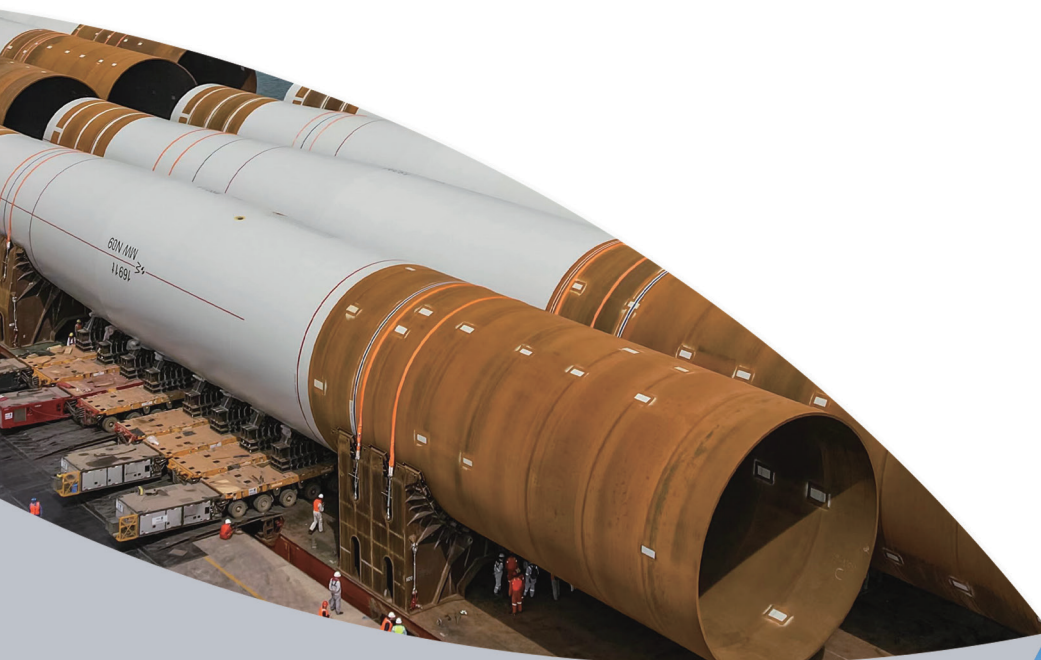


GLOBAL OFFERING

大金重工股份有限公司 Dajin Heavy Industry Co., Ltd.

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

Stock Code : 1081



Joint Sponsors, Overall Coordinators, Joint Global Coordinators,
Joint Bookrunners and Joint Lead Managers



CMS  **招商證券國際**

Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

CICC 中金公司

 **平安证券(香港)**
PING AN SECURITIES (HONG KONG)

Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager

 **建银国际**
CIB International



IMPORTANT

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



Dajin Heavy Industry Co., Ltd. 大金重工股份有限公司

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

GLOBAL OFFERING

Number of Offer Shares in the Global Offering : 86,965,800 H Shares (subject to the Offer Size Adjustment Option and the Over-allotment Option)
Number of Hong Kong Offer Shares : 8,696,600 H Shares (subject to reallocation)
Number of International Offer Shares : 78,269,200 H Shares (subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option)
Maximum Offer Price : HK\$66.40 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565% (payable in full on application in Hong Kong dollars and subject to refund)
Nominal Value : RMB1.00 per H Share
Stock Code : 1081

*Joint Sponsors, Overall Coordinators, Joint Global Coordinators,
Joint Bookrunners and Joint Lead Managers*



华泰国际
HUATAI INTERNATIONAL



招商證券國際

*Overall Coordinators, Joint Global Coordinators,
Joint Bookrunners and Joint Lead Managers*



CICC 中金公司



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

Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager



建银国际
CDB International

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 "Appendix VII — Documents Delivered to the Registrar of Companies and Available on Display" 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 as to the contents of this prospectus or any other document referred to above.

The Offer Price is expected to be fixed by agreement between the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and us on the Price Determination Date. The Price Determination Date is expected to be on or about Wednesday, June 3, 2026 and, in any event, not later than 12:00 noon on Wednesday, June 3, 2026. The Offer Price will be no more than HK\$66.40 per Offer Share. If, for any reason, the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and us are unable to reach an agreement on the Offer Price, the Global Offering will not proceed and will lapse.

The Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate and with our consent, reduce the number of Hong Kong Offer Shares that stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, notices of the reduction in the number of Hong Kong Offer Shares will be published on the websites of the Stock Exchange at www.hkexnews.hk and our Company at www.dajin.cn 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. For more details, see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares."

Prior to making an investment decision, prospective investors should carefully consider all of the information set out in this prospectus, including but not limited to the risk factors set out in "Risk Factors."

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement to subscribe for, and to procure applicants for the subscription for, the Hong Kong Offer Shares, are subject to termination by the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. Such grounds are set out in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination."

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred within the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

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 websites of the Stock Exchange (www.hkexnews.hk) and our Company (www.dajin.cn). If you require a printed copy of this prospectus, you may download and print from the website addresses above.

May 28, 2026

IMPORTANT

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

To apply for the Hong Kong Offer Shares, you may:

- (a) apply online through the **HK eIPO White Form** service through the designated website at www.hkeipo.hk;
- (b) apply electronically through the **HKSCC EIPO** channel and cause HKSCC Nominees to apply on your behalf by instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** via HKSCC’s system to apply for the Hong Kong Offer Shares on your behalf.

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 (Chapter 32 of the laws of Hong Kong).

*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.

IMPORTANT

Your application through the **HK eIPO White Form** service or by giving **electronic application instructions** to HKSCC must be for a minimum of 100 Hong Kong Offer Shares and in one of the numbers set out in the table.

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 maximum 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	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment
	HK\$		HK\$		HK\$		HK\$
100	6,706.97	2,500	167,674.11	30,000	2,012,089.32	600,000	40,241,786.40
200	13,413.93	3,000	201,208.93	40,000	2,682,785.75	700,000	46,948,750.80
300	20,120.90	3,500	234,743.75	50,000	3,353,482.20	800,000	53,655,715.20
400	26,827.86	4,000	268,278.58	60,000	4,024,178.65	900,000	60,362,679.60
500	33,534.83	4,500	301,813.40	70,000	4,694,875.08	1,000,000	67,069,644.00
600	40,241.79	5,000	335,348.22	80,000	5,365,571.52	2,000,000	134,139,288.00
700	46,948.75	6,000	402,417.87	90,000	6,036,267.95	3,000,000	201,208,932.00
800	53,655.71	7,000	469,487.51	100,000	6,706,964.40	4,348,300 ⁽¹⁾	291,638,933.00
900	60,362.68	8,000	536,557.15	200,000	13,413,928.80		
1,000	67,069.64	9,000	603,626.80	300,000	20,120,893.20		
1,500	100,604.47	10,000	670,696.45	400,000	26,827,857.60		
2,000	134,139.29	20,000	1,341,392.88	500,000	33,534,822.00		

- (1) Maximum number of Hong Kong Offer Shares you may apply for and this is 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.

No application for any other number of Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

EXPECTED TIMETABLE

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

Time and date⁽¹⁾

Hong Kong Public Offering commences 9:00 a.m. on
Thursday, May 28, 2026

Latest time to complete electronic applications under
HK eIPO White Form service through the
designated website at www.hkeipo.hk⁽²⁾ 11:30 a.m. on
Tuesday, June 2, 2026

Application lists open⁽³⁾ 11:45 a.m. on
Tuesday, June 2, 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
Tuesday, June 2, 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⁽³⁾ 12:00 noon on
Tuesday, June 2, 2026

Expected Price Determination Date⁽⁵⁾ at or before 12:00 noon on
Wednesday, June 3, 2026

Announcement of:

- the Offer Price;
- 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

EXPECTED TIMETABLE

to be published and on the websites of the Stock Exchange at

www.hkexnews.hk and our Company at

www.dajin.cn at or before⁽⁶⁾⁽⁷⁾ 11:00 p.m. on
Thursday, June 4, 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.dajin.cn respectively⁽⁷⁾ no later than 11:00 p.m. on
Thursday, June 4, 2026
- from "Allotment Results" page on the designated
results of allocations website at
www.hkeipo.hk/IPOResult (alternatively:
www.tricor.com.hk/ipo/result) with a
"search by ID" function⁽⁷⁾ from 11:00 p.m.
on Thursday, June 4, 2026 to
12:00 midnight on Wednesday, June 10, 2026
- from the allocation results telephone enquiry
line by calling +852 3691 8488 between
9:00 a.m. and 6:00 p.m. from Friday, June 5,
2026 to Wednesday, June 10, 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
Wednesday, June 3, 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⁽⁸⁾⁽⁹⁾

