of December 31, 2024, primarily due to the amortization of software. Other intangible assets then remained relatively stable at RMB7.0 million as of December 31, 2025.

Investment in Associates

Our investment in associates primarily represents our interest in GLP Park JiNan Yaoqiang Co., Ltd. (濟南普翼產業園運營管理有限公司) ("GLP Park") and Anhui Tianmi Technology Co., Ltd. in which we do not have a controlling interest. During the Track Record Period, we entered into several transactions with GLP Park, including the rental services agreement for our workspace in Jinan. Our investment in associates decreased from RMB12.2 million as of December 31, 2023 to RMB11.0 million as of December 31, 2025, primarily because GLP Park incurred losses.

Inventories

Our inventories consisted of contract fulfillment costs in relation to the development and deployment of our robot bodies and robotics solutions. Contract fulfillment costs represent the costs incurred to fulfill the obligations when and after the contracts are entered into, but before our robots and solutions thereunder are delivered to users. Such costs primarily consist of employee benefit expenses and on-site deployment costs that are necessary to perform the contracts, which will be recognized to cost of sales mainly within twelve months when our related performance obligations are satisfied and upon which the related contract revenue is recognized. The on-site deployment time typically ranges from 1.5 to seven months. The lead time between the receipt of customer orders and the relevant customers' acceptance of our products usually spans from three to nine months, which can be lengthened depending on the complexity of the projects, the level of customization, and the specific customer requirements, among other factors. We had inventories of RMB120.6 million, RMB139.5 million and RMB244.7 million as of December 31, 2023, 2024 and 2025, respectively. The increase in contract fulfillment cost from RMB120.1 million as of December 31, 2024 to RMB160.9 million as of December 31, 2025 was mainly due to the preparation for the expected deliveries of confirmed solution orders in 2026. The following table sets forth the details of our inventories as of the dates indicated.

	As of December 31,		
	2023	**2024**	**2025**
		(RMB in thousands)	
Contract fulfillment cost [(1)]	130,646	120,134	160,858
Raw materials	31,252	35,121	52,515
Work in progress	14,609	18,492	44,512
Finished goods	21,480	13,798	19,846
Goods in transit	33	759	537
	198,020	**188,304**	**278,268**
Less: provision for impairment losses on inventories	(77,442)	(48,818)	(33,577)
Total	**120,578**	**139,486**	**244,691**

(1) The expected subsequent utilization after the Track Record Period of the contract fulfillment costs outstanding as of December 31, 2025 is RMB138.3 million within six months, RMB17.9 million between six and 12 months and RMB4.7 million beyond 12 months following the Track Record Period.

The following tables set forth the details of the amount of impairment provisions made for each age group of inventories as of the dates indicated.

As of December 31, 2025	**Within one year**	**One to two years**	**Two to three years**	**Over three years**
		(RMB in thousands)		
Inventories	243,738	22,168	7,003	5,359
Provision for impairment losses on inventories	21,217	3,070	4,252	5,038
Provision rate	9%	14%	61%	94%

As of December 31, 2024	**Within one year**	**One to two years**	**Two to three years**	**Over three years**
		(RMB in thousands)		
Inventories	147,682	27,005	10,163	3,454
Provision for impairment losses on inventories	32,938	7,318	5,779	2,783
Provision rate	22%	27%	57%	81%

As of December 31, 2023	**Within one year**	**One to two years**	**Two to three years**	**Over three years**
		(RMB in thousands)		
Inventories	141,594	36,394	16,819	3,213
Provision for impairment losses on inventories	58,207	12,294	4,650	2,291
Provision rate	41%	34%	28%	71%

The following tables set forth the details of the amount of impairment provisions made by major types as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Provision for impairment losses on inventories:			
Contract fulfillment cost	(42,407)	(29,465)	(17,954)
Raw materials	(19,602)	(14,173)	(10,412)
Work in progress	(7,055)	(3,481)	(3,869)
Finished goods	(8,378)	(1,699)	(1,323)
Goods in transit	—	—	(19)
Total	**(77,442)**	**(48,818)**	**(33,577)**

Our provision rate for inventory impairment is higher than the average of the other top five domestic light-industry robot and solution providers in China, which are long-established with larger scale and longer operating histories. As of December 31, 2025, the average provision rate for inventory impairment among the four major comparable companies within the competitive landscape, namely Company A, Company B, Company C and Company D, was 8.3%, whereas our rate was 12.1% as of December 31, 2025, higher than that of these peers. The higher rate was mainly due to the reasons discussed below. While being in an early stage of commercialization, we apply a prudent impairment policy amid rapid product development and expansion into new industries and application scenarios.

We had provision for impairment losses on inventories of RMB77.4 million, RMB48.8 million and RMB33.6 million, as of December 31, 2023, 2024 and 2025, respectively. We made a substantial provision for impairment losses on inventories, which primarily relate to the fluctuation of the market selling price of our inventories and material wastage and obsolete inventory arising from changes in specifications or production tooling as we commenced the mass production of our robot bodies. We record impairment losses for the following reasons. The robotics industry develops rapidly, and new categories or generations of robots emerge, making our robots potentially obsolete, resulting in inventory that cannot be sold at its original cost. For our solutions, despite their customized nature, we record impairment provisions mainly due to design changes in individual projects that caused additional material consumption and delayed deliveries. Such changes were mainly attributable to unforeseen complexities. For example, some customers' strict confidentiality over their products and manufacturing processes will prevent full understanding of their technical requirements of our solutions until on-site testing, resulting in the recognition of corresponding impairment provisions. During the Track Record Period, by number of projects, we recorded impairment provisions for 16.1% of our robotics solutions projects. Among them, projects that ultimately resulted in a gross loss accounted for 9.3% of all solutions projects, and the total gross loss for such projects were RMB6.0 million, RMB14.0 million and RMB5.2 million in 2023, 2024 and 2025, respectively. Additionally, the raw materials for manufacturing our robots, such as electrical materials, machine components, metal materials, servo motors, and pneumatic components, tend to rust and oxidize under long-term storage. Furthermore, the market selling price of stored robots may decrease due to long-term storage or outdated models. In practice, most of our robot bodies have relatively long shelf life, and generally approximately three years of product life cycle based on our historical experience. We have implemented inventory management measures to reduce impairment losses, including evaluating more detailed sales forecasts, conducting regular checks and reviews on inventories, strengthening the review process of agreements with customers and distributors, and maintaining communication with customers and distributors. See "Business — Logistics and Inventory Management."

The following table sets forth a movement of the provision for impairment losses on inventories during for the periods indicated.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Carrying amount at beginning of period	**37,763**	**77,442**	**48,818**
Impairment losses recognized	57,957	12,591	26,246
Sold out	(18,278)	(41,215)	(41,487)
Carrying amount at end of period	**77,442**	**48,818**	**33,577**

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

	For the Year Ended December 31,		
	2023	2024	2025
Inventory turnover days[(1)]	297	241	241

(1) The inventory turnover days of inventories is equal to the average of the beginning and ending net inventory balances of a period divided by cost of sales for that period and multiplied by the number of days for that period (i.e., 365 days for a given year).

During the Track Record Period, we had relatively long inventory turnover days, as we have not achieved a large business scale and have maintained a wide spectrum of robot is portfolio and related materials to effectively meet the specific needs of our customers. We recorded inventories at the lower of cost and net realizable value. The net realizable value of the robots takes into account factors such as inventory age, condition, marketability, and economic environment, while the net realizable value of the robotics solutions is based on estimated selling price less any estimated costs to be incurred to completion and disposal. The estimated selling price is based on specified order price or the current average market selling price. When making provision for impairment losses on inventories, we have fully considered the inventory aging, the status of the stock and the subsequent utilization. We have written down the inventory and prudently considered and provided sufficient impairment provisions.

Our inventory turnover days decreased from 297 days in 2023 to 241 days in 2024, and remained relatively stable at 241 days in 2025. The decrease was primarily due to (1) our deeper insights into customer needs through long-term collaboration, which enabled us to more efficiently deliver robotics solutions that met the configuration requirements from customers, and (2) improved efficiency in inventory management. We have also taken measures to more efficiently manage our inventories, such as regular monitoring of inventory age, clearing of aged inventory, and enhanced efforts made by regional sales teams to accelerate product delivery and acceptance.

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

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Within one year	141,594	147,682	243,738
One to two years	36,394	27,005	22,168
Two to three years	16,819	10,163	7,003
Over three years	3,213	3,454	5,359
Total	**198,020**	**188,304**	**278,268**

The following table sets forth an aging analysis of our contract fulfillment cost as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Within one year	80,430	96,218	142,796
One to two years	31,058	14,181	13,032
Two to three years	16,051	6,868	2,604
Over three years	3,107	2,867	2,426
Total	**130,646**	**120,134**	**160,857**

The following table sets forth an aging analysis of our raw materials as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Within one year	25,995	20,561	40,825
One to two years	4,383	10,823	4,787
Two to three years	768	3,150	4,009
Over three years	106	587	2,894
Total	**31,252**	**35,121**	**52,515**

The following tables set forth an aging analysis of our key products as of the dates indicated.

As of December 31, 2025

Finished Goods	Within one year	One to two years	Two to three years	Over three years
	(RMB in thousands)			
Bat series	9,216	608	141	—
Camel series	650	215	—	—
Gorilla series	51	—	91	4
Kingkong series	1,046	6	—	—
Lobster series	43	78	—	—
Mantis series	1,480	352	—	—
Python series	4,546	442	29	36
Vision system	811	3	—	—
Total	**17,843**	**1,704**	**261**	**40**

Goods in Transit	Within one year
	(RMB in thousands)
Bat series	206
Camel series	194
Lobster series	115
Vision system	22
Total	**537**

Work in Progress	Within one year	One to two years	Two to three years
		(RMB in thousands)	
Bat series	4,203	171	3
Camel series	32,401	1,513	—
Gorilla series	522	816	31
Kingkong series	139	—	—
Mantis series	720	102	7
Python series	3,681	43	88
Vision system	72	—	—
Total	**41,738**	**2,645**	**129**

As of December 31, 2024

Finished Goods	Within one year	One to two years	Two to three years
		(RMB in thousands)	
Bat series	4,472	442	—
Camel series	2,202	—	—
Gorilla series	124	91	4
Kingkong series	7	—	—
Lobster series	207	31	78
Mantis series	1,335	69	—
Python series	4,420	251	36
Vision system	29	—	—
Total	12,797	883	118

Goods in Transit	Within one year
	(RMB in thousands)
Bat series	546
Camel series	172
Python series	41
Total	**759**

Work in Progress	Within one year	One to two years	Two to three years
		(RMB in thousands)	
Bat series	3,722	164	17
Camel series	9,255	145	—
Gorilla series	1,151	13	—
Kingkong series	18	—	—
Lobster series	104	1	—
Mantis series	450	98	11
Python series	2,446	697	—
Vision system	203	—	—
Total	**17,347**	**1,118**	**27**

As of December 31, 2023

Finished Goods	Within one year	One to two years
	(RMB in thousands)	
Bat series	8,849	—
Gorilla series	104	9
Lobster series	182	78
Mantis series	1,592	66
Python series	10,250	330
Vision system	19	—
Total	**20,997**	**483**

Goods in Transit	Within one year
Python series	33
Total	**33**

Work in Progress	Within one year	One to two years
	(RMB in thousands)	
Bat series	4,812	315
Camel series	2,127	—
Gorilla series	57	—
Lobster series	165	42
Mantis series	2,221	66
Python series	3,762	47
Controllers	974	—
Vision system	21	—
Total	**14,139**	**470**

As of March 31, 2026, approximately RMB134.1 million, or 48.2% of our inventories outstanding as of December 31, 2025, had been subsequently utilized.

Trade and bills receivables

We had trade and bills receivables of RMB52.3 million, RMB138.4 million and RMB179.3 million as of December 31, 2023, 2024 and 2025, respectively. The following table sets forth the details of our trade and bills receivables as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Current:			
Trade receivables	52,331	137,293	173,593
Impairment	(5,574)	(8,175)	(13,644)
Trade receivables, net	46,757	129,118	159,949
Bills receivables	5,536	9,235	19,337
Total	**52,293**	**138,353**	**179,286**

The significant increase in trade receivables was primarily due to the increase in trade receivables from our offering of more attractive and flexible payment terms as part of customer acquisitions strategies.

We negotiate the credit terms with our customers on a case-by-case basis. The credit terms with our customers for sales on credit typically range from 30 to 180 days. The following table sets forth our trade receivables turnover days for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
Trade receivables turnover days(1)	65	120	136

(1) The trade receivables turnover days are calculated by dividing the arithmetic mean of the opening and ending net balance of our trade receivables in that period by revenue for the corresponding period and then multiplying by the number of days for that period (i.e., 365 days for a given year).

Our trade receivables turnover days increased during the Track Record Period, primarily due to the expansion of our customer base. We typically granted longer credit terms and more flexible prepayment terms to strategically important customers, and also proactively offer extended credit terms to clients in good standing to attract and retain customers, as part of our continued efforts to penetrate new markets and establish long-term business relationships.

The following table sets forth an aging analysis of our trade receivables based on payment due dates as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Not overdue	27,924	100,664	89,321
Within one year	18,412	30,552	73,207
One to two years	3,491	2,546	6,562
Two to three years	1,339	2,137	1,777
Over three years	1,165	1,394	2,726
Total	**52,331**	**137,293**	**173,593**

The following table sets forth an aging analysis of our trade receivables based on invoice date and net of loss allowance as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Within one year	44,141	125,032	140,556
One to two years	2,017	3,004	18,290
Two to three years	599	1,082	1,103
Total	**46,757**	**129,118**	**159,949**

As of March 31, 2026, approximately RMB62.4 million, or 32.4%, of our trade and bills receivables as of December 31, 2025 had been settled. Our major customers are primarily large, listed companies in China. During the Track Record Period, we did not experience any material bad debt losses and maintained smooth collaboration and communication with them. We have adopted a policy that customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. For trade and bills receivables, we apply a simplified approach in calculating expected credit losses. We have established a provision matrix that is based on the historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For customers with potential risks, we have made individual provisions. Our trade receivables primarily aged within one year, the majority of which is typically settled within the next year. As of December 31, 2024 and 2025, 91.4% and 81.8% of our trade receivables as of December 31, 2023 and 2024, within one year of invoice date had been settled, respectively. Among the four major comparable companies within the competitive landscape, namely Company A, Company B, Company C and Company D, our proportion of receivables aged within one year was 83.6% and our provision rate was 7.9% as of December 31, 2025, in line with the peer average of 73.3% and 13.7%, respectively, as of December 31, 2025, confirming that our aging profile and our allowance for expected credit losses are aligned with the market practice, according to Frost & Sullivan. Thus, we believe that there is no material recoverability issue for our trade receivables, and based on our subsequent settlement status, sufficient provision has been made.

Prepayments, other receivables and other assets

Our prepayments, other receivables and other assets primarily consist of prepayments, deposits and other receivables, and deductible VAT. Our prepayments, other receivables and other assets remained relatively stable at RMB22.0 million and RMB18.2 million as of December 31, 2023 and 2024, respectively. Our prepayments, other receivables and other assets then increased to RMB33.0 million as of December 31, 2025, primarily due to higher advance payments made to suppliers in preparation for increased production volume in 2026.

Financial assets at fair value through profit or loss

Our financial assets at fair value through profit or loss primarily consist of structured deposits, wealth management products, and publicly offered bond fund. Our financial assets at fair value through profit or loss decreased from RMB8.0 million as of December 31, 2023 to RMB1.4 million as of December 31, 2025, primarily due to a decrease in wealth management products we held.

We have established the principles of "prudent investment and value preservation and appreciation" and set investment policies for wealth management products. In line with our continuous production expansion needs, we prefer holding cash or stable financial products, such as structured deposits and principal-protected bank wealth management products. Our internal control approval process is multi-tiered, involving the cashier, financial manager, chief financial officer, and president. Mr. XIN Yaguang, our chief financial officer with over 11 years of auditing experience, is primarily responsible for overseeing financial management and internal control. Additionally, we have implemented the "Information Disclosure Management System," which distinguishes between disclosable transactions requiring board approval and other financial product transactions that do not. Investments in such products after the Listing will comply with Chapter 14 of the Listing Rules.

Restricted cash

Our restricted cash during the Track Record Period were primarily related to deposit for bank acceptance bill. Our restricted cash decreased from RMB11.0 million as of December 31, 2023 to RMB4.2 million as of December 31, 2024, primarily due to (1) the maturity of bank acceptance bills issued to suppliers in 2023; and (2) fewer new bills payables that were issued during 2024. Our restricted cash further decreased to RMB3.5 million as of December 31, 2025, primarily due to changes in use of bank acceptance bills.

Trade and bills payables

Our trade and bills payables primarily consist of payables for the procurement of raw materials. Our trade and bills payables increased from RMB56.2 million as of December 31, 2023 to RMB131.0 million as of December 31, 2024, and further to RMB190.5 million as of December 31, 2025, primarily due to an increase of procurement of raw material and components to support our business growth.

The following table sets forth the details of our trade and bills payables as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Trade payables	35,590	120,787	182,110
Bills payables	20,623	10,199	8,382
Total	**56,213**	**130,986**	**190,492**

The following table sets forth our trade payables turnover days for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
Trade payables turnover days(1)	76	145	190

(1) The trade payables turnover days are calculated by dividing the arithmetic mean of the opening and ending balance of trade payables in that period by cost of sales for the corresponding period and then multiplying by the number of days for that period (i.e., 365 days for a given year).

Our trade payables turnover days increased from 76 days in 2023 to 190 days in 2025, reflecting our enhanced bargaining power with suppliers and our engagement with more established suppliers who are willing to offer longer credit terms as we continued to scale our procurement of raw materials.

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

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Within one year	31,802	115,767	172,064
One to two years	2,893	3,878	7,686
Two to three years	536	456	1,324
Over three years	359	686	1,036
Total	**35,590**	**120,787**	**182,110**

As of March 31, 2026, approximately RMB68.7 million, or 36.1%, of our trade and bills payables as of December 31, 2025 had been settled.

Other payables and accruals

Our other payables and accruals primarily consist of (1) payroll and welfare payable, (2) deposit, and (3) other payable of output VAT transferred on behalf of others. Our other payables and accruals were RMB25.8 million, RMB23.8 million and RMB31.2 million as of December 31, 2023, 2024 and 2025, respectively.

Contract liabilities

Our contract liabilities represented advances received to deliver robot bodies and robotics solutions. Our contract liabilities decreased from RMB54.9 million as of December 31, 2023 to RMB27.3 million as of December 31, 2025, primarily due to the adjustment of advance payment terms to support our business growth. Out of our contract liabilities as of December 31, 2025, RMB5.2 million, or 19.1% was recognized as revenue by March 31, 2026 upon partial fulfillment of our performance obligations.

Provision

We typically provide warranties of 12 months. Our provision increased from RMB2.9 million to RMB6.8 million as of December 31, 2024, primarily due to the relatively stable customer base which led to a more normalized provision level. Our provision then decreased to RMB5.1 million as of December 31, 2025, primarily due to decreased after-sale service expenses incurred in 2025 compared to that of 2024.

Interest-bearing bank borrowings

We had interest-bearing bank borrowings of RMB45.9 million, RMB134.8 million and RMB159.7 million as of December 31, 2023, 2024 and 2025, respectively. The weighted average effective interest rate on bank borrowings was 3.8%, 3.8% and 3.3% as of December 31, 2023, 2024 and 2025, respectively.

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. As of March 31, 2026, we had committed unutilized banking facilities of RMB285.6 million.

Lease liabilities

Our lease liabilities primarily consist of leases of premises. Our lease liabilities decreased from RMB30.1 million as of December 31, 2023 to RMB20.2 million as of December 31, 2024, primarily due to rental payments made under long-term lease agreements. Our lease liabilities then increased to RMB37.7 million as of December 31, 2025, primarily due to our new leases for operational facilities such as those in Linyi.

SHARE CAPITAL/PAID-IN CAPITAL AND TOTAL EQUITY

Our share capital/paid-in capital was RMB50.0 million, RMB50.0 million and RMB55.1 million as of December 31, 2023, 2024 and 2025, respectively.

In addition, our total equity was RMB98.4 million, RMB46.1 million and RMB177.2 million as of December 31, 2023, 2024 and 2025, respectively. Our total equity decreased from RMB98.4 million as of December 31, 2023 to RMB46.1 million as of December 31, 2024, primarily reflecting our loss for the year ended December 31, 2024 of RMB71.5 million and our share-based payments of RMB19.2 million in 2024. As of December 31, 2025, our total equity increased to RMB177.2 million, primarily reflecting a capital injection by shareholders (less the share issue expenses) of RMB234.4 million, our loss in 2025 of RMB152.9 million, and our share-based payments in 2025 of RMB49.7 million.

In connection with the pre-IPO investments, our Pre-IPO Investors were granted certain special rights, including, among others, pre-emptive right, right of first refusal, right of co-sale, redemption right, information right, anti-dilution right, and special rights in liquidation. In anticipation of the Global Offering, all such special rights granted to our Pre-IPO Investors shall be terminated in compliance with Chapter 4.2 of the Guide.

In particular, on June 27, 2025, our Company and all our Shareholders reached an agreement in connection with the termination of the special rights (the "Termination Agreement"), pursuant to which the Pre-IPO Investors' redemption rights were terminated and shall be *void ab initio*. No Pre-IPO Investor has exercised our Company's redemption rights during the Track Record Period. Taking into account the legal and regulatory framework of our Company's jurisdiction and the governing law of the Termination Agreement, our Directors considered that it is appropriate to present the pre-IPO investments as equity throughout the Track Record Period.

Had the Pre-IPO Investors' redemption rights been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the Termination Agreements, (1) the redemption financial liabilities, total non-current liabilities and net assets would have been:

	As of December 31,	
	2023	2024
	RMB'000	*RMB'000*
Redemption financial liabilities	677,341	716,851
Total non-current liabilities[(1)]	697,982	726,774
Net assets	(578,929)	(670,764)

(1) Since the redemption obligation will not be triggered until December 31, 2026, which is more than 12 months after the relevant points in time (e.g. December 31, 2023 and 2024), the redemption related financial liability thus does not meet the definition of current liability and is presented and classified as a non-current liability.

and (2) the finance costs associated with the redemption, the net loss for the year, basic and dilutive loss per share would have been:

	For the Year Ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Finance costs associated with the redemption financial liabilities	37,257	39,510	20,450
Total net loss	(147,863)	(111,005)	(173,391)
Basic and dilutive loss per share (expressed in RMB)	(2.96)	(2.22)	(3.23)

For further details of the financial impacts, see note 31 to the Accountants' Report.

As of December 31, 2025, the consolidated total equity of our Group amounted to RMB177.2 million, which was less than the total equity of our Company which amounted to RMB325.6 million, primarily due to the excess losses of a subsidiary, Hangzhou Robotphoenix. It incurred substantial loss during the Track Record Period, primarily due to the high R&D expenditures and high production costs.

LIQUIDITY AND CAPITAL RESOURCES

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

Cash Flows

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

	For the Year Ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Net cash used in operating activities	(86,749)	(69,582)	(182,517)
Net cash from/(used in) investing activities	43,917	(2,828)	(27,968)
Net cash from financing activities	36,064	76,178	238,601
Net (decrease)/increase in cash and cash equivalents	(6,768)	3,768	28,116
Effect of foreign exchange rate changes, net	83	35	110
Cash and cash equivalents at the beginning of the year	25,777	19,092	22,895
Cash and cash equivalents at the end of the year	**19,092**	**22,895**	**51,121**

Net Cash Used in Operating Activities

Going forward, we plan to maintain sustainability and achieve profitability by driving sustainable revenue growth and business scale and effectively managing our costs and expenses. Specifically, we plan to upgrade technological innovation, accelerate product iteration, expand manufacturing and sales network and increase market penetration. We plan to continuously improve our net operating cash outflow position by (1) expanding our high-margin businesses, including our overseas and robot bodies sales; and (2) enhancing cost efficiency and product competitiveness through continued R&D investment and optimized supply chain and logistics network. Our cash conversion cycle was reduced from 286 days in 2023 to 187 days in 2025, as a result of our continuous effort to implement the above strategies. We expect to achieve profit breakeven and net operating cash inflow in the fourth quarter of 2026. See "Business — Path to Profitability."

Net cash used in operating activities in 2025 was RMB182.5 million, which primarily represented loss before tax of RMB152.9 million, as adjusted for (1) certain non-cash items and non-operating items, which primarily consisted of (i) share-based payment expenses of RMB49.7 million related to employee incentive grants; and (ii) write-down of inventories to net realizable value of RMB26.2 million, and (2) changes in working capital, which primarily consisted of increase in inventories of RMB131.5 million primarily due to an increase in contract fulfillment cost.

Net cash used in operating activities in 2024 was RMB69.6 million, which primarily represents loss before tax of RMB71.5 million, as adjusted for (1) certain non-cash items and non-operating items, which primarily consisted of (i) share-based payment expenses of RMB19.2 million related to employee incentive grants; and (ii) write-down of inventories to net realizable value of RMB12.6 million, and (2) changes in working capital, which primarily consisted of an increase in trade and bills receivables of RMB84.4 million primarily due to the scaling up of our business and an increase in trade payables of RMB74.8 million primarily due to an increase of procurement of raw material and components to support our business growth.

Net cash used in operating activities in 2023 was RMB86.7 million, which primarily represents loss before tax of RMB110.6 million, as adjusted for (1) certain non-cash items and non-operating items, which primarily consisted of write-down of inventories to net realizable value of RMB58.0 million, and (2) changes in working capital, which primarily consisted of an increase in inventories of RMB31.6 million to support our business growth and an increase in trade payables of RMB14.5 million.

Net Cash from/(Used in) Investing Activities

Net cash used in investing activities in 2025 was RMB28.0 million, which was primarily attributable to purchases of financial assets at fair value through profit or loss of RMB120.0 million and purchases of items of property, plant and equipment of RMB32.8 million, partially offset by the proceeds from maturity of financial assets at fair value through profit or loss of RMB124.0 million as we redeemed relevant deposits.

Net cash used in investing activities in 2024 was RMB2.8 million, which was primarily attributable to purchases of items of property, plant and equipment of RMB6.3 million and purchases of financial assets at fair value through profit or loss of RMB6.0 million representing our purchase of wealth management products, partially offset by the proceeds from maturity of financial assets at fair value through profit or loss of RMB10.0 million as we redeemed relevant deposits.

Net cash from investing activities in 2023 was RMB43.9 million, which was primarily attributable to the proceeds from maturity of financial assets at fair value through profit or loss of RMB137.9 million representing our purchase of structured deposits, partially offset by purchases of financial assets at fair value through profit or loss of RMB89.0 million.

Net Cash from Financing Activities

Net cash from financing activities in 2025 was RMB238.6 million, which was primarily attributable to capital contribution by shareholders of RMB243.9 million and new bank loans of RMB180.0 million, partially offset by repayment of interest-bearing bank borrowings of RMB155.1 million.

Net cash from financing activities in 2024 was RMB76.2 million, which was primarily attributable to new bank loans of RMB144.5 million, partially offset by repayment of interest-bearing bank borrowings of RMB55.7 million.

Net cash from financing activities in 2023 was RMB36.1 million, which was primarily attributable to new bank loans of RMB46.0 million, partially offset by lease payments of RMB9.5 million.

CURRENT ASSETS/LIABILITIES

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

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
				(unaudited)
Current assets:				
Inventories	120,578	139,486	244,691	248,171
Trade and bills receivables	52,293	138,353	179,286	184,560
Contract assets	10,029	14,822	12,339	12,339
Prepayments, other receivables and other assets	21,972	18,155	32,448	34,131
Financial assets at fair value through profit or loss	8,000	4,000	1,396	—
Restricted cash	11,047	4,193	3,496	3,496
Cash and cash equivalents	19,092	22,895	51,121	43,845
Total current assets	**243,011**	**341,904**	**524,777**	**526,542**
Current liabilities:				
Trade and bills payables	56,213	130,986	190,492	183,331
Other payables and accruals	25,843	23,801	31,155	30,916
Interest-bearing bank borrowings	45,619	134,680	84,226	151,133
Lease liabilities	10,016	10,816	14,476	12,274
Contract liabilities	54,891	35,208	27,257	28,931
Provision	2,623	6,360	4,836	4,836
Total current liabilities	**195,205**	**341,851**	**352,442**	**411,421**
Net current assets	**47,806**	**53**	**172,335**	**115,121**

Our net current assets decreased from RMB172.3 million as of December 31, 2025 to RMB115.1 million as of March 31, 2026, primarily due to the conversion of certain long-term borrowings into current liabilities as their maturity dates approached.

Our net current assets position improved from RMB53 thousand as of December 31, 2024, to RMB172.3 million as of December 31, 2025, primarily due to an increase of RMB105.2 million in inventories and a decrease of RMB50.5 million of interest-bearing bank borrowings, partially offset by an increase of RMB59.5 million in trade and bills payable, primarily as a result of the proceeds from Series E and Series Pre-IPO Investments settled during the first half of 2025, which were strategically deployed to increase our inventory levels to fulfill our rising customer orders.

Our net current assets decreased from RMB47.8 million as of December 31, 2023 to RMB53,000 as of December 31, 2024, primarily due to the increase in our current liabilities primarily as a result of an increase of interest-bearing bank borrowings of RMB89.1 million and increase of trade and bills payables of RMB74.8 million.

CASH OPERATING COSTS

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

	For the Year Ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Workforce employment[1]	86,022	74,862	94,909
Direct production costs, including materials[2]	110,149	135,480	226,234
Research and development costs[3]	4,374	6,050	13,531
Product and solution marketing[4]	14,922	28,707	28,466
Non-income taxes, royalties and other governmental charges	1,234	556	1,034
Contingency allowances	—	—	—
Total	**216,701**	**245,655**	**364,174**

(1) Cash operating costs relating to workforce employment represent the sum of employee compensation expenses under research and development expenses, administrative expenses, costs of sales and selling and marketing expenses (excluding share-based payments expenses which are non-cash in nature).

(2) Cash operating costs relating to direct service and production costs, including materials, represent the costs of sales (excluding direct labor costs and non-cash items under contract fulfillment costs).

(3) Research and development costs represent research and development expenses, excluding employee compensation, share-based payment expenses and non-cash items under research and development expenses.

(4) Product and solution marketing represents selling and marketing expenses, excluding employee compensation and non-cash items under selling and marketing expenses, such as share-based payments expenses, and depreciation and amortization.

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

	As of December 31,			As of March 31,
	2023	2024	2025	2026
		(RMB in thousands)		
				(unaudited)
Current portion:				
Lease liabilities	10,016	10,816	14,476	12,274
Interest-bearing bank borrowings	45,619	134,680	84,226	151,133
Subtotal	**55,635**	**145,496**	**98,702**	**163,407**
Non-current portion:				
Interest-bearing bank borrowings	286	115	75,500	48,500
Lease liabilities	20,126	9,360	23,248	20,764
Subtotal	**20,412**	**9,475**	**98,748**	**69,264**
Total	**76,047**	**154,971**	**197,450**	**232,671**

Lease Liabilities

The following table sets forth the remaining contractual maturities of our lease liabilities as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			*(unaudited)*
Within one year	10,016	10,816	14,476	12,274
One to two years	10,732	8,711	7,898	8,013
Two to five years	9,394	649	15,350	12,751
Total	**30,142**	**20,176**	**37,724**	**33,038**

Indebtedness Statement

Except as disclosed above, as of the Latest Practicable Date, we did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees.

Our Directors confirm that as of the Latest Practicable Date, there was no material covenant on any of our outstanding debt and there was no breach of any covenant during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that we did not experience any difficulty in obtaining bank loans and other borrowings, default in payment of bank loans and other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date. Our Directors also confirm that there has not been any material changes in our indebtedness since March 31, 2026 and up to the date of this prospectus.

CONTINGENT LIABILITIES OR GUARANTEES

As of the Latest Practicable Date, we did not have any material contingent liabilities or guarantees.

CAPITAL EXPENDITURES AND COMMITMENTS

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

	For the Year Ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Addition of property and equipment	7,312	3,429	37,465
Addition of intangible assets	1,837	542	1,041
Total	**9,149**	**3,971**	**38,506**

Our capital expenditures were RMB9.1 million, RMB4.0 million and RMB38.5 million in 2023, 2024 and 2025, respectively.

CAPITAL COMMITMENTS

Our Group had capital commitments of RMB5.0 million as of December 31, 2025, arising from purchase of items of non-current assets which were contracted but not provided for.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

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

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For more details about our related party transactions, see Note 36 to the Accountants' Report in Appendix I to this prospectus. Our Directors are of the view that our transactions with related parties during the Track Record Period were conducted on an arm's length basis, with normal commercial terms between the relevant parties and would not distort our results of operations or make our historical results not reflective of our future performance.

WORKING CAPITAL SUFFICIENCY

The Directors, as concurred by the Sole Sponsor, are of the opinion that, taking into account of the financial resources available to us described below, we have sufficient working capital for our requirements for at least the next 12 months from the date of this prospectus: (1) our estimated future operating cash flows; (2) cash and cash equivalents on hand; (3) available banking facilities; and (4) estimated net proceeds from the Global Offering.

Our cash burn rate refers to the average monthly (1) net cash used in operating activities, (2) purchases of property, plant and equipment, other intangible assets, and (3) payments of lease liabilities. Our historical cash burn rate was RMB8.6 million, RMB7.2 million and RMB19.2 million in 2023, 2024 and 2025, respectively. We had relatively high cash burn rate in 2025, attributable to net cash used in operating activities of RMB182.5 million, which resulted from our (i) strategic focus on expanding the sales of robot bodies and the associated increase in inventory levels, and (ii) an increase in our contract fulfillment costs due to the increase in solutions scheduled for delivery subsequent to the Track Record Period.

We had cash and cash equivalents of RMB51.1 million as of December 31, 2025 and committed unutilized banking facilities of RMB295.6 million as of December 31, 2025. We estimate that we will receive net proceeds of approximately HK$672.9 million after deducting the underwriting fees and expenses payable by us in the Global Offering, based on the Offer Price of HK$30.50 per Offer Share. Assuming that the average cash burn rate going forward will be approximately RMB19.2 million per month based on the cash burn rate for the 12 months ended December 31, 2025, we estimate financial viability for approximately 18.0 months until June 2027, or, if we take into account 10% of the estimated net proceeds from the Listing, approximately 21.1 months until September 2027 or, if we also take into account the estimated net proceeds from the Listing, approximately 48.7 months until December 2029. While the use of proceeds in the future will increase capital expenditure for production facility expansion, such investments are expected to enhance production efficiency, reduce direct labor costs, and improve gross profit margins, thereby supporting better operating cash flows. We will continue to monitor our cash flows from operations closely and maintain our financial viability through a variety of means, including, among others, banking facilities and external financings. See "— Indebtedness." Our next round of financing will be the Global Offering.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commission and other fees incurred in connection with the Global Offering. Based on the Offer Price of HK$30.50 per Offer Share, listing expenses to be borne by us are estimated to be approximately RMB67.8 million (HK$77.4 million), comprising: (1) underwriting fees of RMB29.6 million (HK$33.8 million); and (2) non-underwriting-related expenses of RMB38.2 million (HK$43.6 million), which are further categorized into: (i) fees and expenses of legal advisers and accountants of RMB21.4 million (HK$24.4 million); and (ii) other fees and expenses of RMB16.9 million (HK$19.3 million), approximately RMB35.2 million (HK$40.2 million) of which was charged or is expected to be charged to our consolidated statements of profit or loss (with approximately RMB16.6 million of listing expenses recognized in our consolidated statements of profit or loss during the Track Record Period), and approximately RMB32.5 million (HK$37.2 million) of which is expected to be deducted from equity upon the completion of the Global Offering. The listing expenses are expected to represent approximately 10.3% of the gross proceeds of the Global Offering, based on the Offer Price of HK$30.50 per Offer Share. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

KEY FINANCIAL RATIOS

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

	As of/For the Year Ended December 31,		
	2023	2024	2025
Gross profit margin (%)(1)	18.3	26.5	24.8
Current ratio (%)(2)	124.5	100.0	148.9

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

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

Analysis of Key Financial Ratios

Gross profit margin

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

Current ratio

Our current ratio decreased from 124.5% as of December 31, 2023 to 100.0% as of December 31, 2024, primarily due to an increase in current liabilities resulting from the increases in other payables and interest-bearing bank borrowings, partially offset by an increase in current assets resulting from the increases in other receivables and contract assets.

Our current ratio increased from 100.0% as of December 31, 2024 to 148.9% as of December 31, 2025, primarily due to an increase of RMB56.4 million in cash and cash equivalents primarily as a result of the Series E and Series Pre-IPO Investments settled during the first half of 2025.

R&D EXPENDITURE AND TOTAL OPERATING EXPENDITURE

During the Track Record Period, our R&D expenditure primarily consisted of research and development expenses adjusted by adding back intangible assets related to R&D software acquired from third parties and capitalized and deducting amortization expenses for capitalized intangible assets included in R&D expenditure. During the Track Record Period, all of our research and development expenses were incurred for both robot bodies and robotics solutions. We do not allocate them by products or solutions. The following table sets forth our annual and total R&D expenditure for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Research and development expenses	33,143	38,657	70,792
Adjustments:			
Add: Intangible assets acquired from third parties and capitalized(1)	995	59	978
Less: Amortization expenses of capitalized intangible assets included in R&D expenditure(1)	(603)	(623)	(679)
Annual R&D expenditure	33,535	38,093	71,091
Total R&D expenditure			**142,719**

(1) Primarily related to software procured from third parties for our R&D activities.

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

	For the Year Ended December 31,		
	2023	2024	2025
		(RMB in thousands)	
Research and development expenses	33,143	38,657	70,792
Administrative expenses	25,791	38,814	85,287
Selling and marketing expenses	31,220	53,149	60,422
Other expenses	57,957	12,591	26,246
Adjustments:			
Add: Intangible assets acquired from third parties and capitalized	995	59	978
Less: Amortization expenses of capitalized intangible assets included in R&D expenditure(1)	(603)	(623)	(679)
Annual operating expenditure	148,503	142,647	243,046
Total operating expenditure			**534,196**

(1) Primarily related to software procured from third parties for our R&D activities.

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

	For the Year Ended December 31,		
	2023	2024	2025
Annual R&D expenditure ratio(1)	22.6%	26.7%	29.3%
Total R&D expenditure ratio			**26.7%(2)**

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

(2) Calculated by dividing total R&D expenditure for the three financial years prior to Listing by total operating expenditure for the three financial years prior to the Listing.

MARKET RISKS

We are exposed to a variety of financial risks, including market risk, credit risk and liquidity risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance.

Foreign currency risk

We have transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. As our major businesses are in China, the majority of the transactions are conducted in RMB. Most of our assets and liabilities are denominated in RMB. The Group was not exposed to material foreign currency risk during the Track Record Period.

Credit risk

We trade only with recognized and creditworthy third parties. Our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. For transactions that are not denominated in the functional currency of the relevant operating unit, we do not offer credit terms without specific verification procedures.

Liquidity risk

We monitor and maintain a level of cash and cash equivalents deemed adequate by our management to finance the operations and mitigate the effects of fluctuations of cash flows. Our objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings and lease liabilities.

DIVIDENDS

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

DISTRIBUTABLE RESERVES

As of December 31, 2025, we had no distributable reserves.

DISCLOSURE REQUIRED UNDER CHAPTER 13 OF THE LISTING RULES

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

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this prospectus, there has been no material adverse change in our financial or trading position since December 31, 2025 (being the date on which the latest audited consolidated financial information of our Group was prepared) and there is no event since December 31, 2025 which would materially affect the information shown in our consolidated financial statements included in the Accountants' Report in Appendix I to this prospectus.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

See "Appendix II — Unaudited Pro Forma Adjusted Financial Information" to this prospectus for details.

FUTURE PLANS

See "Business — Growth Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that the net proceeds of the Global Offering, after deducting the estimated underwriting commissions and other fees and expenses paid and payable by us in connection with the Global Offering, will be approximately HK$672.9 million, based on the Offer Price of HK$30.50 per H Share.