Thursday,
June 4, 2026

EXPECTED TIMETABLE

Dispatch of **HK eIPO White Form** e-Auto Refund

payment instructions/refund cheques

(if applicable) on or before⁽¹⁰⁾⁽¹¹⁾ Friday,
June 5, 2026

Dealings in H Shares on the Main Board of

the Stock Exchange to commence at 9:00 a.m. on Friday,
June 5, 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 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.dajin.cn 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 Tuesday, June 2, 2026, the application lists will not open or close on that day. See “How to Apply for Hong Kong Offer Shares — E. Severe 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 — A. Application for Hong Kong Offer Shares — 2. Application Channels.”
- (5) The Price Determination Date is expected to be on or around Wednesday, June 3, 2026. If, for any reason, the Offer Price is not agreed between the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company by 12:00 noon on Wednesday, June 3, 2026, the Global Offering will not proceed and will lapse.
- (6) The announcement will be available for viewing on the Stock Exchange’s website www.hkexnews.hk and our Company’s website at www.dajin.cn.
- (7) None of the websites or any of the information contained on the websites forms part of this prospectus.
- (8) The H Share certificates are expected to be issued on Thursday, June 4, 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 Friday, June 5, 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.
- (9) 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.

EXPECTED TIMETABLE

- (10) 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.
- (11) **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 maximum price per Offer Share payable on application.

The above expected timetable is a summary only. Potential investors should read carefully “Underwriting,” “Structure 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.

CONTENTS

IMPORTANT NOTICE TO INVESTORS

This prospectus is issued by us 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 offered by this prospectus pursuant to the Hong Kong Public Offering. This prospectus may not be used for the purpose of, and does not constitute, an offer or a solicitation of an offer to subscribe for or buy, any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Hong Kong Offer Shares or the distribution in any jurisdiction other than Hong Kong. The distribution of this prospectus and the offering and sale of the Hong Kong 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 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. 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 Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners and the Joint Lead Managers, any of the Underwriters, any of our or their respective directors, officers or representatives, or any other person or party involved in the Global Offering.

EXPECTED TIMETABLE	iv
CONTENTS	viii
SUMMARY	1
DEFINITIONS	11
GLOSSARY OF TECHNICAL TERMS	22
FORWARD-LOOKING STATEMENTS	27
RISK FACTORS	29
WAIVERS	52
INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING	59
DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING	63
CORPORATE INFORMATION	68

CONTENTS

INDUSTRY OVERVIEW	70
REGULATORY OVERVIEW	88
HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE	97
BUSINESS	105
RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS	184
SHARE CAPITAL	188
SUBSTANTIAL SHAREHOLDERS	191
CORNERSTONE INVESTORS	192
DIRECTORS AND SENIOR MANAGEMENT	201
FINANCIAL INFORMATION	214
FUTURE PLANS AND USE OF PROCEEDS	256
UNDERWRITING	263
STRUCTURE OF THE GLOBAL OFFERING	274
HOW TO APPLY FOR HONG KONG OFFER SHARES	284
APPENDIX I – ACCOUNTANTS’ REPORT	I-1
APPENDIX IA – UNAUDITED INTERIM FINANCIAL INFORMATION	IA-1
APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION	II-1
APPENDIX III – TAXATION AND FOREIGN EXCHANGE	III-1
APPENDIX IV – SUMMARY OF PRINCIPAL LAWS AND REGULATIONS	IV-1
APPENDIX V – SUMMARY OF ARTICLES OF ASSOCIATION	V-1
APPENDIX VI – STATUTORY AND GENERAL INFORMATION	VI-1
APPENDIX VII – DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE ON DISPLAY	VII-1

SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read the entire document carefully before you decide to invest in the Offer Shares.