We currently intend to use the net proceeds from the Global Offering for the purposes and in the amounts as set out below:

- Approximately 40.0% of the net proceeds, or HK$269.2 million, will be used for development of our robotics technology from 2026 to 2030. We will increase our efforts on development of more advanced industrial robots to enhance our market share and solidify our leading edge in industrial robots. From a financial perspective, the implementation of our R&D upgrades is expected to increase our R&D expenses and the proportion of R&D expenditure. For instance, we plan to recruit approximately 60 to 100 R&D staff in the areas of software, electronics, mechanics, vision, AI and safety between 2026 and 2028. We expect over 80% of these new hires to hold postgraduate degrees and over 10% to hold doctoral degrees from recognized universities in fields such as computer sciences, artificial intelligence and robotics. We plan to focus software and hardware procurement on calculation and simulation tools, precision measurement tools, testing and verification platforms, AI servers and AI-assisted tools. We expect R&D collaboration with others in the areas of computer vision, servo drive development and AI. In return, the R&D investment would improve the application, performance, and stability of our industrial robots and related robotics solutions, enhance our product competitiveness, and ultimately promote gross profit growth. More specifically:

  - Approximately 20.0% of the net proceeds, or approximately HK$134.6 million, to be used to upgrade and expand our industrial robots and related robotics solutions across key application scenarios, which include:

    - Approximately 15.0% of the net proceeds, or approximately HK$100.9 million, to be used for (1) development of the industrial robot series to cover various application scenarios, such as high precision, high inertia, medium and high payload, and collaboration; and (2) upgrade of our existing industrial robots and advanced process packages.

      Specifically, to upgrade our technology, we will (1) enhance accuracy and control response performance by refining motion parameters and dynamic model parameters for superior performance; (2) integrate functional safety features into our robots, ensuring advanced safety mechanisms and fault detection for reliable operation in complex environments, adhering to international standards; (3) apply lightweight, high-strength composite materials and wear-resistant coating technology to reduce structural weight and enhance durability; (4) optimize ultra-precision mechanical structure design to minimize mechanical errors and achieve micron-level precision control; (5) use computational simulation technologies such as digital twin and finite element analysis to precisely optimize motion trajectories and structural stress; and (6) integrate AI technologies, such as generative AI-assisted programming, to achieve intelligent on-site applications.

These upgrades will significantly enhance the competitiveness of our industrial robots in high-demand scenarios. For instance, we plan to develop (1) Bat series parallel robots, designed for high-load, high-precision performance in scenarios such as battery electrode gluing, aligning with our next-generation high-precision Delta robots; (2) articulated robots with integrated intelligence and safety features for advanced industrial processes; (3) integrated products for EUV reticle and reticle shipping box transfer tailored for advanced semiconductor processes; (4) clean track coater/developer wafer transfer systems for advanced processes; and (5) the robot AI agent for industrial processes, leveraging generative AI to autonomously adapt to dynamic production environments and optimize operational efficiency.

Furthermore, we will develop a gluing and bonding process packages that achieve lid picking and high-speed dispensing followed by tracking and bonding actions, leveraging integrated vision and robot control technology. The advanced process packages feature proprietary software development and include functions such as spray control, dispensing trajectory drawing, and product recipe import, enabling high-speed production, programming-free deployment, and rapid product changeover.

According to Frost & Sullivan, driven by the steady expansion of consumer electronics, photovoltaic energy, automotive electronic components and other fields, the demands for advanced packaging technology continue to increase. In 2025, China's advanced packaging market reached RMB99.8 billion, and fueled by surging demand for AI and high-performance computing, the market is projected to increase from RMB125.0 billion in 2026 to RMB254.6 billion in 2030, with a CAGR of 19.5%, according to the same source. In addition, China's silicon carbide semiconductor market is in a stage of rapid development. In 2025, China's silicon carbide semiconductor market size was approximately RMB32.3 billion. In the forecast period, as the applications of silicon carbide semiconductor further expand to new energy vehicles, consumer electronics, data centers and other fields, the market size of China's silicon carbide semiconductor is expected to further increase from RMB38.1 billion in 2026 to RMB93.9 billion in 2030, at a CAGR of 25.3%.

We plan to launch (1) the next-generation high payload, high-precision delta robot in 2026; (2) integrated products for EUV reticle and reticle shipping box transfer tailored to advanced processes in 2027; (3) our first robot AI agent for industrial applications in 2027; (4) the next-generation articulated robots featuring integrated intelligence and safety in 2028; and (5) clean track coater/developer wafer transfer system designed for advanced processes in 2030. Through these initiatives, we are committed to continuously enhancing the technological capabilities and market competitiveness of our industrial robots to meet evolving market demands.

The following table sets forth a breakdown of our implementation plan from 2026 to 2030.

	For the Year Ending December 31,				
	2026	2027	2028	2029	2030
	(HK$ in millions)				
Development of the industrial robot series and upgrade of our existing industrial robots and advanced process packages	11.8	12.0	26.0	26.0	25.1

- Approximately 5.0% of the net proceeds, or approximately HK$33.7 million, to be used for development of related robotics solutions for key application scenarios such as consumer electronics, semiconductors, and healthcare sectors. For instance, we plan to develop a sealed equipment front-end module solution with nitrogen purge functionality to meet high-purity nitrogen microenvironment requirements. This advanced, complete solution includes particle suppression methods for wafer robots, the establishment and detection of the nitrogen environment in the equipment front-end module chamber, internal airflow design, maintenance methods for the sealed equipment front end module chamber, the sealed load port and its nitrogen purge function, and the pre-aligner's response to the nitrogen environment. We plan to launch the integrated equipment front-end module with nitrogen purge functionality for advanced processes in 2028.

  The following table sets forth a breakdown of our implementation plan from 2026 to 2030.

	For the Year Ending December 31,				
	2026	2027	2028	2029	2030
	(HK$ in millions)				
Development of related robotics solutions	4.4	5.0	8.9	8.7	6.7

- Approximately 10.0% of the net proceeds, or approximately HK$67.3 million, to be used for development and improvement of control system, which include development of the next-generation integrated technology platform that combines vision, drive and control functions; continuous optimization of high-precision motion control algorithms and advanced machine vision processing algorithms; and development of high-reliability, high-safety industrial control security solutions based on international industrial safety standards;

  We plan to (1) launch the next-generation integrated robot control system in 2027 that seamlessly combines motion control, servo drive, and machine vision; (2) roll out the functional safety solution alongside a predictive maintenance system to enhance operational safety and efficiency in 2028; and (3) introduce the real-time multi-modal interaction on robot control, while upgrading our high-speed, high-precision motion control and machine vision algorithms in 2030. These milestones reflect our ongoing efforts to push the boundaries of industrial automation and deliver smarter, safer, and more responsive control solutions.

The following table sets forth a breakdown of our implementation plan from 2026 to 2030.

	For the Year Ending December 31,				
	2026	2027	2028	2029	2030
	(HK$ in millions)				
Development and improvement of control system	8.9	9.6	14.5	15.6	18.7

- Approximately 10.0% of the net proceeds, or approximately HK$67.3 million, to be used to develop AI and embodied intelligence technology, which include development of multi-modal perception fusion and intelligent planning decision algorithm models based on AI technology; and application of key technologies for embodied intelligent robots. We will integrate embodied intelligence with AI to initiate the development of embodied intelligent robots and optimize control technology based on robot models and application scenarios to enhance their motion performance. Specifically, we plan to deepen the technology system of "brain, eyes, hands, and feet," which includes intelligent decision-making, environmental perception, precise control, and autonomous movement. Our focus will be on breakthroughs in multimodal perception fusion and autonomous decision-making algorithms, as well as the technology of humanoid robots and their core components, enabling millisecond-level response and adaptive capabilities in complex scenarios.

  We plan to (1) launch the next-generation industrial humanoid robots with innovative technologies in key areas "brain, eyes, hands and feet" in 2028; and (2) achieve large-scale deployment of humanoid robots in complex industrial scenarios, such as high-precision assembly and autonomous switching of multiple task, in 2030. These milestones reflect our commitment to advancing embodied intelligence and reshaping the future of industrial automation.

  The following table sets forth a breakdown of our implementation plan from 2026 to 2030.

	For the Year Ending December 31,				
	2026	2027	2028	2029	2030
	(HK$ in millions)				
Development of AI and embodied intelligence technology	9.1	9.9	16.7	15.8	15.8

- Approximately 28.0% of the net proceeds, or HK$188.4 million, will be used for construction or enhancement of production bases and production line from 2026 to 2030. In 2025, the utilization rate was over or approximately 90% across all our production facilities even after we adopted modular design to significantly improve our production capacity. As of March 31, 2026, our backlog of customer contracts reached RMB501.6 million. From a financial perspective, the construction or enhancement of production bases and production lines not only supports sales growth but also maintains a longer asset lifespan compared to leased production bases. This is expected to help us reduce fixed costs in the long term. The Hangzhou facility is unsuitable for large-scale automated production, as its multi-stories structure and compact internal layout cannot accommodate automated production lines. In addition, its location is less convenient for our major customers, making it impractical to utilize the facility to address our existing backlog or anticipated growth in demand. More specifically:

- Approximately 14.0% of the net proceeds, or approximately HK$94.2 million, to be used for construction or enhancement of regional production bases related production facilities. We plan to construct and/or enhance up to three to four production bases in Mainland China, such as in Zhejiang Province and Jiangsu Province, by 2027, with operations commencing by 2028. These production bases will manufacture Bat series parallel robots, Python series SCARA robots, Lobster series wafer handling robots, and Camel series AGV/AMR mobile robots.

  The following table sets forth a breakdown of our implementation plan from 2026 to 2030.

	For the Year Ending December 31,				
	2026	2027	2028	2029	2030
	(HK$ in millions)				
Construction and/or enhancement of regional production base	—	56.7	12.5	12.5	12.5

- Approximately 14.0% of the net proceeds, or approximately HK$94.2 million, to be used for development of intelligent production line construction and capacity enhancement. We plan to build two production lines for parallel robots, two for articulated robots, and one for other types of robots by 2027, increasing our annual production capacity by 1,200 units, 2,160 units, and 2,900 units, respectively, in 2028.

  The following table sets forth a breakdown of our implementation plan from 2026 to 2030.

	For the Year Ending December 31,				
	2026	2027	2028	2029	2030
	(HK$ in millions)				
Construction of production lines	—	88.8	1.8	1.8	1.8

- Approximately 12.0% of the net proceeds, or HK$80.7 million, will be used for development of overseas business network from 2026 to 2030. From a financial perspective, the development of an overseas business network is expected to help us enhance brand influence and increase regional sales revenue and gross profit margins in overseas markets. More specifically:

  We intend to develop the distribution network by engaging overseas distributors in the Southeast Asian, European and Latin American markets to broaden our geographical reach and deepen our market penetration. Specifically, in Europe, we plan to establish only one primary distributor in each country, who will then develop three to five secondary distributors locally. From 2025 to 2029, we aim to engage distributors in nine countries and regions: Italy, France, the United Kingdom, the Czech Republic, Poland, Spain, Hungary, the Benelux, and Romania. All primary distributors will be under our unified management and will need to increase their three-year rolling sales targets by EUR0.2 million, EUR0.5 million, and EUR1.0 million. By 2030, we aim to achieve a 5% market share in the European light industrial robot market. In the Latin American market, we plan to select distributors or system integrators with industry experience, technical support and marketing teams, and an established mature distribution network. Initially, we will focus on Brazil and Mexico, with each country developing two distributors to cover the surrounding markets.

Additionally, We also intend to facilitate expansion of our overseas business by establishing a subsidiary in Hong Kong and recruiting high-caliber talent to enhance our international sales and R&D capabilities. In Hong Kong, we plan to recruit (1) one sales director, who should hold an MBA or EMBA degree, be fluent in Cantonese and English, and have over ten years of sales experience in the technology and manufacturing industry, along with local customer resources in Hong Kong; (2) one sales engineer, who should be fluent in Cantonese and English, have over three years of sales experience in the technology/manufacturing industry, and possess local customer resources in Hong Kong; (3) one marketing manager, who should be familiar with the Greater Bay Area market and have bilingual writing ability; (4) one technical support engineer, who should have bilingual writing ability, at least a Bachelor's degree in mechanical, electrical, mechatronics, or related fields, and be familiar with programming and industrial automation equipment; (5) one after-sales supervisor, who should have over three years of customer service management experience and be familiar with the ISO 9001 quality management system. We plan to allocate HK$4.0 million for total salaries.

The following table sets forth a breakdown of our implementation plan from 2026 to 2030.

	For the Year Ending December 31,				
	2026	2027	2028	2029	2030
	(HK$ in millions)				
Development of overseas business network	14.3	13.4	16.2	17.1	19.7

- Approximately 10.0% of the net proceeds, or HK$67.3 million, will be used for investment in the supply chain in upstream and downstream from 2026 to 2030. From a financial perspective, improving the collaboration between the upstream and downstream of the supply chain is expected to help us increase our procurement and sales scale, transaction volume, gross profit, and bargaining power with both suppliers and customers. More specifically:

  For investment in the upstream supply chain, we plan to invest in strategically important suppliers through mergers and acquisitions or establishment of joint ventures to reduce costs and enhance efficiency because numerous suppliers provide parts, components, metal materials, batteries, software, equipment, and services essential for the production of our industrial robots and relevant robotics solutions. We will primarily consider the complementarity of upstream suppliers with our technology and their contribution to supply chain security, further enhancing our cost advantage. Specifically, we will evaluate criteria such as the core technological capabilities of key components, mass production capabilities, business scale, and an annual revenue of at least RMB10.0 million. Examples of potential targets include hardware-related key components such as servo motors and software-related core technologies such as industrial AI. According to the F&S Report, there are approximately 100 potential targets in China and 200 in overseas markets, such as Japan, South Korea, and Germany, which meet our criteria.

  For investment in the downstream supply chain, we plan to invest in various industry sectors, including among others, consumer electronics, healthcare, and FMCG, through mergers and acquisitions or establishment of joint ventures to expand our customer base. We will primarily consider targets that complement our product portfolio and align with our growth strategy. Specifically, we will evaluate criteria such as industrial robot integration capabilities, business scale, existing distribution channels, and relevant experience in industries such as consumer electronics and semiconductors, as well as an annual revenue of at least RMB5.0 million. Examples of potential targets include industrial robot integrators in the light industry, particularly those with expertise in integrating consumer electronics, medical, and fast-moving consumer goods industries; industrial robot integrators in the semiconductor industry with deep industry insights and accumulated expertise; and industrial robot integrators in overseas markets with special customer channel resources and professional implementation capabilities. According to the F&S Report, there are approximately 1,000 potential targets in China and 2,000 in overseas markets, such as Japan, Thailand, Australia, Germany, and the United States, which meet our criteria.

As advised by Frost & Sullivan, successful investments in upstream and downstream supply chains can further enhance our technological capabilities, cost control advantages, and integration capabilities for industrial robots, as well as increase our sales in new industries and overseas markets.

We plan to conduct mergers and acquisitions or establish joint ventures in the upstream and downstream supply chain, with substantive progress expected in 2027 and 2030, respectively. As of the Latest Practicable Date, we have not identified any specific investment targets, nor have we entered into any definitive investment agreements. The following table sets forth a breakdown of our implementation plan from 2026 to 2030.

	For the Year Ending December 31,				
	2026	2027	2028	2029	2030
	(HK$ in millions)				
Investment in the supply chain	**—**	**30.0**	**—**	**—**	**37.3**
Investment in the upstream supply chain	—	15.0	—	—	18.7
Investment in the downstream supply chain	—	15.0	—	—	18.6

- Approximately 10.0% of the net proceeds, or HK$67.3 million, will be used for supplement working capital from 2026 to 2030.

To the extent that the net proceeds are not immediately applied to the above purposes, we will only deposit the net proceeds into short-term interest-bearing accounts with licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

HONG KONG UNDERWRITERS

ABCI Securities Company Limited

CLSA Limited

Ping An Securities (Hong Kong) Company Limited

China Industrial Securities International Capital Limited

CMBC Securities Company Limited

Emperor Securities Limited

Huafu International Securities Limited

Shenwan Hongyuan Securities (H.K.) Limited

SPDB International Capital Limited

Futu Securities International (Hong Kong) Limited

Livermore Holdings Limited

Tiger Brokers (HK) Global Limited

UNDERWRITING

This prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters.

The Global Offering comprises the Hong Kong Public Offering of initially 1,230,000 Hong Kong Offer Shares and the International Offering of initially 23,370,000 International Offer Shares, subject, in each case, to reallocation on the basis as described in the section headed "Structure and Conditions of the Global Offering" in this prospectus.

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering initially 1,230,000 Hong Kong Offer Shares (subject to reallocation) for subscription by way of the Hong Kong Public Offering on and subject to the terms and conditions of this prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (i) the Hong Kong Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares pursuant to the Global Offering on the Main Board of the Stock Exchange and such approval not having been withdrawn; and (ii) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally and not jointly to apply or procure applications, on the terms and conditions of this prospectus, for their respective applicable proportions of the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering.

The Hong Kong Underwriting Agreement is conditional on, among other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The Sponsor-OC (for itself and on behalf of the Hong Kong Underwriters) and the Sole Sponsor shall be entitled, in their sole and absolute discretion and by giving notice to our Company, to terminate the Hong Kong Underwriting Agreement with immediate effect if prior to 8:00 a.m. on the Listing Date:

(i) there shall develop, occur, exist or come into effect:

(a) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent Authority (as defined in the Hong Kong Underwriting Agreement) in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Japan, or other jurisdictions relevant to our Group or the Global Offering (each a "Relevant Jurisdiction" and collectively, the "Relevant Jurisdictions"); or

(b) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, Taxation (as defined in the Hong Kong Underwriting Agreement), equity securities or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or

(c) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed)) in or affecting any of the Relevant Jurisdictions; or

(d) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (i) the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or (ii) the trading in any securities of our Company listed or quoted on a stock exchange or an over-the-counter market; or

(e) the imposition or declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(f) other than with the prior written consent of the Sponsor-OC, the issue or requirement to issue by our Company of a supplement or amendment to this prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or

(g) the commencement by any Authority (as defined in the Hong Kong Underwriting Agreement) or other regulatory or political body or organization of any public action or investigation against a member of our Group or a director or a senior management member of any member of our Group or announcing an intention to take any such action; or

(h) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any Group Company or any of the Warranting Shareholders or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of this Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(i) a change or development involving a prospective change in or affecting Taxes (as defined in the Hong Kong Underwriting Agreement) or exchange control, currency exchange rates or foreign investment regulations (including, without limitation, a material devaluation of the Hong Kong dollar, United States dollar, the Renminbi, Euro, British pound or Swiss Franc against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or RMB is linked to any foreign currency or currencies), or the implementation of any exchange control, in any of the Relevant Jurisdictions or affecting an investment in the Offer Shares; or

(j) any valid demand by creditors for payment or repayment of indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or

(k) any non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) or any aspect of the Global Offering with the Listing Rules or any other applicable Laws (as defined in the Hong Kong Underwriting Agreement); or

(l) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of our Group or any Single Largest Group of Shareholder or any Director or senior management members as named in this prospectus; or

(m) any contravention by our Company, any Group Company or any Director of the Listing Rules or applicable Laws (as defined in the Hong Kong Underwriting Agreement); or

(n) any change or prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in this prospectus, or which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Sole Sponsor and the Sponsor-OC (for itself and on behalf of the Hong Kong Underwriters):

(A) has or will or may have a material adverse effect or any development involving a prospective material adverse effect, on the profits, losses, results of operations, assets, liabilities, general affairs, business, management, performance, prospects, shareholders' equity, position or condition (financial, trading or otherwise) of our Group, taken as a whole ("Material Adverse Effect");

(B) has or will or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or

(C) makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents; or

(D) has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(ii) there has come to the notice of the Sole Sponsor and the Sponsor-OC (for itself and on behalf of the Hong Kong Underwriters) that:

(a) any statement contained in any of the Hong Kong Public Offering Documents (as defined in the Hong Kong Underwriting Agreement), the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) and/or any notices, announcements, advertisements, communications or other documents in connection with the Hong Kong Public Offering (including any supplement or amendment thereto but save and except for the Underwriters' Information (as defined in the Hong Kong Underwriting Agreement)) (the "Global Offering Documents"), was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such Global Offering Documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

(b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission or misstatement in any Global Offering Document; or

(c) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by our Company or the Single Largest Group of Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement which will have a Material Adverse Effect on the Global Offering; or

(d) any event, act or omission which gives rise or is likely to give rise to any liability of any of the Indemnifying Parties (as defined in the Hong Kong Underwriting Agreement) pursuant to the indemnities in the Hong Kong Underwriting Agreement; or

(e) any material breach of any of the obligations or undertakings imposed upon our Company or any member of the Single Largest Group of Shareholders (as applicable) to the Hong Kong Underwriting Agreement Agreement or the International Underwriting Agreement; or

(f) there is any change or development involving a prospective change, constituting or having a Material Adverse Effect; or

(g) that the chairman of the Board, any Director or any member of senior management of our Company named in this prospectus seeks to retire, or is removed from office or vacating his/her office; or

(h) any Director or any member of senior management of our Company named in this prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company or there is the commencement by any governmental, political or regulatory body of any investigation or other action against any Director or member of senior management of our Company in his or her capacity as such or any member of our Group or an announcement by any governmental, political or regulatory body that it intends to commence any such investigation or take any such action; or

(i) the Company withdraws this prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or

(j) that the approval by the Listing Committee of the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(k) any person (other than any of the Sole Sponsor) has withdrawn its consent to the issue of this prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(l) any prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering; or

(m) any person (other than the Sole Sponsor) has withdrawn or sought to withdraw its consent to being named in any of the Offering Documents (as defined in the Hong Kong Underwriting Agreement) or to the issue of any of the Offering Documents (as defined in the Hong Kong Underwriting Agreement); or

(n) an order or petition is presented for the winding-up or liquidation of any member of our Group, or any member of our Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of any member of our Group which will have a Material Adverse Effect on the Global Offering; or

(o) (A) the notice of acceptance of the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) issued by the CSRC and/or the results of the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Sponsor-OC, the issue or requirement to issue by our Company of a supplement or amendment to the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) pursuant to the CSRC Rules (as defined in the Hong Kong Underwriting Agreement) or upon any requirement or request of the CSRC; or (C) any non-compliance of the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) with the CSRC Rules or any other applicable Laws; or

(p) that a material portion of the orders placed or confirmed in the bookbuilding process have been withdrawn, terminated or cancelled, as a result of the payment of the relevant investment amount not being received or settled in the stipulated time and manner or otherwise,

Undertakings to the Stock Exchange pursuant to the Listing Rules

Undertakings by our Company

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange that no further Shares or securities convertible into equity securities of the Company (whether not of a class already listed) may be issued by our Company or form the subject of any agreement to such an issue by our Company within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the commencement of dealing), except (a) in certain circumstances prescribed by Rule 10.08 of the Listing Rules; or (b) pursuant to the Global Offering.

Undertakings by Key Persons and Pathfinder SIIs

Pursuant to Rules 18C.14 of the Listing Rules, each of key persons of the Company, their close associates and the Pathfinder SIIs, as identified under the section headed "History, Development and Corporate Structure — Lock-up Periods", has undertaken to the Stock Exchange and to us that, except pursuant to the Global Offering, he/it will not, unless otherwise permitted under Rule 18C.15 of the Listing Rules: at any time in the period commencing on the date by reference to which disclosure of its shareholding is made in this Prospectus and ending on the date which is 12 months (or 6 months in the case of the Pathfinder SIIs) from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the H Shares in respect of which it is shown by this prospectus to be the beneficial owner.

Note 2 to Rule 18C.14 of the Listing Rules provides that the above undertakings do not prevent such persons from using the H Shares beneficially owned by it/him/her as security (including a charge or pledge) in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan.

Further, pursuant to Note 2 to 18C.14 of the Listing Rules, each of such persons has undertaken to the Stock Exchange and to us that, within the period commencing on the date by reference to which disclosure of its shareholding is made in this Prospectus and ending on the date which is 12 months (or 6 months in the case of the Pathfinder SIIs) from the Listing Date: (a) when he/it pledges or charges any H Shares beneficially owned by he/it in favor of an authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan, immediately inform us of such pledge or charge together with the number of H Shares so pledged or charged; and (b) when he/it receives indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged H Shares will be disposed of, immediately inform us of such indications.

We will inform the Stock Exchange as soon as we have been informed of the above matters, if any, by such persons and disclose such matters as soon as possible after being so informed.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company

Pursuant to the Hong Kong Underwriting Agreement, our Company has undertaken to each of the Sole Sponsor, the Sponsor-OC, the Overall Coordinators, the Joint Global Coordinators, the CMIs, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that except pursuant to the Global Offering, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the "First Six Month Period"), it will not, without the prior written consent of the Sole Sponsor and the Sponsor-OC (for itself and on behalf of the Hong Kong Underwriters) (such consent shall not be unreasonably withheld or delayed) and unless in compliance with the Listing Rules: (i) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any legal or beneficial interest in the share capital or any other equity securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other equity securities of our Company, as applicable), or deposit any share capital or other equity securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts; or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the H Shares or other equity securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities of which are convertible into or exchangeable or exercisable for, or represent the right to receive, or any warrants or other rights to purchase any Shares); or (iii) enter into any transaction with the same economic effect as any transaction described in paragraphs (i) or (ii) above; or (iv) offer to or contract to or agree to do any of the foregoing specified in paragraphs (i), (ii) or (iii) or announce any intention to do so, in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise (whether or not the issue of such share capital or other equity securities will be completed within the First Six Month Period). Our Company further agrees that, in the event our Company is allowed to enter into any of the transactions described in paragraphs (i), (ii) or (iii) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six Month Period expires (the "Second Six Month Period"), it will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of our Company will, create a disorderly or false market for any H Shares or other securities of our Company. The Single Largest Group of Shareholders under the Hong Kong Underwriting Agreement undertakes to each of the Sole Sponsor, the Sponsor-OC, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries to procure the Company to comply with the undertakings in the paragraph above.

Our Single Largest Group of Shareholders undertake to each of the Sole Sponsor, the Sponsor-OC, the Overall Coordinators, the Joint Global Coordinators, the CMIs, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that it/he shall procure our Company to comply with the above undertakings.

Undertakings by the Single Largest Group of Shareholders

Each of the Single Largest Group of Shareholders has voluntarily undertaken to each of the Sole Sponsor, the Sponsor-OC, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries that except pursuant to the Global Offering , he/ it will not, without the prior written consent of the Sponsor-OC in the period commencing on the date by reference to which disclosure of its shareholdings in our Company is made in this prospectus and ending on the date which is twelve months from the Listing Date, either directly or indirectly, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of our securities that he/she/it is shown to beneficially own in this prospectus.

Indemnity

The Company has agreed to indemnify the Hong Kong Underwriters and the Capital Market Intermediaries for certain losses which they may suffer or incur, including losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by the Company of the Hong Kong Underwriting Agreement.

INTERNATIONAL OFFERING

International Underwriting Agreement

In connection with the International Offering, it is expected that our Company will enter into the International Underwriting Agreement with the Sole Sponsor, the Sponsor-OC, the Overall Coordinators and the International Underwriters. Under the International Underwriting Agreement, the International Underwriters will, subject to certain conditions set out therein, severally and not jointly, agree to procure subscribers or purchasers for, or to purchase, their respective proportions of the International Offer Shares being offered under the International Offering (subject to, among other, any reallocation between the International Offering and the Hong Kong Public Offering). It is expected that the International Underwriting Agreement may be terminated on similar grounds as those in the Hong Kong Underwriting Agreement. Potential investors should note that if the International Underwriting Agreement is not entered into, or is terminated, the Global Offering will not proceed. Our Company has agreed to indemnify the International Underwriters against certain liabilities, including liabilities under the U.S. Securities Act.

UNDERWRITING COMMISSIONS AND LISTING EXPENSES

The Underwriters and the Capital Market Intermediaries will receive an underwriting commission equal to 3% of the aggregate Offer Price payable for the Offer Shares , out of which they will pay any sub-underwriting commissions and other fees (the "Fixed Fees"). Our Company may, at our sole and absolute discretion, pay to one or more Underwriters or Capital Market Intermediaries an additional incentive fee up to 1.5% of the Offer Price payable for the Offer Shares (the "Discretionary Fees"). As of the date of this prospectus, the allocation of a portion of the Fixed Fees remains subject to the Company's discretion. Accordingly, the unallocated portion of the Fixed Fees will be regarded as the discretionary fees for the purpose of the Listing Rules. The ratio of the fixed fees and discretionary fees (as classified under and for the purpose of Rule 3A.34 of the Listing Rules) payable by the Company to all syndicate members is expected to be approximately 61.19 : 38.81, assuming the Discretionary fees will be paid in full. For unsubscribed Hong Kong Offer Shares reallocated to the International Offering, we will pay an underwriting commission at the rate applicable to the International Offering and such commission will be paid to the relevant International Underwriters and not the Hong Kong Underwriters.

The aggregate underwriting commissions and fees (including the incentive fees and assuming full payment), together with the Stock Exchange listing fees, the SFC transaction levy, AFRC transaction levy the Stock Exchange trading fee, legal and other professional fees, printing and other expenses relating to the Global Offering, are estimated to be approximately HK$77.4 million (assuming the full payment of the discretionary incentive fee) in aggregate, and are to be borne by us.

ACTIVITIES BY SYNDICATE MEMBERS

We describe below a variety of activities that each of the Underwriters and the Capital Market Intermediaries of the Hong Kong Public Offering and the International Offering (together, the "Syndicate Members") and their affiliates, may individually undertake, and which do not form part of the underwriting process. When engaging in any of these activities, it should be noted that the Syndicate Members are subject to restrictions, including the following: (a) under the agreement among the Syndicate Members, all of them must not make bids or purchases or effect any other transactions (including but not limited to issuing any option or derivative or structured product which has, as its underlying asset, any Offer Shares), whether in the open market or otherwise, for the purpose of or with a view to creating actual, or apparent, active trading in the Offer Shares or raising, stabilizing or maintaining the price of the Offer Shares to or at levels other than those which might otherwise prevail in the open market; and (b) all of them must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the accounts of others. In relation to the H Shares, those activities could include acting as agent for buyers and sellers of the H Shares, entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have the H Shares as their or part of their underlying assets. Those activities may require hedging activity by those entities involving, directly or indirectly, buying and selling the H Shares. All such activity could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the H Shares, in baskets of securities or indices including the H Shares, in units of funds that may purchase the H Shares, or in derivatives related to any of the foregoing.

In relation to issues by the Syndicate Members or their affiliates of any listed securities having the H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the H Shares in most cases.

These activities may affect the market price or value of the H Shares, the liquidity or trading volume in the H Shares, and the volatility of the price of the H Shares, and the extent to which this occurs from day to day cannot be estimated.

UNDERWRITERS' AND CAPITAL MARKET INTERMEDIARIES' INTEREST IN OUR GROUP

Except as disclosed in this prospectus and the obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement, none of the Underwriters and the Capital Market Intermediaries has any shareholding interest in any member of our Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the H Shares as a result of fulfilling their obligations under the Hong Kong Underwriting Agreement.

SOLE SPONSOR'S INDEPENDENCE

The Sole Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering. The Global Offering comprises: (i) the Hong Kong Public Offering of initially 1,230,000 Offer Shares (subject to reallocation) in Hong Kong as described in "— The Hong Kong Public Offering" below in this section; and (ii) the International Offering of initially 23,370,000 Offer Shares (subject to reallocation) outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur, as described in "— The International Offering" below in this section.

Investors may either apply for the Hong Kong Offer Shares under the Hong Kong Public Offering, or apply for or indicate an interest for the International Offer Shares under the International Offering, but may not do both.

The Offer Shares in the Global Offering will represent approximately 10.04% of our enlarged share capital immediately after the completion of the Global Offering.

References in this prospectus to applications, application or subscription monies or procedure for applications relate solely to the Hong Kong Public Offering.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares Initially Offered

Our Company is initially offering 1,230,000 Offer Shares for subscription by the public in Hong Kong at the Offer Price, representing 5% of the total number of Offer Shares initially available under the Global Offering. Subject to the reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering. The Hong Kong Offer Shares will represent approximately 0.50% of our Company's enlarged share capital immediately after completion of the Global Offering.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set out in "— Conditions of the Global Offering" below in this section.

Allocation

Allocation of the Hong Kong Offer Shares to applicants under the Hong Kong Public Offering will be based on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary depending on the number of Hong Kong Offer Shares validly applied for by applicants. We may, if necessary, allocate the Hong Kong Offer Shares on the basis of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of the Hong Kong Offer Shares available under the Hong Kong Public Offering (after taking account of any reallocation referred to below) is to be divided equally into two pools (with any odd lots being allocated to Pool A): pool A and pool B. The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to valid applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of HK$5 million (excluding the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to valid applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of more than HK$5 million (excluding the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value of pool B.

Applicants should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Hong Kong Offer Shares in one (but not both) of the pools are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in the pool and be allocated accordingly.

For the purpose of this subsection only, the "subscription price" for the Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than approximately 50% of the Hong Kong Offer Shares initially comprised in the Hong Kong Public Offering (being 615,000 Hong Kong Offer Shares) will be rejected.

Reallocation

The allocation of Offer Shares between the Hong Kong Public Offering and the International Offering is subject to reallocation under the Listing Rules. In accordance with the clawback requirements set forth in paragraph 4.2 of Practice Note 18 of the Listing Rules (as modified by Rule 18C.09 of the Listing Rules) and Chapter 4.14 of the Guide for New Listing Applicants issued by the Stock Exchange, if the Offer Shares under the International Offering are fully subscribed or over-subscribed and the number of Offer Shares validly applied for under the Hong Kong Public Offering represents (i) 10 times or more but less than 50 times, and (ii) 50 times or more of the number of Hong Kong Offer Shares initially available under the Hong Kong Public Offering, the Offer Shares will be reallocated to the Hong Kong Public Offering from the International Offering. As a result of such reallocation, the total number of Hong Kong Offer Shares will be increased to 2,460,000 Offer Shares (in the case of (i)) and 4,920,000 Offer Shares (in the case of (ii)), representing approximately 10% and approximately 20% of the Offer Shares initially available under the Global Offering, respectively. In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between pool A and pool B in equal proportion and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Sponsor-OC deem appropriate.

If (i) the International Offering is not fully subscribed and the Hong Kong Public Offering is fully subscribed or oversubscribed irrespective of the number of times; or (ii) the International Offering is fully subscribed or oversubscribed and the Hong Kong Public Offering is fully subscribed or oversubscribed with the number of Offer Shares validly applied for in the Hong Kong Public Offering representing less than 10 times of the number of H Shares initially available for subscription under the Hong Kong Public Offering, the Sponsor-OC (for itself and on behalf of the Underwriters) may, at its discretion, reallocate the Offer Shares initially allocated for the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering, provided that the total number of Hong Kong Offer Shares available under the Hong Kong Public Offering following such reallocation shall not be more than 2,460,000 Offer Shares, representing twice the number of the Offer Shares initially available under the Hong Kong Public Offering, in accordance with Chapter 4.14 of the Guide for New Listing Applicants issued by the Stock Exchange.

Subject to the above, the Sponsor-OC (for itself and on behalf of the Underwriters) shall have the discretion to reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering, regardless of whether any reallocation pursuant to paragraph 4.2 of Practice Note 18 of the Listing Rules is triggered.

If the Hong Kong Public Offering is not fully subscribed for, the Sponsor-OC may reallocate all or any unsubscribed Hong Kong Offer Shares to the International Offering in such proportions as the Sponsor-OC deems appropriate.

Where the International Offer Shares are undersubscribed, if the Hong Kong Offer Shares are also undersubscribed, the Global Offering will not proceed unless the Underwriters subscribe or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this Prospectus and the Underwriting Agreements.

Applications

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him or her that he or she and any person(s) for whose benefit he or she is making the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Offer Shares under the International Offering, and such applicant's application under International Offering is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

The listing of the Offer Shares on the Stock Exchange is sponsored by the Sole Sponsor. Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the Offer Price of HK$30.50 per Offer Share in addition to any brokerage, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable on each Offer Share, amounting to a total of HK$3,080.75 for one board lot of 100 H Shares.

THE INTERNATIONAL OFFERING

Number of Offer Shares Offered

Subject to the reallocation as described above, our Company will be initially offering for subscription under the International Offering 23,370,000 Offer Shares, representing approximately 95% of the Offer Shares initially available under the Global Offering and approximately 9.54% of our enlarged issued share capital immediately after completion of the Global Offering.

Allocation

The International Offering will include selective marketing of the International Offer Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for such International Offer Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Prospective professional, institutional and other investors will be required to specify the number of International Offer Shares under the International Offering they would be prepared to acquire. This process, known as "book-building", is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

Allocation of International Offer Shares pursuant to the International Offering will be determined by the Sponsor-OC (for itself and on behalf of the Underwriters) and will be based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Offer Shares, and/or hold or sell its Offer Shares, after the listing of the Offer Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and our Shareholders as a whole.

The Sponsor-OC (for itself and on behalf of the Underwriters) may require any investor who has been offered the International Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Sponsor-OC so as to allow it to identify the relevant application under the Hong Kong Public Offering and to ensure that they are excluded from any application of the Offer Shares under the International Offering.

Reallocation

The total number of Offer Shares to be issued pursuant to the International Offering may change as a result of the clawback arrangement described in the sub-section headed "— The Hong Kong Public Offering — Reallocation" above, and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

PRICING AND ALLOCATION

The Offer Price will be HK$30.50 per Offer Share. If you apply for the Offer Shares under the Hong Kong Public Offering, you may be required to pay the Offer Price of HK$30.50 per Offer Share, on application (subject to application channels), plus 1.0% brokerage, 0.0027% SFC transaction levy, 0.00015% AFRC transaction levy and 0.00565% Stock Exchange trading fee, amounting to a total of HK$3,080.75 for one board lot of 100 H Shares.

The Sponsor-OC (for itself and on behalf of the Hong Kong Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective investors during the book-building process, and with the prior consent of our Company, reduce the number of Offer Shares and/or the Offer Price below that stated in this prospectus prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a situation, our Company will, as soon as practicable following the decision to make such reduction and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, post a notice on the website of the Stock Exchange (**www.hkexnews.hk**) and the website of our Company (**www.robotphoenix.com**) (the contents of the website do not form a part of this prospectus). Our Company will also, as soon as practicable following the decision to make such change, issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any notice of a reduction in the number of Offer Shares and/or the Offer Price may not be made until the last day for lodging applications under the Hong Kong Public Offering. In the absence of any such notice so published, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon with our Company and the Sponsor-OC (for itself and on behalf of the Hong Kong Underwriters) will under no circumstances be set outside the Offer Price stated in this prospectus. However, if the number of Offer Shares and/or the Offer Price is reduced, the Company will issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

If you have already submitted an application for the Hong Kong Offer Shares before the last day for lodging applications under the Hong Kong Public Offering, you will not be allowed to subsequently withdraw your application.

The indication of the level of interest in the International Offering, the basis of allotment of the Offer Shares available under the Hong Kong Public Offering and the results of allocations in the Hong Kong Public Offering are expected to be made available in a variety of channels in the manner described in the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" in this prospectus.

UNDERWRITING AGREEMENT

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is conditional upon the International Underwriting Agreement being signed and becoming unconditional.

We expect to enter into the International Underwriting Agreement relating to the International Offering on or around Thursday, May 14, 2026. The underwriting arrangements under the Hong Kong Underwriting Agreement and the International Underwriting Agreement are summarized in the section headed "Underwriting" in this prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Hong Kong Offer Shares is conditional on, among others:

(a) the Listing Committee granting approval for the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering on the Main Board of the Stock Exchange and such approval not subsequently having been withdrawn or revoked prior to the Listing Date;

(b) the execution and delivery of the International Underwriting Agreement on or around Thursday, May 14, 2026; and

(c) the obligations of the Hong Kong Underwriters and the Capital Market Intermediaries under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters and the Capital Market Intermediaries under the International Underwriting Agreement becoming unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement, as the case may be (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than 30 days after the date of this prospectus.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse, and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published by our Company on the website of the Stock Exchange (**www.hkexnews.hk**) and on the website of our Company (**www.robotphoenix.com**) on the next day following such lapse. In such a situation, all application monies will be returned, without interest, on the terms set forth in the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" in this prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving banks or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

H SHARES WILL BE ELIGIBLE FOR CCASS

All necessary arrangements have been made to enable the H Shares to be admitted into CCASS. If the Stock Exchange grants the listing of, and permission to deal in, the H Shares and our Company complies with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Monday, May 18, 2026, it is expected that dealings in our H Shares on the Stock Exchange will commence at 9:00 a.m. on Monday, May 18, 2026.

Our H Shares will be traded in board lots of 100 H Shares each and the stock code of the H Shares will be 6871.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

*This prospectus is available at the website of the Stock Exchange at **www.hkexnews.hk** under the "HKEXnews > New Listings > New Listing Information" section, and our website at **https://www.robotphoenix.com**.*

The contents of this prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older; and
- have a Hong Kong address *(for the **HK eIPO White Form** service only).*

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to us, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or close associates; or
- are a Director, Supervisor or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Friday, May 8, 2026 and end at 12:00 noon on Wednesday, May 13, 2026 (Hong Kong time).

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service	**www.hkeipo.hk**	Applicants who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Friday, May 8, 2026 to 11:30 a.m. on Wednesday, May 13, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Wednesday, May 13, 2026, Hong Kong time.

Application Channel	Platform	Target Investors	Application Time
HKSCC EIPO channel . .	Your broker or custodian who is a HKSCC Participant will submit electronic application instructions on your behalf through HKSCC's FINI system in accordance with your instruction.	Applicants who would not like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **HK eIPO White Form** service and the **HKSCC EIPO** channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the electronic application instructions are given, you shall be deemed to have declared that only one set of electronic application instructions has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of electronic application instructions for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this prospectus and any supplement to it.

For those applying through **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual/Joint Applicants	For Corporate Applicants
• Full name(s)[2] as shown on your identity document	• Full name(s)[2] as shown on your identity document
• Identity document's issuing country or jurisdiction	• Identity document's issuing country or jurisdiction
• Identity document type, with order of priority:	• Identity document type, with order of priority:
i. HKID card; or	i. LEI registration document; or
ii. National identification document; or	ii. Certificate of incorporation; or
iii. Passport; and	iii. Business registration certificate; or
	iv. Other equivalent document; and
• Identity document number	• Identity document number

Notes:

(1) If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.

(2) The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for Hong Kong Offer Shares. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.

(3) If the applicant is a trustee, the client identification data ("CID") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.

(4) The maximum number of joint applicants on FINI is capped at 4 in accordance with market practice.

(5) If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

(6) If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through **HKSCC EIPO** channel, and making an application under a power of attorney, we and the Sponsor-OC, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size . . . . : 100 H Shares

Permitted number of Hong Kong Offer Shares for application and amount payable on application/ successful allotment . . . . . . : Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below.

The Offer Price is HK$30.50 per H Share. If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated Bank for your broker or custodian.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of H Shares you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer Shares.

No. of Hong Kong Offer Shares applied for	Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable(2) on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
100	3,080.75	2,000	61,615.19	10,000	308,075.93	300,000	9,242,277.76
200	6,161.51	2,500	77,018.98	20,000	616,151.86	400,000	12,323,037.00
300	9,242.28	3,000	92,422.78	30,000	924,227.78	500,000	15,403,796.26
400	12,323.04	3,500	107,826.57	40,000	1,232,303.70	615,000(1)	18,946,669.39
500	15,403.79	4,000	123,230.36	50,000	1,540,379.63		
600	18,484.55	4,500	138,634.17	60,000	1,848,455.56		
700	21,565.32	5,000	154,037.97	70,000	2,156,531.48		
800	24,646.08	6,000	184,845.55	80,000	2,464,607.40		
900	27,726.83	7,000	215,653.14	90,000	2,772,683.33		
1,000	30,807.59	8,000	246,460.75	100,000	3,080,759.26		
1,500	46,211.39	9,000	277,268.33	200,000	6,161,518.50		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed "— A. Application for Hong Kong Offer Shares — 3. Information Required to Apply" in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) **HKSCC EIPO** channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply for any International Offer Shares.

The H Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications ("Best Practice Note") issued by the Federation of Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

(i) undertake to execute all relevant documents and instruct and authorise us and/or the Sponsor-OC, as our agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the **HKSCC EIPO** channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;

(ii) confirm that you have read and understand the terms and conditions and application procedures set out in this prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(iii) (if you are applying through the **HKSCC EIPO** channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) confirm that you are aware of the restrictions on offers and sales of shares set out in this prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;

(v) confirm that you have read this prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;

(vi) agree that the Relevant Persons[1], the H Share Registrar and HKSCC will not be liable for any information and representations not in this prospectus and any supplement to it;

(vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the H Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed "— G. Personal Data — 3. Purposes" and "— G. Personal Data — 4. Transfer of personal data" in this section;

(viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees' application) has been accepted) that you will not rescind it because of an innocent misrepresentation;

(ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the H Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed "— B. Publication of Results" in this section;

(x) confirm that you are aware of the situations specified in the paragraph headed "— C Circumstances In Which You Will Not Be Allocated Hong Kong Offer Shares" in this section;

(xi) agree that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;

(xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus;

(xiii) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by the Company, any of the directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from the Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the H Shares registered in your name or otherwise held by you;

1 Relevant Persons would include the Sole Sponsor, the Sponsor-OC, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediates and any of their or the Company's respective directors, officers, employees, partners, agents or representatives and any other parties involved in the Global Offering.

(xiv) warrant that the information you have provided is true and accurate;

(xv) confirm that you understand that we and the Sponsor-OC will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving electronic application instructions to HKSCC directly or indirectly or through the **HK eIPO White Form** service or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving electronic application instructions or to the **HK eIPO White Form** Service Provider to HKSCC and (2) you have due authority to give electronic application instructions on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform		Date/Time
Applying through the **HK eIPO White Form** service or **HKSCC EIPO** channel:		
Website	From the "Allotment Results" page at **www.tricor.com.hk/ipo/result** or **www.hkeipo.hk/IPOResult** with a "search by ID" function.	24 hours, from 11:00 p.m. on Friday, May 15, 2026 to 12:00 midnight on Thursday, May 21, 2026 (Hong Kong time)
	The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at **www.hkeipo.hk/IPOResult** or **www.tricor.com.hk/ipo/result**.	
	The Stock Exchange's website at **www.hkexnews.hk** and our website at **www.robotphoenix.com** which will provide links to the above mentioned websites of the H Share Registrar.	No later than 11:00 p.m. on Friday, May 15, 2026 (Hong Kong time).

Platform		Date/Time
Telephone	+852 3691 8488 — the allocation results telephone enquiry line provided by the H Share Registrar	between 9:00 a.m. and 6:00 p.m., on Monday, May 18, 2026 to Thursday, May 21, 2026 (Hong Kong time) on a business day

For those applying through **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Thursday, May 14, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Thursday, May 14, 2026 on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.robotphoenix.com** by no later than 11:00 p.m. on Friday, May 15, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Sponsor-OC, the H Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the H Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed "— A. Application for Hong Kong Offer Shares — 5. Multiple Applications Prohibited" in this section on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;

- we or the Sponsor-OC believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted H Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their Designated Bank before balloting. After balloting of Hong Kong Offer Shares, the Receiving Banks will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Offer Share allotment from their Designated Bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its Designated Bank), who is acting on your behalf in settling payment for your allotted H Shares, HKSCC will contact the defaulting HKSCC Participant and its Designated Bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the International Offering. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the H Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. DESPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one H Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the **HKSCC EIPO** channel where the H Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the H Shares. No receipt will be issued for sums paid on application.

H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date, provided that the Global Offering has become unconditional and the right of termination described in the section headed "Underwriting" has not been exercised. Investors who trade the H Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid do so entirely at their own risk.

The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

Despatch/collection of H Share certificate[2]	HK eIPO White Form service	HKSCC EIPO channel
For application of 500,000 Hong Kong Offer Shares or more	Collection in person at the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong **Time**: from 9:00 a.m. to 1:00 p.m. on Monday, May 18, 2026 (Hong Kong time) If you are an individual, you must not authorize any other person to collect for you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar. *Note:* If you do not collect your H Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk.	H Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant's stock account No action by you is required
For application of less than 500,000 Hong Kong Offer Shares .	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk **Date**: Friday, May 15, 2026	
Refund mechanism for surplus application monies paid by you		
Date	Monday, May 18, 2026	Subject to the arrangement between you and your broker or custodian
Responsible party . . .	H Share Registrar	Your broker or custodian
Application monies paid through single bank account	**HK eIPO White Form** e-Auto Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

2 Except in the event of a tropical cyclone warning signal number 8 or above, a black rainstorm warning and/or an "extreme conditions" announcement issued after a super typhoon in force in Hong Kong in the morning on Friday, May 15, 2026 rendering it impossible for the relevant H Share certificates to be despatched to HKSCC in a timely manner, the Company shall procure the H Share Registrar to arrange for delivery of the supporting documents and H Share certificates in accordance with the contingency arrangements as agreed between them. You may refer to "— E. Bad Weather Arrangements" in this section.

E. BAD WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Wednesday, May 13, 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- Extreme Conditions,

(collectively, "Bad Weather Signals"),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Wednesday, May 13, 2026.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have Bad Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the Listing Date. Should there be any changes to the dates mentioned in the section headed "Expected Timetable" in this prospectus, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.robotphoenix.com** of the revised timetable.

If a Bad Weather Signal is hoisted on Friday, May 15, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H share certificates to the CCASS Depository's service counter so that they would be available for trading on Monday, May 18, 2026.

If a Bad Weather Signal is hoisted on Friday, May 15, 2026, for application of less than 500,000 Hong Kong Offer Shares, the despatch of physical H Share certificate(s) will be made by ordinary post when the post office re-opens after the Bad Weather Signal is lowered or cancelled (e.g. in the afternoon of Friday, May 15, 2026 or on Monday, May 18, 2026).

If a Bad Weather Signal is hoisted on Monday, May 18, 2026, for application of 500,000 Hong Kong Offer Shares or more, physical H Share certificate(s) will be available for collection in person at the H Share Registrar's office after the Bad Weather Signal is lowered or cancelled (e.g. in the afternoon of Monday, May 18, 2026 or on Tuesday, May 19, 2026).

Prospective investors should be aware that if they choose to receive physical H Share certificates issued in their own name, there may be a delay in receiving the H Share certificates.

F. ADMISSION OF THE H SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by the Company, the H Share Registrar, the receiving banks and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of the Company and the H Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the Collection of Your Personal Data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to the Company or its agents and the H Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the H Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of the Company or the H Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of H Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform the Company and the H Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the H Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of the Company;
- verifying identities of applicants for and holders of the H Shares and identifying any duplicate applications for the H Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the H Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from the Company and its subsidiaries;
- compiling statistical information and profiles of the holder of the H Shares;

- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable the Company and the H Share Registrar to discharge their obligations to applicants and holders of the H Shares and/or regulators and/or any other purposes to which applicants and holders of the H Shares may from time to time agree.

4. Transfer of Personal Data

Personal data held by the Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the H Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- the Company's appointed agents such as financial advisers, receiving banks and overseas principal share registrar;
- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the H Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);
- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to the Company or the H Share Registrar in connection with their respective business operation;
- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of Personal Data

The Company and the H Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfil the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and Correction of Personal Data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether the Company or the H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the H Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to the Company and the H Share Registrar, at their registered address disclosed in the section headed "Corporate Information" in this prospectus or as notified from time to time, for the attention of the company secretary, or the H Share Registrar for the attention of the privacy compliance officer.

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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF ROBOTPHOENIX INTELLIGENT TECHNOLOGY CO., LTD. AND ABCI CAPITAL LIMITED

Introduction

We report on the historical financial information of ROBOTPHOENIX INTELLIGENT TECHNOLOGY CO., LTD. (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-3 to I-78, which comprises the consolidated statements of profit or loss and other comprehensive income and 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 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 material accounting policy information and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages I-3 to I-78 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 8 May 2026 (the "**Prospectus**") in connection with the initial listing 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 (the "**HKICPA**"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2023, 2024 and 2025 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.

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-3 have been made.

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

Certified Public Accountants
Hong Kong
8 May 2026

I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

The Historical Financial Information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December		
		2023	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
REVENUE	*5*	201,170	268,009	387,359
Cost of sales		(164,302)	(196,991)	(291,160)
Gross profit		36,868	71,018	96,199
Other income, gains and losses	*5*	3,814	8,857	5,748
Selling and marketing expenses		(31,220)	(53,149)	(60,422)
Administrative expenses		(25,791)	(38,814)	(85,287)
Research and development expenses		(33,143)	(38,657)	(70,792)
Impairment on financial assets		(965)	(3,303)	(5,971)
Reversal of impairment/(Impairment) on contract assets		82	(409)	321
Other expenses		(57,957)	(12,591)	(26,246)
Finance costs	*7*	(1,498)	(4,127)	(5,642)
Share of loss of associates	*16*	(794)	(320)	(849)
LOSS BEFORE TAX	*6*	(110,604)	(71,495)	(152,941)
Income tax expenses	*10*	(2)	—	—
LOSS FOR THE YEAR		(110,606)	(71,495)	(152,941)
Attributable to:				
Owners of the parent		(110,606)	(71,495)	(152,941)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT				
Basic and diluted *(RMB)*	*12*	(2.21)	(1.43)	(2.85)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(110,606)	(71,495)	(152,941)

For the details of the pre-IPO Investments, please refer to note 31 to this report.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS				
Property, plant and equipment	*13*	20,001	15,929	44,199
Right-of-use assets	*14*	28,795	18,822	37,611
Other intangible assets	*15*	7,475	6,993	6,970
Investments in associates	*16*	12,194	11,873	11,024
Contract assets	*21*	2,782	2,340	5,421
Prepayments, other receivables and other assets	*22*	—	—	550
Total non-current assets		71,247	55,957	105,775
CURRENT ASSETS				
Inventories	*19*	120,578	139,486	244,691
Trade and bills receivables	*20*	52,293	138,353	179,286
Contract assets	*21*	10,029	14,822	12,339
Prepayments, other receivables and other assets	*22*	21,972	18,155	32,448
Financial assets at fair value through profit or loss	*23*	8,000	4,000	1,396
Restricted cash	*24*	11,047	4,193	3,496
Cash and cash equivalents	*24*	19,092	22,895	51,121
Total current assets		243,011	341,904	524,777
CURRENT LIABILITIES				
Trade and bills payables	*25*	56,213	130,986	190,492
Other payables and accruals	*26*	25,843	23,801	31,155
Interest-bearing bank borrowings	*28*	45,619	134,680	84,226
Lease liabilities	*14*	10,016	10,816	14,476
Contract liabilities	*27*	54,891	35,208	27,257
Provision	*30*	2,623	6,360	4,836
Total current liabilities		195,205	341,851	352,442
NET CURRENT ASSETS		47,806	53	172,335
TOTAL ASSETS LESS CURRENT LIABILITIES		119,053	56,010	278,110
NON-CURRENT LIABILITIES				
Interest-bearing bank borrowings	*28*	286	115	75,500
Lease liabilities	*14*	20,126	9,360	23,248
Deferred income	*29*	—	—	1,900
Provision	*30*	229	448	221
Total non-current liabilities		20,641	9,923	100,869
Net assets		98,412	46,087	177,241
EQUITY				
Equity attributable to owners of the parent				
Share capital	*31*	50,000	50,000	55,088
Reserves	*33*	48,412	(3,913)	122,153
Total equity		98,412	46,087	177,241

For the details of the pre-IPO Investments, please refer to note 31 to this report.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to owners of the parent					
	Share capital	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total
	RMB'000 *(Note 31)*	*RMB'000* *(Note 31)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 33)*	*RMB'000*
As at 1 January 2023	—	24,837	432,267	20,909	(273,777)	204,236
Loss for the year and total comprehensive loss for the year	—	—	—	—	(110,606)	(110,606)
Share-based payments *(note 32)*	—	—	—	4,782	—	4,782
Conversion into a joint stock company	24,837	(24,837)	(253,592)	—	253,592	—
Transfer from share premium	25,163	—	(25,163)	—	—	—
As at 31 December 2023	50,000	—	153,512	25,691	(130,791)	98,412

Year ended 31 December 2024

	Attributable to owners of the parent				
	Share capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total
	RMB'000 *(Note 31)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 33)*	*RMB'000*
As at 1 January 2024	50,000	153,512	25,691	(130,791)	98,412
Loss for the year and total comprehensive loss for the year	—	—	—	(71,495)	(71,495)
Share-based payments *(note 32)*	—	—	19,170	—	19,170
As at 31 December 2024	50,000	153,512	44,861	(202,286)	46,087

Year ended 31 December 2025

	Attributable to owners of the parent				
	Share capital	Capital reserve*	Share-based payment reserve*	Accumulated losses*	Total
	RMB'000 *(Note 31)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 33)*	*RMB'000*
As at 1 January 2025	50,000	153,512	44,861	(202,286)	46,087
Loss for the year and total comprehensive loss for the year	—	—	—	(152,941)	(152,941)
Issue of shares *(note 31)*, net of share issue expenses	5,088	229,287	—	—	234,375
Share-based payments *(note 32)*	—	—	49,720	—	49,720
As at 31 December 2025	55,088	382,799	94,581	(355,227)	177,241

* These reserve accounts represent the total consolidated reserves of RMB48,412,000, RMB(3,913,000) and RMB122,153,000 in the consolidated statements of financial position as at 31 December 2023, 2024 and 2025, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December 2023	2024	2025
		RMB'000	RMB'000	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax		(110,604)	(71,495)	(152,941)
Adjustments for:				
Finance costs	*7*	1,498	4,127	5,642
Interest income from financial assets measured at amortised cost	*5*	(210)	(151)	(54)
Loss/(gain) on disposal of items of property, plant and equipment	*5*	552	(18)	36
(Gain)/loss on termination of a lease contract as lessee	*5*	(577)	—	61
Investment income from financial assets at fair value through profit or loss	*5*	(2,546)	(1)	(31)
Depreciation of property, plant and equipment	*6,13*	6,230	7,492	7,528
Depreciation of right-of-use assets	*6,14*	8,061	10,079	14,660
Amortisation of other intangible assets	*6,15*	938	1,024	1,064
Share-based payment expenses	*6,32*	4,782	19,170	49,720
Share of loss of associates	*16*	794	320	849
Impairment of trade receivables	*6,20*	836	3,217	5,969
Impairment of other receivables	*6*	129	86	—
(Reversal of impairment)/impairment of contract assets	*6,21*	(82)	409	(321)
Write-down of inventories to net realisable value	*6*	57,957	12,591	26,246
Fair value loss on financial assets at fair value through profit or loss	*5*	1,826	—	—
Foreign exchange differences, net	*6*	636	(25)	63
		(29,780)	(13,175)	(41,509)
Increase in inventories		(31,614)	(31,499)	(131,451)
(Increase)/decrease in restricted cash		(2,054)	6,854	697
Increase in trade and bills receivables		(25,735)	(84,447)	(47,075)
Decrease/(increase) in contract assets		2,974	(5,107)	(277)
(Increase)/decrease in prepayments, other receivables and other assets		(10,404)	338	(13,012)
Increase in financial assets at fair value through profit or loss		—	—	(1,396)
Increase in trade and bills payables		14,542	74,773	59,506
Decrease in other payables and accruals		(777)	(1,741)	(252)
Decrease in contract liabilities		(5,603)	(19,683)	(7,951)
Increase in government grants		—	—	1,900
Increase/(decrease) in provision		1,605	3,956	(1,751)
Cash used in operations		(86,846)	(69,731)	(182,571)
Interest received		186	149	54
Income tax paid		(89)	—	—
Net cash flows used in operating activities		(86,749)	(69,582)	(182,517)

	Notes	Year ended 31 December		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from disposal of items of property, plant and equipment		18	27	1,850
Purchases of items of property, plant and equipment		(5,489)	(6,325)	(32,808)
Purchase of other intangible assets		(2,056)	(542)	(1,041)
Purchase of financial assets at fair value through profit or loss		(89,000)	(6,000)	(120,000)
Proceeds from maturity of financial assets at fair value through profit or loss		137,875	10,000	124,000
Investment income from financial assets at fair value through profit or loss		2,546	1	31
Interest received from loans receivable		23	11	—
Net cash flows from/(used in) investing activities		43,917	(2,828)	(27,968)
CASH FLOWS FROM FINANCING ACTIVITIES				
New bank loans		46,000	144,500	180,000
Capital contribution by shareholders		—	—	243,920
Share issue expenses		—	—	(9,545)
Lease payments		(9,476)	(9,698)	(14,509)
Repayment of interest-bearing bank borrowings		(143)	(55,685)	(155,057)
Interest paid		(317)	(2,939)	(4,042)
Listing expenses		—	—	(2,166)
Net cash flows from financing activities		36,064	76,178	238,601
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(6,768)	3,768	28,116
Cash and cash equivalents at beginning of year		25,777	19,092	22,895
Effect of foreign exchange rate changes, net		83	35	110
Cash and cash equivalents at end of year		19,092	22,895	51,121
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS				
Cash and bank balances	24	19,092	22,895	51,121
Cash and cash equivalents as stated in the statements of cash flows and statements of financial position		19,092	22,895	51,121

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December 2023	2024	2025
		RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS				
Property, plant and equipment	*13*	12,679	7,931	27,384
Right-of-use assets	*14*	16,778	10,677	21,573
Other intangible assets	*15*	7,062	6,478	6,518
Investments in subsidiaries	*17*	42,000	41,000	55,200
Investments in associates	*16*	12,194	11,873	11,024
Contract assets	*21*	2,685	2,248	5,162
Total non-current assets		93,398	80,207	126,861
CURRENT ASSETS				
Inventories	*19*	69,949	86,619	150,990
Trade and bills receivables	*20*	44,156	118,125	171,302
Contract assets	*21*	9,723	12,382	12,263
Prepayments, other receivables and other assets	*22*	95,431	141,557	174,133
Financial assets at fair value through profit or loss	*23*	5,000	4,000	740
Restricted cash	*24*	9,327	4,193	3,496
Cash and cash equivalents	*24*	10,949	7,625	45,755
Total current assets		244,535	374,501	558,679
CURRENT LIABILITIES				
Trade and bills payables	*25*	39,385	103,449	120,125
Other payables and accruals	*26*	14,187	24,146	38,199
Interest-bearing bank borrowings	*28*	45,047	129,123	74,111
Lease liabilities	*14*	6,228	6,777	8,895
Contract liabilities	*27*	41,596	31,290	23,658
Provision	*30*	1,732	5,260	4,469
Total current liabilities		148,175	300,045	269,457
NET CURRENT ASSETS		96,360	74,456	289,222
TOTAL ASSETS LESS CURRENT LIABILITIES		189,758	154,663	416,083
NON-CURRENT LIABILITIES				
Interest-bearing bank borrowings	*28*	—	—	75,500
Lease liabilities	*14*	11,981	5,204	12,903
Deferred income	*29*	—	—	1,900
Provision	*30*	229	448	217
Total non-current liabilities		12,210	5,652	90,520
Net Assets		177,548	149,011	325,563
EQUITY				
Share capital	*31*	50,000	50,000	55,088
Reserves	*33*	127,548	99,011	270,475
Total equity		177,548	149,011	325,563

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE AND GROUP INFORMATION

The Company is a joint stock company with limited liability established in Jinan, the People's Republic of China (the "**PRC**") on 26 June 2012. The registered office of the Company is located at Building E, Digital Economy Industrial Park (Nanwan Zhigu), No. 1261, Jinhai Avenue, Yuhuan Economic Development Zone, Yuhuan, Taizhou City, Zhejiang Province, the PRC.

During the Relevant Periods, the Company and its subsidiaries (together as the "**Group**") was principally engaged in the design, development, and commercialization of industrial robots and the offering of integrated robotics solutions based in intelligent automation systems, dedicated to the light industry.

As at the date of this report, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies, the particulars of the major subsidiary are set out below:

Name	Place of registration and business	Registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Hangzhou Robotphoenix Industrial Robotics Co, Ltd. (杭州翼菲機器人智能製造有限公司) ("**Hangzhou Robotphoenix**")* *(note (a))*	PRC/ Chinese Mainland	RMB30,000,000	100	—	Development, Manufacture and Sales of industrial robots

* The English name of the entity represents the best effort made by the directors of the Company in translating the Chinese name as it does not have English name and the English name is for reference only. The entity is registered as a domestic limited liability company under PRC law.

Note:

(a) As at the date of this report, no audited financial statements have been prepared for the entity for the years ended 31 December 2023, 2024 and 2025 as the entity was not subject to any statutory audit requirements under the relevant rules and regulations in the jurisdictions of incorporation.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

For ordinary shares issued to the Pre-IPO investors, pursuant to the supplemental agreements entered into between the Company and the Pre-IPO Investors in relation to the termination of redemption rights and liquidation preferences rights granted by the Company, which are void ab initio as described in note 31 to this report, having taking into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the supplementary agreements, the directors considered that it is appropriate to present the pre-IPO Investments as equity throughout the Relevant Periods. For the details of financial impacts, see note 31 of this report.

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards ("**IASs**") and Interpretations) as issued by the International Accounting Standards Board. All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

Historical Financial Information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value.

Basis of consolidation

The Historical Financial Information includes the financial statements of the Company and its subsidiaries. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill) and liabilities; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[3]

Annual Improvements to IFRS Accounting Standards — Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7[1]

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual/reporting periods beginning on or after 1 January 2027
3 No mandatory effective date yet determined but available for adoption

The Group is in the process of making a detailed assessment of the impact of these new and revised IFRS Accounting Standards upon initial application. The Group considers that these new and revised IFRS Accounting Standards listed above except for IFRS 18, are expected no significant impact on the Group's financial performance and financial position in the period of initial application. 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 disclosures in the future financial information. The Group will continue to assess the impact of IFRS 18 on the Group's financial information.

2.3 MATERIAL ACCOUNTING POLICIES

Investments in associates

Associates are entities in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statements of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of associates are included in the consolidated statements of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of associates, the Group recognises its share of any changes, when applicable, in the consolidated statements of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the Group's investment in the associates, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

Fair value measurement

The Group measures its financial assets at fair value through profit or loss 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 and contract assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; and the sponsoring employers of the post-employment benefit plan;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

	Estimated useful lives
Leasehold improvements	20.00%–33.33%
Machinery and molds	9.50%–31.67%
Vehicles	9.50%–23.75%
Electronic and office equipment	19.00%–31.67%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Patents and licences

Purchased patents and licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 10 years.

Software

Software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 7 to 10 years.

Research and development costs

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Plant and properties	14 to 60 months

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and 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 and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

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 statements of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Classification as equity and financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

A financial liability is any liability that is (a) a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity's own equity instruments and is: (i) a non derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, interest-bearing bank borrowings and lease liabilities.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Cash and cash equivalents

Cash and cash equivalents in the statements 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 statements of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

The Group provides for warranties in relation to the sale of certain products for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns. 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 and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

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 design, production, implement and commissioning of customised robotic systems, which can complete required tasks in specified scenarios as indicated in the sales contract. The Group determines that the promised goods and services in robotic solutions represent one performance obligation, because these promises are highly interdependent, and the customer is unable to derive significant benefits from the access to an individual promise for the intended purposes without receipt of the other goods or services.

As none of the criteria under paragraph 35 of IFRS 15 can be met for the control transfers over time, revenue from the sale of robotic solutions is recognised at point in time when robotic solutions are accepted by the customers.

(b) Sales of robots

Domestic revenue from the sale of robots and others is recognised at the point in time when control of the product is transferred to the customer, generally on delivery or acceptance of the products as agreed in the sales contracts. Revenue from export sales of robots and others is recognised at the point when the goods cross the ship's rail at the port of shipment under CIF or FOB terms.

(c) Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Revenue recognition

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Group operates share options for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("**equity-settled transactions**").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date on which they are granted. The fair value of share options is determined by an external valuer using the Binomial Option Pricing Model. Further details are included in note 32 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period. Service and non-market performance conditions are not taken into account when determining the grant date fair value of share options, 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 a share option, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of a share option and lead to an immediate expense of a share option unless there are also service and/or performance conditions.

For share options that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where share options include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled share option are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the share option 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 share option is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the share option is recognised immediately.

This includes any share option where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new share option is substituted for the cancelled share option, and is designated as a replacement share option on the date that it is granted, the cancelled and new share options are treated as if they were a modification of the original share option, as described in the previous paragraph.

Other employee benefits

Pension scheme

The employees of the Group's subsidiaries which operate in Chinese Mainland are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain proportion of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Housing fund and other social insurances

The Group has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include a housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes monthly contributions to the housing fund and other social insurances. The contributions are charged to profit or loss on an accrual basis. The Group's liability in respect of these funds is limited to the contributions payable in each period.

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

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 profit or loss.

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:

Research and development expenses

All research costs are charged to profit or loss as incurred. Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred. Determining the amounts of development costs to be capitalised requires the use of judgements and estimation.

Recognition of share-based payment expenses

The Group grants share options to certain management and employees under share incentive plans as incentives. The vesting of share options is conditional upon the satisfaction of specified vesting conditions, including service periods and/or performance conditions. Judgement is required to take into account the vesting conditions to determine the number of the share options to be included in the measurement of equity-settled share-based payment expenses.

The cumulative expense recognised for share-based payments 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 share options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Recognition of income taxes and deferred tax assets

Determining income tax provision involves judgement on the future tax treatment of certain transactions and when certain matters relating to the income taxes have not been confirmed by the local tax bureau. Management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislation.

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 and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due 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 each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in note 20 and note 21 to the Historical Financial Information, respectively.

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("**IBR**") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Recognition of income taxes and deferred tax assets

Determining income tax provision involves judgement on the future tax treatment of certain transactions and when certain matters relating to the income taxes have not been confirmed by the local tax bureau. Management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislation.

Deferred tax assets are 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 level of future taxable profits together with future tax planning strategies.

Write-down of inventories

The Group's inventories are stated at the lower of cost and net realisable value. The Group writes down its inventories based on estimates of the realisable value with reference to the ageing and conditions of the inventories, together with the economic circumstances on the marketability of such inventories.

Variable considerations for claims to customers

The Group has developed a statistical model for estimating expected successful claims. The model used the historical claims data including the historical experiences with the same customer, profitability of the head contracts of the customers and economic conditions to estimate expected successful claims percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical successful claims pattern will impact the expected successful claims percentages estimated by the Group.

The Group updates its assessment of expected successful claims monthly. Estimates of expected successful claims are sensitive to changes in circumstances and the Group's past experience regarding negotiation of claims may not be representative of the actual outcome in the future.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their services and products and only has one reportable operating segment.

The information reported to the board of directors, who are the chief operating decision makers, for the purpose of resource allocation and performance assessment does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

(a) Revenue from external customers

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Chinese Mainland	199,293	242,552	349,400
Other countries/regions	1,877	25,457	37,959
	201,170	268,009	387,359

The revenue information above is based on the locations of the customers.

(b) Non-current assets

All of the Group's non-current assets as at the end of each of the Relevant Periods were located in Chinese Mainland. Accordingly, no geographical information of segment assets is presented.

Information about major customers

Revenue from the major customers (aggregated if under common control) which amounted to 10% or more of the Group' s revenue is set out below:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Customer 1	81,001	63,571	76,374
Customer 2	N/A*	30,685	N/A*
Customer 3	N/A*	N/A*	41,975
Total	81,001	94,256	118,349

* *Less than 10% of the Group's revenue*

5. REVENUE, OTHER INCOME, GAINS AND LOSSES

An analysis of revenue is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue from contracts with customers	201,170	268,009	387,359

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Sales of robotic solutions	175,497	212,285	263,744
Sales of robots and others	25,673	55,724	123,615
Total	201,170	268,009	387,359

Geographical markets	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Chinese Mainland	199,293	242,552	349,400
Other countries/regions	1,877	25,457	37,959
	201,170	268,009	387,359

Timing of revenue recognition	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Goods transferred at a point in time.	199,524	262,884	383,685
Services transferred at a point in time	1,646	5,125	3,674
	201,170	268,009	387,359

The following table shows the amounts of revenue recognised in the Relevant Periods that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period	50,506	51,911	30,566

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of robotic solutions

Revenue from the sale of robotic solutions is recognised at point in time when robotic solutions are accepted by the customers.

Sales of robots

Domestic revenue from the sale of robots and others is recognised at the point in time when control of the product is transferred to the customer, generally on delivery or acceptance of the products as agreed in the sales contracts.

Revenue from export sales of robots and others is recognised at the point when the goods cross the ship's rail at the port of shipment under CIF or FOB terms.

An analysis of other income, gains and losses is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other income			
Government grants	4,781	8,307	6,161
Interest income from financial assets measured at amortised cost	210	151	54
Investment income from financial assets at fair value through profit or loss	2,546	1	31
Others	132	466	99
	7,669	8,925	6,345
Gains and losses			
Fair value loss on financial assets at fair value through profit or loss, net	(1,826)	—	—
Foreign exchange differences, net	(636)	25	(63)
Gain/(loss) on termination of a lease contract as lessee	577	—	(61)
(Loss)/gain on disposal of items of property, plant and equipment	(552)	18	(36)
Compensation paid	(986)	—	(130)
Other losses	(432)	(111)	(307)
	(3,855)	(68)	(597)
	3,814	8,857	5,748

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Notes	Year ended 31 December 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Cost of sales*		164,302	196,991	291,160
Employee welfare (including directors' and chief executive's remuneration *(note 8)*):				
Salaries, allowances and benefits in kind		86,022	74,862	94,909
Share-based payments expenses	*32*	4,782	19,170	49,720
		90,804	94,032	144,629
Depreciation of property, plant and equipment	*13*	6,230	7,492	7,528
Loss/(gain) on disposal of items of property, plant and equipment	*5*	552	(18)	36
Amortisation of other intangible assets	*15*	938	1,024	1,064
Lease payments not included in the measurement of lease liabilities	*14*	335	520	584
Depreciation of right-of-use assets	*14*	8,061	10,079	14,660
(Gain)/loss on termination of a lease contract as lessee	*5*	(577)	—	61
Listing expense		—	—	16,584
Impairment losses on trade receivables	*20*	836	3,217	5,969
Impairment on other receivables		129	86	—
(Reversal of impairment)/impairment on contract assets	*21*	(82)	409	(321)
Impairment of inventories to net realisable value**		57,957	12,591	26,246
Research and development expenses ***		33,143	38,657	70,792
Interest income from financial assets measured at amortised cost	*5*	(210)	(151)	(54)
Foreign exchange losses/(gains), net	*5*	636	(25)	63
Investment income from financial assets at fair value through profit or loss	*5*	(2,546)	(1)	(31)

* The cost of sales includes employee benefit expenses, depreciation and amortisation, which are also included in the respective total amounts disclosed above for each type of expense.

** The impairment of inventories to net realisable value is recorded to other expenses.

*** The research and development expenses include employee benefit expenses, depreciation and amortisation, which are also included in the respective total amounts disclosed above for each type of expense.

For the details of the pre-IPO Investments, please refer to note 31 to this report.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest on lease liabilities *(note 14)*	1,133	1,113	1,612
Interest on interest-bearing bank borrowings	365	3,014	4,030
	1,498	4,127	5,642

For the details of the pre-IPO Investments, please refer to note 31 to this report.

8. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION

Directors', chief executive's and supervisors' remuneration for the Relevant Periods, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Fees	105	150	282
Other emoluments:			
Salaries, allowances and benefits in kind	1,702	1,710	1,959
Performance related bonuses	144	174	16
Share-based payment expenses	1,945	9,583	14,653
Pension scheme contributions	144	119	126
	3,935	11,586	16,754
	4,040	11,736	17,036

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the Relevant Periods were as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Ms. Zhao Fengmei	35	50	50
Ms. Zhou Shuang	35	50	50
Mr. Pang Xueyu	35	50	31
Mr. Xiong Minghua	—	—	132
Mr. Wu Qingyao	—	—	19
	105	150	282

Ms. Zhao Fengmei was appointed as an independent non-executive director of the Company with effect from April 2023. Ms. Zhou Shuang was appointed as an independent non-executive director of the Company with effect from April 2023. Mr. Pang Xueyu was appointed as an independent non-executive director of the Company with effect from April 2023 to August 2025. Mr. Pang has confirmed that he has no disagreement with the Board and there are no matters in respect of his resignation that need to be brought to the attention of the Stock Exchange or the Shareholders. Mr.

Xiong Minghua was appointed as an independent non-executive director of the Company with effect from May 2025. Mr. Wu Qingyao was appointed as an independent non-executive director of the Company with effect from August 2025.

The names of the directors and supervisors and their remuneration during the Relevant Periods are as follows:

	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expense	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2023					
Chairman of the board:					
Dr. Zhang Sai *(note (i))*	419	—	—	44	463
Executive directors:					
Mr. Zhang Zichao *(note (ii))*	384	—	1,813	32	2,229
Mr. Sun Tongliang *(note (ii))*	234	36	12	9	291
Mr. Yang Xu *(note (ii))*	140	—	—	27	167
Ms. Jiang Yan *(note (ii))*	113	29	—	9	151
Mr. Lee Shen Kai *(note (ii))*	—	—	—	—	—
Mr. Song Pengfei *(note (ii))*	—	—	—	—	—
Mr. Lian Shufan *(note (ii))*	—	—	—	—	—
Mr. Li Feng *(note (ii))*	—	—	—	—	—
Mr. Guo Jianwei *(note (ii))*	—	—	—	—	—
	871	65	1,825	77	2,838
Supervisors:					
Mr. Yang Guangtai *(note (iii))*	252	62	109	12	435
Mr. Liu Panwei *(note (iii))*	160	17	11	11	199
Mr. Yang Jian *(note (iii))*	—	—	—	—	—
	412	79	120	23	634
Total	1,702	144	1,945	144	3,935

	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expense	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2024					
Chairman of the board:					
Dr. Zhang Sai *(note (i))*	439	—	—	46	485
Executive directors:					
Mr. Zhang Zichao *(note (ii))*	424	—	8,715	34	9,173
Mr. Sun Tongliang *(note (ii))*	257	41	242	9	549
Ms. Jiang Yan *(note (ii))*	142	48	—	9	199
Mr. Lee Shen Kai *(note (ii))*	—	—	—	—	—
Mr. Song Pengfei *(note (ii))*	—	—	—	—	—
	823	89	8.957	52	9,921
Supervisors:					
Mr. Yang Guangtai *(note (iii))*	265	66	615	12	958
Mr. Liu Panwei *(note (iii))*	183	19	11	9	222
Mr. Yang Jian *(note (iii))*	—	—	—	—	—
	448	85	626	21	1,180
Total	1,710	174	9,583	119	11,586

	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expense	Pension scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2025					
Chairman of the board:					
Dr. Zhang Sai *(note (i))*	432	3	—	47	482
Executive directors:					
Mr. Zhang Zichao *(note (ii))*	430	3	12,912	37	13,382
Mr. Sun Tongliang *(note (ii))*	305	9	385	9	708
Ms. Jiang Yan *(note (ii))*	67	1	—	4	72
Mr. Dou Zhiyuan *(note (ii))*	176	—	346	7	529
Mr. Lee Shen Kai *(note (ii))*	—	—	—	—	—
Mr. Song Pengfei *(note (ii))*	—	—	—	—	—
Mr. Wang Maike *(note (ii))*	—	—	—	—	—
	978	13	13,643	57	14,691
Supervisors:					
Mr. Yang Guangtai (note (iii))	337	—	1,000	12	1,349
Mr. Liu Panwei (note (iii))	212	—	10	10	232
Mr. Yang Jian (note (iii))	—	—	—	—	—
Ms. Zhuang Fenfang (note (iii))	—	—	—	—	—
	549	—	1,010	22	1,581
Total	1,959	16	14,653	126	16,754

Notes:

(i) Dr. Zhang Sai was appointed as a Director since June 2012, the chairman of the Board since May 2014 and president of the Company since March 2016.

(ii) Mr. Zhang Zichao was appointed as a director of the Company with effect from January 2022. Mr. Sun Tongliang was appointed as a director of the Company with effect from March 2017. Ms. Jiang Yan was appointed as a director of the Company with effect from June 2019 to May 2025. Mr. Lee Shen Kai was appointed as a director of the Company with effect from July 2015. Mr. Lian Shufan was appointed as a director of the Company with effect from June 2019 to January 2023. Mr. Li Feng was appointed as a director of the Company with effect from September 2018 to April 2023. Mr. Yang Xu was appointed as a director of the Company with effect from May 2016 to April 2023. Mr. Guo Jianwei was appointed as a director of the Company with effect from January 2022 to April 2023. Mr. Song Pengfei was appointed as a director of the Company with effect from January 2023. Mr. Dou Zhiyuan was appointed as a director of the Company with effect from May 2025. Mr. Wang Maike was appointed as a director of the Company with effect from May 2025.

(iii) Mr. Yang Guangtai was appointed as a supervisor of the Company with effect from April 2023. Mr. Liu Panwei was appointed as a supervisor of the Company with effect from March 2017. Mr. Yang Jian was appointed as a supervisor of the Company with effect from October 2020. Ms. Zhuang Fenfang was appointed as a supervisor of the Company with effect from May 2025.