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.” You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

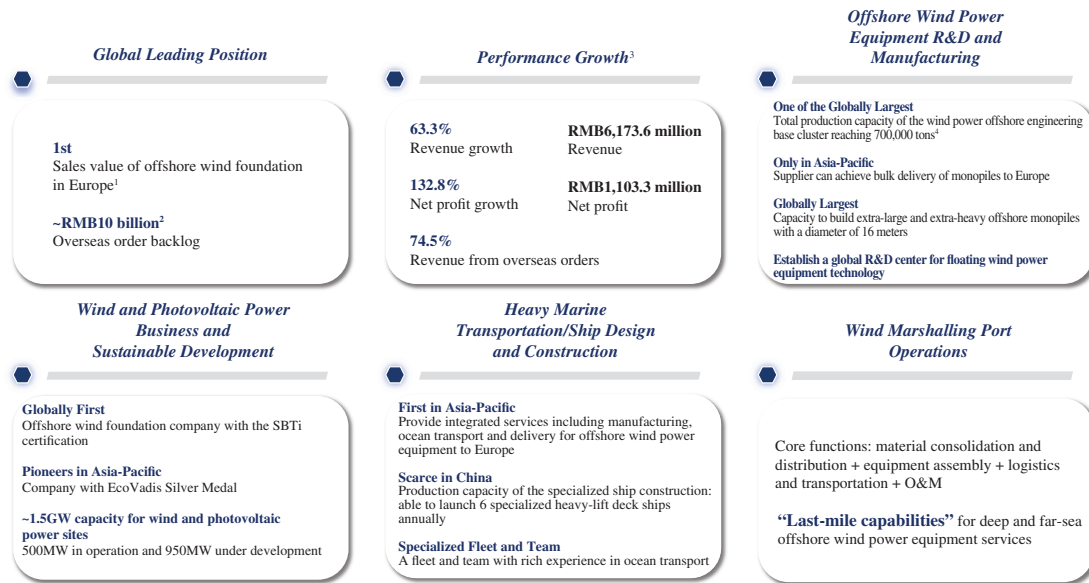
We are a globally leading provider of core offshore wind power equipment, deeply rooted in the wind power industry with nearly two decades of dedicated experience. We offer integrated solutions across production, transportation, and delivery of wind foundation to major offshore wind developers worldwide. With a strategically forward-looking approach to penetrate into the global deep-sea wind power sector, we focus on mainstream offshore wind markets characterized by high technical standards, rigorous quality requirements, and promising commercial potential. Our core operations span offshore wind power equipment R&D and manufacturing, heavy marine transportation, ship design and construction, wind and photovoltaic power generation, and wind marshalling port operations. We are dedicated to implementing an effective transformation from a product supplier to an integrated solution provider, delivering the “Dajin Solution” in support of the global transition to wind and photovoltaic power. During the Track Record Period, we primarily generated our revenue from manufacturing and sales of wind power equipment and wind and photovoltaic power generation and generated limited revenue from wind marshalling port operations, while we did not generate revenue from ship design and construction. During the same period, revenue generated from product delivery was classified as a part of revenue from manufacturing and sales of wind power equipment and we did not generate revenue under heavy marine transportation business.

According to Frost & Sullivan, we are the largest offshore wind foundation provider in Europe in terms of sales value of monopiles in the first half of 2025, with our market share increasing from 18.5% in 2024 to 29.1% in the first half of 2025. In addition, based on the review of publicly disclosed filings of certain competitors which are comparable to us in terms of products delivered, as of June 30, 2025, we are the only supplier in the Asia-Pacific region to achieve bulk delivery of monopiles to Europe. According to the same source, we ranked fifth among wind tower providers in the PRC in terms of sales value in the first half of 2025, with a market share of 2.4%, and ranked third with a market share of 4.4% in 2024.

We were listed on the Shenzhen Stock Exchange in 2010, becoming the first company principally engaged in the wind tower and foundation business with its shares listed on China’s A-share market and one of the pioneers participating in and witnessing the remarkable growth of the wind power sector in China. Since our listing on the A-share market, we have strategically pioneered our “overseas and offshore wind business strategy” (“兩海戰略”), have consistently maintained disciplined strategic focus and execution over the past decades, and have adhered to a core operational philosophy centered on risk mitigation, value-focused growth, and high-quality development. Our offshore wind power equipment export business expanded rapidly, resulting in a leading market share.

SUMMARY

The chart below highlights a selection of our core achievements:



Notes:

1. According to Frost & Sullivan, we are the largest offshore wind foundation provider in Europe in terms of sales value of monopiles in the first half of 2025.
2. Representing our order backlog for overseas orders of wind power equipment as of December 31, 2025.
3. Representing revenue, net profit and percentage of revenue from overseas business in 2025, and the growth of revenue and net profit compared to the same period in 2024.
4. Consisting of annual production capacity of 300,000 tons at the Shandong Penglai Offshore Facility and annual production capacity of 400,000 tons at the Hebei Tangshan Caofeidian Deep and Far-sea Offshore Facility.

Our Products and Solutions

To meet the diverse and integrated needs of our customers, we have expanded our products and services from offshore wind power equipment R&D and manufacturing to gradually include heavy marine transportation, ship design and construction, wind marshalling port operations, and actively deploy wind and photovoltaic power generation, gradually evolving from a product supplier to an integrated solution provider.

R&D and Manufacturing of Wind Power Equipment

During the Track Record Period, we primarily focused on the R&D, manufacturing and sales of offshore and onshore wind power equipment, including monopiles, transition pieces, and towers, which serve as core components of wind turbine systems. We are now actively expanding our business in jacket foundations and floating foundations, with established production lines and manufacturing capabilities.

Heavy Marine Transportation

We provide integrated solutions covering production, transportation, and final delivery of our products. We have demonstrated an extensive global logistics network, strong project management, and well-established risk control capabilities, demonstrated by exporting offshore wind power equipment under the DAP model. The DAP model simplifies customer supply chain management, strengthens customer retention, and enhances the added value of our products. During the Track Record Period, our deliveries of wind foundation structures to overseas markets were primarily conducted under the DAP model in terms of contract value. For details of DAP and FOB models, see "Business — Our Products and Solutions — Heavy Marine Transportation." Leveraging the delivery of our products, we have gradually developed a one-stop heavy marine engineering logistics solution with expertise spanning ship R&D, transport planning, marine engineering design, and port handling. During the Track Record Period, revenue generated from product delivery was classified as a part of revenue from manufacturing and sales of wind power equipment. We have not generated revenue from

SUMMARY

external shipping services. Leveraging our accumulated key competencies and differentiated competitive advantages in specialized marine transportation, we will actively expand into market-oriented specialized shipping services and continuously explore high-value-added business opportunities.

Ship Design and Construction

As an extension of our offshore wind power equipment manufacturing business, we have independently designed suitable ships for the transportation of offshore wind power equipment, leveraging our proven expertise regarding the “extra-large, extra-heavy, and ultra-wide” nature of offshore wind power equipment, and addressing the growing industry demand for specialized transport solutions. As of the Latest Practicable Date, we had built one self-designed extra-large heavy deck ship, with four additional ships under construction. Our first in-house developed, specialized heavy-lift transport ship commenced commercial operation in February 2026. Our ships will support both our own operations and external commercial projects, utilizing either our proprietary in-house ship designs or customer-provided designs. During the Track Record Period, we did not generate revenue from ship design and construction business.

Wind and Photovoltaic Power Generation

Since 2020, we have strategically diversified along the value chain and expanded downstream into wind and photovoltaic power generation business. We have constructed and operated wind and photovoltaic power projects totaling 500MW of installed capacity, all of which is grid-connected. Since commencing operations in 2023, these facilities have supplied approximately 1.9 billion kWh of electricity to the grid and reduced carbon dioxide emissions by an estimated 1,032,200 tons. In addition, we are currently developing additional wind power sites with an expected capacity of 950MW in aggregate.

Wind Marshalling Port Operations

To enhance our local operational capabilities in key overseas markets, we have leveraged our extensive experience in port operations to establish a presence in wind marshalling port operation business, integrating material consolidation and distribution, equipment assembly, logistics and transportation, and operations and maintenance services.

OUR STRENGTHS

We believe the following strengths position us well to capitalize on future opportunities and deliver continued growth: (i) evolving from a globally well-known supplier of offshore wind power equipment to an integrated solution provider with first-mover advantages under a strategic vision; (ii) capacity barriers supported by one of the world’s largest offshore foundation manufacturing cluster and leading export infrastructure; (iii) forging a unique competitive advantage through a dual-engine growth model of specialized transport and shipbuilding; (iv) industry-leading quality control and R&D capabilities ensuring high-standard delivery for export projects; (v) comprehensive ESG development system driving the transition to wind and photovoltaic power; and (vi) visionary management team and internationally competitive talent structure.