During the Relevant Periods share options were granted to certain directors, further details of which are included in the disclosures in note 32 to the Historical Financial Information. The fair value of such share options, which has been recognised in profit or loss, was determined as at the date of grant and the amount included in the Historical Financial Information for the Relevant Periods is included in the above directors' remuneration disclosures.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Relevant Periods.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods included three, one and one directors or supervisors, respectively, details of whose remuneration are set out in note 8 above. Details of the remuneration for the remaining two, four and four highest paid employees who are neither a director nor chief executive of supervisor of the Company during the Relevant Periods are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, bonuses, allowances and benefits in kind	503	1,323	1,034
Performance related bonuses	174	41	1,174
Share-based payment expenses	614	4,977	23,391
Pension scheme contributions	160	400	346
Total	1,451	6,741	25,945

The numbers of non-director, non-chief executive and non-supervisor highest paid employees whose remuneration fell within the following band are as follows:

	Year ended 31 December		
	2023	2024	2025
Nil to HKD1,000,000	2	—	—
HKD1,000,001 to HKD1,500,000	—	3	—
HKD1,500,001 to HKD2,000,000	—	1	—
HKD2,000,001 to HKD2,500,000	—	—	1
HKD4,500,001 to HKD5,000,000	—	—	1
HKD6,000,001 to HKD6,500,000	—	—	1
HKD14,500,001 to HKD15,000,000	—	—	1
Total	2	4	4

10. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdiction in which members of the Group are domiciled and operated.

Chinese Mainland

The provision for corporate income tax in Chinese Mainland is based on the statutory rate of 25% on the taxable profits determined in accordance with the PRC Corporate Income Tax Law which became effective on 1 January 2008, except for the entities which are subject to preferential tax set out below:

The Company was granted the qualification of a High and New Technology Enterprise ("**HNTE**"). Accordingly, the Company was entitled to a preferential corporate income tax rate of 15% during the years ended 31 December 2023 and 2024.

Hangzhou Robotphoenix was granted the qualification of a HNTE, and was entitled to a preferential corporate income tax rate of 15% during the years ended 31 December 2024 and 2025.

Shanghai Resolve Robot Co., Ltd ("**Shanghai Yike**") (上海翼克機器人有限公司) was granted the qualification of a HNTE, and was entitled to a preferential corporate income tax rate of 15% during the year ended 31 December 2023 and 2024.

Certain subsidiaries of the Group have applied to the Small-Scaled Minimal Profit Corporate Income Tax Preferential Policy announced by the PRC's State Administration of Taxation. Pursuant to the policy announced by the PRC's State Administration of Taxation, during the Relevant Periods, the portion of annual taxable income amount of a Small-Scaled Minimal Profit Corporate which exceeds RMB1,000,000 but does not exceed RMB3,000,000 shall be computed at a reduced rate of 25% as taxable income amount, and levied at a reduced tax rate of 20%.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdiction in which the Group operates.

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current income tax	2	—	—

A reconciliation of the tax credit applicable to loss before tax at the statutory rate for the jurisdiction in which the Company is domiciled and operated to the tax expense at the Group's effective tax rate, is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss before tax	(110,604)	(71,495)	(152,941)
Tax at the statutory tax rate	(27,651)	(17,874)	(38,235)
Effect of different tax rates	4,454	6,826	5,990
Expenses not deductible for tax	1,479	3,313	13,199
Research and development expenses and other additional deduction as allowed by taxation laws *(a)*	(6,464)	(4,916)	(9,096)
Temporary differences and tax losses not recognised	28,184	12,651	28,142
Tax expense at the Group's effective tax rate	2	—	—

(a) Super deductible allowance was for qualified research and development costs. According to the relevant laws and regulations promulgated by the State Taxation Administration of the PRC, enterprises engaging in research and development activities are entitled to claim 200% of their research and development costs so incurred as tax deductible expenses when determining their assessable profits during the Relevant Periods.

11. DIVIDENDS

No dividends have been paid or declared by the Company during the Relevant Periods.

12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares outstanding during the Relevant Periods.

No adjustment has been made to the basic loss per share amounts presented for the Relevant Periods in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue.

The weighted average number of ordinary shares in issue for 2023 was determined by assuming that the capital reserve amounted to RMB25,163,000 had been converted to share capital of 25,163,000 shares from 1 January 2023.

The calculation of basic loss per share is based on:

	Year ended 31 December		
	2023	2024	2025
Loss			
Loss attributable to ordinary equity holders of the parent *(RMB'000)*	(110,606)	(71,495)	(152,941)
Shares			
Weighted average number *('000)* of ordinary shares outstanding during the year	50,000	50,000	53,610
Loss per share			
Basic and diluted *(RMB)*	(2.21)	(1.43)	(2.85)

For the details of the pre-IPO Investments, please refer to note 31 to this report.

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold improvements	Machinery and molds	Vehicles	Electronic and office equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023					
At 1 January 2023:					
Cost	16,303	2,114	502	8,759	27,678
Accumulated depreciation	(3,743)	(448)	(211)	(3,787)	(8,189)
Net carrying amount	12,560	1,666	291	4,972	19,489
At 1 January 2023, net of accumulated depreciation	12,560	1,666	291	4,972	19,489
Additions	1,384	4,900	9	1,019	7,312
Disposals	(558)	—	—	(12)	(570)
Depreciation provided during the year	(3,512)	(437)	(93)	(2,188)	(6,230)
At 31 December 2023, net of accumulated depreciation	9,874	6,129	207	3,791	20,001
At 31 December 2023:					
Cost	16,755	7,014	511	9,744	34,024
Accumulated depreciation	(6,881)	(885)	(304)	(5,953)	(14,023)
Net carrying amount	9,874	6,129	207	3,791	20,001

	Leasehold improvements	Machinery and molds	Vehicles	Electronic and office equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024					
At 1 January 2024:					
Cost	16,755	7,014	511	9,744	34,024
Accumulated depreciation	(6,881)	(885)	(304)	(5,953)	(14,023)
Net carrying amount	9,874	6,129	207	3,791	20,001
At 1 January 2024, net of accumulated depreciation	9,874	6,129	207	3,791	20,001
Additions	822	1,651	—	956	3,429
Disposals	—	(9)	—	—	(9)
Depreciation provided during the year	(3,969)	(1,419)	(81)	(2,023)	(7,492)
At 31 December 2024, net of accumulated depreciation	6,727	6,352	126	2,724	15,929
At 31 December 2024:					
Cost	17,577	8,589	511	10,700	37,377
Accumulated depreciation	(10,850)	(2,237)	(385)	(7,976)	(21,448)
Net carrying amount	6,727	6,352	126	2,724	15,929

	Leasehold improvements	Machinery and molds	Vehicles	Electronic and office equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025						
At 1 January 2025:						
Cost	17,577	8,589	511	10,700	—	37,377
Accumulated depreciation	(10,850)	(2,237)	(385)	(7,976)	—	(21,448)
Net carrying amount	6,727	6,352	126	2,724	—	15,929
At 1 January 2025, net of accumulated depreciation	6,727	6,352	126	2,724	—	15,929
Additions	8,499	2,933	543	4,970	20,520	37,465
Disposals	—	(1,220)	(180)	(267)	—	(1,667)
Depreciation provided during the year	(4,146)	(1,747)	(94)	(1,541)	—	(7,528)
Transfer	17,602	—	—	—	(17,602)	—
At 31 December 2025, net of accumulated depreciation	28,682	6,318	395	5,886	2,918	44,199
At 31 December 2025:						
Cost	43,678	9,641	486	15,044	2,918	71,767
Accumulated depreciation	(14,996)	(3,323)	(91)	(9,158)	—	(27,568)
Net carrying amount	28,682	6,318	395	5,886	2,918	44,199

The Company

	Leasehold improvements	Machinery and molds	Vehicles	Electronic and office equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023					
At 1 January 2023:					
Cost	14,367	1,678	502	7,585	24,132
Accumulated depreciation	(3,226)	(379)	(211)	(3,571)	(7,387)
Net carrying amount	11,141	1,299	291	4,014	16,745
At 1 January 2023, net of accumulated depreciation	11,141	1,299	291	4,014	16,745
Additions	421	258	9	279	967
Disposals	(11)	—	—	(1)	(12)
Depreciation provided during the year	(3,018)	(398)	(93)	(1,512)	(5,021)
At 31 December 2023, net of accumulated depreciation	8,533	1,159	207	2,780	12,679
At 31 December 2023:					
Cost	14,636	1,936	511	7,853	24,936
Accumulated depreciation	(6,103)	(777)	(304)	(5,073)	(12,257)
Net carrying amount	8,533	1,159	207	2,780	12,679

	Leasehold improvements	Machinery and molds	Vehicles	Electronic and office equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024					
At 1 January 2024:					
Cost	14,636	1,936	511	7,853	24,936
Accumulated depreciation	(6,103)	(777)	(304)	(5,073)	(12,257)
Net carrying amount	8,533	1,159	207	2,780	12,679
At 1 January 2024, net of accumulated depreciation	8,533	1,159	207	2,780	12,679
Additions	3	256	—	71	330
Depreciation provided during the year	(3,118)	(436)	(81)	(1,443)	(5,078)
At 31 December 2024, net of accumulated depreciation	5,418	979	126	1,408	7,931
At 31 December 2024:					
Cost	14,639	2,192	511	7,924	25,266
Accumulated depreciation	(9,221)	(1,213)	(385)	(6,516)	(17,335)
Net carrying amount	5,418	979	126	1,408	7,931

	Leasehold improvements	Machinery and molds	Vehicles	Electronic and office equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025						
At 1 January 2025:						
Cost	14,639	2,192	511	7,924	—	25,266
Accumulated depreciation	(9,221)	(1,213)	(385)	(6,516)	—	(17,335)
Net carrying amount	5,418	979	126	1,408	—	7,931
At 1 January 2025, net of accumulated depreciation	5,418	979	126	1,408	—	7,931
Additions	446	1,074	310	1,724	20,520	24,074
Disposals	—	—	(118)	(12)	—	(130)
Depreciation provided during the year	(3,201)	(415)	(82)	(793)	—	(4,491)
Transfer	17,602	—	—	—	(17,602)	—
At 31 December 2025, net of accumulated depreciation	20,265	1,638	236	2,327	2,918	27,384
At 31 December 2025:						
Cost	32,687	3,266	321	9,489	2,918	48,681
Accumulated depreciation	(12,422)	(1,628)	(85)	(7,162)	—	(21,297)
Net carrying amount	20,265	1,638	236	2,327	2,918	27,384

14. LEASES

The Group as a lessee

The Group has lease contracts for various items of plant and properties used in its operations. Leases of plant and properties generally have lease terms between 14 and 60 months. Leases of other equipment generally have lease terms of 12 months or less or are individually of low value.

(a) Right-of-use assets

The carrying amounts of right-of-use assets and the movements during the Relevant Periods are as follows:

The Group

	Plant and properties
	RMB'000
As at 1 January 2023	31,625
Additions	12,910
Depreciation charge	(8,061)
Decrease arising from lease term termination	(7,679)
Net carrying amount	28,795
As at 31 December 2023 and 1 January 2024	28,795
Additions	106
Depreciation charge	(10,079)
Net carrying amount	18,822
As at 31 December 2024 and 1 January 2025	18,822
Additions	34,915
Depreciation charge	(14,660)
Decrease arising from lease term termination	(1,466)
31 December 2025	37,611

The Company

	Plant and properties
	RMB'000
As at 1 January 2023	30,508
Depreciation charge	(6,610)
Decrease arising from lease term termination	(7,120)
Net carrying amount	16,778
As at 31 December 2023 and 1 January 2024	16,778
Depreciation charge	(6,101)
Net carrying amount	10,677
As at 31 December 2024 and 1 January 2025	10,677
Additions	19,443
Depreciation charge	(8,547)
31 December 2025	21,573

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount at beginning of year	33,831	30,142	20,176
New leases	12,910	106	34,915
Accretion of interest recognised during the year	1,133	1,113	1,612
Decrease arising from lease term termination	(8,256)	—	(1,405)
Payments	(9,476)	(9,698)	(14,509)
Transfer to other payables	—	(1,487)	(3,065)
Carrying amount at end of year	30,142	20,176	37,724
Analysed into:			
Current portion	10,016	10,816	14,476
Non-current portion	20,126	9,360	23,248

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount at beginning of year	31,850	18,209	11,981
New leases	—	—	19,443
Accretion of interest recognised during the year	933	694	704
Decrease arising from lease term termination	(7,585)	—	—
Payments	(6,989)	(6,922)	(8,765)
Transfer to other payables	—	—	(1,565)
Carrying amount at end of year	18,209	11,981	21,798
Analysed into:			
Current portion	6,228	6,777	8,895
Non-current portion	11,981	5,204	12,903

The maturity analysis of lease liabilities is disclosed in note 40.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest on lease liabilities *(note 7)*	1,133	1,113	1,612
Depreciation charge of right-of-use assets *(note 6)*	8,061	10,079	14,660
Expenses relating to short-term leases *(note 6)*	335	520	584
(Gain)/loss on termination of lease contract as lessee *(note 6)*	(577)	—	61
Total amount recognised in profit or loss	8,952	11,712	16,917

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest on lease liabilities	933	694	704
Depreciation charge of right-of-use assets	6,610	6,101	8,547
Expenses relating to short-term leases	43	194	453
Gain on termination of lease contract as lessee	(465)	—	—
Total amount recognised in profit or loss	7,121	6,989	9,704

15. OTHER INTANGIBLE ASSETS

The Group

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2023			
At 1 January 2023			
Cost	8,064	1,350	9,414
Accumulated amortisation	(1,488)	(1,350)	(2,838)
Net carrying amount	6,576	—	6,576
At 1 January 2023, net of accumulated amortisation	6,576	—	6,576
Additions	1,837	—	1,837
Amortisation provided during the year	(938)	—	(938)
At 31 December 2023, net of accumulated amortisation	7,475	—	7,475
At 31 December 2023			
Cost	9,901	1,350	11,251
Accumulated amortisation	(2,426)	(1,350)	(3,776)
Net carrying amount	7,475	—	7,475

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2024			
At 1 January 2024			
Cost	9,901	1,350	11,251
Accumulated amortisation	(2,426)	(1,350)	(3,776)
Net carrying amount	7,475	—	7,475
At 1 January 2024, net of accumulated amortisation	7,475	—	7,475
Additions	542	—	542
Amortisation provided during the year	(1,024)	—	(1,024)
At 31 December 2024, net of accumulated amortisation	6,993	—	6,993
At 31 December 2024			
Cost	10,443	1,350	11,793
Accumulated amortisation	(3,450)	(1,350)	(4,800)
Net carrying amount	6,993	—	6,993

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2025			
At 1 January 2025			
Cost	10,443	1,350	11,793
Accumulated amortisation	(3,450)	(1,350)	(4,800)
Net carrying amount	6,993	—	6,993
At 1 January 2025, net of accumulated amortisation	6,993	—	6,993
Additions	1,041		1,041
Amortisation provided during the year	(1,064)	—	(1,064)
At 31 December 2025, net of accumulated amortisation	6,970	—	6,970
31 December 2025			
Cost	11,484	1,350	12,834
Accumulated amortisation	(4,514)	(1,350)	(5,864)
Net carrying amount	6,970	—	6,970

The Company

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2023			
At 1 January 2023			
Cost	7,934	1,350	9,284
Accumulated amortisation	(1,461)	(1,350)	(2,811)
Net carrying amount	6,473	—	6,473
At 1 January 2023, net of accumulated amortisation	6,473	—	6,473
Additions	1,489	—	1,489
Amortisation provided during the year	(900)	—	(900)
At 31 December 2023, net of accumulated amortisation	7,062	—	7,062
At 31 December 2023			
Cost	9,423	1,350	10,773
Accumulated amortisation	(2,361)	(1,350)	(3,711)
Net carrying amount	7,062	—	7,062

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2024			
At 1 January 2024			
Cost	9,423	1,350	10,773
Accumulated amortisation	(2,361)	(1,350)	(3,711)
Net carrying amount	7,062	—	7,062
At 1 January 2024, net of accumulated amortisation	7,062	—	7,062
Additions	384	—	384
Amortisation provided during the year	(968)	—	(968)
At 31 December 2024, net of accumulated amortisation	6,478	—	6,478
At 31 December 2024			
Cost	9,807	1,350	11,157
Accumulated amortisation	(3,329)	(1,350)	(4,679)
Net carrying amount	6,478	—	6,478

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2025			
At 1 January 2025			
Cost	9,807	1,350	11,157
Accumulated amortisation	(3,329)	(1,350)	(4,679)
Net carrying amount	6,478	—	6,478
At 1 January 2025, net of accumulated amortisation	6,478	—	6,478
Additions	1,041		1,041
Amortisation provided during the year	(1,001)	—	(1,001)
31 December 2025, net of accumulated amortisation	6,518	—	6,518
At 31 December 2025			
Cost	10,848	1,350	12,198
Accumulated amortisation	(4,330)	(1,350)	(5,680)
Net carrying amount	6,518	—	6,518

16. INVESTMENTS IN ASSOCIATES

The Group's shareholding in associates are held through the Company. GLP Park Jinan Yaoqiang Co., Ltd ("**GLP Park**") and Anhui Tianmi Automation Technology Co., Ltd ("**Anhui tianmi**"), which are considered as immaterial associates of the Group.

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Share of net assets	12,194	11,873	11,024

The following table illustrates the aggregate financial information of the Group's associates:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Share of associates' losses for the year	(794)	(320)	(849)
Share of associates' total comprehensive loss	(794)	(320)	(849)
Aggregate carrying amount of the Group's investments in associates	12,194	11,873	11,024

Although the Company holds less than 20% of the equity voting rights in GLP Park, it has significant influence over GLP Park as it has the power to participate in the financial and operating policy decisions of GLP Park by appointing a director in the board.

The Company holds 30% of the equity voting rights in Anhui tianmi, it has significant influence over Anhui tianmi as it has the power to participate in the financial and operating policy decisions of Anhui tianmi by appointing a director in the board.

17. INVESTMENTS IN SUBSIDIARIES

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Investments, at cost	62,000	62,000	86,200
Less: provision for impairment losses on Investments	(20,000)	(21,000)	(31,000)
Total	42,000	41,000	55,200

18. DEFERRED TAX

The Group

As at 31 December 2023, 2024 and 2025, deferred tax liabilities are recognised for all taxable temporary differences related to right-of-use assets and the fair value adjustments arising from financial assets at fair value through profit and loss, with the total amount of RMB5,521,000, RMB2,963,000 and RMB6,696,000 respectively. As at the end of each of the Relevant Periods, deferred tax assets including taxable temporary differences related to lease liabilities are recognized up to the amount of deferred income tax liabilities. For presentation purposes, deferred tax assets and liabilities have been offset in the statements of financial position.

The Company

As at 31 December 2023, 2024 and 2025, deferred tax liabilities are recognised for all taxable temporary differences related to right-of-use assets and the fair value adjustments arising from financial assets at fair value through profit and loss, with the total amount of RMB2,517,000, RMB1,602,000 and RMB5,393,000 respectively. As at the end of each of the Relevant Periods, deferred tax assets including taxable temporary differences related to lease liabilities are recognized up to the amount of deferred income tax liabilities. For presentation purposes, deferred tax assets and liabilities have been offset in the statements of financial position.

Deferred tax assets have not been recognised in respect of the following items:

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Tax losses	268,258	376,039	527,961
Deductible temporary differences	174,250	159,621	190,075
	442,508	535,660	718,036

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Tax losses	172,965	226,059	301,671
Deductible temporary differences	113,640	124,316	145,478
Total	286,605	350,375	447,149

The Group has accumulated tax losses of RMB268,258,000, RMB376,039,000, RMB527,961,000 in aggregate as at 31 December 2023, 2024 and 2025, respectively, which will expire in one to ten years to offset against future taxable profits of the companies in Chinese Mainland. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

19. INVENTORIES

The Group

	As at 31 December 2023		
	Book balance	**Provision for impairment losses on inventories**	**Carrying amount**
	RMB'000	*RMB'000*	*RMB'000*
Contract fulfillment cost	130,646	(42,407)	88,239
Raw materials	31,252	(19,602)	11,650
Work in progress	14,609	(7,055)	7,554
Finished goods	21,480	(8,378)	13,102
Goods in transit	33	—	33
Total	198,020	(77,442)	120,578

	As at 31 December 2024		
	Book balance	Provision for impairment losses on inventories	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*
Contract fulfillment cost	120,134	(29,465)	90,669
Raw materials	35,121	(14,173)	20,948
Work in progress	18,492	(3,481)	15,011
Finished goods	13,798	(1,699)	12,099
Goods in transit	759	—	759
Total	188,304	(48,818)	139,486

	As at 31 December 2025		
	Book balance	Provision for impairment losses on inventories	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*
Contract fulfillment cost	160,858	(17,954)	142,904
Raw materials	52,515	(10,412)	42,103
Work in progress	44,512	(3,869)	40,643
Finished goods	19,846	(1,323)	18,523
Goods in transit	537	(19)	518
Total	278,268	(33,577)	244,691

The Company

	As at 31 December 2023		
	Book balance	Provision for impairment losses on inventories	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*
Contract fulfillment cost	105,426	(37,530)	67,896
Raw materials	5,732	(3,679)	2,053
Total	111,158	(41,209)	69,949

	As at 31 December 2024		
	Book balance	Provision for impairment losses on inventories	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*
Contract fulfillment cost	114,798	(29,140)	85,658
Raw materials	6,050	(5,089)	961
Total	120,848	(34,229)	86,619

	As at 31 December 2025		
	Book balance	Provision for impairment losses on inventories	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*
Contract fulfillment cost	162,845	(17,920)	144,925
Raw materials	10,682	(4,617)	6,065
Total	173,527	(22,537)	150,990

20. TRADE AND BILLS RECEIVABLES

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	52,331	137,293	173,593
Impairment	(5,574)	(8,175)	(13,644)
Trade receivables, net	46,757	129,118	159,949
Bills receivable	5,536	9,235	19,337
Net carrying amount	52,293	138,353	179,286

The Group generally requires its customers to make payments at various stages of the sales transactions, however, the Group grants certain credit periods to old customers with a good payment history. The credit periods of individual customers are considered on a case-by-case basis and are set out in the sales contracts, as appropriate. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of each of the Relevant Periods, based on the invoice date and net of loss allowance, is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	44,141	125,032	140,556
1 to 2 years	2,017	3,004	18,290
2 to 3 years	599	1,082	1,103
Total	46,757	129,118	159,949

The movements in the loss allowance for impairment of trade receivables are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year	4,738	5,574	8,175
Impairment	836	3,217	5,969
Write-off	—	(616)	(500)
At end of year	5,574	8,175	13,644

An impairment analysis is performed at the end of each of Relevant Periods using a provision matrix to measure expected credit losses. The provision rates are based on ageing for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on trade receivables using a provision matrix:

	Book balance		Expected credit losses		
	Amount	Percentage	Amount	Rate	Carrying amount
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at 31 December 2023					
Impairment based on individual assessment	1,182	2.26	1,182	100.00	—
Impairment based on collective assessment by credit risk portfolio	51,149	97.74	4,392	8.59	46,757
	52,331	100.00	5,574		46,757

	Within 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2023					
On a collective basis:					
Gross carrying amount *(RMB'000)*	46,105	2,846	1,307	891	51,149
Expected credit loss rate	4.26%	29.14%	54.17%	100.00%	8.59%
Expected credit losses *(RMB'000)*	1,964	829	708	891	4,392

	Book balance		Expected credit losses		
	Amount	Percentage	Amount	Rate	Carrying amount
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at 31 December 2024					
Impairment based on individual assessment	974	0.71	974	100.00	—
Impairment based on collective assessment by credit risk portfolio	136,319	99.29	7,201	5.28	129,118
	137,293	100.00	8,175		129,118

	Within 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2024					
On a collective basis:					
Gross carrying amount *(RMB'000)*	129,365	3,956	1,934	1,064	136,319
Expected credit loss rate	3.35%	24.06%	44.03%	100.00%	5.28%
Expected credit losses *(RMB'000)*	4,333	952	852	1,064	7,201

	Book balance		Provision for bad debt		
	Amount	Percentage	Amount	Provision Rate	Carrying amount
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at 31 December 2025					
Impairment based on individual assessment	729	0.42	729	100.00	—
Impairment based on collective assessment by credit risk portfolio	172,864	99.58	12,915	7.47	159,949
	173,593	100.00	13,644		159,949

	Within 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2025					
On a collective basis:					
Gross carrying amount *(RMB'000)*	145,051	23,566	2,039	2,208	172,864
Expected credit loss rate	3.10%	22.39%	45.91%	100.00%	7.47%
Expected credit losses *(RMB'000)*	4,495	5,276	936	2,208	12,915

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables due from third parties	43,002	115,657	157,392
Trade receivables due from subsidiaries	2,836	1,001	6,447
Impairment	(4,971)	(6,741)	(10,812)
Trade receivables, net	40,867	109,917	153,027
Bills receivable	3,289	8,208	18,275
Net carrying amount	44,156	118,125	171,302

An ageing analysis of the trade receivables as at the end of each of the Relevant Periods, based on the invoice date and net of loss allowance, is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	38,492	106,237	140,635
1 to 2 years	2,007	2,597	11,427
2 to 3 years	368	1,083	965
	40,867	109,917	153,027

The movement in the loss allowance for impairment of trade receivables are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year	3,275	4,971	6,741
Impairment	1,696	1,876	4,470
Write-off	—	(106)	(399)
At end of year	4,971	6,741	10,812

Set out below is the information about the credit risk exposure on trade receivables using a provision matrix:

	Book balance		Provision for bad debt		
	Amount	Percentage	Amount	Provision rate	Carrying amount
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at 31 December 2023					
Impairment based on individual assessment	1,742	3.80	1,742	100.00	—
Impairment based on collective assessment by credit risk portfolio	44,096	96.20	3,229	7.32	40,867
	45,838	100.00	4,971		40,867

	Within 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2023					
On a collective basis:					
Gross carrying amount *(RMB'000)*	40,124	2,832	803	337	44,096
Expected credit loss rate	4.07%	29.13%	54.17%	100.00%	7.32%
Expected credit losses *(RMB'000)*	1,632	825	435	337	3,229

	Book balance		Provision for bad debt		
	Amount	Percentage	Amount	Provision rate	Carrying amount
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at 31 December 2024					
Impairment based on individual assessment	929	0.80	929	100.00	—
Impairment based on collective assessment by credit risk portfolio	115,729	99.20	5,812	5.02	109,917
	116,658	100.00	6,741		109,917

	Within 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2024					
On a collective basis:					
Gross carrying amount *(RMB'000)*	109,885	3,420	1,934	490	115,729
Expected credit loss rate	3.32%	24.06%	44.00%	100.00%	5.02%
Expected credit losses *(RMB'000)*	3,648	823	851	490	5,812

	Book balance		Provision for bad debt		
	Amount	Percentage	Amount	Provision rate	Carrying amount
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*
As at 31 December 2025					
Impairment based on individual assessment	699	0.43	699	100.00	—
Impairment based on collective assessment by credit risk portfolio	163,140	99.57	10,113	6.20	153,027
	163,839	100.00	10,812		153,027

	Within 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
As at 31 December 2025					
On a collective basis:					
Gross carrying amount *(RMB'000)*	144,926	14,724	1,784	1,706	163,140
Expected credit loss rate	2.96%	22.39%	45.91%	100.00%	6.20%
Expected credit losses *(RMB'000)*	4,291	3,297	819	1,706	10,113

21. CONTRACT ASSETS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Contract assets arising from:			
Warranty retention receivables	13,650	18,410	18,687
Less: Impairment of contract assets	(839)	(1,248)	(927)
Total	12,811	17,162	17,760
Analysed into:			
Current portion	10,029	14,822	12,339
Non-current portion	2,782	2,340	5,421

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Contract assets arising from:			
Warranty retention receivables	13,229	15,768	18,292
Less: Impairment of contract assets	(821)	(1,138)	(867)
Total	12,408	14,630	17,425
Analysed into:			
Current portion	9,723	12,382	12,263
Non-current portion	2,685	2,248	5,162

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 movements in the loss allowance for impairment of contract assets are as follows:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year	921	839	1,248
(Reversal of impairment)/ impairment on contract assets *(note 6)*	(82)	409	(321)
At end of year	839	1,248	927

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year	910	821	1,138
(Reversal of impairment)/ impairment on contract assets	(89)	317	(271)
At end of year	821	1,138	867

An impairment analysis is performed at the end of each of Relevant Periods using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are based on those of the trade receivables as the contract assets and the trade receivables are from the same customer bases. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

22. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current			
Prepayments	7,483	9,962	13,369
Deposits and other receivables	3,548	3,826	3,877
Deductible VAT	9,796	3,711	12,304
Deferred listing expense	—	—	2,244
Due from an associate *(note 36)*	1,636	1,233	1,231
	22,463	18,732	33,025
Impairment allowance	(491)	(577)	(577)
Total-current	21,972	18,155	32,448
Non-current			
Prepayments for property, plant and equipment and other intangible assets	—	—	550
Total	21,972	18,155	32,998

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments	2,284	3,568	8,558
Deposits and other receivables	1,592	2,152	2,143
Due from an associate	1,291	925	922
Due from subsidiaries	111,148	155,796	169,666
Deferred listing expense	—	—	2,244
Deductible VAT	360	360	3,644
	116,675	162,801	187,177
Impairment allowance	(21,244)	(21,244)	(13,044)
Total-current	95,431	141,557	174,133
Total	95,431	141,557	174,133

An impairment analysis was performed at the end of each of the Relevant Periods. Impairment allowance was mainly due to the uncollectibility of other receivables as at 31 December 2023, 2024 and 2025.

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Structured deposits *(a)*	8,000	—	—
Wealth management products *(b)*	—	4,000	—
Bills receivable	—	—	1,396
	8,000	4,000	1,396

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Structured deposits *(a)*	5,000	—	—
Wealth management products *(b)*	—	4,000	—
Bills receivable	—	—	740
	5,000	4,000	740

(a) The structured deposits were issued by banks in Chinese Mainland. The yields range from 1.65% to 2.20% per annum.

(b) The wealth management products were issued by banks in Chinese Mainland. The underlying investment targets are fixed-income assets.

These financial assets 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.

24. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents	19,092	22,895	51,121
Restricted cash	11,047	4,193	3,496
	30,139	27,088	54,617

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Denominated in			
RMB	29,440	26,752	46,440
USD	651	335	8,158
AUD	48	—	—
EUR	—	1	—
RUB	—	—	19
	30,139	27,088	54,617

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash and cash equivalents	10,949	7,625	45,755
Restricted cash	9,327	4,193	3,496
	20,276	11,818	49,251

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Denominated in			
RMB	20,269	11,506	41,133
USD	7	312	8,116
RUB	—	—	2
	20,276	11,818	49,251

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

As at 31 December 2023, 2024 and 2025, the Group and the Company have assessed the credit risk of cash and cash equivalents and restricted cash to be minimal as they were placed in reputable financial institutions.

The RMB is not freely convertible into other currencies, however, under Chinese Mainland's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

As at the end of each of the Relevant Periods, the Group's and the Company's restricted cash represented bank deposits pledged to issue the bank acceptance notes.

25. TRADE AND BILLS PAYABLES

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Trade payables	35,590	120,787	182,110
Bills payables	20,623	10,199	8,382
	56,213	130,986	190,492

An aging analysis of the trade payables at the end of each of the Relevant Periods, based on the invoice date, is as follows:

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	31,802	115,767	172,064
1 to 2 years	2,893	3,878	7,686
2 to 3 years	536	456	1,324
Over 3 years	359	686	1,036
	35,590	120,787	182,110

The trade payables are non-interest-bearing and are normally settled within 30 to 90 days upon receipt of the VAT invoice from suppliers.

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	20,482	91,850	111,743
Bills payables	18,903	11,599	8,382
	39,385	103,449	120,125

An ageing analysis of trade payables a as at the end of each of Relevant Periods, based on the invoice date, is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	19,283	88,884	104,812
1 to 2 years	555	1,885	5,465
2 to 3 years	401	437	430
Over 3 years	243	644	1,036
	20,482	91,850	111,743

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables due to subsidiaries	24	608	473
Trade payables due to third parties	20,458	91,242	111,270
	20,482	91,850	111,743

26. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Payroll and welfare payables	9,222	8,894	9,813
Deposits received and other payables	6,340	5,994	11,999
Other tax payable and deferred output tax	7,207	5,223	6,225
Due to associates *(note 36)*	3,074	3,690	3,118
	25,843	23,801	31,155

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Payroll and welfare payables	4,383	3,699	4,812
Deposits received and other payables	1,933	1,999	6,031
Other tax payable and deferred output tax	4,797	4,517	5,288
Due to associates	3,074	3,690	3,068
Due to subsidiaries	—	10,241	19,000
	14,187	24,146	38,199

Other payables are non-interest-bearing, unsecured and repayable on demand.

27. CONTRACT LIABILITIES

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Advance receipts from sales contract	54,891	35,208	27,257

Contract liabilities represented advances received from customers to deliver robot bodies and robotics solutions. Contract liabilities decreased from 2023 to 2025 primarily due to the adjustment of advance payment terms to support the Group's business growth.

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Advance receipts from sales contract:			
Due from third parties	41,596	30,500	23,658
Due from subsidiaries	—	790	—
	41,596	31,290	23,658

28. INTEREST-BEARING BANK BORROWINGS

The Group

	As at 31 December 2023		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank loans — unsecured*	3.65–3.80	2024	45,048
Current portion of long — term bank loans — unsecured**	14.40	2024	571
Total — current			45,619
Non-current			
Bank loans — unsecured**	14.40	2025	286
Total			45,905

	As at 31 December 2024		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank loans — unsecured*	3.00–3.80	2025	134,123
Current portion of long — term bank loans — unsecured**	14.40–18.00	2025	557
Total — current			134,680
Non-current			
Bank loans — unsecured**	14.40–18.00	2026	115
Total			134,795

	As at 31 December 2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank loans — unsecured*	2.45–3.60	2026	80,055
Current portion of long — term bank loans unsecured**	2.50–18.00	2026	4,171
Total — current			84,226
Not-current			
Bank loans — unsecured*	2.50	2027–2028	75,500
Total			159,726

* As at 31 December 2023, 2024 and 2025, the Company's bank loans were guaranteed by Dr. Zhang Sai, a director of the Company. Dr. Zhang Sai agreed to release the guarantee in relation to the Group's existing borrowings within six months after the initial listing of the shares of the Company on the Stock Exchange (the "**Listing**"), and not to undertake guarantee for new borrowing after Listing.

The unsecured bank loans subject to several covenants including the borrower's asset-liability ratio, the borrower's contingent liability ratio, which should not exceed 70% or 90%, 100%, and the borrower's operating cash flow should remain non-negative for two consecutive years, respectively. The Group believes there is no indication that it will encounter difficulties in complying with these covenants.

** As at 31 December 2023, 2024 and 2025, the Group's long-term loan borrowed from Shenzhen Qianhai WeBank Co., Ltd. (深圳前海微眾銀行股份有限公司) was guaranteed by Mr. Yang Xu, a director of a subsidiary. The aforementioned loan has been fully repaid in February 2026.

The Company

	As at 31 December 2023		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank loans — unsecured*	3.65–3.80	2024	45,047

	As at 31 December 2024		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank loans — unsecured*	3.00–3.80	2025	129,123

	As at 31 December 2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank loans — unsecured*	2.45–3.60	2026	70,055
Current portion of long — term bank loans unsecured	2.50	2026	4,056
Total — current			74,111
Non-current			
Bank loans — unsecured	2.50	2027–2028	75,500
Total			149,611

* As at 31 December 2023 and 2024 and 2025, the Company's bank loans were guaranteed by Dr. Zhang Sai, a director of the Company. Dr. Zhang Sai agreed to release the guarantee in relation to the Company's existing borrowings within six months after Listing, and not to undertake guarantee for new borrowings after Listing.

29. DEFERRED INCOME

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants	—	—	1,900
At beginning of year	—	—	—
Grants received during the year	—	—	1,900
At end of year	—	—	1,900

The Group's deferred income represented government grants received for projects and are credited to the statements of profit or loss on a straight-line basis over the expected lives of the related assets or recognised as income on a systematic basis over the periods that the costs, for which they are intended to compensate, are expensed.

30. PROVISION

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Analysed into:			
Current portion	2,623	6,360	4,836
Non-current portion	229	448	221
Total	2,852	6,808	5,057

	Warranties	Legal claims	Returns	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	760	—	487	1,247
Additional	3,542	618	—	4,160
Utilised	(2,555)	—	—	(2,555)
At 31 December 2023 and 1 January 2024	1,747	618	487	2,852
At 1 January 2024	1,747	618	487	2,852
Additional	12,142	—	—	12,142
Utilised	(7,568)	(618)	—	(8,186)
At 31 December 2024	6,321	—	487	6,808
At 31 December 2024 and 1 January 2025	6,321	—	487	6,808
Additional	9,310	—	—	9,310
Utilised	(11,061)	—	—	(11,061)
31 December 2025	4,570	—	487	5,057

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Analysed into:			
Current portion	1,732	5,260	4,469
Non-current portion	229	448	217
Total	1,961	5,708	4,686

	Warranties	Returns	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	728	487	1,215
Additional	2,747	—	2,747
Utilised	(2,001)	—	(2,001)
At 31 December 2023 and 1 January 2024	1,474	487	1,961
At 1 January 2024	1,474	487	1,961
Additional	9,718	—	9,718
Utilised	(5,971)	—	(5,971)
At 31 December 2024 and 1 January 2025	5,221	487	5,708
At 1 January 2025	5,221	487	5,708
Additional	7,869	—	7,869
Utilised	(8,891)	—	(8,891)
31 December 2025	4,199	487	4,686

31. SHARE CAPITAL

The Group and the Company

Shares

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Issued and fully paid:			
Share capital	50,000	50,000	55,088

A summary of movements in the Company's paid-in capital/share capital is as follows:

Paid-in capital

	RMB'000
At 1 January 2023	24,837
Conversion into a joint stock company**	(24,837)
At 31 December 2023	—

Share capital

	Number of shares	Share capital
	(in thousand)	*RMB'000*
At 1 January 2023	—	—
Conversion into a joint stock company*	24,837	24,837
Transfer from share premium**	25,163	25,163
At 31 December 2023 and 2024	50,000	50,000

	Number of shares	Share capital
	(in thousand)	*RMB'000*
At 1 January 2025	50,000	50,000
Issue of shares***	5,088	5,088
At 31 December 2025	55,088	55,088

* Pursuant to the shareholders' resolution dated April 2023, shareholders of the Company agreed to convert the Company into a joint stock company with limited liability with registered capital of RMB24,837,000 (24,837,000 shares with a nominal value of RMB1.00 each).

** Pursuant to the shareholders' resolution dated October 2023, shareholders of the Company agreed to transfer the share premium amounting to RMB25,163,000 to share capital.

*** In May 2025, 5,088,492 shares were issued to eight investors for a total cash consideration of RMB243,920,000, and the share capital and share premium increased by RMB5,088,000 and RMB229,287,000 respectively, after the share issue expenses of RMB9,545,000.

From March 2014 to May 2025, the Company entered into respective shareholders' agreements and share subscription agreements (collectively, the "**Agreements**") with various Pre-IPO Investors (collectively, the "**Pre-IPO Investors**") and issued ordinary shares thereto with a total net cash proceeds of approximately RMB871,648,000 (collectively the "**Pre-IPO Investments**"). Pursuant to the Agreements, the Pre-IPO Investors were granted by the Company and the Single Largest Group of Shareholders with special rights ("**Special Rights**") which included redemption rights and liquidation preference right.

There was no exercise of Special Rights granted by the Company throughout the Relevant Periods.

On 27 June 2025, the Company and the Pre-IPO Investors subsequently entered into supplemental agreements (the "**Supplemental Agreements**"), agreeing that certain of the Special Rights granted by the Company to the Pre-IPO investors, including redemption rights and liquidation preferences rights, have been irrecoverably terminated and shall be void ab initio. Taking into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the Supplemental Agreements, the directors considered that it is appropriate to present the pre-IPO Investments as equity throughout the Relevant Periods.