OUR GROWTH STRATEGY

We will drive development across all business segments by emphasizing our core strategic focus, enhancing three key capabilities and constructing three future business pillars. Our core strategic focus is on mainstream offshore wind markets characterized by high technical standards, rigorous quality requirements, and promising commercial potential. We will continuously strengthen three key capabilities covering design of technological innovation, global operations, and sustainable development. Furthermore, three pillars including floating wind foundation design and manufacturing, integrated marine logistics services, and local ecosystem and port services, will form our main future growth curves.

SUMMARY

CUSTOMERS AND SUPPLIERS

Our customers primarily consist of leading offshore wind power developers and wind turbine manufacturers across various regions globally, particularly in Europe, many of which maintain stringent supplier qualification standards. In 2023, 2024 and 2025, the aggregate revenue generated from our five largest customers in each year during the Track Record Period amounted to RMB2,285.0 million, RMB2,100.0 million and RMB4,886.5 million, representing approximately 52.8%, 55.6% and 79.2% of our total revenue for the corresponding year, respectively. Our suppliers primarily comprise raw material suppliers, mainly for steel plates, flanges, paints and tower internal fittings, and transportation service providers. In 2023, 2024 and 2025, the purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB1,413.8 million, RMB1,516.3 million and RMB1,528.4 million, representing approximately 44.5%, 45.4% and 41.6% of our total purchases for the corresponding year, respectively. As of the Latest Practicable Date, to the best knowledge of our Directors, none of our Directors or their respective close associates, and none of our Shareholders who own more than 5% of the Shares in issue, had any interest in any of our five largest customers and suppliers in each year during the Track Record Period.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, the Accountants' Report set out in Appendix I to this prospectus, including the related notes.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the years indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any future period.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	% of revenue	RMB'000	% of revenue	RMB'000	% of revenue
Revenue	4,325,082	100.0%	3,779,651	100.0%	6,173,550	100.0%
Cost of sales	(3,324,055)	(76.9%)	(2,652,258)	(70.2%)	(4,254,330)	(68.9%)
Gross profit	1,001,027	23.1%	1,127,393	29.8%	1,919,220	31.1%
Other income	67,011	1.5%	68,503	1.8%	102,666	1.7%
(Other losses)/gains, net	(50,384)	(1.2%)	(23,138)	(0.6%)	75,989	1.2%
(Impairment losses)/reversal of impairment losses	(3,662)	(0.1%)	(114,582)	(3.0%)	9,038	0.1%
Selling expenses	(72,523)	(1.7%)	(98,081)	(2.6%)	(128,073)	(2.1%)
Administrative expenses	(187,299)	(4.3%)	(256,698)	(6.8%)	(392,643)	(6.4%)
Research and development expenses	(255,606)	(5.9%)	(182,012)	(4.8%)	(288,178)	(4.7%)
Finance costs	(13,839)	(0.3%)	(5,633)	(0.1%)	(32,200)	(0.5%)
Profit before tax	484,725	11.2%	515,752	13.6%	1,265,819	20.5%
Income tax expenses	(59,568)	(1.4%)	(41,877)	(1.1%)	(162,522)	(2.6%)
Profit for the year	425,157	9.8%	473,875	12.5%	1,103,297	17.9%
Profit attributable to: Owners of the Company	425,157	9.8%	473,875	12.5%	1,103,297	17.9%
EBITDA (non-IFRS measure)	565,054	13.1%	618,017	16.4%	1,385,115	22.4%

Non-IFRS Measures

To supplement our consolidated financial statements that are presented in accordance with IFRS, we also use EBITDA (non-IFRS measure), which is not required by, or presented in accordance with, IFRS. We define EBITDA (non-IFRS measure) as profit for the year plus

SUMMARY

(i) depreciation and amortization, which represents the depreciation of property, plant and equipment, right-of-use assets and investment property and the amortization of intangible assets, (ii) finance costs, which represent interest expense from financing activities, and (iii) income tax expenses, minus interest income) for the year. We believe that this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company. We believe that this measure provides useful information to investors and others in understanding and evaluating our results of operations in the same manner as they help our management. However, our presentation of EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measure has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS. The following table sets forth a reconciliation of our EBITDA (non-IFRS measure) in accordance with IFRS for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Profit for the year	425,157	473,875	1,103,297
<i>Add:</i>			
Depreciation and amortization	103,291	146,563	173,362
Finance costs	13,839	5,633	32,200
Income tax expenses	59,568	41,877	162,522
<i>Less:</i>			
Interest income	36,801	49,931	86,266
EBITDA (non-IFRS measure)	<u>565,054</u>	<u>618,017</u>	<u>1,385,115</u>

Revenue

During the Track Record Period, we primarily focused on the R&D, manufacturing and sales of wind power equipment, including foundation structures such as monopiles and transition pieces, and other components such as towers. We have also developed in-house capabilities for a global logistics system to better control our costs and enhance our ability to provide an integrated solution for our customers and achieve higher revenue. Since 2023, we started to generate revenue from wind and photovoltaic power generation and gradually increased our capacity of grid connection. We also generate revenue from other business, primarily including the revenue generated from sales of scrap steels and provision of terminal services in our ports and docks. Our revenue decreased from RMB4,325.1 million in 2023 to RMB3,779.7 million in 2024, primarily attributable to the decrease in our revenue generated from manufacturing and sales of wind power equipment, mainly in Chinese Mainland, as we adjusted our strategic focus to prioritize projects with higher profit margins.

	For the year ended December 31,					
	2023		2024		2025	
	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>
Manufacturing and sales of wind power equipment .	4,146,031	95.9%	3,510,733	92.9%	5,865,638	95.0%
– Foundation structures	1,339,546	31.0%	1,274,481	33.7%	3,338,198	54.1%
– Towers	2,806,485	64.9%	2,236,252	59.2%	2,527,440	40.9%
Wind and photovoltaic power generation	131,615	3.0%	215,782	5.7%	251,114	4.1%
Others	47,436	1.1%	53,136	1.4%	56,798	0.9%
Total	<u>4,325,082</u>	<u>100.0%</u>	<u>3,779,651</u>	<u>100.0%</u>	<u>6,173,550</u>	<u>100.0%</u>

SUMMARY

Gross Profit and Gross Profit Margin

In 2023, 2024 and 2025, our total gross profit amounted to RMB1,001.0 million, RMB1,127.4 million and RMB1,919.2 million, respectively, and our overall gross profit margin was 23.1%, 29.8% and 31.1%, respectively. The overall fluctuations in our gross profit margin have been largely driven by changes in the mix and performance of our different business lines and revenue sources. For details, see “Financial Information — Description of Certain Consolidated Statements of Profit or Loss and Other Comprehensive Income Items — Gross Profit and Gross Profit Margin.”

Profit for the Years

We recorded a profit of RMB425.2 million, RMB473.9 million and RMB1,103.3 million in 2023, 2024 and 2025, respectively.

Summary of Consolidated Statements of Financial Position

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

	As of December 31,		
	2023	2024	2025
	RMB'000		
Current assets	7,293,374	7,735,260	8,479,502
Non-current assets	2,931,440	3,826,690	6,011,049
Total assets	10,224,814	11,561,950	14,490,551
Current liabilities	2,934,782	3,532,022	4,379,084
Non-current liabilities	375,866	757,919	1,831,177
Total liabilities	3,310,648	4,289,941	6,210,261
Net current assets	4,358,592	4,203,238	4,100,418
Net assets	6,914,166	7,272,009	8,280,290

Our net assets increased from RMB6,914.2 million as of December 31, 2023 to RMB7,272.0 million as of December 31, 2024, mainly due to profit generated in 2024 of RMB473.9 million, partially offset by 2023 final dividend paid of RMB116.1 million. Our net assets further increased from RMB7,272.0 million as of December 31, 2024 to RMB8,280.3 million as of December 31, 2025, mainly due to profit generated in 2025 of RMB1,103.3 million, partially offset by 2024 final dividend paid of RMB51.0 million and 2025 interim dividend paid of RMB54.8 million.