Had the Special Rights granted by the Company to the Pre-IPO Investors been accounted for as financial liabilities measured at present value of the redemption amount prior to entering into the Supplemental Agreements, (i) the redemption financial liabilities, total non-current liabilities and net assets would have been:

	As of 31 December 2023	As of 31 December 2024
	RMB'000	*RMB'000*
Redemption financial liabilities	677,341	716,851
Total non-current liabilities*	697,982	726,774
Net assets	(578,929)	(670,764)

* Since the redemption obligation will not be triggered until December 31, 2026, which is more than 12 months after the relevant points in time (e.g. December 31, 2023 and 2024), the redemption related financial liability thus does not meet the definition of current liability and is presented and classified as a non-current liability.

and (ii) the finance costs associated with the redemption financial liabilities, and the net loss for the year, basic and diluted loss per share would have been:

	Year ended 2023	Year ended 2024	Year ended 2025
	RMB'000	*RMB'000*	*RMB'000*
Finance costs associated with the redemption financial liabilities	37,257	39,510	20,450
Total net loss	(147,863)	(111,005)	(173,391)
Basic and dilutive loss per share (expressed in RMB)	(2.96)	(2.22)	(3.23)

32. SHARE-BASED PAYMENTS

From 2014 to 2025, the Company conducted a series of share options incentive plans ("**Share Incentive Plans**") for eligible management and employees of the Group ("**Share Incentive Participants**"). Under the Share Incentive Plans, participants can exercise the share options when certain criteria are fulfilled.

In order to implement the Share Incentive Plans, Shaoxing Ziqiu Enterprise Management Partnership Enterprise (Limited Partnership) ("**Ziqiu LP**"), Shaoxing Zhiqiu Enterprise Management Partnership Enterprise (Limited Partnership) ("**Zhiqiu LP**") and Shaoxing Yunfan Enterprise Management Partnership Enterprise (Limited Partnership) ("**Yunfan LP**") were established and designated as share incentive platforms to hold the shares specially awarded to the eligible participants as the ultimate beneficial owners. The Group has no control over the share incentive platforms. The shares in the share incentive platforms were contributed by Dr. Zhang Sai, the director of the Company, and the vesting of the options would not increase the number of shares of the Company.

From 30 April 2014 to 31 December 2025, the Group granted 16,552,867 share options to 179 eligible employees at a subscription prices ranging from RMB0.11 to RMB5.0 per share.

Pursuant to the shareholders' resolution on 5 June 2025, the subscription prices of 2,877,800 share options granted between 30 November 2020 to 31 December 2024 has been changed from RMB5 to RMB2 per share (the "**Modification**"). After the Modification, the subscription prices of the outstanding option are ranging from RMB0.11 to RMB3.09 per share.

All of the share options granted to the Share Incentive Participants shall be subject to both a listing-based condition (the "**IPO Condition**") as well as service conditions. The IPO Condition will be satisfied when the ordinary shares of the Company are successfully listed on a stock exchange.

The fair values of the share options granted from 30 April 2014 to 31 December 2025 ranged from RMB0.16 to RMB24.67 per share, and the incremental fair value as a result of the Modification, were appraised by an independent professionally qualified valuer.

The fair values of the share options granted were appraised as at the grant date by using the Binomial Option Pricing Model, as well as an equity allocation based on option pricing model, taking into account the terms and conditions upon which the share options were granted.

The risk-free interest rate used to calculate the fair values of the share options granted from 30 April 2014 to 31 May 2025 ranged from 1.63% to 4.30%. The volatility used to calculate the fair values of the share options granted from 30 April 2014 to 31 May 2025 ranged from 46.14% to 61.38%.

The movements of the outstanding share options granted under the Share Incentive Plans during the Relevant Periods were as follows:

	Number of share options
At 1 January 2023	8,831,767
Granted during the year	100,000
Forfeited during the year	(200,000)
At 31 December 2023	8,731,767
At 1 January 2024	8,731,767
Granted during the year	3,437,500
Forfeited during the year	(421,000)
At 31 December 2024	11,748,267
At 1 January 2025	11,748,267
Granted during the year	2,460,000
Forfeited during the year	(470,000)
At 31 December 2025	13,738,267

The aforesaid transactions have been accounted for as share-based payment transactions. During the years ended 31 December 2023, 2024 and 2025, the Group recognised share award expenses of RMB4,782,000, RMB19,170,000, and RMB49,720,000 respectively.

33. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity of the Historical Financial Information.

(i) Capital reserve

The Capital reserve of the Group mainly represents the premium in issuing shares.

(ii) Share-based payment reserve

The share-based payment reserve represents the equity-settled share options as set out in note 32 to the Historical Financial Information.

The Company

The amounts of the Company's reserves and the movements therein for the Relevant Periods are presented as follows:

	Capital reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	432,267	20,909	(266,546)	186,630
Loss for the year and total comprehensive loss for the year	—	—	(38,701)	(38,701)
Share-based payments	—	4,782	—	4,782
Transfer to Paid-in capital	(25,163)	—	—	(25,163)
Conversion into a joint stock company	(253,592)	—	253,592	—
As at 31 December 2023	153,512	25,691	(51,655)	127,548

	Capital reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2024	153,512	25,691	(51,655)	127,548
Loss for the year and total comprehensive loss for the year	—	—	(47,707)	(47,707)
Share-based payments	—	19,170	—	19,170
As at 31 December 2024	153,512	44,861	(99,362)	99,011

	Share premium and other reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2025	153,512	44,861	(99,362)	99,011
Loss for the year and total comprehensive loss for the year	—	—	(107,543)	(107,543)
Share-based payments	—	49,720	—	49,720
Issue of shares	238,832	—	—	238,832
Share issue expenses	(9,545)	—	—	(9,545)
As at 31 December 2025	382,799	94,581	(206,905)	270,475

34. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023, 2024 and 2025, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB12,910,000, RMB106,000 and RMB34,915,000, respectively, in respect of lease arrangements for plant and properties.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank borrowings	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	—	33,831	33,831
Changes from financing cash flows	45,540	(9,476)	36,064
New leases	—	12,910	12,910
Accretion of interest recognised during the year	365	1,133	1,498
Decrease arising from lease term termination	—	(8,256)	(8,256)
At 31 December 2023	45,905	30,142	76,047
At 1 January 2024	45,905	30,142	76,047
New leases	—	106	106
Changes from financing cash flows	85,876	(9,698)	76,178
Accretion of interest recognised during the year	3,014	1,113	4,127
Transfer to other payables	—	(1,487)	(1,487)
At 31 December 2024	134,795	20,176	154,971
At 1 January 2025	134,795	20,176	154,971
New leases	—	34,915	34,915
Changes from financing cash flows	20,901	(14,509)	6,392
Accretion of interest recognised during the year	4,030	1,612	5,642
Decrease arising from lease term termination	—	(1,405)	(1,405)
Transfer to other payables	—	(3,065)	(3,065)
At 31 December 2025	159,726	37,724	197,450

(c) Total cash outflow for leases

The total cash outflow for leases included in the statements of cash flows is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within operating activities	335	520	584
Within financing activities	9,476	9,698	14,509
Total	9,811	10,218	15,093

35. COMMITMENTS

The Group had the following capital commitments at the end of the Relevant Periods.

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Contracted, but not provided for:			
Purchase of items of property, plant and equipment	—	—	5,046

36. RELATED PARTY TRANSACTIONS

The Directors are of the view that the following companies are related parties that have material transactions or balances with the Group during the Relevant Periods.

(a) Name and relationships of the related parties:

Name	Relationship
GLP Park ("濟南普翼產業園運營管理有限公司")	Associate of the Group
Anhui tianmi ("安徽添米自動化科技有限公司")	Associate of the Group

(b) Transactions with related parties:

The Group

The Group had the following transactions with related parties during the Relevant Periods:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Rental, utilities, water and electricity expense paid			
GLP Park	9,759	9,218	10,649
Sales of robots and others			
Anhui tianmi	—	1,487	136
Interest income			
GLP Park	24	2	—

These transactions were carried out in accordance with the terms and conditions mutually agreed by the parties involved.

Redemption rights of the Pre-IPO Investors granted by the Single Largest Group of Shareholders as defined in the Document.

From March 2014 to May 2025, the Pre-IPO Investors had been granted by the Single Largest Group of Shareholders with SLG Redemption Rights. The Company is not a party to the SLG Redemption Rights. Pursuant to the Supplemental Agreements, the SLG Redemption Rights was terminated prior to the first submission of the IPO application to the Stock Exchange.

The Company has not provided any form of guarantee in connection with any potential failure of the Single Largest Group of Shareholders to fulfill SLG Redemption Rights. Accordingly, no financial liability regarding Redemption Rights granted by the Single Largest Group of Shareholders was recorded by the Company during the Relevant Periods.

(c) Outstanding balances with related parties:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Amounts due from related parties			
Trade and bills receivables*			
Anhui tianmi	—	1,680	85
Prepayments, deposits and other receivables*			
GLP Park	1,636	1,233	1,231
Other payables and accruals			
GLP Park**	74	690	118
Anhui tianmi***	3,000	3,000	3,000
	3,074	3,690	3,118

* Balances due from related parties are trade in nature.

** Balances due to GLP Park are trade in nature.

*** Balance due to Anhui Tianmi are non-trade in nature and represents an investment payable to an associate which is expected to be settled prior to 2028.

(d) Compensation of key management personnel of the Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	2,407	2,421	2,464
Performance related bonuses	161	186	359
Share-based payment expenses	2,380	10,478	23,363
Pension scheme contributions	325	288	295
Total	5,273	13,373	26,481

Further details of the directors', chief executive's and supervisors' remuneration are included in note 8 to the Historical Financial Information.

37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each of the Relevant Periods are as follows:

As at 31 December 2023

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Financial products	8,000	—	8,000
Trade and bills receivables	—	52,293	52,293
Financial assets included in other receivables and other assets	—	3,057	3,057
Restricted cash	—	11,047	11,047
Cash and cash equivalents	—	19,092	19,092
	8,000	85,489	93,489

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Lease liabilities	30,142
Trade and bills payables	56,213
Financial liabilities included in other payables and accruals	9,414
Interest-bearing bank borrowings	45,905
	141,674

As at 31 December 2024

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Financial products	4,000	—	4,000
Trade and bills receivables	—	138,353	138,353
Financial assets included in prepayments, other receivables and other assets	—	3,249	3,249
Restricted cash	—	4,193	4,193
Cash and cash equivalents	—	22,895	22,895
Total	4,000	168,690	172,690

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Lease liabilities	20,176
Trade and bills payables	130,986
Financial liabilities included in other payables and accruals	9,684
Interest-bearing bank borrowings	134,795
Total	295,641

As at 31 December 2025

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	1,396	—	1,396
Trade and bills receivables	—	179,286	179,286
Financial assets included in prepayments, other receivables and other assets	—	3,300	3,300
Restricted cash	—	3,496	3,496
Cash and cash equivalents	—	51,121	51,121
Total	1,396	237,203	238,599

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Lease liabilities	37,724
Trade and bills payables	190,492
Financial liabilities included in other payables and accruals	15,117
Interest-bearing bank borrowings	159,726
Total	403,059

For details on the Pre-IPO investors, please refer to notes 31 of the Accountants' Report.

38. TRANSFERS OF FINANCIAL ASSETS

Transferred financial assets that are not derecognised in their entirety

At 31 December 2023, 2024 and 2025, the Group endorsed certain bills receivable in Chinese Mainland (the "Endorsed Bills") with a carrying amount of RMB3,598,000, RMB8,675,000 and RMB14,531,000 to certain of its suppliers in order to settle the trade payables due to such suppliers (the "Endorsement"). 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.

Transferred financial assets that are derecognised in their entirety

At 31 December 2023, 2024 and 2025, the Group endorsed certain bills receivable in Chinese Mainland (the "Derecognised Bills") to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of RMB12,556,000, RMB11,898,000 and RMB40,960,000. The Derecognised Bills had a maturity of 1 to 6 months at the end of the reporting period. 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 years ended 31 December 2023, 2024 and 2025, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Bills. No gains or losses were recognised from Continuing Involvement, both during the year or cumulatively. The endorsement has been made evenly throughout the year.

39. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, restricted cash, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, trade and bills payables, financial liabilities included in other payables and accruals, lease liabilities and short-term interest-bearing bank borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the financial controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department reports directly to the financial controller. At each reporting date, 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 financial controller. The valuation process and results are discussed with the directors of the Company periodically for financial reporting.

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 bills receivable 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 during each of the Relevant Periods were assessed to be insignificant.

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 Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	—	8,000	—	8,000

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	—	4,000	—	4,000

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	—	1,396	—	1,396

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.

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than a derivative, comprise bank loans, interest-bearing borrowings, and cash and short-term 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 and bills receivables and trade and bills payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group’s credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification.

As at 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 and bills receivables*	—	—	—	57,867	57,867
Contract assets*	—	—	—	13,650	13,650
Financial assets included in prepayments, other receivables and other assets					
— Normal**	3,548	—	—	—	3,548
Restricted cash					
— Not yet past due	11,047	—	—	—	11,047
Cash and cash equivalents					
— Not yet past due	19,092	—	—	—	19,092
	33,687	—	—	71,517	105,204

As at 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 and bills receivables*	—	—	—	146,528	146,528
Contract assets*	—	—	—	18,410	18,410
Financial assets included in prepayments, other receivables and other assets					
— Normal**	3,826	—	—	—	3,826
Restricted cash					
— Not yet past due	4,193	—	—	—	4,193
Cash and cash equivalents					
— Not yet past due	22,895	—	—	—	22,895
	30,914	—	—	164,938	195,852

As at 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 and bills receivables*	—	—	—	192,930	192,930
Contract assets*	—	—	—	18,687	18,687
Financial assets included in prepayments, other receivables and other assets					
— Normal**	3,300	577	—	—	3,877
Restricted cash					
— Not yet past due	3,496	—	—	—	3,496
Cash and cash equivalents					
— Not yet past due	51,121	—	—	—	51,121
	57,917	577	—	211,617	270,111

* For trade and bills receivables and contract assets to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in notes 20 and 21.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations of cash flows.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings and lease liabilities.

The maturity profile of the Group's financial liabilities as at the end of each of the Relevant Periods, based on the contractual undiscounted payments, is as follows:

	On demand or Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023					
Interest-bearing bank borrowings	45,701	298	—	—	45,999
Lease liabilities	11,121	11,399	8,894	699	32,113
Trade and bills payables	56,213	—	—	—	56,213
Financial liabilities included in other payables	9,414	—	—	—	9,414
	122,449	11,697	8,894	699	143,739

	On demand or Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024					
Interest-bearing bank borrowings	136,987	119	—	—	137,106
Lease liabilities	11,448	8,894	412	287	21,041
Trade and bills payables	130,986	—	—	—	130,986
Financial liabilities included in other payables	9,684	—	—	—	9,684
	289,105	9,013	412	287	298,817

	On demand or Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025					
Interest-bearing bank borrowings	87,189	29,197	48,379	—	164,765
Lease liabilities	16,767	9,596	7,507	9,718	43,588
Trade and bills payables	190,492	—	—	—	190,492
Financial liabilities included in other payables	15,117	—	—	—	15,117
	309,565	38,793	55,886	9,718	413,962

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The asset-liability ratios at the end of each of the Relevant Periods are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Total assets	314,258	397,861	630,552
Total liabilities	215,846	351,774	453,311
Asset-liability ratio*	68.68%	88.42%	71.89%

* The asset-liability ratio is calculated by dividing total liabilities by total assets.

41. EVENTS AFTER THE RELEVANT PERIODS

No significant event has occurred in respect of any period subsequent to 31 December 2025.

42. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of its subsidiaries in respect of any period subsequent to 31 December 2025.

The following information does not form part of the Accountants' Report from Ernst & Young, Certified Public Accountants, Hong Kong, the Company's Reporting Accountants, as set out in Appendix I to this Document, and is included herein for information purpose only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this Document and the Accountants' Report set out in Appendix I to this Document.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma adjusted consolidated net tangible assets of the Group prepared in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants for illustration purposes only, and is set out here to illustrate the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to owners of the parent as if the Global Offering had taken place on 31 December 2025.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group to owners of the parent had the Global Offering been completed as of 31 December 2025 or as at any future dates.

	Consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025	Estimated net Proceeds from the Global Offering	Unaudited pro forma adjusted consolidated net tangible assets as at 31 December 2025	Unaudited pro forma adjusted consolidated net tangible assets per share as at 31 December 2025	
	RMB'000 *(Note 1)*	*RMB'000* *(Note 2)*	*RMB'000*	*RMB* *(Note 3)*	*HKD* *(Note 4)*
Based on an Offer Price of HKD30.50 per Offer Share .	170,271	605,910	776,181	3.17	3.62

Notes:

1. The consolidated net tangible assets of our Group attributable to owners of our Company as at 31 December 2025 were equal to the audited net assets attributable to owners of our Company as at 31 December of RMB177,241,000 after deducting of intangible assets of RMB6,970,000 as of 31 December 2025 set out in the Accountants' Report in Appendix I to this prospectus.

2. The estimated net proceeds from the Global Offering are based on the offer price of HKD30.50 per Share, after the deduction of the underwriting fees and other related expenses payable by our Company (excluding the listing expenses that have been charged to profit or loss during the Track Record Period).

3. The unaudited pro forma adjusted consolidated net tangible assets attributable to owners of our Company per share are arrived at by dividing the unaudited pro forma adjusted net tangible assets by 244,953,968 shares, which is presented for illustrative purposes and assumes that (i) Global Offering of 24,600,000 Offer Shares had been completed on 31 December 2025; (ii) the one-for-four Share Subdivision of the Company's share immediately before the Listing from nominal value of RMB1 per share to RMB0.25 per share.

4. For the purpose of this unaudited pro forma statement of adjusted net tangible assets, the balances stated in RMB are converted into HKD at the rate of RMB1.00 to HKD1.1418.

5. No other adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets to reflect any trading results or other transactions of our Group entered into subsequent to 31 December 2025.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

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To the Directors of Robotphoenix Intelligent Technology Co., Ltd

We have completed our assurance engagement to report on the compilation of pro forma financial information of Robotphoenix Intelligent Technology Co., Ltd (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The pro forma financial information consists of the pro forma consolidated net tangible assets as at 31 December 2025, and related notes as set out on pages II-1 to II-2 of the prospectus dated 8 May 2026 issued by the Company (the "Pro Forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described in Part A of Appendix II to the Prospectus.

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group's financial position as at 31 December 2025 as if the transaction had taken place at 31 December 2025. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial statements for the year ended 31 December 2025, on which an accountants' report has been published.

Directors' responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline ("AG") 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Our independence and quality management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of the Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma 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:

(a) the Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Certified Public Accountants
Hong Kong

8 May 2026

I. TAXATION AND FOREIGN EXCHANGE

1. Taxes for Securities Holders

The taxation of the income and capital gains of the H-share holders is subject to the laws and practices of the PRC and the jurisdictions in which the H-share holders are residents or are otherwise subject to taxation. The following summary of certain relevant tax provisions is based on laws and practices currently in force. We do not predict regarding changes or adjustments to relevant laws or policies, nor do we provide any opinions or suggestions based on them. The discussion is not intended to cover all the possible tax consequences of the investment in H Shares, nor does it take into account the particular circumstances of any individual investor, some of which may be subject to special rules. Therefore, Investors should consult tax advisors for advice on the tax issues of the investment in H Shares. The discussion is based on the laws and related interpretations in force as of the signing date of this Prospectus, which are subject to change or adjustment and may have retroactive effect.

The following discussion does not address any PRC or Hong Kong tax issues other than income tax, capital gains tax, stamp duty and estate tax. Prospective investors are advised to consult their financial advisers in respect of PRC, Hong Kong and other tax matters related to the holding and disposal of H Shares.

(1) Taxation regarding dividends

1) Individual investors

Pursuant to the Individual Income Tax Law of the People's Republic of China《中華人民共和國個人所得稅法》, as last amended by the Standing Committee of the National People's Congress ("NPCSC") on August 31, 2018 and effective as of January 1, 2019, 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稅法實施條例》, as last amended by the State Council on December 18, 2018 and effective as of January 1, 2019 (the "Individual Income Tax Law and its Implementing Regulations"), dividends distributed by PRC enterprises are subject to a flat tax rate of 20% for individual income tax. For foreign individuals who are not Chinese residents, if they receive dividends from Chinese enterprises, they are normally subject to 20% individual income tax, unless they obtain a special exemption from the tax authorities of the State Council or a reduction or exemption under the relevant tax treaties.

Meanwhile, according to the Notice of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on Issues concerning Differentiated Individual Income Tax Policies on Dividends and Bonuses of Listed Companies《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》, issued on September 7, 2015 and effective as of September 8, 2015, individuals are temporarily exempted from individual income tax on dividends from shares of listed companies acquired from the public offering and transfer market and held for a period of more than one year. For the shares of listed companies acquired from the public offering and transfer market and held for less than one month (inclusive), all of the dividend income shall be included in the computation of taxable income; whereas for shares held for more than one month to one year (inclusive), 50% of the dividend income shall be included in the computation of taxable income; and their applicable tax rate is 20%.

According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》signed on August 21, 2006 (the "Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income"), the Chinese government shall have the right to impose a tax on dividends payable by a Chinese resident company to a Hong Kong resident (including the natural person and legal entity), but such tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, the tax levied shall not exceed 5% of the total dividends payable by the Chinese company.

2) Corporate investors

Pursuant to the Enterprise Income Tax Law of the People's Republic of China《中華人民共和國企業所得稅法》promulgated by the National People's Congress ("NPC") on March 16, 2007, which was last amended on December 29, 2018 and came into effect on the same date, and the Regulations for the Implementation of the Enterprise Income Tax Law of the People's Republic of China《中華人民共和國企業所得稅法實施條例》promulgated by the State Council on November 28, 2007, which was last amended on April 23, 2019 and came into effect on the same date (the "Enterprise Income Tax Law and its Implementing Regulations"), enterprises are categorized into resident enterprises and non-resident enterprises. Resident enterprises shall cover such enterprises as are established within the territory of the People's Republic of China in accordance with the laws issued by the PRC, or as are established in accordance with the laws of foreign countries (regions) but whose actual or de facto management is administered from within the territory of the PRC. Non-resident enterprises shall cover such enterprises as are set up in accordance with the laws of foreign countries (regions) and whose actual administration is conducted outside the PRC, but have established institutions or premises within the territory of the PRC, or have no such established institutions or premises but have income generated from inside the PRC. Resident and non-resident enterprises are subject to a uniform enterprise income tax rate of 25%. If a non-resident enterprise does not set up any institution or premise in China, or if it sets up an institution or premise but the income it derives is not physically connected with the institution or premise it has set up, it shall pay enterprise income tax on the income it derives from its sources within the territory of China, and enterprise income tax shall be levied at a reduced rate of 10 per cent. The income tax payable by a non-resident enterprise shall be withheld at source, and the payer shall be the withholding agent. Tax shall be withheld by the withholding agent from the amount paid or due each time it is paid.

Notice of the State Administration of Taxation on the Issues concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H-share Holders Which Are Overseas Non-resident Enterprises《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(Guo Shui Han [2008] No. 897) issued by the State Administration of Taxation ("SAT") on November 6, 2008, which came into effect on the same day, further clarifies that, when distributing dividends for the year 2008 and the subsequent years to overseas H-share non-resident enterprises shareholders, Chinese resident enterprises shall be subject to a uniform 10% tax rate for withholding and paying enterprise income tax on behalf of their shareholders. In addition, the Reply of the State Administration of Taxation on the Issues of Enterprise Income Tax on Dividends on B Shares and Other Stocks Acquired by Non-resident Enterprises《國家稅務總局關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》(Guo Shui Han [2009] No. 394), which was promulgated and enforced by the SAT on July 24, 2009, further provides that Chinese resident enterprises that have publicly issued and listed shares (A-shares, B-shares and overseas shares) within or outside China shall withhold and pay enterprise income tax at a uniform rate of 10% when distributing dividends for 2008 and subsequent years to non-resident enterprises shareholders. Where any non-resident enterprise shareholder is entitled to the preferential treatment under applicable tax treaty, the relevant provisions of the tax treaty shall prevail.

According to the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income《關於對所得避免雙重徵稅和防止偷漏稅的安排》, the Chinese government may impose a tax on dividends payable by a Chinese company to a Hong Kong resident (including the natural person and legal entity), but such tax shall not exceed 10% of the total dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, the tax levied shall not exceed 5% of the total dividends payable by the Chinese company.

3) Tax treaties

Non-Chinese resident investors residing in jurisdictions that have entered into agreements or arrangements with China for the avoidance of double taxation may be entitled to relief from Chinese enterprise income tax on dividends received from Chinese companies. At present, China has signed agreements/arrangements for the avoidance of double taxation with several countries or regions. Non-resident enterprises entitled to preferential tax rates under the relevant income tax agreements or arrangements may apply to the PRC tax authorities for a refund of EIT in excess of the agreed rates, provided that the refund application is subject to the approval of the PRC tax authorities.

(2) Taxation regarding share transfer

1) Income tax

A. Individual investors

According to the Individual Income Tax Law and its implementing regulations, income from the transfer of personal property shall be subject to individual income tax at a rate of 20%. Pursuant to the Circular on the Continued Temporary Exemption of Individual Income Tax on the Proceeds from 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) jointly issued by the Ministry of Finance ("MOF") and the SAT on March 30, 1998 and effective as of the same date, as of January 1, 1997, the income from the transfer of Shares in listed companies by individuals continues to be subject to temporary exemption of individual income tax. The SAT did not specify in the newly amended Individual Income Tax Law and its implementing regulations whether to continue exempting individuals from individual income tax on gains derived from the transfer of shares in listed companies. However, pursuant to the Notice of the Ministry of Finance, the State Administration of Taxation and China Securities Regulatory Commission on Relevant Issues Concerning the Individual Income Tax on Individual Income from Transfer of Restricted Shares of Listed Companies《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) jointly promulgated by the MOF, the SAT and the CSRC on December 31, 2009 and effective on January 1, 2010, individuals shall continue to be exempted from individual income tax on the proceeds from transfer of shares acquired from the public offering and transfer market of listed companies on the Shanghai Stock Exchange and the Shenzhen Stock Exchange, except for the relevant restricted shares as defined in the Supplementary Notice of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on Issues Concerning the Levy of Individual Income Tax on Individuals' Income from the Transfer of Restricted Shares of Listed Companies《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).

As of the Latest Practicable Date, there have been no regulations that explicitly provide for the imposition of individual income tax on gains made by non-PRC resident individual shareholders from the disposal of shares of PRC resident enterprises listed on overseas stock exchanges (e.g. the Hong Kong Stock Exchange).

B. Corporate investors

Pursuant to the Enterprise Income Tax Law and its implementing regulations, where non-resident enterprises have not formed permanent establishments or premises within the territory of the PRC, or where they have formed permanent establishments or premises within the territory of the PRC but there is no actual relationship between the relevant income derived in the PRC and the establishments or premises set up by them, they shall be subject to enterprise income tax in respect of their income derived from sources within the PRC, generally at a uniform rate of 10%. The income tax payable by a non-resident enterprise shall be withheld at source, and the payer shall be the withholding agent. The tax shall be withheld by the withholding agent from the amount paid to the non-resident enterprise on each payment or due payment. Such tax rates may be reduced or exempted in accordance with special arrangements or relevant agreements entered into between China and the jurisdictions in which the non-resident enterprises are located.

2) Stamp duty

Pursuant to the Stamp Duty Law of the People's Republic of China《中華人民共和國印花稅法》, as amended on June 10, 2021 and implemented on July 1, 2022, the PRC Stamp Duty applies to all kinds of documents that are legally binding in the PRC and are protected by PRC law. Therefore, the PRC stamp duty does not apply to the acquisition or disposal of H-shares outside the PRC.

(3) Estate Duty

Pursuant to the laws of the PRC, as at the Latest Practicable Date, no estate duty has been introduced in the PRC.

(4) Tax policy on Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect

On October 31, 2014 and November 5, 2016, the MOF, the SAT and the CSRC jointly issued the Notice on Tax Policy of the Pilot Program for the Shanghai-Hong Kong Stock Connect Scheme《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(Cai Shui [2014] No. 81) and the Notice on Tax Policy of the Pilot Program for the Shenzhen-Hong Kong Stock Connect Scheme《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(Cai Shui [2016] No. 127). The above regulations stipulate that the income from transfer gains and dividend income obtained by mainland enterprise investors through the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect when investing in stocks listed on the Hong Kong Stock Exchange shall be included in their total income, and shall be subject to enterprise income tax in accordance with the law. Dividend income derived by mainland resident enterprises from holding H-shares continuously for 12 months is exempted from enterprise income tax in accordance with the law. The H-share companies will not withhold and pay the income tax of dividends for mainland enterprise investors, who shall declare and pay the relevant tax themselves.

For dividends received by mainland individual investors investing in H-shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, the H-share company shall apply to China Securities Depository & Clearing Corporation Limited ("**CSDC**"), which shall provide the H-share company with the roster of mainland individual investors, and then the H-share company shall withhold the individual income tax at a tax rate of 20%. Individual investors who have paid withholding tax abroad may apply for tax credits with valid tax deduction certificates at the competent tax authorities of CSDC. For the dividend income obtained by mainland securities investment funds through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect when investing in stocks listed on the Hong Kong Stock Exchange, individual income tax shall be levied in accordance with the above regulations.

On August 21, 2023, the MOF, the SAT, and the CSRC jointly issued the Announcement on the Continuation of Individual Income Tax Policies in Relation to the Implementation of the Mechanism for the Interconnection of Stock Market Trading between Shanghai, Hong Kong and Shenzhen and the Mutual Recognition of Funds between the Mainland and Hong Kong《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》. The announcement stipulates that mainland individual investors will continue to be exempted from individual income tax on the income from transfer gains derived from investing in stocks listed on Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, as well as the income from the difference in the price of transfers derived from buying and selling of Hong Kong fund shares through mutual recognition of funds. This announcement is in effect until December 31, 2027.

2. Main taxes of the Company in China

For details, please refer to the section headed "Regulatory Overview" of this Prospectus.

II. FOREIGN EXCHANGE

Renminbi ("RMB"), the legal tender of China, is subject to foreign exchange control and cannot be freely convertible into foreign currencies. The State Administration of Foreign Exchange (the "SAFE") under the People's Bank of China (the "PBOC") is responsible for all matters related to foreign exchange, including the implementation of foreign exchange control regulations.

According to the Regulations on Foreign Exchange Control of the People's Republic of China《中華人民共和國外匯管理條例》promulgated by the State Council on January 29, 1996 and implemented on April 1, 1996 (the "Regulations on Foreign Exchange Control"), all international payments and transfers shall be classified into the current account and the capital account. Most current account transactions are exempted from the approval of SAFE, while the capital account transactions shall be subject to the approval of SAFE. The Regulations on Foreign Exchange Control were subsequently amended on January 14, 1997 and August 5, 2008. The newly amended Regulations on Foreign Exchange Control state that the State does not impose any restrictions on international payments and transfers under the current account.

Provisions on the Settlement and Sale of and Payment in Foreign Exchange《結匯、售匯及付匯管理規定》by the PBOC on June 20, 1996 and implemented on July 1, 1996, have abrogated other restrictions on foreign exchange under the current account, but retained existing restrictions on foreign exchange transactions under the capital account.

According to the Announcement on Improving the Reform of the RMB Exchange Rate Formation Mechanism《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, China has begun to implement a managed floating exchange rate system, with the exchange rate adjusted according to market supply and demand and with reference to a basket of currencies since July 21, 2005. Therefore, the RMB exchange rate is no longer linked to the US dollar. The PBOC shall announce, after the market closes on each working day, the closing price of the exchange rate of the US dollar and other currencies traded in the interbank foreign exchange market against RMB on that day, which serves as the median price for transactions of that currency against RMB on the following working day.

On August 5, 2008, the State Council promulgated the revised Regulations on Foreign Exchange Control, which made a series of changes to China's foreign exchange regulatory system. First of all, a balanced treatment is adopted on the inflow and outflow of foreign exchange funds. The foreign exchange income from overseas can be transferred back to China or deposited abroad, while the foreign exchange funds and foreign exchange settlement funds in the capital account can only be used according to the purposes approved by relevant authorities and foreign exchange control agencies. Second, the RMB exchange rate formation mechanism based on market supply and demand is improved. Third, when there is or may be a serious imbalance in the balance of payments, or when there is or may be a serious crisis in the national economy, the State may take measures necessary to safeguard and control the balance of payments. Fourth, the supervision and control of foreign exchange transactions are strengthened, with broad powers granted to SAFE to enhance its supervision and control capabilities.

According to China's relevant laws and regulations, when Chinese enterprises (including foreign-invested enterprises) require foreign exchange for current account transactions, they may make payments through foreign exchange accounts opened in designated foreign exchange banks without the approval of foreign exchange control agencies, but valid transaction receipts and vouchers shall be provided. If a foreign-invested enterprise needs to distribute profits to its shareholders through foreign exchange, and a Chinese enterprise needs to pay dividends to its shareholders through foreign exchange according to relevant regulations, they may make payments from the foreign exchange account of a designated foreign exchange bank or make exchanges and payments at a designated foreign exchange bank according to the resolution of the Board or the General Meeting on profit distribution.

According to the Decisions on Matters including Cancelling and Adjusting a Batch of Administration 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》(Guo Fa [2014] No. 50) issued by the State Council on October 23, 2014, SAFE and its branches lifted the approval requirement for the remittance and settlement of proceeds raised from overseas-listed foreign shares of domestic companies.

According to the Notice of the State Administration of Foreign Exchange 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》(Hui Fa [2014] No. 54) issued and implemented by the SAFE on December 26, 2014, a domestic company shall, within 15 working days from the date of closing of overseas listing, apply for the registration of overseas listing with the local branch of the SAFE at the place of its incorporation. Proceeds from the overseas listing of the domestic company may be repatriated to China or deposited overseas, provided that the use of the proceeds is consistent with the relevant content set out in the prospectus and other disclosure documents.

Pursuant to the Circular on Further Simplifying and Improving the Foreign Exchange Administration Policy for 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》(Hui Fa [2015] No. 13), promulgated by the State Administration of Foreign Exchange (SAFE) on February 13, 2015, effective as of June 1, 2015 and partially abolished on December 30, 2019, the two administrative approval items of "foreign exchange registration approval for domestic direct investment" and "foreign exchange registration approval for overseas direct investment" have been cancelled. Instead, banks shall be responsible for reviewing and handling the foreign exchange registration for domestic direct investment and the foreign exchange registration for overseas direct investment. The SAFE and its branches shall indirectly supervise direct investment foreign exchange registration through banks.

According to the Notice of the State Administration of Foreign Exchange of the PRC on Revolutionizing and Regulating 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》(Hui Fa [2016] No. 16) issued by the SAFE on June 9, 2016 and revised on December 4, 2023, foreign currency earnings in the capital account to which the relevant voluntary exchange settlement policies apply (including foreign exchange capital funds, foreign debt funds and funds repatriated from overseas listings, etc.) may undertake foreign exchange settlement at banks according to actual business needs of the domestic institutions. The tentative percentage of foreign 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 State Administration of Foreign Exchange on Further Promoting the Reform of Foreign Exchange Administration and Improving the Examination of Authenticity and Compliance《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》(Hui Fa [2017] No. 3) issued and implemented by the SAFE on January 18, 2017, the scope of settlement of domestic foreign exchange loans has been further expanded to allow the settlement of domestic foreign exchange loans with the background of goods trade export; allow the funds under the domestic guarantee for overseas loan to be transferred back for domestic use; allow foreign institutions in the pilot free trade zone to settle foreign exchange in domestic foreign exchange accounts; and implement full-caliber foreign lending management in local and foreign currencies, provided that when a domestic institution conducts offshore lending business, the combined balance of local currency offshore lending and foreign currency offshore lending shall not exceed a maximum of 30% of the owners' equity in its audited financial statements of the previous year.

According to the Circular on Further Facilitating Cross-Border Trade and Investment《關於進一步促進跨境貿易投資便利化的通知》(Hui Fa [2019] No. 28) issued by the SAFE on October 23, 2019 and revised on December 4, 2023, if a non-investment-oriented foreign-invested enterprise carries out domestic equity investment by transferring its capital in the original currency, the investee enterprise shall register for receipt of domestic reinvestment and open a capital account to receive the funds in accordance with the regulations, without the need to register for monetary capital contribution, and the domestic institution that transfers the equity interest shall register for receipt of domestic reinvestment and open a capital account for settlement of the capital items to receive the consideration for the transfer of the equity interest in accordance with the regulations. Eligible enterprises in the pilot areas are allowed to use capital funds, foreign debt and income from overseas listings and other capital items for domestic payments without the need to provide banks with authenticity certificates on a case-by-case basis beforehand, provided that the use of their funds should be genuine and compliant and in line with the existing regulations on the management of the use of income under capital account.

This appendix summarizes certain aspects of PRC laws and regulations relevant to the Company's operations and business. The PRC tax laws and regulations are discussed separately in "Appendix III — Taxation and Foreign Exchange" to this prospectus. This appendix also contains a summary of the PRC Company Law and other relevant legal and regulatory provisions. The primary purpose of this summary is to provide potential investors with an overview of the principal legal and regulatory provisions applicable to the Company. This summary is not intended to contain all of the information that is important to potential investors. For the discussion of the laws and regulations relevant to our business, please refer to the "Regulatory Overview" section of the Prospectus.

I. THE LEGAL SYSTEM OF CHINA

The PRC legal system is based on the Constitution of the People's Republic of China《中華人民共和國憲法》(the "Constitution") and is made up of written laws, administrative regulations, local regulations, autonomous regulations, individual regulations, departmental regulations of the State Council, local government regulations, laws of special administrative regions, and international treaties to which the Chinese Government is a signatory and other normative documents. Court precedents do not constitute legally binding precedents, but they may serve as judicial references and guidelines.

According to the Constitution and the Legislation Law of the People's Republic of China《中華人民共和國立法法》(the "Legislation Law"), the National People's Congress (NPC) and the Standing Committee of the NPC (NPCSC) are authorized to exercise the legislative power of the State. The NPC has the power to enact and amend basic laws governing civil and criminal matters, state organs and other matters. The NPCSC is empowered to enact and amend laws other than those required to be enacted by the NPC and to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments shall not be in conflict with the basic principles of such laws.

The State Council is the highest administrative organ of the State and is authorized to enact administrative regulations in accordance with the Constitution and laws.

The people's congresses of each province, autonomous region and municipality directly under the Central Government, and their respective standing committees, may enact local regulations in the light of the specific circumstances and practical needs of their respective administrative regions, provided that such local laws and regulations shall comply with the provisions of the Constitution, the laws and administrative regulations. The people's congresses of cities with districts and their respective standing committees may, in accordance with the specific conditions and actual needs of the city, enact local regulations on matters relating to urban and rural construction and management, environmental protection, and the protection of historical and cultural heritage, provided that they do not conflict with the Constitution, the laws, the administrative regulations and the local regulations of the province or autonomous region. If the law stipulates otherwise regarding the matters of formulating local regulations by the cities with districts, such provisions shall prevail. Local laws and regulations of cities with districts shall be submitted to the Standing Committee of the People's Congress of the province or autonomous region for approval before they come into force. The Standing Committee of the People's Congress of a province or autonomous region shall examine the legality of a local regulation submitted for approval and issue an approval within four months if it does not conflict with the Constitution, laws, administrative regulations and local regulations of the province or autonomous region. The standing committee of the people's congress of a province or autonomous region shall make a decision on how to deal with a local regulation of a city with a regional district that it finds to be in conflict with a regulation of the people's government of the province or autonomous region when it examines the local regulation of the city that has been submitted for approval. The people's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in light of the political, economic and cultural characteristics of the nationality (nationalities) in the areas concerned.

The ministries and commissions of the State Council, the People's Bank of China, the National Audit Office of the People's Republic of China and the agencies directly under the State Council with administrative functions may formulate regulations within the jurisdictional areas of their respective departments in accordance with laws and administrative regulations and the decisions and orders of the State Council. The provisions of departmental regulations shall fall within the scope of matters relating to the implementation of laws and administrative regulations and the decisions and orders of the State Council. The people's governments of provinces, autonomous regions, municipalities directly under the Central Government, and cities and autonomous prefectures that have set up districts may formulate regulations in accordance with the laws, administrative regulations and local regulations of the provinces, autonomous regions and municipalities directly under the central government concerned.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of local regulations is greater than that of the rules of the local governments at and below the corresponding level. The authority of the rules enacted by the people's governments of the provinces or autonomous regions is greater than that of the rules enacted by the people's governments of the cities with subordinate districts or autonomous prefectures within the administrative areas of the provinces and the autonomous regions.

The NPC has the power to alter or annul any inappropriate laws enacted by its Standing Committee, and to annul any autonomous regulations or separate regulations which have been approved by its Standing Committee but contravene the Constitution or the Legislation Law. The Standing Committee of the National People's Congress has the power to annul any administrative regulations that contravene the Constitution and laws, to annul any local regulations that contravene the Constitution, laws or administrative regulations, and to annul any autonomous regulations or local regulations approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the Central Government but contravene the Constitution and the Legislation Law. The State Council has the power to alter or annul any inappropriate departmental rules and rules of local governments. The people's congresses of provinces, autonomous regions or municipalities directly under the Central Government have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees. The people's governments of provinces or autonomous regions have the power to alter or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the Standing Committee of the NPC. Pursuant to the Decision of the Standing Committee of the NPC Regarding the Strengthening of Interpretation of Laws《全國人民代表大會常務委員會關於加強法律解釋工作的決議》adopted on June 10, 1981, where the boundaries of the law need to be further clarified or supplementary provisions are made, the Standing Committee of the National People's Congress shall provide explanations or make regulations. Issues related to the application of the law in court trials shall be explained by the Supreme People's Court. Issues related to the application of the law in the work of procuratorial organs shall be explained by the Supreme People's Procuratorate. If there is a difference in principle between the interpretations of the Supreme People's Court and the Supreme People's Procuratorate, the interpretations shall be reported to the Standing Committee of the National People's Congress for interpretation or decision. Other legal issues that are not part of the trial and prosecution work shall be interpreted by the State Council and the competent authorities. The State Council and its ministries and commissions are also vested with the power to give interpretation of the administrative regulations and department rules which they have promulgated. At the local level, the right to interpret local laws is vested in the local legislative and executive bodies that enacted the laws in question.

II. THE JUDICIAL SYSTEM OF CHINA

Under the Constitution and the Organic Law of the People's Courts of the People's Republic of China《中華人民共和國人民法院組織法》as last amended on October 26, 2018, the PRC judicial system is made up of the Supreme People's Court, the local people's courts, and other special people's courts.

The local people's courts are comprised of the primary people's courts, the intermediate people's courts and the higher people's courts. The higher people's courts supervise the primary and intermediate people's courts. The people's procuratorates also have the right to exercise legal supervision over the civil proceedings of people's courts of the same level and lower levels. The Supreme People's Court is the highest judicial body in the PRC. It supervises the adjudication work of the people's courts at all levels.

The people's courts adopt the two-tier trial system, which means that the judgment or ruling of the people's court of second instance is final. The parties may appeal against the first instance judgment or decision of the local people's court. The people's procuratorate may, in accordance with the procedures prescribed by law, lodge a protest with the people's court at a higher level. If the parties concerned have not filed any appeals and the People's Procuratorate has not filed any protest within the stipulated period of time, the judgment or ruling of the people's court shall be final. Second-instance judgments or rulings rendered by the Intermediate People's Court, the Higher People's Court and the Supreme People's Court are final. The first instance judgment or ruling of the Supreme People's Court is also final. However, if the Supreme People's Court finds errors in the judgments, rulings and conciliations of the people's courts at all levels that have become legally effective, or if the people's courts at higher levels find errors in the judgments, rulings and conciliations of the people's courts at lower levels that have become legally effective, such higher-level people's courts shall have the right to bring them up for trial or to direct the lower-level people's courts to retry them. Where the presidents of the people's courts at all levels find errors in the judgments, rulings and conciliations of their courts that have entered into legal force and believe that they need to be retried, they shall submit them to the trial committees of the people's courts at their respective levels for discussion and decision.

The Civil Procedure Law of the People's Republic of China《中華人民共和國民事訴訟法》(the "PRC Civil Procedure Law"), which was adopted on April 9, 1991 and amended in 2007, 2012, 2017, 2021 and 2023, provides for the conditions for filing a civil lawsuit, the jurisdiction of the People's Courts, the procedures for civil lawsuits, and the procedures for enforcing civil judgments or decisions. All parties involved in civil litigation within China must abide by the PRC Civil Procedure Law. Civil cases are generally heard in the court where the defendant is domiciled. All parties to a contract may, by express agreement, choose the court of jurisdiction for civil litigation, provided that such court of jurisdiction shall be the court of jurisdiction of the place of residence of the plaintiff or the defendant, the place of conclusion or performance of the contract, or the place where the object of the action is located, etc., which has a substantial connection with the dispute. However, such choices shall in no case violate the provisions of hierarchical and exclusive jurisdiction.

Foreign individuals, stateless persons, foreign enterprises or foreign organizations shall enjoy the same litigation rights and obligations as Chinese citizens or legal persons. Where a foreign court restricts the civil litigation rights of citizens, legal persons and other organizations of the People's Republic of China, the people's courts of the People's Republic of China shall apply the principle of reciprocity to the civil litigation rights of the citizens, enterprises and organizations of that country. Where foreigners, stateless persons, foreign enterprises and organizations lodge or respond to a lawsuit in a people's court and need to appoint a lawyer to represent them in the litigation, they must appoint a lawyer from the People's Republic of China. In accordance with international treaties concluded by the People's Republic of China or to which it has acceded, or in accordance with the principle of reciprocity, the People's Courts of China and the courts of foreign States may, at each other's request, act on behalf of each other in the service of documents, the investigation and collection of evidence, and the conduct of other acts of litigation. Where a foreign court's request for assistance is detrimental to the sovereignty, security or public interests of the People's Republic of China, the Chinese people's courts shall not carry it out.

Civil judgments and rulings that have the force of law shall be fulfilled by the parties concerned. If either party to a civil action refuses to comply with a judgment or ruling issued by a people's court or an award issued by a Chinese arbitral tribunal, the other party may, within two years, apply to a people's court for the enforcement of the relevant judgment or ruling, but may apply for an extension of time for enforcement or for its annulment. If, within the prescribed period of time, the party has not complied with the judgment for which the court has issued leave to enforce, the court may enforce the judgment on the application of the other party.

If one party applies against another party for the enforcement of a judgment or ruling issued by a people's court, and the party against whom the application is made is located outside China, or its assets are located outside China, the party making the application may apply for the recognition and enforcement of the judgment or ruling to a foreign court having jurisdiction over the case. A foreign judgment or ruling may also be recognized and enforced by the people's court according to PRC enforcement procedures if the PRC has entered into or acceded to an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity, unless the people's court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the PRC, its sovereignty or security or against social and public interest.

III. COMPANY LAW, ADMINISTRATIVE MEASURES FOR DOMESTIC LISTING, AND GUIDELINES FOR THE ARTICLES OF ASSOCIATION OF LISTED COMPANIES

A joint stock limited company incorporated in the PRC and seeking a listing on the Hong Kong Stock Exchange is mainly subject to the following laws and regulations in the PRC:

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 adopted by the Fifth Session of the Standing Committee of the Eighth National People's Congress on December 29, 1993, became effective as of July 1, 1994, and was amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023. The latest amendments to the Company Law came into effect on July 1, 2024.

The Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises《境內企業境外發行證券和上市管理試行辦法》(the "**Administrative Measures for Overseas Listing**") and its five interpretative guidelines, which were promulgated by the CSRC on February 17, 2023, came into effect on March 31, 2023, and are applicable to direct and indirect offshore share subscription and listing of domestic companies.

Pursuant to the Administrative Measures for Overseas Listing and its interpretative guidelines, a domestic company that directly issues and lists overseas shall formulate its articles of association in accordance with the Guidelines for the Articles of Association of Listed Companies《上市公司章程指引》, in order to replace the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas《到境外上市公司章程必備條款》, which were no longer applicable as of March 31, 2023. The Guidelines on Articles of Association of Listed Companies were promulgated by the CSRC on December 16, 1997 and last revised on March 28, 2025.

The main elements of the above provisions are summarized below:

1. General Provisions

A joint stock limited company is an enterprise legal person incorporated in China in accordance with the Company Law, whose registered capital is divided into shares. The company is liable for its debts with all the assets it owns, and the shareholders are liable to the company to the extent of the shares they have subscribed for. In engaging in business activities, the company shall abide by laws and regulations, social morality and business ethics, be honest and trustworthy, and accept the supervision of the government and the public.

2. Incorporation

A joint stock limited company may be established either by promotion or public share offer. In order to establish a joint stock limited company, there shall be no fewer than one but no more than two hundred sponsors, a majority of whom shall be domiciled in the territory of the People's Republic of China.

If a company limited by shares is established by way of promotion, the sponsors shall subscribe to the full amount of shares to be issued upon the establishment of the company as stipulated in the articles of association. In the case of establishing a joint stock limited company by public share offer, the shares subscribed for by the sponsors shall be not less than 35% of the total shares to be issued upon the company's establishment. Where laws and administrative regulations stipulate otherwise, such stipulations shall apply.

The sponsors of a joint stock limited company established by public share offer shall convene an inaugural meeting of the company within 30 days from the date on which the shares to be issued upon the establishment of the company have been fully paid up. The sponsors shall notify the subscribers of the date of the meeting or make an announcement 15 days prior to the date of the inaugural meeting. The inaugural meeting shall be held in the presence of a majority of the subscribers holding voting rights. The board of directors shall authorize a representative to apply for registration of the establishment with the company registration authority within 30 days after the conclusion of the inaugural meeting.

The company is formally established and acquires legal person status after the business license has been issued by the relevant registration authority. The date of issuance of the company's business license is the date of incorporation.

3. Share Capital

According to the Company Law, shareholders may make capital contributions in cash, or in kind, intellectual property rights, land use rights, equity or debentures, and other non-monetary property that can be valued in money and can be transferred in accordance with the law. According to the Administrative Measures for Overseas Listing, domestic enterprises listing abroad may raise funds and distribute dividends in foreign exchange or RMB.

Pursuant to the Administrative Measures for Overseas Listing, where a domestic company is directly listed overseas, and the shareholders of its unlisted domestic shares apply to convert such shares into shares listed and traded on an overseas trading venue, such shareholders shall comply with the relevant regulations issued by the CSRC and authorize the domestic company to file a record with the CSRC on their behalf. Domestic unlisted shares as mentioned in the above paragraph refer to shares issued by domestic enterprises but yet listed or traded on domestic stock exchanges. Domestic unlisted shares shall be registered and deposited with domestic securities registration and clearing institutions. The registration and settlement arrangements for shares listed overseas shall be carried out according to the regulations of the place of overseas listing.

A joint stock company shall prepare a register of shareholders and keep it available at the Company. The register of shareholders shall contain the following particulars: (1) the name or names and domicile of the shareholders; (2) the type of shares subscribed to by each shareholder and the number of shares; (3) the number of the share certificate, if the share certificate is issued in paper form; and (4) the date on which each shareholder acquired the shares.

A joint stock company shall keep its articles of incorporation, register of shareholders, minutes of the General Meeting, minutes of the board meeting, minutes of meeting of supervisory committee, financial and accounting reports, and a register of bondholders.

4. Offering of Shares

All shares issued by a joint stock company should follow the principles of equality and fairness. The same class of shares must carry equal rights. Shares of the same class under the same offering must be issued on the same terms and at the same price. A joint stock company can issue its shares at par value or at a premium, but it must not issue shares at a price lower than the par value. Shares with par value issued by the company shall be registered shares. After the company has raised the required funds by issuing shares, an announcement should be made.

Domestic enterprises issuing and listing overseas shall file with the CSRC in accordance with the provisions of the Administrative Measures for Overseas Listing, submitting the filing report, legal opinion and other relevant information, and truly, accurately and completely describing the shareholders' information and other circumstances. Where a domestic enterprise directly issues shares and then lists them overseas, the issuer shall file with the CSRC. Where a domestic enterprise is indirectly listed overseas, the issuer shall designate the main domestic business entity as the domestic responsible person and file a report with the CSRC.

5. Increase of Share Capital

According to the Company Law, the issuance of new shares by a joint stock company shall be resolved by the general meeting as to the type and number of new shares, the issue price of the new shares, the commencement and termination dates of the issuance of the new shares, and the type and number of new shares to be issued to the existing shareholders (if any). In the case of the issuance of shares without par value, the proceeds from the issuance of new shares shall be credited to the registered capital. In addition, if the company intends to make a public offering of shares, it shall complete the registration with the securities regulatory authority under the State Council and announce the prospectus.

6. Reduction of Share Capital

The company shall reduce its registered capital in accordance with the following procedures stipulated in the Company Law: (1) the company shall prepare a balance sheet and a list of property; (2) the company shall make a resolution on the reduction of registered capital at the General Meeting; (3) the company shall notify the creditors of the resolution on the reduction of registered capital within 10 days of the date on which the resolution on the reduction of registered capital is made by the General Meeting, and shall make an announcement on the newspapers or on the national enterprise credit information disclosure system within 30 days of the date of the resolution; (4) the creditors shall be entitled to demand the company to liquidate its debts or provide corresponding guarantees within 30 days of the date of the notification or within 45 days of the date of announcement if no notice is received; and (5) the company shall apply for registration of changes with the company registration authority.

If the company reduces its registered capital, it shall reduce the amount of capital contribution or shares according to the proportion of shareholders' capital contribution or shareholding, unless otherwise provided by law, agreed by all shareholders of the limited liability company, or stipulated in the articles of association of the joint stock limited company.

7. Repurchase of Shares

According to the Company Law, the company shall not repurchase its own shares except in the following circumstances: (1) to reduce the registered capital of the company; (2) to merge with other companies holding the company's shares; (3) to use the shares for employee stock ownership plan or equity incentives; (4) to request the company to acquire the shares of the shareholders due to their dissenting views on the resolution of the General Meeting on the company's merger or division; (5) to use the shares for the conversion of corporate bonds issued by the company that are convertible into shares; and (6) necessary for the listed company to safeguard the value of the company and shareholders' rights and interests.

The acquisition of the company's shares by the company under the circumstances stipulated in item (1) or (2) above shall be resolved by the general meeting; the acquisition of the company's shares by the company under the circumstances stipulated in item (3), (5) or (6) above may be resolved by the Board meeting attended by more than two-thirds of the Directors in accordance with the Articles of Association or the authorization of the general meeting.

The shares repurchased by the company in accordance with paragraph 1 of this section shall be processed in the following ways: for the circumstance in item (1), such shares shall be canceled in 10 days after the date of repurchase; for the circumstance in item (2) or (4), such shares shall be transferred or canceled in 6 months; for the circumstance in item (3), (5) or (6), the total number of shares held by the company shall not exceed 10% of the total issued shares of the company, and such shares shall be transferred or canceled in three years.

If a listed company purchases its own shares, it shall perform its obligation of information disclosure in accordance with the Securities Law of the People's Republic of China. If the listed company intends to repurchase its own shares in the situations prescribed in item (3), (5) or (6) of paragraph 1 of this section, the repurchase shall be conducted through public and centralized trading.

The company shall not accept its own shares as collateral.

8. Transfer of Shares

Shares held by shareholders are legally transferable.

Pursuant to the Company Law, transfer of shares by shareholders shall be carried out at a legally established securities exchange or in other ways stipulated by the State Council. Transfer of registered shares must be made by means of an endorsement by shareholders or by other means stipulated by laws or administrative regulations. After the transfer of shares, the company shall record the name and domicile of the transferee in the register of shareholders. Alteration registration for the register of shareholders referred to in the preceding paragraph shall not be carried out for a period of 20 days prior to the holding of a general meeting, or 5 days prior to the record date for the purpose of dividend distribution determined by the company. If the laws, administrative regulations or the securities regulatory authorities under the State Council provide otherwise for the registration of changes in the register of shareholders of a listed company, the relevant provisions shall apply.

Pursuant to the Company Law, shares that have been issued before the public offering shall not be transferred for a period of one year commencing from the date of trading of the Company's shares on a stock exchange. Directors, supervisors and senior management shall declare to the Company their shareholdings and changes therein. They shall not transfer more than 25% of all the shares they hold in the Company annually during their tenure. The shares of the Company held by directors, supervisors and senior management shall not be transferred within 1 year as of the listing date of the shares of the Company. These persons shall not transfer the shares of the Company held by them within 6 months from their departure from the Company.

If the shares are pledged within the period of restriction on transfer prescribed by laws and administrative regulations, the pledgee shall not exercise the pledge right within the period of restriction on transfer.

9. Shareholders

According to the Company Law and the Guidelines on the Articles of Association of Listed Companies, shareholders of ordinary shares of the Company have the following rights: (1) to receive dividends and other forms of distributions in proportion to their shareholdings; (2) to attend, or to appoint proxies to attend, General Meetings and to exercise their voting rights; to supervise and manage the business operations of the Company, and to make proposals or raise inquiries; (3) to transfer their shares in accordance with the provisions of the laws and administrative regulations and the Articles of Association of the Company; (4) to inspect the articles of association, register of shareholders, corporate bond stubs, minutes of General Meetings, resolutions of the board meetings, resolutions of meetings of supervisory committee, and financial and accounting reports of the Company, and to make suggestions or make inquiries on the operation of the Company; (5) To participate in the distribution of the remaining assets of the Company according to the proportion of shareholding in the event of the Company's closure or liquidation; and (6) To exercise any other rights conferred by laws, administrative regulations and the articles of association of the Company.

The obligations of the shareholders of ordinary shares include: (1) to comply with the Articles of Association of the Company; (2) to pay the subscription amount in accordance with the number of shares subscribed for and the method of subscription; (3) to refrain from abusing the rights of shareholders to the detriment of the interests of the Company or other shareholders; and to refrain from abusing the Company's independent legal personality and the limited liability of the shareholders to the detriment of the interests of the Company's creditors; and (4) to comply with the other obligations stipulated in the laws, administrative regulations and the Articles of Association.

10. General Meeting

The General Meeting is the authority of the Company, and exercises the following powers and functions: (1) electing and replacing directors and supervisors, and deciding on matters relating to the remuneration of directors and supervisors; (2) considering and approving the report of the Board of Directors; (3) considering and approving the report of the Supervisory Committee; (4) considering and approving the plan for distribution of the profits of the Company and the plan for making up for the losses; (5) making a resolution on the increase or reduction of the registered capital of the Company; (6) making a resolution on the issuance of corporate bonds; (7) making resolutions on the merger, division, dissolution, liquidation or change of corporate form of the Company; (8) amending the Articles of Association of the Company; and (9) other powers and functions provided for in the Articles of Association of the Company.

The Annual General Meetings shall be convened once a year. An Extraordinary General Meeting shall be convened within two months in any of the following cases: (1) when the number of directors is less than the number prescribed by the Company Law or two-thirds of the number prescribed in the Articles of Association; (2) when the Company's unrecovered losses amount to one-third of the total amount of the share capital; (3) when requested by shareholders holding, individually or in the aggregate, ten percent or more of the shares of the Company; (4) when the Board of Directors deems it necessary; (5) when the Supervisory Committee proposes to convene a meeting; and (6) in other cases as prescribed by the Articles of Association.

A General Meeting shall be convened by the board of directors and shall be presided over by the chairman of the board. Where the chairman is unable to or does not perform their duties, the meeting shall be presided over by the vice-chairman. Where the vice-chairman is unable to or does not perform their duties, the meeting shall be presided over by one director jointly appointed by a majority of all the directors.

Where the board of directors is unable to or does not perform the duties to convene a General Meeting, the meeting shall be called and presided over by the Supervisory Committee in a timely manner. Where the Supervisory Committee is unable to or does not perform the duties to call and preside over a General Meeting of shareholders, the shareholders individually or jointly holding 10% or more of the shares of the Company for 90 consecutive days or more may, at their own discretion, convene and preside over a General Meeting.

In the event that shareholders who individually or collectively hold more than ten percent 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 10 days from the date of receipt of the request, and shall reply to the shareholders in writing.

The shareholders shall be notified of the time and place of the meeting and the matters to be considered 20 days prior to the convening of the General Meeting, and 15 days prior to the convening of the Extraordinary General Meeting.

The shareholders holding 1% or more of the shares of the Company separately or jointly may raise provisional proposals and submit them to the Board in writing 10 days before the General Meeting is held. There shall be clear topics and specific resolution matters in the provisional proposal. The Board shall notify the shareholders within 2 days after the receipt of the proposal and submit the provisional proposal to the General Meeting for deliberation, except that the provisional proposal is in violation of the provisions of the laws, administrative regulations or the Articles of Association of the Company or does not fall within the terms of reference of the General Meeting. The company shall not increase the percentage of shares held by a shareholder required to make a provisional proposal.

The company that has made a public offering of its shares shall give the notice provided for in the preceding two paragraphs by means of a public announcement. The General Meeting shall not make resolutions on matters not specified in the notice. A shareholder attending a General Meeting shall have one vote for each share held, except for shareholders of class shares. The company's own shares shall not have the voting right. Resolutions at a General Meeting shall be adopted by a majority of the votes held by the Shareholders present at the meeting. Resolutions of the General Meeting to amend the articles of association, to increase or decrease the registered capital, and to merge, separate, dissolve or change the form of the Company shall be passed by two-thirds or more of the votes held by the shareholders present at the meeting.

Pursuant to the provisions of the Articles of Association or a resolution of the General Meeting, the cumulative voting system may be adopted for the election of Directors and Supervisors at the General Meeting. The "cumulative voting system" means that each share has the number of voting rights identical to the number of directors or supervisors to be elected, and the voting rights owned by the shareholders may be cumulatively used when the General Meeting elects the directors or supervisors.

Pursuant to the Company Law, shareholders attending the General Meeting are entitled to one vote for each share they hold, save that shares held by the Company are not entitled to any voting rights.

Pursuant to the Company Law, a resolution at a General Meeting requires the affirmative vote of more than half of the votes represented by the shareholders present at the General Meeting. Matters relating to the merger, division or dissolution of the Company, the increase or reduction of registered capital, the change of the form of the Company, or the amendment of the Articles of Association must be approved by more than two-thirds of the votes held by the shareholders present at the meeting.

11. Board of Directors

According to the Company Law, a joint stock company shall have a board of directors, which shall consist of three or more members, and the term of office of the directors shall be specified in the Company's articles of association, but each term of office shall not exceed three years. A director may continue to serve his post if he is re-elected upon the expiration of his term.

A board of directors shall have one chairman and may have a vice-chairman. The chairman and vice-chairman shall be elected by the board of directors through affirmative votes by more than half of all the directors. The chairman shall convene and preside over meetings of the board of directors and supervise the implementation of resolutions adopted by the board of directors. The vice-chairman shall assist the chairman in his work. Where the chairman is unable to or does not perform their duties, the vice-chairman shall perform such duties in his capacity. Where the vice-chairman is unable to or does not exercise their duties, a director jointly nominated by more than half of all the directors shall perform such duties.

The board of directors shall exercise the following powers and functions: (1) to convene the General Meeting and report to the General Meeting on its work; (2) to implement the resolutions of the General Meeting; (3) to decide on the Company's business plan and investment program; (4) to formulate the Company's profit distribution plan and make up for the losses; (5) to formulate the plan for the Company's increase or reduction of registered capital and the issuance of bonds; (6) to formulate the plan for the Company's merger, division, dissolution or change of company form; (7) to decide on the establishment of the internal management organization of the Company; (8) to decide on the appointment or dismissal of the manager of the Company and his remuneration, and to decide on the appointment or dismissal of the deputy manager and the chief financial officer of the Company based on the nomination of the manager and his remuneration; (9) to formulate the basic management system of the Company; and (10) to exercise other powers and functions as stipulated in the articles of association of the Company or as conferred by the General Meeting. Limitations on the powers of the board of directors in the articles of association shall not be invoked against a bona fide counterparty.

The board of directors shall hold meetings at least twice a year, and notice shall be given to all directors and supervisors 10 days in advance. Shareholders representing one tenth or more of voting rights, or one third or more of all the directors or supervisors may propose to have an extraordinary meeting of the board. The Chairman shall, within 10 days after receipt of such proposal, convene and preside over a meeting of the board. Where an extraordinary meeting of the board of directors is to be held, the method and time limit for notification for convening the extraordinary meeting may be prescribed separately.

Directors shall be liable for the resolutions of the Board of Directors. Where a resolution of the Board violates laws, administrative regulations, the Articles of Association or resolutions of the General Meeting, thereby causing serious losses to the Company, the Directors who took part in the resolution shall be liable for the damages to the Company. However, where a Director can prove that he expressed his opposition to such a resolution when it was put to be voted on, and that such an opposition was recorded in the minutes of the meeting, the Director may be relieved from such liabilities.

A joint stock limited company that is small in size or has a small number of shareholders is not required to have a supervisory committee. It may have one supervisor who shall exercise the powers and functions of the supervisory committee as provided for in this Law. A joint-stock company may, in accordance with the provisions of the Articles of Association, set up an Audit Committee consisting of Directors on its Board to exercise the powers and functions of the Supervisory Committee under the provisions of this Law, in lieu of having a Supervisory Committee or Supervisors.

12. Manager and Senior Management

According to the relevant provisions of the Company Law, a joint stock company shall have a manager, who shall be appointed or dismissed by the decision of the board of directors. The Manager shall be accountable to the Board and exercise his authority in accordance with the provisions of the Articles of Association or as delegated by the Board. The Manager shall be present at Board meetings. The Board of Directors may decide that a member of the Board shall also be the manager.

Pursuant to the Company Law, senior management shall mean the Manager, Deputy Manager, Chief Financial Officer, Secretary to the Board (in case of a listed company) of the Company and other personnel as stipulated in the Articles of Association.

13. Responsibilities of Director, Supervisor and Senior Management

According to the Company Law, directors, supervisors and senior management shall comply with laws, administrative regulations and the articles of association. The directors, supervisors and senior officers have a duty of loyalty to the Company; they shall take measures to avoid conflicts between their own interests and the interests of the Company, and they shall not make use of their powers to gain undue benefits. The directors, supervisors and senior officers have a duty of diligence to the Company, and shall perform their duties with the reasonable care normally expected of managers in the best interests of the Company.

A person in any of the following categories may not serve as a director, supervisor, or a senior officer of a company:(1) Persons without capacity or with limited capacity for civil conduct; (2) anyone who has been sentenced to criminal penalties for embezzlement, bribery, property misappropriation, diversion of property, or disruption of the socialist market economic order, or who has been deprived of political rights due to criminal conviction, and for whom a period of five years has not elapsed since the completion of the sentence; or anyone who has been granted a suspended sentence, for whom a period of two years has not elapsed since the expiration of the probation period; (3) persons who acted as directors, or factory managers or managers of bankrupt or liquidated companies or enterprises who bear personal liability for the bankruptcy or liquidation of such companies or enterprises, where three years have not lapsed following the date of completion of such bankruptcy or liquidation; (4) persons who were legal representatives of a company or enterprise, which had its business license revoked due to a violation of the law and were ordered to close down, and who were personally liable for the revocation of business license of such company or enterprise, where less than three years have elapsed since the date of the revocation of business license of such company or enterprise; and (5) persons who have been listed by the People's Court as defaulters because they have incurred debts of a large amount that have not been settled by the due date. If the Company elects or appoints a director or supervisor or employs a senior officer in violation of the above paragraph, such election, appointment or employment is invalid. The company shall remove the director, supervisor or senior officer once any of the circumstances described in paragraph 1 of this section occur during the term of service of such person.

The directors, supervisors and senior officers shall not engage in the following acts: (1) encroaching upon the assets of the Company, misappropriating the funds of the Company; (2) opening accounts in their own names or other names for the deposit of the Company funds; (3) taking advantage of their functions and powers to accept bribes or obtain other illegal income; (4) accepting and keeping privately commissions on transactions with the Company; (5) disclosing the secrets of the Company without authorization; and (6) other acts in violation of the duty of loyalty to the Company.

Where directors, supervisors and senior management directly or indirectly enter into contracts or conduct transactions with the Company, they shall report to the Board or the General Meeting on matters relating to the conclusion of the contract or the conduct of the transaction, which shall be adopted by a resolution of the Board or the General Meeting in accordance with the provisions of the Articles of Association. The provisions of the preceding paragraph shall apply to the conclusion of contracts or transactions with the Company by close relatives of Directors, Supervisors and Senior

Management, enterprises directly or indirectly controlled by Directors, Supervisors and Senior Management or their close relatives, as well as connected persons with whom Directors, Supervisors and Senior Management have other affiliations.

Directors, Supervisors and Senior Management shall not utilize the convenience of their positions to seek business opportunities belonging to the Company for themselves or others, except in any of the following circumstances: (1) It has been reported to the Board or the General Meeting and approved by a resolution of the Board or the General Meeting in accordance with the Articles of Association; and (2) According to laws, administrative regulations or the Articles of Association, the Company cannot take advantage of the business opportunity;

Directors, Supervisors and Senior Management shall not operate the same kind of business as the Company they work in for themselves or for another person without reporting to the Board or the General Meeting and passing a resolution by the Board or the General Meeting in accordance with the provisions of the Articles of Association. If the director, supervisor or senior management causes detriment to the Company while performing their duties in violation of laws, administrative regulations or the articles of association, he shall be liable for the loss so caused. Where a director or senior officer causes damage to others in the performance of their duties, the Company shall be liable for compensation. If the director or senior officer commits intentional or gross negligence, he shall also be liable for compensation.

14. Finance and Accounting

Under the Company Law, the Company shall establish financial and accounting systems according to laws, administrative regulations and the regulations of the financial authority under the State Council. The Company shall at the end of each financial year prepare a financial and accounting report which shall be audited by an accounting firm as required by law. The financial and accounting report shall be prepared in accordance with provisions of the laws, administrative regulations and the regulations of the financial department of the State Council.

When the Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory surplus reserve. If the accumulated amount of the statutory surplus reserve reaches 50% of the registered capital, the Company is released from the obligation of withdrawing statutory surplus reserve. Where the statutory surplus reserve of the Company is not sufficient to recover its losses in the previous years, the profits of the current year shall be used to make up the loss before withdrawing the statutory surplus reserve in accordance with the above provisions. After the Company has withdrawn the statutory surplus reserve from the after-tax profit, it can also withdraw the discretionary surplus reserve from the after-tax profit by a resolution of the General Meeting.

After making up its losses and making allocations for its surplus reserve, a limited liability company shall distribute the remaining after-tax profits to its shareholders in proportion to the paid-in capital of each shareholder, unless all shareholders agree to distribute profits otherwise. A joint stock company shall distribute its profit in accordance with the shareholding by its Shareholders, unless otherwise provided for in the Articles of Association. No profits shall be distributed to the Company for its own shares.

A joint-stock company shall distribute profits in proportion to the shares held by its shareholders, unless the Articles of Association of the joint-stock company stipulate that the distribution shall not be made in accordance with the proportion of shares held.

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 proceeds from the issuance of no-par value shares that are not credited to the registered capital, and other items required by the financial authority under the State Council to be included in the capital reserve, shall be included in the capital reserve of the Company.

The reserves of the Company shall be used to cover the Company's losses, expand its production and operation, or increase its capital. To make up for the Company's losses, the Company shall first use the discretionary surplus reserve and statutory surplus reserve; If they are insufficient, the capital reserve can be used in accordance with the regulations. Upon the conversion of statutory surplus reserve into registered capital, the balance of the statutory surplus reserve shall not be less than 25% of the registered capital of the Company before such conversion.

The Company shall not set up any other accounting books except for the legal accounting books.

15. Appointment and Dismissal 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 General Meeting, the Board, or Supervisory Committee in accordance with the Articles of Association. The accounting firm should be allowed to make representations when the General Meeting, board of directors or supervisory committee conducts a vote on the dismissal of the accounting firm. The Company shall provide true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting data to the accounting firm it employs without any refusal, withholding or provision of false information.

If a listed company establishes an Audit Committee in the board of directors, the resolution of the board of directors on the following matters shall be passed by a majority of all the members of the Audit Committee before the board makes a resolution thereon: (1) employing or dismissing the accounting firm that undertakes the Company's auditing business; (2) employing or dismissing the chief financial officer; (3) disclosing the financial accounting report; and (4) other matters stipulated by the securities regulatory authorities under the State Council.

According to the Guidelines on Articles of Association, the Company shall ensure the provision of true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the appointed accounting firm, and shall not refuse, conceal or make false reports. The audit fee of an accounting firm shall be decided by the General Meeting.

16. Profit Distribution

If the Company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall return the profits distributed in violation of the provisions to the Company. If any loss is caused to the Company, the shareholders and the responsible directors, supervisors and senior management shall be liable for compensation.

17. Amendment to the Articles of Association

Pursuant to the Company Law, a resolution to amend the Articles of Association at a General Meeting of the Company shall be passed by more than two-thirds of the votes held by the shareholders present at the meeting. According to the Mandatory Provisions, the Company may amend its Articles of Association as required by the provisions of laws, administrative regulations and the Articles of Association. Any amendment to the Articles of Association involving the content of the Mandatory Provisions shall come into effect after being approved by the company approval department authorized by the State Council and the securities regulatory authority under the State Council. Where the Company's registered items are involved, change registration shall be made with the relevant authorities according to law.

18. Dissolution and Liquidation

According to the Company Law, the Company shall be dissolved by reason of the following: (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 General Meeting has resolved to dissolve the Company; (3) the Company is dissolved by reason of merger or division; (4) the business license is revoked, or the Company is ordered to close down or be dissolved; (5) shareholders holding shares that represent more than 10% of the voting rights of the Company request the people's court to dissolve the Company, on the grounds that the Company suffers significant hardship in its operation and management that cannot be resolved through other means, and the ongoing existence of the Company would bring significant losses to the interests of shareholders, and the Company is dissolved by the people's court in accordance with law.

If the Company has the reasons for dissolution specified in the above paragraph, it shall publicize the reasons for dissolution through the national enterprise credit information publicity system within 10 days.

If the Company is dissolved under item (1), (2), (4) or (5) above, it shall be liquidated. The directors are the liquidation obligors of the Company and shall form a liquidation team to carry out the liquidation within 15 days from the date of the occurrence of the cause of dissolution. The liquidation team shall consist of the directors, unless the Articles of Association provide otherwise or the General Meeting resolves to elect another person. If the liquidation obligors fail to perform the liquidation obligation in time and cause losses to the Company or the creditors, they shall be liable for compensation.

If the liquidation team is not established within the prescribed period, or liquidation is not carried out after the establishment of the liquidation team, the interested party may request the people's court to appoint the relevant personnel to establish the liquidation team to carry out the liquidation. The people's court shall accept the application and shall, in a timely manner, organize a liquidation team to conduct liquidation.

The liquidation team shall exercise the following functions and power during liquidation: (1) to clear up the assets of the Company and prepare a balance sheet and property list respectively; (2) to notify creditors by a notice or public announcement; (3) to handle the outstanding business of the Company in connection with liquidation; (4) to settle all outstanding tax payment and the tax payments which arise in the course of the liquidation process; (5) to settle claims and debts; (6) to distribute the remaining assets after full payment of the Company's debts; and (7) to participate in civil litigation on behalf of the Company.

The liquidation team shall notify the creditors within 10 days since the date it is established, publish the relevant announcements in the newspaper or the national enterprise credit information publicity system within 60 days. Creditors shall declare their claims to the liquidation team within 30 days from the date of receiving the notice, or within 45 days from the date of the public announcement if no notice was received.

After the liquidation team has thoroughly examined the Company's assets and prepared a balance sheet and property list, it shall formulate a liquidation plan and submit such plan to the General Meeting or the people's court for confirmation. After a company pays off respectively the liquidation expenses, employees' wages, the social insurance premiums and the statutory compensations, pays its tax arrears and clears up its debts, the remaining property of a limited liability company shall be distributed in proportion to the capital contributions made by its shareholders; and the remaining property of a joint stock company shall be distributed in proportion to the shares held by its shareholders. During the period of liquidation, the Company shall continue to exist, but it shall not engage in any operational activities not related to liquidation. The property of the Company shall not be distributed to its shareholders before it has made the payments as specified in the provisions of the preceding paragraph.

If the liquidation team, having thoroughly examined the Company's property and prepared a balance sheet and schedule of assets, discovers that the Company's property is insufficient to pay its debts in full, it shall immediately apply to the People's Court for bankruptcy liquidation. After the people's court accepts the bankruptcy application, the liquidation team shall hand over the liquidation affairs to the bankruptcy administrator appointed by the people's court.

The liquidation team members shall perform the duties of liquidation and shall have the duty of loyalty and duty of diligence. Where a member of the liquidation team causes losses to the Company due to his failure in performing the liquidation duties, he shall be liable for compensation; where losses are caused to the creditors due to intent or gross negligence, he shall be liable for compensation.

After the liquidation of a company is completed, the liquidation team shall prepare a liquidation report and submit the report to the General Meeting or the people's court for confirmation, and shall submit it to the Company registration authority to apply for cancellation of the registration of the Company.

19. Loss of Share Certificates

If a share certificate is stolen, lost or destroyed, the shareholder may petition a people's court for the invalidation thereof through the public summons procedure prescribed in the Civil Procedure Law of the People's Republic of China. After the people's court has invalidated such share certificate through the public notice procedure, the shareholder may apply to the Company for re-issuance of a certificate for the share.

20. Merger and Division

Merger of the Company may take the form of merger by absorption and merger by new establishment.

In the event of a merger between a company and a company in which it holds ninety percent or more of the shares, the merged company shall not be required to pass a resolution at a General Meeting, but shall notify the other shareholders, who shall have the right to request the Company to acquire their equity or shares at a reasonable price. If the price paid for a company merger does not exceed ten percent of the Company's net assets, it may not require a resolution by the General Meeting, unless otherwise stipulated in the Articles of Association. Where a merger of the company carried out in accordance with the provisions of the preceding two paragraphs is not required to be resolved by the general meeting, it shall be resolved by the board of directors.

In the event of a merger, the parties to the merger shall enter into a merger agreement, and prepare a balance sheet and an inventory of assets. The Company shall inform its creditors of the merger within 10 days and publish an announcement on newspapers or the national enterprise credit information publicity system within 30 days after the resolution approving the merger has been adopted. The creditors shall, within 30 days from the date of receiving a written notice or within 45 days from the date of the announcement if no notice is received, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee.

When companies merge, the claims and debts of all the parties to the merger shall be succeeded to by the Company that continues to exist after the merger or by the newly established company.

21. Suspension and Termination of Listing

Where listed securities fall under the delisting circumstances prescribed by a stock exchange, the stock exchange shall terminate the listing and the trading of the relevant securities according to business rules. Where a stock exchange decides to terminate the listing and trading of securities, it shall announce the decision in a timely manner and file it with the securities regulatory authority under the State Council.

According to the Administrative Measures for Overseas Listing, if an issuer voluntarily terminates its listing or is subject to compulsory termination of its listing, it shall report the details to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters. If the issuer falls under the circumstances where overseas issuance and listing are prohibited, it shall suspend or terminate the issuance and listing overseas and promptly report to the CSRC and the relevant competent authorities of the State Council.

IV. SECURITIES LAWS AND REGULATIONS

A series of regulations relating to the issuance and trading of company shares and information disclosure have been enacted in China. In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee was responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities-related institutions in the PRC and administering the CSRC. The CSRC was the regulatory arm of the Securities Committee, responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offers of securities by PRC companies in the PRC or overseas, regulating the trading of securities, compiling securities related statistics and undertaking relevant research and analysis. On March 29, 1998, the State Council merged the two organizations and reformed the CSRC.

The Provisional Regulations on the Administration of Stock Issuance and Trading《股票發行與交易管理暫行條例》, promulgated by the State Council and put into effect on April 22, 1993, provide for the application and approval procedures for the public issuance of shares, the trading of shares, the acquisition of listed companies, the safekeeping of listed shares, the liquidation and transfer of shares, the disclosure of information by listed companies, investigations and penalties, as well as the arbitration of disputes.

The Regulations of the State Council on Domestic Listing of Foreign-oriented Stocks by Joint Stock Companies promulgated by the State Council《國務院關於股份有限公司境內上市外資股的規定》and put into effect on December 25, 1995, mainly provide for the issuance, subscription, purchase and sale of domestically listed foreign shares, payment of dividends, as well as the disclosure of information by joint-stock companies that own domestically listed foreign shares.

The Securities Law《證券法》came into effect on July 1, 1999 and was amended on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014, and December 28, 2019, with the most recent amendment effective on March 1, 2020. The Securities Law is the first national securities law in China and comprehensively regulates the activities of the Chinese securities market. It is divided into 14 chapters and 226 articles, covering the issuance and trading of securities, takeovers of listed companies, stock exchanges, securities companies, securities registration and clearing institutions, and the duties of securities regulatory authorities. Article 224 of the Securities Law provides that domestic enterprises that directly or indirectly issue securities overseas or list and trade their securities overseas shall comply with the relevant provisions of the State Council. At present, the issuance and trading of shares (including H-shares) outside the PRC are still subject to the regulations and rules promulgated by the State Council and the CSRC.

V. ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

The Standing Committee of the National People's Congress enacted the Arbitration Law of the People's Republic of China《中華人民共和國仲裁法》(the "**Arbitration Law**") on August 31, 1994, which came into effect on September 1, 1995, and was most recently amended on September 1, 2017 and implemented on January 1, 2018, respectively. The Arbitration Law applies to foreign economic disputes where the parties have entered into a written agreement to submit the matter to arbitration before an arbitration commission constituted in accordance with the Arbitration Law. Before the China Arbitration Association formulates its arbitration rules, the Arbitration Commission may formulate provisional arbitration rules in accordance with the relevant provisions of the Arbitration Law and the Civil Procedure Law of the People's Republic of China. Where the parties have agreed to resolve disputes through arbitration, and one party nevertheless files a lawsuit with the people's court, the people's court shall not accept the case.

According to the Arbitration Law, the arbitration award shall be final and binding on the parties to the arbitration. If one of the parties fails to comply with the award, the other party to the award may apply to the People's Court to enforce the arbitral decision in accordance with the Civil Procedure Law of the People's Republic of China. If the arbitration procedure is unlawful (including the composition of the Arbitration Commission or the procedure of the arbitration being in violation of the statutory procedure, or the matters to be awarded not falling within the scope of the arbitration agreement or the Arbitration Commission not having the authority to arbitrate), the people's court may verdict that the arbitration decision made by the Arbitration Commission shall not be enforced. Where one party seeks to enforce an arbitral award of a foreign-related arbitration commission against the other party, and the person against whom the award is to be enforced or whose property is not located in the territory of the People's Republic of China, the party shall apply directly to a foreign court of competent jurisdiction for recognition and enforcement. Similarly, arbitral awards made by foreign arbitral institutions may also be recognized and enforced by Chinese courts in accordance with the principle of reciprocity or any international treaty signed by or acceded to by China.

Pursuant to the Arrangement of the Supreme People's Court Concerning Reciprocal Enforcement of Arbitral Awards between the Mainland China and the Hong Kong Special Administrative Region《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》 promulgated by the Supreme People's Court on January 24, 2000, which came into effect on February 1, 2000, and the Supplementary Arrangement of the Supreme People's Court Concerning Reciprocal Enforcement of Arbitral Awards between the Chinese Mainland and the Hong Kong Special Administrative Region《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》promulgated on November 26, 2020 and coming into force on November 27, 2020, awards made by arbitral institutions in Mainland China are enforceable in Hong Kong and Hong Kong arbitral awards are enforceable in Mainland China.

This appendix contains a summary of the principal provisions of the Articles of Association (Draft) which were considered and approved at the Seventh Extraordinary General Meeting of the Company in 2025 and will become effective from the date of listing of the H Shares on the Hong Kong Stock Exchange. The main purpose of this appendix is to provide potential investors with an overview of the Articles of Association, and therefore it may not contain all the information that is important to potential investors.

1. OFFERING OF SHARES

Shares of the Company take the form of share certificates, which are registered shares and are issued by the Company to certify the shares held by shareholders. Matters that should be set out in the share certificates shall include, in addition to those stipulated in the Company Law, other matters required to be set out under the regulatory rules of the place where the Company's shares are listed, such as the Listing Rules.

The shares of the Company shall be issued based on the principle of openness, fairness and impartiality, and shall rank pari passu in all respects with the shares of the same class. The rights of shareholders of the same class may be amended only with the consent of at least two-thirds of the votes of the shareholders of the class present at the meeting of the shareholders of the class holding valid voting rights. Shares of the same class issued at the same time shall be issued under the same condition and at the same price. The same price shall be paid for each of the shares subscribed for by all subscribers.

The Company issues par value shares, which are denominated in RMB and have a par value of RMB0.25 per share.

All the shares issued by the Company are ordinary shares.

2. INCREASE, REDUCTION AND REPURCHASE OF SHARES

(1) Increase and reduction of shares

Based on the needs of operation and development, the Company may increase capital by the following means in accordance with the provisions of the laws and regulations upon resolutions respectively made by the General Meeting:

i. issuing shares to non-specific investors;

ii. offering of shares to specific investors;

iii. distributing bonus shares to its existing shareholders;

iv. conversion of capital reserve into share capital;

v. other means as prescribed by laws and administrative regulations, regulatory rules of the place where the Company's shares are listed (including the Listing Rules) and approved by securities regulatory authorities including the CSRC.

The General Meeting may authorize the Board of Directors to decide, within a period of three years, on the issuance of shares not exceeding fifty percent of the issued shares. Where the issuance of shares decided by the Board of Directors in accordance with the aforesaid provisions results in a change in the Company's registered capital or the number of issued shares, the amendment of such matters recorded in the Articles of Association shall not be subject to the vote of the shareholders at the General Meeting.

In the event that the Company issues new shares to increase capital, after approval in accordance with the provisions of the Articles of Association, it shall be handled in accordance with the procedures stipulated by relevant national laws, administrative regulations, departmental rules, normative documents, and the regulatory rules of the place where the Company's shares are listed, such as the Listing Rules.

The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the Company Law and other relevant regulations as well as the procedures stipulated in the Articles of Association. If the Company reduces its registered capital, it shall reduce its shares in proportion to the shares held by its shareholders, unless otherwise provided by law or if the General Meeting resolves to reduce the number of shares in accordance with other proportions.

(2) Repurchase of shares

The Company shall not purchase its own shares, except in any of the following circumstances:

i. to reduce its registered capital;

ii. to merge with another company that holds the shares;

iii. to use the shares for the Employee Stock Ownership Plan or as equity incentives;

iv. the shareholders disagreeing with the merger or division resolution made by the General Meeting ask the Company to acquire their shares;

v. to use the Shares in the conversion of the convertible corporate bonds issued by the Company;

vi. necessary for the Company to protect its value and the shareholders' equity;

vii. other circumstances prescribed by laws, administrative regulations, departmental rules, normative documents, and other regulatory rules of the place where the Company's shares are listed, including the Listing Rules.

Where the Company repurchases its shares, a public and centralized trading method or other methods recognized by laws, regulations and the CSRC and securities regulatory authorities at the place where the Company's shares are listed shall be adopted. Where the Company intends to repurchase its own shares in the situations prescribed in item (iii), (v) or (vi) above, the repurchase shall be conducted through public and centralized trading.

Where the Company repurchases its shares under the circumstances set out in preceding item (i) or (ii), it shall be resolved at the General Meeting. Where the Company repurchases its shares under the circumstances set out in preceding item (iii), (v) or (vi), it shall be resolved at a board meeting attended by more than two-thirds of the directors, subject to the regulatory rules of the place where the Company's shares are listed, such as the Listing Rules.

Subject to the regulatory rules of the place where the Company's shares are listed, such as the Listing Rules, the shares repurchased by the Company in accordance with the above provisions shall be processed in the following ways: for the circumstance in item (i), such shares shall be canceled in 10 days after the date of repurchase; for the circumstance in item (ii) or (iv), such shares shall be transferred or canceled in 6 months; for the circumstance in item (iii), (v) or (vi), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled in three years.

Where relevant laws, administrative regulations, departmental rules, other regulatory documents and the regulatory rules of the place where the Company's shares are listed (including the Securities Law and the Listing Rules) provide otherwise in respect of matters relating to the acquisition of the Company's shares by the Company, such provisions shall prevail.

3. TRANSFER OF SHARES

The shares of the Company may be legally transferable. The transfer of shares shall be registered with the local stock registration institution entrusted by the Company.

All the H shares shall be transferred by way of written instrument of transfer in an ordinary or general format, or any other format acceptable to the Board (including the standard transfer format or form of transfer as prescribed from time to time by the Hong Kong Stock Exchange). A written instrument of transfer may be signed by hand or (where the transferor or transferee is the Company) by the Company's seal. If the transferor or transferee is a recognized clearing house as defined in the laws of Hong Kong or its agent, the written instrument of transfer may be signed by hand or in a machine-printed form. All the instruments of transfer shall be kept at the legal address of the Company or such address as the Board may specify from time to time.

The Company shall not accept its own shares as collateral.

Shares that have been issued before the public offering shall not be transferred for a period of one year commencing from the date of trading of the Company's shares on the Hong Kong Stock Exchange.

The directors and senior officers of the Company shall declare the number of shares held by them and the relevant changes to the Company. The number of shares transferred each year during their term of office shall not exceed 25% of the total number of shares of the Company held by them. The shares of the Company held by them shall not be transferred within 1 year as of the listing date of the shares of the Company. The shares of the Company held by them shall not be transferred within 6 months after their resignation.

Where laws, administrative regulations, the CSRC requirements, the Listing Rules or other regulatory rules of the place where the Company's shares are listed provide otherwise for the transfer of the Company's shares, such provisions shall prevail accordingly.

For directors, senior officers, and shareholders holding more than 5% of the Company's shares, if they have sold the Company's shares or other securities with equity nature held by them within 6 months after purchasing, or if they have purchased such shares or securities again within 6 months after selling them, the gains obtained therefrom shall be attributed to the Company and the Board of Directors of the Company shall recover such gains. However, securities companies holding more than 5% of the shares due to the purchase of the remaining shares after underwriting, and other circumstances stipulated by the CSRC are excluded. The shares or other securities with an equity nature held by Directors, senior officers and natural person shareholders as mentioned above shall include the shares or other securities with an equity nature held by their spouses, parents, children, and those held in the accounts of others.

Where the Board fails to comply with the above provisions, the shareholders shall have the right to request the Board to do so within 30 days. If the Board fails to follow the above-mentioned deadline, shareholders shall have the right to file a lawsuit directly with the people's court in their own name in the interest of the Company.

Where the Board fails to comply with the above provisions, the responsible Directors shall be jointly and severally liable in accordance with the law.

4. Shareholders

The Company shall make a register of shareholders based on the vouchers provided by securities registries. The register of shareholders shall be the sufficient evidence proving the shareholders' holding of the Company's shares. The shareholders shall enjoy the rights and assume the obligations according to the class of the shares they hold. The shareholders holding the same class of shares shall enjoy the equal rights and assume the equal obligations.

The register of shareholders shall be comprised of the following parts:

i. register of shareholders other than those specified in items (ii) and (iii) of this Article kept at the domicile of the Company;

ii. the register of H-shareholders of the Company kept at the place where the Company's shares are listed (The register of H-shareholders shall be kept in Hong Kong for inspection by shareholders, but the Company may suspend the registration of shareholders in accordance with applicable laws and regulations and the rules of the securities regulatory authorities in the place where the Company's shares are listed (including the equivalent provisions of Section 632 of the Companies Ordinance));

iii. Register of shareholders kept at other places as the Board thinks necessary for the purpose of listing.

When the Company convenes a General Meeting, distributes dividends, executes clearing or makes other conducts that require confirmation of shareholding status, the Board of Directors or the convener of the General Meeting shall determine the Record Date. Shareholders included in the register of shareholders at the close of business on the Record Date shall be the entitled shareholders.

The shareholders of the Company shall be entitled to the following rights:

i. to receive dividends and other forms of interest distributions in proportion to the number of shares held;

ii. to request to convene, preside over, attend in person or appoint a proxy to attend the General Meeting according to law, speak at the General Meeting, and exercise their voting rights correspondingly (unless individual shareholders shall waive their voting rights in respect of certain matters in accordance with the regulatory rules in the place where the shares of the Company are listed, such as the Listing Rules);

iii. to supervise the Company's operations, and to put forward proposals and raise inquiries;

iv. to transfer, bestow or pledge the shares they hold according to the laws, administrative regulations, the Listing Rules, other regulatory rules in the place where the shares of the Company are listed and the Articles of Association;

v. to inspect and copy the articles of association, register of shareholders, minutes of the General Meeting, minutes of the board meeting, financial and accounting reports, and a register of bondholders of the Company and its wholly-owned subsidiaries;

vi. to participate in the distribution of remaining assets of the Company in proportion to the number of Shares held in the event of the termination or liquidation of the Company;

vii. to request the Company to acquire the shares of shareholders who object to a resolution of a General Meeting on merger or division of the Company;

viii. other rights prescribed by laws, administrative regulations, departmental rules, the Listing Rules and other regulatory rules of the place where the Company's shares are listed or the Articles of Association.

In addition to the above rights, shareholders who have individually or collectively held more than three percent of the Company's shares for more than 180 consecutive days have the right to inspect the accounting books and documents of the Company and its wholly-owned subsidiaries.

Any shareholder requesting for inspection of the relevant information as set forth in the preceding paragraphs or for obtaining information shall furnish with the Company written documents evidencing his holding of shares in the Company and the number of shares held, and the Company shall comply with such shareholder's request upon verification of its shareholder capacity.

Where the content of the resolution of the General Meeting or the board of directors violates laws or administrative regulations, the shareholders shall have the right to request the people's court to recognize it as invalid.

Shareholders are entitled to request the people's court to cancel the relevant resolution within 60 days after the resolution is adopted where the convening procedure and voting method of the General Meeting or Board meeting violate the laws, administrative regulations or the Articles of Association, or the resolution content breaches the Articles of Association, unless there are only minor defects in the convening procedure or voting method of the General Meeting or board meeting, which do not materially affect the resolution.

Shareholders who have not been notified to attend the General Meeting may request the people's court to revoke the resolution of the General Meeting within 60 days from the date when they knew or should have known that the resolution of the General Meeting was made. If the right of revocation is not exercised within one year from the date of the resolution, the right of revocation is extinguished.

Shareholders of the Company shall assume the following obligations:

i. to comply with laws, administrative regulations, the Listing Rules and other regulatory rules of the place where the Company's shares are listed and the Articles of Association;

ii. to pay subscription moneys for the shares subscribed in accordance with the agreed manner of payment;

iii. no withdrawal from the Company except for the circumstances set out in the relevant laws and administrative regulations;

iv. not to abuse shareholder's rights to damage the interests of the Company or other shareholders; not to abuse the independent legal person status of the Company and the limited liability of shareholders to damage the interests of the creditors of the Company;

v. to assume other obligations required by the laws, administrative regulations, the Listing Rules and other regulatory rules of the place where the Company's shares are listed and the Articles of Association.

A shareholder of the Company who abuses the rights of shareholders to cause losses to the Company or other Shareholders shall be liable for compensation in accordance with the law. Where any shareholder of the Company abuses the independent legal person status of the Company and the limited liability of shareholders to evade debts and severely damages the interests of the creditors of the Company, such shareholder shall bear joint liability for the debts of the Company.

Where a shareholder holding 5% or more of the Company's shares with voting rights pledges any shares in his/her possession, he or she shall submit a written report to the Company from the date when such pledge occurs.

The controlling shareholders, actual controllers, directors or senior officers of the Company shall not take advantage of their connected (related) relationships with others in an attempt to harm the Company's interests. They shall be liable for indemnifying the Company for the losses arising therefrom in case of violation of such requirement.

The controlling shareholders and actual controllers of the Company shall bear the fiduciary duty to the Company and other Shareholders. The controlling Shareholders shall exercise the rights of the investor in strict accordance with law. The controlling Shareholders shall not damage the legitimate rights and interests of the Company and other Shareholders by means of profit distribution, asset restructuring, outbound investment, capital occupation, loan guarantee, etc., and shall not damage the lawful interests of the Company and other Shareholders by means of its controlling position.

5. GENERAL PROVISIONS ON THE GENERAL MEETING

The General Meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to law:

i. to elect and replace Directors who are not employee representatives, and to decide on matters relating to the remuneration of Directors;

ii. to examine and approve reports of the Board;

iii. to examine and approve profit distribution plans and loss recovery plans of the Company;

iv. to make resolutions concerning the increase or reduction of the Company's registered capital;

v. to make resolutions on the issuance of corporate bonds;

vi. to make resolutions relating to matters such as the merger, division, dissolution or liquidation, or change of company form of the Company and transactions under a liquidation event entered into or carried out by the Company;

vii. to amend the Articles of Association;

viii. to make resolutions on the engagement or removal of the accounting firm;

ix. to review and approve the guarantee matters set out in Article 44 of the Articles of Association;

x. to consider and approve transactions and connected (related) transactions that should be decided by the General Meeting in accordance with the requirements of the Listing Rules and other regulatory rules of the place where the Company's shares are listed;

xi. to consider and approve the repurchase of the Company's shares under the circumstances set forth in Article 25(i) and (ii) of the Articles of Association;

xii. to examine matters relating to the Company's purchase and/or sale of major assets within one year that exceed 30% of the audited total assets of the Company in the most recent period;

xiii. to consider the equity incentive scheme and the Employee Stock Ownership Plan;

xiv. the Annual General Meeting of the Company may authorize the Board of Directors to decide to issue shares to specific parties with total financing not exceeding RMB300 million and not exceeding 20% of the net assets as at the end of the most recent year, with such authorization to expire on the date of the next Annual General Meeting;

xv. to examine other matters that shall be decided by the General Meeting as stipulated by laws, administrative regulations, departmental rules, the Listing Rules, other regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The General Meeting can authorize the board of directors to make resolutions on the issuance of corporate bonds.

With the exception of item (v) of the preceding paragraph, under which the Board of Directors can be authorized to exercise its review powers, the above-mentioned functions and powers of the General Meeting shall not be exercised by the Board of Directors or other institutions or individuals through authorization. However, subject to the provisions of laws, administrative regulations, departmental rules, the Listing Rules and other regulatory rules of the place where the Company's shares are listed, the Board of Directors or the Directors may be authorized to handle or implement the matters of the relevant resolutions when the relevant resolutions are voted on and passed at the General Meeting.

The Company shall fulfill the appropriate approval and decision-making procedures and make disclosure in accordance with the Listing Rules for transactions that are required to be announced by the stock exchange of the place where the shares are listed.

The following matters of external guarantees of the Company shall be submitted to the General Meeting for consideration after being considered and approved by the Board of Directors:

i. any single guarantee whose amount exceeds 10% of the audited net assets of the Company for the latest period;

ii. any guarantee provided after the total amount of the external guarantees provided by the Company and its majority owned subsidiaries exceeds 50% of the audited net assets for the latest period;

iii. the guarantee provided to the guaranteed object with a debt-to-asset ratio of more than 70%;

iv. the guarantee whose amount exceeds 30% of the Company's total audited assets in the latest period according to the principle of cumulative calculation of guarantee amount for 12 consecutive months;

v. any guarantee provided after the total amount of the external guarantees provided by the Company exceeds 30% of the audited total assets for the latest period;

vi. any guarantee provided to shareholders, actual controllers and their connected (related) parties;

vii. other guarantees prescribed by laws, administrative regulations, normative documents, the Listing Rules, other regulatory rules of the place where the Company's shares are listed and the Articles of Association.

A guarantee within the scope of the Board of Directors' authority shall be approved by more than half of all the Directors and approved by more than two-thirds of the Directors present at the Board meeting; the guarantee in item (iv) of the preceding paragraph shall be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Where the Company provides guarantee for a wholly-owned subsidiary or a majority-owned subsidiary, and other shareholders of the majority-owned subsidiary provide a guarantee in equal proportion to their rights and interests, without harming the interests of the Company, the provisions set out in items (i) to (iii) of the above paragraph may be exempted.

Where the Company provides guarantees for the controlling shareholder, actual controller and their connected (related) parties, the controlling shareholder, actual controller and their related parties shall provide counter guarantees.

When the proposal for providing guarantees to a Shareholder, actual controller and their related party is considered by the General Meeting, the relevant Shareholder or the Shareholders controlled by the actual controller shall not participate in the voting, nor shall they act as proxy for other shareholders to vote on such matter and this proposal shall be adopted by the majority votes of other shareholders present at the meeting.

6. CONVENING OF THE GENERAL MEETING

The Board shall duly convene the General Meeting within the time limit specified.

The Independent Non-executive Directors are authorized to propose to the Board of Directors to convene an Extraordinary General Meeting with the approval of a majority of all Independent Non-executive Directors. In response to a proposal from an Independent Non-executive Director requesting the convening of an Extraordinary General Meeting, the Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the Listing Rules, other regulatory rules of the place where the Company's shares are listed and the Articles of Association, provide written feedback on whether it agrees or disagrees with the convening of the Extraordinary General Meeting within 10 days of receipt of the proposal. Where agreeing to convene an EGM, the Board shall, within 5 days after the Board resolution is made, issue a notice convening the meeting. Where the Board does not agree to convene such meeting, the reasons shall be stated and announced.

The Audit Committee shall have the right to propose to the Board to convene an Extraordinary General Meeting, and shall make such proposal in writing. The Board shall, in accordance with the law, administrative regulations, the Listing Rules, other regulatory rules of the place where the Company's shares are listed and the Articles of Association, reply with a written opinion to state whether it agrees or disagrees to convene an Extraordinary General Meeting within 10 days upon receipt of the proposal.

Where the Board agrees to convene the Extraordinary General Meeting, it shall issue a notice of General Meeting within 5 days after the decision is made. Any changes made to the original request in the notice shall be agreed by the Audit Committee.

Where the Board of Directors does not agree to convene an Extraordinary General Meeting or fails to provide feedback within 10 days after receiving the proposal, it is deemed that the Board of Directors is unable to fulfill or does not fulfill its duty to convene the General Meeting, and the Audit Committee may convene and preside over the meeting on its own.

Shareholders who individually or collectively hold more than 10% of the Company's shares shall have the right to request the Board of Directors to convene an Extraordinary General Meeting, and shall submit their request in writing to the Board of Directors. The Board shall, in accordance with the law, administrative regulations, the Listing Rules, other regulatory rules of the place where the Company's shares are listed and the Articles of Association, reply with a written opinion to state whether it agrees or disagrees to convene the Extraordinary General Meeting within 10 days upon receipt of the proposal.

Where the Board of Directors agrees to convene an Extraordinary General Meeting, they shall, within 5 days after the Board resolution is made, issue a notice convening the meeting. Any changes to the original proposal in the notice shall be subject to the approval of the relevant shareholders.

Where the Board of Directors does not agree to convene an Extraordinary General Meeting, or does not give any response within 10 days upon receipt of the request, the shareholders who individually or jointly hold more than 10% of the shares of the Company shall have the right to propose to the Audit Committee for convening of such meeting, and shall make such request to the Audit Committee in writing.

Where the Audit Committee agrees to convene the Extraordinary General Meeting, it shall issue a notice of General Meeting within 5 days after the decision is made. Any changes made to the original Proposal in the notice shall be approved by relevant shareholders.

Where the Audit Committee fails to give notice of a General Meeting within the prescribed period, it shall be deemed that the Audit Committee does not agree to convene and preside over the General Meeting, and the shareholders who have individually or collectively held more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over the meeting on their own.

Where the Audit Committee or shareholders decide to convene a General Meeting on their own, they shall notify the Board of Directors in writing and make filing with the Hong Kong Stock Exchange in accordance with the Listing Rules and other applicable regulatory rules of the place where the Company's shares are listed (if any).

The proportion of voting shares held by the convening shareholders shall not be less than 10% before the announcement of the resolution of the General Meeting.

The Audit Committee or the convening shareholders of the General Meeting shall, when issuing the notice of the General Meeting and the announcement of the General Meeting resolution, submit the relevant supporting documents (if any) to the Hong Kong Stock Exchange in accordance with the provisions of the applicable regulatory rules of the stock exchange where the Company's shares are listed (such as the Listing Rules).

For the General Meetings convened by the Audit Committee or by the shareholders themselves, the Board of Directors and the board secretary shall cooperate. The Board shall provide a register of shareholders as of the record date.

In the case of a General Meeting convened by the Audit Committee or by the shareholders themselves, the expenses necessary for the meeting shall be borne by the Company.

7. PROPOSALS AND NOTICES OF THE GENERAL MEETING

The proposal content shall fall into the terms of reference of the General Meeting. There shall be definite topics and specific matters for resolution. The proposal shall comply with the relevant provisions of laws, administrative regulations, the Listing Rules, other regulatory rules of the place where the Company's Shares are listed, and the Articles of Association.

When the Company holds a General Meeting, the Board of Directors, the Audit Committee, and shareholders who individually or collectively hold more than 1% of the Company's shares shall have the right to submit proposals to the Company.

The shareholders holding more than 1% of the shares of the Company separately or jointly may raise an extraordinary proposal and submit it to the convener in writing 10 days before the General Meeting is held. There shall be clear topics and specific resolution matters in the extraordinary proposal. The convener shall issue a supplementary notice of the General Meeting within 2 days after the receipt of the proposal, announcing the contents of the provisional proposal and submitting the extraordinary proposal to the General Meeting for deliberation, except that the provisional proposal is in violation of the provisions of the laws, administrative regulations the Listing Rules, other regulatory rules of the place where the Company's Shares are listed or the Articles of Association or does not fall within the terms of reference of the General Meeting.

Save as specified above, the convener shall neither revise the proposals set out in the notice of General Meetings nor add new proposals after issuing the notice of General Meeting.

The convener will notify all shareholders of an AGM by way of announcement at least 21 days prior to the convening thereof, and notify all shareholders of an EGM by way of announcement at least 15 days prior to the convening thereof. The Company shall not include the date of the meeting when calculating the starting time.

The notice of the General Meeting shall include the following particulars:

i. the date, time, venue and duration of the meeting;

ii. the matters and proposals to be reviewed at the meeting;

iii. explicit textual explanation: all shareholders shall be entitled to attend the General Meeting and they may appoint a proxy in writing to attend and vote at such meeting on their behalf and that such proxy need not be shareholders of the Company;

iv. the record date for shareholders who are entitled to attend the General Meeting;

v. the name and telephone number of the regular contact person for the meeting;

vi. the voting time and voting procedures of the meeting for the online voting or other means of voting.

The notice and the supplementary notice of the General Meeting shall fully and completely disclose the specific content of all proposals. The interval between the record date and the date of the meeting shall be not more than 7 working days. Once the record date is confirmed, it shall not be changed.

After the notice of the General Meeting is given, without good reasons, the General Meeting shall not be postponed or canceled, and the proposals set out in the notice shall not be canceled. Once the General Meeting is postponed or canceled, the convener shall make an announcement and explain the reasons at least 2 working days before the original holding date. If the regulatory rules of the place where the Company's shares are listed provide otherwise on the procedure for postponing or canceling the General Meeting, subject to the Company Law, the Securities Law, the Trial Measures for Administration, and the Guidelines on the Articles of Association of Listed Companies, the provisions thereof shall prevail.

8. HOLDING OF THE GENERAL MEETING

All shareholders recorded in the register as at the Record Date or their proxies shall have the right to attend the General Meeting and exercise the voting rights in accordance with relevant laws, administrative regulations, the Listing Rules, other regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Shareholders may attend the General Meeting in person, or they may appoint a proxy, who need not be a shareholder of the Company, to attend and vote on their behalf.

An individual shareholder who attends the meeting in person shall present his identity card or other valid documents or proof evidencing his identity. Where a proxy is appointed to attend the meeting, such proxy shall present his own valid identity documents and the power of attorney from the Shareholder.

Institutional shareholders shall be represented at the meeting by the legal representative/ managing partner or a proxy appointed by the legal representative/managing partner. The legal representative/managing partner attending the meeting shall present his identity card and valid certificate evidencing his capacity as a legal representative/managing partner; where a proxy is appointed to attend the meeting, such proxy shall present his identity card and a written power of attorney duly issued by the legal representative/managing partner of the institutional shareholder. If the institutional shareholder has appointed a proxy to attend any meeting, it shall be deemed to be present in person. A form of proxy may also be executed by a duly authorized officer of the institutional shareholder.

If the shareholder is a recognized clearing house (or its agent) as defined in the relevant ordinances made in Hong Kong from time to time, the shareholder may authorize one or more persons as he thinks fit to act as his representative at any General Meeting and creditors' meeting. However, if more than one person is authorized, the power of attorney shall state the number and class of shares in respect of which each such person is authorized and shall be signed by the authorized officer of the recognized clearing house. A person so authorized may attend the meeting on behalf of the recognized clearing house (or its nominee) to exercise rights (without having to produce proof of shareholding, a notarized authorization and/or further evidence of formal authorization) and shall have the equal statutory rights as other shareholders, including the right to speak and to vote, as if he were an individual shareholder of the Company.

The power of attorney issued by a shareholder to appoint a proxy to attend a General Meeting shall contain the following information:

i. the name of the proxy;

ii. whether the proxy has the voting right;

iii. separate instructions as to whether to cast affirmative, negative or abstention votes on each issue listed on the agenda of the General Meeting;

iv. the date of issuance and effective period of the power of attorney;

v. signature (or seal) of the principal. Where the principal is an institutional shareholder, the official seal of the institutional shareholder shall be affixed.

The power of attorney shall specify whether the proxy may vote at its own discretion in the absence of specific instructions from the shareholder.

If the General Meeting requests the directors and senior management to attend the meeting, the directors and senior management shall attend the meeting and be questioned by the shareholders.

The General Meeting shall be chaired by the Chairman of the Board. If the Chairman of the Board is unable or fails to perform his duty, a director jointly elected by more than half of the directors shall preside over the meeting.

A General Meeting convened by the Audit Committee shall be chaired by the convener of the Audit Committee. In the event that the convener of the Audit Committee is unable or fails to perform their duties, a member of the Audit Committee jointly elected by a majority of the members of the Audit Committee shall preside.

A General Meeting convened by the shareholders themselves shall be presided over by the convener or his elected representative.

During the course of a General Meeting, where the meeting presider violates the procedural rules such that the meeting cannot continue, the General Meeting may elect a person to act as the meeting presider and continue the meeting with the consent of the majority of the shareholders entitled to vote present at the General Meeting.

The General Meeting shall have meeting minutes, and the Secretary to the Board shall be responsible for the meeting minutes. The meeting minutes shall contain the following contents:

i. time, venue and agenda of meeting and the convener's name;

ii. the names of the meeting presider and the directors and senior management attending the meeting;

iii. number of shareholders and proxies present at the meeting, total number of voting shares held and their respective proportions in the total number of shares of the Company;

iv. deliberations on each proposal, key points and the voting results;

v. queries and suggestions of the shareholders and the corresponding answers or explanations;

vi. names of vote counter and scrutineer;

vii. other contents that should be included in the meeting minutes according to the Articles of Association.

The convener shall guarantee that the General Meeting continues until the final resolution has been adopted. Where a General Meeting is suspended or a resolution cannot be made due to force majeure or other special reasons, necessary measures shall be taken to resume the convening of the General Meeting as soon as possible or to directly terminate this General Meeting, and announcements and reports shall be made in a timely manner in accordance with the laws and administrative regulations, departmental rules, the Listing Rules, other regulatory rules of the place where the Company's Shares are listed.

9. VOTING AND RESOLUTIONS OF THE GENERAL MEETING

The resolutions of the General Meeting are classified into ordinary ones and special ones.

Ordinary resolutions of the General Meeting shall be adopted by more than half of the voting rights held by the shareholders (including their proxies) present at the meeting. Special resolutions of the General Meeting shall be adopted by more than two-thirds of the voting rights held by the shareholders (including proxies) present at the meeting.

The following matters shall be resolved by way of ordinary resolution of the General Meeting:

i. work reports of the Board of Directors;

ii. profit distribution proposals and proposals for making up losses formulated by the Board of Directors;

iii. appointment, dismissal and remuneration of the members of the Board and the method of payment of the remuneration;

iv. annual financial budgets and final accounting plans of the Company;

v. matters other than those required to be approved by special resolutions under the laws, administrative regulations, the Listing Rules, other regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The following matters shall be resolved by way of special resolution of the General Meeting:

i. increase or reduction of the Company's registered capital;

ii. separation, division, merger, dissolution and liquidation of the Company;

iii. revision of the Articles of Association and its attachments;

iv. purchase or disposal of major assets by the Company within a single year, or provision of guarantees, in an aggregate amount exceeding thirty percent of the latest audited total assets of the Company;

v. the equity incentive plan;

vi. consideration and approval of external guarantees as stipulated in Article 44(1)(iv) of the Articles of Association;

vii. other matters required to be resolved by way of a special resolution under the laws, administrative regulations, the Listing Rules, other regulatory rules of the place where the Company's shares are listed or the Articles of Association, and matters which, according to an ordinary resolution of the General Meeting, may have a significant impact on the Company and shall be resolved by way of a special resolution.

Changes in the rights attached to a class of shares shall be authorized by a special resolution of the shareholders holding the class of shares to which the rights in question are attached.

When the connected (related) transactions are considered at the General Meeting, the interested Shareholders shall not participate in voting, and the number of voting Shares represented by them shall not be counted into the total number of valid votes. The voting particulars of the uninterested Shareholders shall be disclosed in the resolutions of the General Meeting.

Except in special circumstances, such as when the Company is in crisis, the Company shall not, without the approval of General Meeting by a special resolution, make and enter into contracts with persons other than directors, General Manager and other senior management granting such persons the responsibility for managing all or material business of the Company.

10. DIRECTORS AND BOARD OF DIRECTORS

(1) Directors

Directors shall be natural persons. None of the following persons may serve as a director of the Company:

i. persons without capacity or with limited capacity for civil conduct;

ii. persons who were sentenced for crimes of corruption, bribery, encroachment or embezzlement of property or disruption of the social and economic order, where five years have not lapsed following the serving of the sentence, or persons who were deprived of their political rights for committing a crime, where five years have not lapsed following the serving of the sentence, or in case of a suspended sentence, two years have not elapsed since the date of expiration of the probationary period;

iii. persons who were former Directors, factory managers or Managers of a company or enterprise which was declared bankrupt and was liquidated and who were personally liable for the bankruptcy of such company or enterprise, where three years have not elapsed since the date of completion of the bankruptcy and liquidation of the Company or enterprise;

iv. persons who were legal representatives of a company or enterprise, which had its business license revoked due to a violation of the law and were ordered to close down, and who were personally liable for the revocation of business license of such company or enterprise, where three years have not elapsed since the date of the revocation of business license of such company or enterprise;

v. persons who have been listed by the people's court as defaulters because they have incurred debts of a large amount that have not been settled by the due date;

vi. persons who are imposed by the CSRC a ban from entering into the securities market for a period which has not yet expired;

vii. other contents prescribed by laws, administrative regulations, departmental rules, the Listing Rules and other regulatory rules of the place where the Company's shares are listed.

Elections or appointments of Directors in violation of the preceding paragraphs of this Article shall be invalid. In the event that the circumstances as stipulated in this Article arise during the term of office of any director, the Company shall dismiss the relevant person.

Directors shall comply with the provisions of laws, administrative regulations and the Articles of Association, shall have the obligation of loyalty to the Company, shall take measures to avoid conflicts between their own interests and the interests of the Company, and shall not make use of their powers to gain undue benefits.

The directors shall bear the following obligations of loyalty to the Company:

i. not to take advantage of his functions and powers to accept bribes or obtain other illegal income;

ii. not to encroach upon the Company's property or misappropriate the Company's funds;

iii. not to deposit the Company's funds into an account in his own name or any other individual's name;

iv. not to enter into contracts or transactions directly or indirectly with the Company without reporting to the Board or the General Meeting and obtaining the approval of the Board or the General Meeting through resolution in accordance with the provisions of the Articles of Association;

v. not to take advantage of his position to obtain business opportunities that should belong to the Company for himself or others, except in any of the following circumstances: It has been reported to the Board or the General Meeting and approved by a resolution of the Board or the General Meeting in accordance with the Articles of Association; According to laws, administrative regulations, the Listing Rules, other regulatory rules of the place where the Company's shares are listed or the Articles of Association, the Company cannot take advantage of the business opportunity;

vi. not to carry on business of the same kind as that of the Company, either on his own account or on behalf of others without reporting to the Board or the General Meeting and obtaining the approval of the General Meeting through resolution;

vii. not to accept and keep privately commissions on transactions with the Company;

viii. not to disclose the secrets of the Company without authorization;

ix. not to damage the interests of the Company by taking advantage of his/her affiliation; and

x. other obligations of fidelity as set out in the laws, administrative regulations, departmental rules, the Listing Rules, other regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The income derived by the Directors in violation of this Article shall be returned to the Company. Where losses are caused to the Company, they shall be liable for compensation.

The provisions of item (iv) of the preceding paragraph shall apply to the conclusion of contracts or transactions with the Company by close relatives of directors and senior management, enterprises directly or indirectly controlled by directors and senior management or their close relatives as well as related persons with whom directors and senior management have any other connected (related) relationship.

Directors shall comply with the provisions of laws, administrative regulations and the Articles of Association, and shall have a duty of diligence to the Company, and shall perform their duties with the reasonable care normally expected of a manager in the best interests of the Company.

The directors shall bear the following obligations of diligence to the Company:

i. to exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the requirements of PRC laws, administrative regulations and relevant PRC economic policies and are not beyond the business scope specified in the business license of the Company;

ii. to treat all shareholders impartially;

iii. to timely understand the business operations and management of the Company;

iv. to sign a written confirmation on the Company's periodic reports to ensure that the information disclosed by the Company is true, accurate and complete;

v. to provide the status reports and information to the Audit Committee honestly, and not to hinder the Audit Committee from exercising their powers;

vi. other obligations of diligence as set out in the laws, administrative regulations, departmental rules, the Listing Rules, other regulatory rules of the place where the Company's shares are listed and the Articles of Association.

(2) The Board

The Company shall have a Board of Directors, which is accountable to the General Meeting. The Board of Directors shall consist of 11 directors, including 4 independent non-executive directors who are elected by the General Meeting. The Board of Directors shall have one chairman, who shall be elected by more than half of all the Directors.

The Board shall exercise the following functions and powers:

i. to convene a General Meeting and report to the General Meeting on the work of the Board;

ii. to implement the resolutions of the General Meetings;

iii. to decide on the Company's business plans and investment plans;

iv. to formulate the profit distribution plan and loss recovery plan of the Company;

v. to prepare plans for increasing or reducing registered capital of the Company and issuing corporate bonds;

vi. to formulate plans for substantial acquisition, repurchase of shares of the Company, or merger, division, dissolution, liquidation and change of organizational form of the Company;

vii. to decide on the outbound investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, and related (connected) transactions of the Company within the authority granted by the General Meeting;

viii. to determine the setup of the Company's internal management structure;

ix. to appoint or dismiss the general manager, Secretary to the Board and other senior management of the Company, and decide on matters of remuneration, rewards and punishments; to appoint or dismiss senior management such as deputy manager and CFO according to the nomination of the manager, and decide on matters of remuneration, rewards and punishments;

x. to formulate the basic management system of the Company;

xi. to formulate proposals for the amendment to the Articles of Association and its attachments;

xii. to manage the information disclosure of the Company;

xiii. to request the General Meeting to engage or replace the accounting firm that provides audit for the Company;

xiv. to debrief the work report of the managers and inspect the work of the managers;

xv. to formulate and implement the equity incentive plan of the Company;

xvi. to prepare a proposal for the establishment of special committees of the Board of Directors and determine their composition;

xvii. to decide, within a period of three years, on the issuance of shares not exceeding fifty percent of the issued shares. Where the Board of Directors decides to issue new shares, it shall be approved by more than two-thirds of all the directors; if the registered capital of the Company or the number of issued shares changes as a result of such issuance, the amendment of the matters recorded in the Articles of Association shall not be subject to the vote of the General Meeting, except for the capital contribution by way of non-monetary property, which shall be subject to the resolution of the General Meeting;

xviii. other functions and powers granted by laws, administrative regulations, departmental rules, the Listing Rules and other regulatory rules of the place where the Company's shares are listed, the Articles of Association or the General Meeting.

The Board of Directors of the Company has set up an Audit Committee to exercise the powers and functions of the Supervisory Committee as stipulated in the Company Law. In addition to the Audit Committee, the Board of Directors has set up other special committees such as the Nomination Committee, the Remuneration and Appraisal Committee and the Strategy Committee.

Special committees of the Board of Directors are specialized working bodies of the Board of Directors. They shall be responsible to the Board of Directors, and their proposals shall be submitted to the Board of Directors for consideration and decision. All the members of the Special Committees shall be directors, and the specific composition and qualification requirements are governed by the Company Law and other laws, administrative regulations, departmental rules, the Listing Rules and other regulatory rules of the place where the Company's shares are listed. The Board of Directors shall be responsible for formulating the working rules of the special committees and regulating their operation.

Matters beyond the scope authorized by the General Meeting shall be submitted to the General Meeting for consideration.

11. GENERAL MANAGER AND OTHER SENIOR OFFICERS

The Company shall have a general manager, who shall be appointed and dismissed by the Board of Directors, and may have a number of deputy general managers as required.

The general manager, deputy general manager, chief financial officer and secretary of the board of directors of the Company are the senior management of the Company and are all appointed or dismissed by the Board of Directors.

The general manager shall be accountable to the Board and exercise the following powers and functions:

i. to preside over the production and operation management works of the Company, and organize the implementation of the resolution of the Board of Directors;

ii. to organize the implementation of the Company's annual business plans and investment plans;

iii. to draft the Company's plan for the setup of the internal management structure;

iv. to draft the Company's basic management system;

v. to formulate the detailed rules and regulations of the Company;

vi. to propose the appointment or dismissal of the deputy manager or chief financial officer;

vii. to decide to employ and dismiss the responsible management personnel other than those to be employed and dismissed by the Board of Directors;

viii. other functions and powers granted by the Board.

The general manager shall attend meetings of the Board.

Where a senior officer violates the laws, administrative regulations, departmental rules, the Listing Rules, other regulatory rules of the place where the Company's shares are listed or the Articles of Association when performing their duties, and causes losses to the Company, he shall be liable for compensation.

The senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. Where the senior management of the Company fails to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and shareholders, they shall be liable for compensation in accordance with the law.

12. FINANCIAL AND ACCOUNTING SYSTEMS, AND DISTRIBUTION OF PROFITS AND AUDIT

(1) Financial and accounting systems

The Company has formulated its financial and accounting systems in accordance with the laws, administrative regulations, departmental rules, the Listing Rules and other regulatory rules of the place where the Company's shares are listed, and the regulations of the relevant state departments.

The Company shall prepare the annual financial and accounting report at the end of each fiscal year, which shall be audited by a CPA firm according to law. The annual financial and accounting reports shall be prepared in accordance with the relevant laws, administrative regulations, departmental rules, and the regulatory rules of the place where the Company's shares are listed.

The Board shall submit to the shareholders at each AGM the financial reports that the Company is required to prepare according to the relevant laws, administrative regulations and regulatory documents promulgated by the local governments and the competent authorities.

The financial report mentioned in the preceding paragraph shall include the directors' report and the balance sheet (including all documents to be attached in accordance with the requirements of the PRC laws, other laws, and administrative regulations), the profit and loss statement (the profit statement) or the statement of income and expense (the cash flow statement) or (under the condition of no violation of the PRC laws) financial highlights approved by the Hong Kong Stock Exchange.

The financial reports of the Company shall be made available for inspection at the Company by shareholders 21 days prior to the Annual General Meeting. Each Shareholder shall be entitled to obtain a copy of the financial reports referred to in this Chapter.

Unless otherwise stipulated in the Articles of Association, the Company shall send the aforesaid report or the report of the Board together with the balance sheet (including the documents required by applicable laws to be appended to the balance sheet), statement of profit and loss, and statement of income and expenditure to each shareholder of overseas listed shares by postage prepaid mail at the recipient's address shown in the register of shareholders at least 21 days prior to the Annual General Meeting. However, for shareholders of overseas listed shares, service may be effected by means of publication on the Company's website, the website of the Hong Kong Stock Exchange and such other websites as may be prescribed from time to time by the rules of the securities regulatory authorities of the place where the Company's shares are listed under the conditions of meeting the requirements of laws and administrative regulations and the requirements of the securities regulatory authorities of the place where the Company's shares are listed.

The financial statements of the Company shall, in addition to being prepared in accordance with the PRC accounting standards and regulations, be prepared in accordance with international accounting standards or accounting standards of the overseas place where the Company's shares are listed. If there are any material differences between the financial statements prepared in accordance with the two accounting standards, such differences shall be stated in the notes to the financial statements. In distributing its after-tax profits of the relevant fiscal year, the lower of the after-tax profits as shown in the different sets of financial statements shall be adopted.

The interim results or financial information published or disclosed by the Company shall be prepared in accordance with Chinese accounting standards and regulations, and also in accordance with the international or overseas accounting standards of the place where the Company is listed.

The Company will not set up any other accounting books except for the statutory accounting books. The assets of the Company shall not be deposited into an account established in the name of any individual.

(2) Profit distribution

When the Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory surplus reserve. Where the accumulated amount of the statutory surplus reserve reaches 50% of the registered capital, the Company is released from the obligation of withholding the statutory surplus reserve.

Where the statutory surplus reserve of the Company is not sufficient to recover its losses in the previous years, the profits of the current year shall be used to make up the loss before the withdrawing of the statutory surplus reserve in accordance with the above provisions.

After the Company has withdrawn the statutory surplus reserve from the after-tax profit, it can also withdraw the discretionary surplus reserve from the after-tax profit pursuant to a resolution of the General Meeting.

The after-tax profits remaining after the Company has made up for its losses and withdrawn its surplus reserve shall be distributed in proportion to the shares held by the shareholders, unless provisions of this chapter do not provide for distribution in accordance with the proportion of shareholding.

Where the Company distributes profits to shareholders in violation of the provisions of the preceding paragraph, the shareholders shall return the profits distributed in violation of the provisions to the Company. Where any loss is caused to the Company, the shareholders and the responsible directors and senior management shall be liable for compensation.

No profits shall be distributed in respect of the Company's shares held by the Company.

The reserve fund of the Company shall be used to cover the Company's losses, expand its production and operation or to increase its registered capital. To make up for the Company's losses, the Company shall first use the discretionary surplus reserve and statutory surplus reserve; Where they are insufficient, the capital reserve can be used in accordance with the regulations. When the statutory surplus reserve is converted to capital, the remaining statutory surplus reserve shall be not less than 25% of the registered capital of the Company before the capital increase.

When a resolution is made by the General Meeting on the profit distribution scheme, or the Board of Directors has formulated a specific plan based on the conditions and upper limit of the next year's interim dividend approved at the Annual General Meeting, the Board shall complete the dividend (or share) distribution in 2 months after the General Meeting.

The Company's profit distribution policy is as follows: The profit distribution of the Company shall be made in a way that reflects the due attention to the return of investors and maintains the continuity and stability of the Company's profit distribution policy, while taking into account the long-term interests of the Company, the overall interests of all shareholders and the sustainable development of the Company, and shall be in compliance with the laws, administrative regulations, rules, normative documents, the Listing Rules and other regulatory rules of the place where the Company's shares are listed, as well as the relevant provisions of the Articles of Association.

(3) Internal audit

The Company shall implement the internal audit system and appoint full-time auditors to supervise its financial revenues and expenditures and economic activities through internal audit.

The Company's internal audit system and the duties of the auditors shall be implemented upon the approval of the Board. The chief auditor shall be accountable and report to the Board.

(4) Appointment of accounting firms

The Company shall employ accounting firms that comply with the provisions of the Securities Law, the Listing Rules and other relevant laws, administrative regulations, rules, normative documents, and the regulatory rules of the place where the Company's shares are listed to carry out audits of accounting statements, verification of net assets, and other related consulting services, for a period of one year, which may be renewed.

The employment and dismissal of an accounting firm by the Company shall be decided by the shareholders at the General Meeting and shall require the approval of a majority of the valid votes held by all shareholders. The Board of Directors shall not appoint a firm of accountants prior to the decision of the General Meeting, except as otherwise provided in the Articles of Association.

If the position of accounting firm becomes vacant, the Board may appoint an accounting firm to fill such vacancy before a General Meeting is held, provided that the accounting firm so appointed shall hold office only until confirmed by a resolution of the next Annual General Meeting, but shall be eligible for reelection for a second term. However, if there are other accounting firms holding the position as an accounting firm of the Company while such vacancy still exists, such accounting firms may continue to act.

The shareholders in the General Meeting may by ordinary resolution remove an accounting firm before the expiry of its term of office, notwithstanding the stipulations in the contract between the Company and the firm, but without prejudice to such accounting firm's right, if any, to claim damages from the Company in respect of such dismissal.

The compensation of the accounting firm is determined by the General Meeting, which requires the approval of a majority of the valid votes held by all shareholders.

When the Company dismisses or does not renew the employment of an accounting firm, it shall give a 30-day prior notice to the accounting firm, and the accounting firm shall have the right to state its opinions at the General Meeting where a voting process concerning the dismissal of such accounting firm is carried out. Where an accounting firm tenders its resignation, it shall inform the General Meeting of whether there is any irregularity in the Company.

Where relevant laws, administrative regulations, departmental rules, normative documents and regulatory rules of the place where the Company's shares are listed, such as the Listing Rules, provide otherwise in respect of matters relating to accounting firms, such provisions shall prevail.

13. NOTICE AND ANNOUNCEMENT

The notices of the Company may be sent out in the following manner:

i. delivered by hand;

ii. delivered by post;

iii. delivered by announcement;

iv. other means stipulated by the laws, administrative regulations, the Listing Rules and other regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where the Listing Rules and other regulatory rules of the place where the Company's shares are listed require the Company to send, mail, distribute, issue, publish or otherwise provide the relevant documents of the Company in English and Chinese, if the Company has made appropriate arrangements to determine whether its shareholders wish to receive only the English version or the Chinese version and, to the extent permitted by and in accordance with applicable laws and regulations (including the Listing Rules and other regulatory rules of the place where the Company's shares are listed), the Company may send only the English version or only the Chinese version to the relevant shareholders (at the shareholders' stated wish).

The Company uses the information disclosure media and websites designated by the CSRC and the regulatory rules of the place where the Company's shares are listed as the media for the publication of the Company's announcements and other information required to be disclosed.

14. MERGER, DIVISION, CAPITAL INCREASE AND REDUCTION, DISSOLUTION AND LIQUIDATION

(1) Merger, division, and capital increase and reduction

Merger of the Company may take two forms: merger by absorption and merger by new establishment. When a company has another company absorbed with it, it is merger by absorption, and the absorbed company shall be dissolved. When two or more companies merge to establish a new company, it is merger for new establishment, and all parties being merged shall be dissolved.

In the event of a merger between the Company and a company in which it holds ninety percent or more of the shares, the merger does not require a resolution by the General Meeting, but shall be resolved by the Board of Directors, and the other shareholders shall be notified, who shall have the right to request the Company to acquire their equity or shares at a reasonable price.

Where the price paid for a company merger does not exceed ten percent of the Company's net assets, it may not require a resolution by the General Meeting, but shall be resolved by the Board of Directors, unless otherwise stipulated in the Articles of Association.

In the event of a merger, the parties to the merger shall enter into a merger agreement, and prepare a balance sheet and an inventory of assets. The Company shall inform its creditors of the merger within 10 days and publish an announcement on newspapers or the national enterprise credit information publicity system within 30 days after the resolution approving the merger has been adopted. The creditors shall, within 30 days from the date of receiving a written notice or within 45 days from the date of the first announcement for those who have not received a written notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee.

After the merger, the rights and the obligations of the merging parties shall be assumed by the company in existence or the newly established company after the merger.

For the division of the Company, its assets shall be divided accordingly, and a balance sheet and an inventory of assets shall be prepared. The Company shall inform its creditors of the division within 10 days and publish an announcement on newspapers or the national enterprise credit information publicity system within 30 days after the resolution approving the division has been adopted.

Debts owed by the Company prior to the division shall be assumed by the companies in existence after the division jointly and severally, except as otherwise stated in the written agreement entered into between creditors and the Company for debt service prior to the division.

In case of reduction of registered capital, the Company shall prepare a balance sheet and an inventory of assets.

The Company shall inform its creditors of the reduction in registered capital within 10 days and make an announcement on newspapers or the national enterprise credit information publicity system within 30 days after the resolution of the General Meeting approving the reduction has been adopted. The creditors shall, within 30 days since the date of receiving a written notice or within 45 days since the date of the first public announcement for those who have not received a written notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee.

If the Company reduces its registered capital, it shall reduce its shares in proportion to the shares held by its shareholders, unless otherwise provided by law or if the General Meeting resolves to reduce the number of shares in accordance with other proportions.

Where the Company still has losses after making up for the losses in accordance with the provisions of the Articles of Association or the Company Law, it may reduce its registered capital to make up for the losses. Where the registered capital is reduced to make up for the losses, the Company shall not make any distribution to the shareholders, nor shall it be exempted from the obligation to pay the capital contribution or the share capital.

Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, an announcement shall be made on the newspapers or the national enterprise credit information publicity system within 30 days from the date of the resolution of the General Meeting to reduce the registered capital.

Where the Company reduces its registered capital in accordance with the provisions of the first two paragraphs of the Articles of Association, it may not distribute profits until the accumulated amount of the legal reserve and arbitrary reserve reaches fifty percent of its registered capital. Where the Company distributes profits to shareholders in violation of the relevant provisions, the shareholders shall return the profits distributed in violation of the provisions to the Company. Where any loss is caused to the Company, the shareholders and the responsible directors and senior management shall be liable for compensation.

Where the merger or division of the Company results in a change in its registered particulars, such change shall be registered with the company registration authority according to law. Where the Company is dissolved, it shall cancel its registration according to law. Where a new company is established, its establishment shall be registered according to law.

The increase or reduction of the Company's registered capital shall be registered with the company registration authority according to law.

(2) Dissolution and liquidation

The Company shall be dissolved if:

i. the business term specified in the Articles of Association expires or other dissolution reasons as stipulated in the Articles of Association arise;

ii. the General Meeting resolves to dissolve the Company;

iii. a dissolution is required due to a merger or division of the Company;

iv. the Company is revoked of business license, ordered to close or canceled according to law;

v. there is severe difficulty in the operation and management of the Company, and the continued existence of the Company will have material prejudice to the interests of the shareholders and there is no other way to resolve, shareholders who hold an aggregate of over ten percent of the whole voting rights can make a petition to the people's court to dissolve the Company.

If the Company has the reasons for dissolution specified in the above paragraph, it shall publicize the reasons for dissolution through the national enterprise credit information publicity system within 10 days.

Where the Company is in the situations of the above items (i) and (ii) and has not yet distributed its property to its shareholders, it may survive by amending the Articles of Association or by a resolution of the General Meeting.

Amendments to the Articles of Association or resolutions of General Meeting made in accordance with the provisions of the preceding paragraph shall be approved by more than 2/3 of the voting rights held by the shareholders attending the General Meeting.

Where the Company is dissolved under items (i), (ii), (iv) and (v) of the preceding paragraph, it shall be liquidated. The directors are the obligors of the Company's liquidation and shall establish a liquidation team to carry out the liquidation within 15 days from the date of the occurrence of the cause of dissolution. The liquidation team shall consist of the directors, unless the Articles of Association provide otherwise or the General Meeting resolves to elect others. Where the liquidation obligor fails to perform the liquidation obligation in time and causes losses to the Company or the creditors, it shall be liable for compensation.

The liquidation team shall exercise the following functions and powers during liquidation:

i. to thoroughly examine the assets of the Company and prepare a balance sheet and property list respectively;

ii. to notify creditors by a notice or an announcement;

iii. to handle the outstanding business of the Company in connection with liquidation;

iv. to repay all outstanding tax payment and the tax payment which arises in the course of the liquidation process;

v. to clear up claims and debts;

vi. to deal with the remaining assets after full payment of the Company's debts;

vii. to participate in civil litigation on behalf of the Company.

The liquidation team shall notify the creditors within 10 days since the date it is established, make the relevant announcements on the newspaper or the national enterprise credit information publicity system within 60 days. Creditors shall, within 30 days since the date of receiving the notice, or for creditors who do not receive the notice, within 45 days since the date of the announcement, report their claims to the liquidation team.

When reporting creditor's rights, the creditor shall provide an explanation of matters relevant to the creditor's rights and provide the supporting evidence. The liquidation team shall register the creditor's rights. During the period of declaration of claims, the liquidation team shall not repay any debts to the creditors.

If the liquidation team, having thoroughly examined the Company's property and prepared a balance sheet and schedule of assets, discovers that the Company's property is insufficient to pay its debts in full, it shall immediately apply to the people's court for bankruptcy liquidation.

After the people's court accepts the bankruptcy application, the liquidation team shall hand over the liquidation affairs to the bankruptcy administrator appointed by the people's court.

The liquidation team member shall perform the duties of liquidation and shall have obligations of loyalty and diligence. Where a member of the liquidation team causes losses to the Company due to his failure in performing the liquidation duties, he shall be liable for compensation; where losses are caused to the creditors due to intent or gross negligence, he shall be liable for compensation.

Where the Company is declared bankrupt according to law, the bankruptcy liquidation shall be implemented in accordance with the laws on enterprise bankruptcy.

15. AMENDMENT TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under any of the following circumstances:

i. after the amendment of the Company Law or relevant laws, administrative regulations, the Listing Rules or the regulatory rules of the place where the Company's shares are listed, the matters stipulated in the Articles of Association conflict with the provisions of the amended laws, administrative regulations, the Listing Rules or regulatory rules of the place where the Company's shares are listed;

ii. there has been a change to the Company, resulting in inconsistency with the content in the Articles of Association;

iii. the General Meeting resolves to amend the Articles of Association.

The amendment to the Articles of Association approved by way of resolution at the General Meeting shall be submitted to the relevant authorities for approval. Where the Company's registered items are involved, change registration shall be made according to law.

The Board shall amend the Articles of Association in accordance with the resolutions of the General Meeting and the approval opinions of relevant authorities.

Where the amendments to the Articles of Association constitute information required to be disclosed by laws and regulations, they shall be announced in accordance with the regulations.

1. FURTHER INFORMATION ABOUT OUR COMPANY

A. Incorporation

Our Company was incorporated as a limited liability company under the laws of the PRC in June 2012 and was converted into a joint stock company with limited liability in April 2023. Our registered address and principal place of business is at Building E, Digital Economy Industrial Park (Nanwan Zhigu), No. 1261, Jinhai Avenue, Yuhuan Economic Development Zone, Yuhuan Taizhou, Zhejiang Province, PRC.

We have established a place of business in Hong Kong at Room 1912, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong and was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on August 1, 2025. Ms. Shum Kit Han (岑潔嫻), our joint company secretary, is the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong under Part 16 of the Companies Ordinance. The address for service of process on our Company in Hong Kong is the same as its principal place of business in Hong Kong as set out above.

As our Company was established in the PRC, we are subject to the relevant laws and regulations of the PRC. An overview of the relevant aspects of laws and regulations of the PRC is set out in the section headed "Regulatory Overview" in this prospectus. A Summary of Articles of Association is set out in Appendix V to this prospectus.

B. Changes in the Share Capital of our Company

On March 28, 2025, 3,500,000 Unlisted Shares were issued to Yuhuan Investment, upon the completion of which, the share capital of our Company was further increased to RMB53,500,000 consisting of 53,500,000 issued Unlisted Shares with a nominal value of RMB1.00 each.

On May 28, 2025, in aggregate of 1,588,492 Unlisted Shares were issued to investors who subscribed our Shares in our series Pre-IPO investments, upon the completion of which, the share capital of our Company was further increased to RMB55,088,492 consisting of 55,088,492 issued Unlisted Shares with a nominal value of RMB1.00 each.

On June 20, 2025, our Shareholders resolved that each of our Share with nominal value of RMB1.00 will be subdivided into four Shares with nominal value of RMB0.25 each immediately prior to the Listing. Upon completion of such Share Subdivision, the registered capital of our Company, which is RMB55,088,492, will be divided into 220,353,968 Shares with nominal value of RMB0.25 per Share.

Immediately following the completion of the Global Offering and the Conversion of Unlisted Shares into H Shares, our registered share capital will be increased to RMB61,238,492, divided into 244,953,968 H Shares, fully paid up or credited as fully paid up.

Save as disclosed above, there has been no alteration in the share capital within two years immediately preceding the date of this prospectus.

C. Resolutions Passed by Our Shareholders' General Meeting in relation to the Global Offering

At the extraordinary general meeting of the Shareholders held on June 20, 2025, the following resolutions, among others, were duly passed:

(1) the issue by our Company of H Shares of nominal value of RMB0.25 each and such H Shares be listed on the Stock Exchange;

(2) the proposed number of H Shares to be offered under the Global Offering;

(3) subject to the completion of the Global Offering, the conditional adoption of the revised Articles of Association, which shall become effective on the Listing Date; and

(4) authorization of our Board and its authorized persons to handle all matters relating to, among other things, the Global Offering.

D. Changes in Share Capital of our Subsidiaries

The list of our subsidiaries is set out in Note 1 to the Accountants' Report, the text of which is set out in Appendix I to this Prospectus.

Save as disclosed herein, there has been no alteration in the share capital of any of our subsidiaries within the two years preceding the date of this prospectus.

1) Robotphoenix International Limited (翼菲科技國際有限公司)

On October 28, 2025, Robotphoenix International Limited was incorporated as a limited liability company under the laws of Hong Kong, with a registered share capital of USD10,000.

2) Zaozhuang Yikexin Robotic Technology Co., Ltd. (棗莊翼可新機器人有限公司)

On June 28, 2024, Zaozhuang Yikexin Robotic Technology Co., Ltd. was incorporated as a limited liability company under the laws of the PRC, with a registered share capital of RMB5.0 million.

3) Yancheng Yidengying Smart Technology Co., Ltd. (鹽城翼登瀛智能科技有限公司)

On June 6, 2025, Yancheng Yidengying Smart Technology Co., Ltd. was incorporated as a limited liability company under the laws of the PRC, with a registered share capital of RMB20.0 million.

4) Jinan Yiquan Smart Technology Co., Ltd. (濟南翼泉智能科技有限公司)

On June 10, 2025, Jinan Yiquan Smart Technology Co., Ltd. was incorporated as a limited liability company under the laws of the PRC, with a registered share capital of RMB1.0 million.

5) Shaoxing Yiyue Smart Technology Co., Ltd. (紹興翼越智能科技有限公司)

On June 23, 2025, Shaoxing Yiyue Smart Technology Co., Ltd. was incorporated as a limited liability company under the laws of the PRC, with a registered share capital of RMB20.0 million.

E. Restriction on Share Repurchases

For details of the restrictions on share repurchases by our Company, see the section headed "Appendix V — Summary of Articles of Association" in this prospectus.

2. FURTHER INFORMATION ABOUT OUR BUSINESS

A. Summary of Our Material Contract

We have entered into the following contract (not being contract entered into in the ordinary course of business) within the two years immediately preceding the date of this prospectus that is or may be material:

(1) the Hong Kong Underwriting Agreement

B. Our Intellectual Property Rights

As of the Latest Practicable Date, our Company had registered, or has applied for the registration of the following intellectual property rights which were material to our Group's business.

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we considered to be material to our business:

No.	Trademark	Class	Owner	Place of Registration	Date of Registration	Validity Period
1.	R	7	our Company	PRC	February 7, 2023	February 6, 2033
2.	ROBOT PHOENIX	7	our Company	PRC	September 21, 2017	September 20, 2027
3.	ROBOT PHOENIX	42	our Company	PRC	February 14, 2023	February 13, 2033
4.	ROBOT PHOENIX	9	our Company	PRC	April 7, 2023	April 6, 2033
5.	ROBOT PHOENIX	7	our Company	PRC	December 28, 2022	December 27, 2032
6.	ROBOT PHOENIX	42	our Company	PRC	February 14, 2023	February 13, 2033
7.	ROBOT PHOENIX	7, 9 and 42	our Company	PRC	May 21, 2023	May, 20, 2033
8.	clugbot	42	our Company	PRC	March 7, 2019	March 6, 2029
9.	clugbot	7	our Company	PRC	December 7, 2022	December 6, 2032
10.	ROBOT TRACE	7	our Company	PRC	December 7, 2022	December 6, 2032
11.	翼菲	7 and 42	our Company	PRC	February 14, 2023	February 13, 2033
12.	ROBOT PHOENIX	7 and 42	our Company	PRC	April 7, 2023	April 6, 2033
13.	ROBOT PHOENIX	7	our Company	PRC	March 14, 2021	March 13, 2031
14.	clugbot	42	our Company	PRC	March 14, 2021	March 13, 2031

No.	Trademark	Class	Owner	Place of Registration	Date of Registration	Validity Period
15.		7	Shanghai Resolve Robot Co., Ltd. (上海翼克機器人有限公司)	PRC	April 14, 2018	April 13, 2028
16.		16	our Company	Hong Kong	December 5, 2025	July 31, 2035

Patents

As of the Latest Practicable Date, we had registered the following patents which we considered to be material to our business:

No.	Owner	Description	Patent No.	Types of Patents	Application Date	Authorization Announcement Date
1.	our Company	Industrial robot teaching pendant (工業機器人示教器)	2020220419127	Utility model	September 17, 2020	May 18, 2021
2.	our Company	A robot pick-and-place flexible path algorithm (一種機器人取放柔性路徑演算法)	2019102319688	Innovation	March 25, 2019	July 2, 2021
3.	our Company	DELTA robot torque zero-point calibration method (DELTA機器人扭矩找零點方法)	2019101706541	Innovation	March 7, 2019	November 9, 2021
4.	our Company	Three-in-one croissant gripper device (三合一牛角包抓手裝置)	2019109386325	Innovation	September 30, 2019	May 17, 2022
5.	our Company	A latent AGV vehicle body (一種潛伏式AGV車體)	2022212093454	Utility model	May 19, 2022	August 23, 2022
6.	our Company	A donut robot gripper (一種甜甜圈機器人抓手)	2019101357165	Innovation	February 21, 2019	August 25, 2023
7.	our Company	A glass sorting and loading system (一種玻璃分揀裝載系統)	2021113038488	Innovation	July 28, 2021	September 26, 2023
8.	our Company	An automatic loading and unloading device for testing equipment (一種檢測機自動上下料裝置)	2018115805302	Innovation	December 27, 2018	May 24, 2024

No.	Owner	Description	Patent No.	Types of Patents	Application Date	Authorization Announcement Date
9.	our Company	3D vision-guided cargo box depalletizing and palletizing method, system and truss robot (3D視覺引導的貨箱拆垛、碼垛方法、系統及桁架機器人)	2022108892887	Innovation	July 26, 2022	October 1, 2024
10.	our Company	A pallet loading and unloading machine (一種託盤上下料機)	2020104111028	Innovation	May 15, 2020	January 21, 2025
11.	our Company	A loading machine for mobile phone glass PVD coating equipment (一種用於手機玻璃PVD鍍膜機的上料機)	2020104111174	Innovation	May 15, 2020	January 24, 2025
12.	our Company	A wafer handling robot (一種晶圓搬運機器人)	2024218239374	Utility model	July 30, 2024	May 6, 2025
13.	our Company	A PLC and HMI integration algorithm (一種PLC與HMI融合演算法)	2022104105647	Innovation	April 19, 2022	May 13, 2025
14.	our Company	A wafer transfer system (一種晶圓傳輸系統)	2024218239868	Utility model	July 30, 2024	May 9, 2025
15.	Hangzhou Robotphoenix Intelligent Manufacturing Co., Ltd. (杭州翼菲機器人智能製造有限公司) ("Hangzhou Robotphoenix")	An efficient express sorting system and its sorting method (一種快遞高效分揀系統及其分揀方法)	2019102403902	Innovation	March 27, 2019	November 13, 2020
16.	Hangzhou Robotphoenix	A moving platform with rotational ventilation function (一種帶旋轉通氣功能的動平台)	2022229099091	Utility model	November 2, 2022	June 6, 2023
17.	Hangzhou Robotphoenix	A test tooling for industrial robot electrical cabinet functions (一種用於工業機器人電箱功能的測試工裝)	202223026871X	Utility model	November 15, 2022	June 2, 2023

No.	Owner	Description	Patent No.	Types of Patents	Application Date	Authorization Announcement Date
18.	Hangzhou Robotphoenix	An integrated upper arm for parallel robots (一種並聯機器人一體式上臂)	2022230254651	Utility model	November 15, 2022	June 6, 2023
19.	Hangzhou Robotphoenix	A lifting and telescopic fork-type AGV (一種可升降伸縮貨叉式AGV)	2022233246750	Utility model	December 12, 2022	May 9, 2023
20.	Hangzhou Robotphoenix	Calibration method for mechanical parameters of 6-axis serial robot (六軸串聯機器人機械參數的標定方法)	2022105137486	Innovation	May 12, 2022	June 2, 2023
21.	Hangzhou Robotphoenix	A calibration method for mechanical parameters of SCARA robot (一種SCARA機器人機械參數的標定方法)	2022104504736	Innovation	April 24, 2022	July 28, 2023
22.	Hangzhou Robotphoenix	Zero-point calibration method for parallel robots (並聯機器人的零點標定方法)	2022104513627	Innovation	April 27, 2022	August 18, 2023
23.	Hangzhou Robotphoenix	A SCARA electric model (一種SCARA電動模型)	2022229107469	Utility model	November 2, 2022	July 25, 2023
24.	Hangzhou Robotphoenix	Industrial robot (Delta) (工業機器人(Delta))	202330617116X	Appearance design	August 15, 2023	July 5, 2024
25.	Hangzhou Robotphoenix	Universal controller housing (通用控制器外殼)	2023308313470	Appearance design	November 28, 2023	July 5, 2024
26.	Hangzhou Robotphoenix	Industrial robot (Scara) (工業機器人(Scara))	202330617243X	Appearance design	August 15, 2023	July 26, 2024
27.	Hangzhou Robotphoenix	A portable automated testing device for industrial robot control cabinets (一種用於工業機器人控制櫃的可攜式自動化檢測裝置)	202420280933X	Utility model	February 5, 2024	August 30, 2024
28.	Hangzhou Robotphoenix	A portable control device for dynamic assembly of industrial robot harmonic gear boxes (一種用於工業機器人諧波減速機動態裝配的可攜式控制裝置)	2024208634447	Utility model	April 24, 2024	November 22, 2024

No.	Owner	Description	Patent No.	Types of Patents	Application Date	Authorization Announcement Date
29.	Hangzhou Robotphoenix	A wrist of industrial robot (一種工業機器人的手腕)	2023234064805	Utility model	December 4, 2023	September 24, 2024
30.	Hangzhou Robotphoenix	A joint of industrial robot (一種工業機器人的關節)	2023234145520	Utility model	December 4, 2023	September 24, 2024
31.	Hangzhou Robotphoenix	A parallel robot mechanism, robot, and mechanical equipment (一種並聯機器人機構、機器人以及機械設備)	2024223218772	Utility model	September 23, 2024	August 12, 2025
32.	Our Company	An automatic packing device for vertically packing bagged products into cartons (一種袋裝產品豎向裝箱的自動裝箱設備)	2025112026528	Innovation	August 27, 2025	December 23, 2025

Domain Names

As of the Latest Practicable Date, we had registered the following domain names which we considered to be material to our business:

No.	Domain Name	Name of Registered Proprietor	Validity Period
1.	robotphoenix.com	our Company	February 27, 2011 to February 27, 2027

Software Copyrights

As of the Latest Practicable Date, we had registered the following software copyrights which we considered to be material to our business:

No.	Software Name	Version	Owner	Registration No.	Date of Registration
1.	Robotphoenix universal vision platform software (abbreviated as: VisionPower) (翼菲通用視覺平台軟件(簡稱：VisionPower))	V1.0	Our Company	2021SR0226934	February 8, 2021
2.	Robotphoenix universal robot control system software (翼菲通用機器人控制系統軟件)	V2.0	Our Company	2021SR0226935	February 8, 2021

No.	Software Name	Version	Owner	Registration No.	Date of Registration
3.	Robotphoenix robot trajectory creation process package software (abbreviated as: YiPath) (翼菲機器人軌跡製作工藝包軟件(簡稱：YiPath))	V1.0	Our Company	2021SR0369268	March 10, 2021
4.	YiWMS warehouse management system (abbreviated as: YiWMS) (YiWMS倉庫管理系統(簡稱：YiWMS))	V1.0	Our Company	2022SR0354838	March 16, 2022
5.	YiWCS warehouse control system (abbreviated as: YiWCS) (YiWCS倉儲控制系統(簡稱：YiWCS))	V1.0	Our Company	2022SR0354888	March 16, 2022
6.	Intelligent dispatching system for conveying equipment (輸送設備智能調度系統)	V1.0	Our Company	2022SR035489	March 16, 2022
7.	Universal motion controller system based on CodeSys platform (基於CodeSys平台的通用運動控制器系統)	V1.0	Our Company	2022SR1097372	August 11, 2022
8.	Robot (YiKingStudio) application development platform (機器人(YiKingStudio)應用開發平台)	V2.0	Shenzhen Yikunpeng Robotics Co., Ltd. (深圳翼坤鵬機器人有限公司)	2024SR0578272	April 28, 2024
9.	Lobster wafer instruction control system (Lobster晶圓指令控制系統)	N/A	Hangzhou Robotphoenix	2023SR1328241	October 30, 2023
10.	Enterprise production management cloud platform (企業生產管理雲平台)	N/A	Hangzhou Robotphoenix	2024SR0223093	February 2, 2024
11.	3D Line-Scan High-Precision Vision Software for Dynamic Grasping and Array Tray Sorting (基於3D線掃高精度兼容動態抓取陣列理盤視覺軟件)	V1.0	Hangzhou Robotphoenix	2025SR1927414	October 9, 2025
12.	Wingfi Standard Wafer Robot Control System (翼菲標準晶圓機器人控制系統)	V1.0	Hangzhou Robotphoenix	2025SR1927393	October 9, 2025

3. FURTHER INFORMATION ABOUT OUR DIRECTORS

A. Particulars of Directors' Contracts

Each of our Directors has entered into a service contract with our Company. Each service contract is for an initial term of three years. The service contracts may be renewed in accordance with the Articles and the applicable laws, rules and regulations.

Save as disclosed herein, none of the Directors has or is proposed to enter into a service contract with any member of our Group, other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation).

B. Remuneration of Directors

See "Directors and Senior Management" and Note 8 to the Accountants' Report in Appendix I to this prospectus for the remuneration or benefits in kind paid to our Directors for each of the three years ended December 31, 2025.

During the Track Record Period, no fees were paid by our Group to any of the Directors or the five highest paid individuals as an inducement to join us or as compensation for loss of office.

4. DISCLOSURE OF INTERESTS

A. Disclosure of Interests of Directors

Save as disclosed herein, immediately following the completion of the Share Subdivision, the Global Offering and the Conversion of Unlisted Shares into H Shares, none of our Directors has any interest and/or short position in the Shares, underlying Shares and debentures of our Company or our associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short position which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules to be notified to our Company, once the H Shares are listed on the Stock Exchange.

			As of the Latest Practicable Date		Immediately following the completion of the Share Subdivision, the Global Offering and the Conversion of Unlisted Shares into H Shares	
Name of Director	Our Company/ associated corporation	Capacity/ nature of interest	Number of Unlisted Shares	Approximate percentage of shareholding in the total issued share capital of our Company	Number of Shares	Approximate percentage of shareholding in the total issued share capital of our Company
Dr. Zhang[(1)]	Our Company	Beneficial owner, interest in controlled corporation	13,810,158	25.07%	55,240,632	22.55%
Mr. Zhang Zichao (張子超).	Our Company	Interest in controlled corporation	4,827,594	8.76%	19,310,376	7.88%

(1) As of the Latest Practicable Date, Dr. Zhang acted as the general partner of Shaoxing Ziqiu LP, Shaoxing Zhiqiu LP and Shaoxing Yuzhang LP. Under the SFO, Dr. Zhang is deemed to be interested in the entire Shares held by Shaoxing Ziqiu LP, Shaoxing Zhiqiu LP and Shaoxing Yuzhang LP.

(2) As of the Latest Practicable Date, Mr. Zhang Zichao owned as to 42.26% partnership interest in Shaoxing Ziqiu LP as a limited partner. Under the SFO, Mr. Zhang Zichao is deemed to be interested in the entire Shares held by Shaoxing Ziqiu LP.

Up to the Latest Practicable Date, none of the Directors or their respective spouses and children under 18 years of age had been granted by our Company or had exercised any rights to subscribe for shares or debentures of our Company or any of its associated corporations.

B. Substantial Shareholders

Save as disclosed in the section headed "Substantial Shareholders" in this prospectus, our Directors or chief executive are not aware of any other person, not being a Director or chief executive of our Company, who has an interest or short position in the Shares and underlying Shares of our Company, which following the completion of the Global Offering and the Conversion of Unlisted Shares into H Shares, would fall to be disclosed to our Company under the provisions of Divisions 2 an 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting Shares of our Company or any member of our Group.

C. Disclaimers

(1) None of our Directors has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this prospectus been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(2) None of our Directors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole; and

(3) So far as is known to our Directors, none of our Directors, their respective close associates (as defined under the Listing Rules) or Shareholders of our Company who are interested in more than 5% of the issued share capital of our Company has any interests in the five largest customers or the five largest suppliers of our Group.

5. OTHER INFORMATION

A. Estate Duty

Our Directors have been advised that no material liability for estate duty under the PRC laws is likely to fall on our Company or its subsidiaries.

B. Litigation

As of the Latest Practicable Date, no member of our Group was engaged in any outstanding material litigation or arbitration which may have material and adverse effect on the Global Offering and, so far as our Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group.

C. Sole Sponsor

The Sole Sponsor has made an application on our behalf to the Listing Committee for the listing of, and permission to deal in, our H Shares. The Sole Sponsor satisfies the independence criteria applicable to a sponsor as set out in Rule 3A.07 of the Listing Rules.

The Sole Sponsor will be paid by our Company a total fee of US$480,000 to act as the sponsor in connection with the Listing.

D. Compliance Advisor

Our Company has appointed Sinolink Securities (Hong Kong) Company Limited as the compliance advisor upon the Listing in compliance with Rule 3A.19 of the Listing Rules.

E. Preliminary Expenses

We have not incurred any material preliminary expenses.

F. Promoters

See "History and Corporate Structure — Our Company — Our Company's Early Development" for details of our promoters.

Within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor is any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

G. Qualification of Experts

The qualifications of the experts, as defined under the Listing Rules, who have given opinions in this prospectus, are as follows:

Name	Qualification
ABCI Capital Limited	Licensed corporation to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Ernst & Young	Certified public accountants and public interest entity auditors
Grandway Law Offices	PRC Legal Advisor
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant
King & Wood	Legal advisor as to international sanctions laws

H. Consents of Experts

Each of the experts named in "5. Other Information — G. Qualification of Experts" above has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or opinion and/or the references to its name included herein in the form and context in which it is respectively included.

As of the Latest Practicable Date, none of the experts named above had any shareholding interests in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe.

I. Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer is effected on the H Share register of members of our Company, including in circumstances where such transaction is effect on the Stock Exchange. For further information in relation to taxation, see "Appendix III — Taxation and Foreign Exchange".

J. No Material and Adverse Change

Our Directors confirm that there has been no material and adverse change in the financial or trading position of our Group since December 31, 2025.

K. Binding Effect

This prospectus shall have the effect, if an application is made in pursuant hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Hong Kong Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

L. Related Party Transactions

Our Group entered into certain related party transactions within the two years immediately preceding the date of this prospectus as mentioned in Note 36 to the Accountants' Report in Appendix I to this prospectus.

M. Restriction on Share Repurchases

See Appendix III to this prospectus for details.

N. Miscellaneous

(1) Within the two years immediately preceding the date of this prospectus:

(i) save as disclosed in the section headed "History and Corporate Structure — Pre-IPO Investments — Principal Terms of the Pre-IPO Investments", no share or loan capital of our Group has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;

(ii) no share or loan capital of our Group is under option or is agreed conditionally or unconditionally to be put under option;

(iii) save as disclosed in the section headed "Underwriting — Underwriting Commissions and Listing Expenses", no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share of our Group; and

(iv) save as disclosed in the section headed "Underwriting — Underwriting Commissions and Listing Expenses", no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription for any share in or debentures of our Company.

(2) There are no founder, management or deferred shares or any debentures in our Group.

(3) There has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus.

(4) Our Company has no outstanding convertible debt securities or debentures.

(5) There is no arrangement under which future dividends are waived or agreed to be waived.

(6) None of our equity and debt securities is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought.

(7) All necessary arrangements have been made to enable the H shares to be admitted into CCASS for clearing and settlement.

(8) No company within our Group is presently listed on any stock exchange or traded on any trading system.

O. Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

1. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

(1) copies of the material contract referred to in "2. Further Information about Our Business — A. Summary of Our Material Contract" in Appendix VI; and

(2) the written consents referred to in "5. Other information — H. Consents of Experts" in Appendix VI.

2. DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of our Company at **www.robotphoenix.com** and on the website of the Stock Exchange at **www.hkexnews.hk** up to and including the date which is 14 days from the date of this prospectus:

(1) the Articles of Association in Chinese;

(2) the Accountants' Report from Ernst & Young, the text of which is set out in Appendix I;

(3) the audited consolidated financial statements of our Group for the three years ended December 31, 2025;

(4) the report from Ernst & Young relating to the unaudited pro forma financial information, the text of which is set out in Appendix II;

(5) the material contract referred to in "2. Further Information about Our Business — A. Summary of Our Material Contract" in Appendix VI;

(6) the written consents referred to in "5. Other information — H. Consents of Experts" in Appendix VI;

(7) the contracts referred to in "3. Further Information about Our Directors — A. Particulars of Directors' Contracts" in Appendix VI;

(8) the legal opinions issued by Grandway Law Offices, our PRC Legal Advisor, in respect of certain general corporate matters and our Group's business operations in the PRC;

(9) the legal memorandum issued by King & Wood, our legal advisor as to international sanctions laws;

(10) the PRC Company Law and the Trial Administrative Measures together with their unofficial English translations; and

(11) the industry report issued by Frost & Sullivan (Beijing) Inc., Shanghai Branch Co..

ROBOT PHOENIX

翼 菲 科 技

ROBOTPHOENIX INTELLIGENT TECHNOLOGY CO., LTD.

浙江翼菲智能科技股份有限公司