Our net current assets decreased from RMB4,358.6 million as of December 31, 2023 to RMB4,203.2 million as of December 31, 2024, primarily attributable to an increase in current liabilities, mainly including (i) a RMB799.9 million increase in contract liabilities, and (ii) a RMB155.7 million increase in trade and bills payables; this increase was partially offset by a decrease of RMB388.7 million in borrowings, as well as an increase in current assets, mainly including (i) an increase of RMB538.9 million in inventories, and (ii) an increase of RMB363.1 million in prepayments and other receivables. Our net current assets decreased from RMB4,203.2 million as of December 31, 2024 to RMB4,100.4 million as of December 31, 2025, primarily attributable to an increase in current liabilities, mainly including (i) an increase of RMB527.3 million in borrowings, (ii) an increase of RMB219.7 million in contract liabilities, and (iii) an increase of RMB99.3 million in other payables and accruals; this decrease was partially offset by an increase in current assets, mainly including an increase of RMB247.5 million prepayment and other receivables.

Summary of Consolidated Statements of Cash Flow

The following table sets forth a summary of our consolidated cash flow statements for the years indicated.

SUMMARY

	For the year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Net cash generated from operating activities	774,074	1,035,337	1,144,333
Net cash (used in)/generated from investing activities	(1,381,057)	265,984	(2,580,300)
Net cash (used in)/generated from financing activities	(1,010,572)	(323,702)	1,401,593
Net (decrease)/increase in cash and cash equivalents	(1,617,555)	977,619	(34,374)
Cash and cash equivalents at beginning of the year	3,575,800	1,901,629	2,836,454
Effect of foreign exchange differences on translation on foreign operations . .	(56,616)	(42,794)	53,694
Cash and cash equivalents at the end of the year	1,901,629	2,836,454	2,855,774

KEY FINANCIAL RATIOS

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

	As of/for the year ended December 31,		
	2023	2024	2025
Gross profit margin ⁽¹⁾	23.1%	29.8%	31.1%
Net profit margin ⁽²⁾	9.8%	12.5%	17.9%
Return of equity (ROE) ⁽³⁾	6.3%	6.7%	14.2%
Current ratio ⁽⁴⁾	2.5	2.2	1.9
Asset-liability ratio ⁽⁵⁾	32.4%	37.1%	42.9%

RISK FACTORS

Our operations and the Global Offering involve certain risks and uncertainties, including: but not limited to: (i) our business is subject to the market changes in the industries where we operate, (ii) we derived a significant portion of our revenue from a limited number of major customers during the Track Record Period, (iii) our revenue is derived from project-based, non-recurring contracts, and there is no assurance that we will secure sufficient new orders to sustain our revenue levels, (iv) our projects, particularly those delivered under the DAP model, are subject to extended execution and service cycles, which may result in delayed revenue recognition, increased working capital requirements and greater exposure to cost fluctuations, and (v) our success depends to a great extent on our production and delivery capabilities, and any failure to fulfill customer orders may have a material and adverse effect on our business prospects, results of operations and financial condition.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

While geopolitical tensions in the Middle East since late February 2026 have heightened regional uncertainty, our business operations have not been materially affected. As of the Latest Practicable Date, progress on all of our projects has not been materially affected by the geopolitical situation, with production and delivery proceeding as originally planned. Our DAP contracts incorporate fuel price adjustment mechanisms, and we have prepared alternative shipping routes with comprehensive insurance coverage, including war risk insurance. Key materials for 2026 projects have been pre-procured or price-locked, and domestic materials are transported short distances from production bases near ports. For details, see “Business — Our Products and Solutions — Heavy Marine Transportation.” Our Directors confirm that the above events are not expected to have a material adverse impact on our intended use of proceeds, as

SUMMARY

the majority of such proceeds are designated for long-term capital investment not directly connected to our shipping operations. In view of the foregoing, our Directors are of the view that the above events have not had, and are not expected to have, a material adverse effect on our business prospects, results of operations and financial condition.

Business Development

Our first in-house developed, specialized heavy-lift transport ship commenced commercial operation in February 2026. Leveraging the successful deployment of our heavy-lift transport ships and the robust market demand for heavy marine transportation ships, we recently secured additional shipbuilding orders. Specifically, we entered into shipbuilding contracts with three customers in Norway, Greece and Netherlands, pursuant to which we will design, construct and deliver a total of ten 211,000 DWT bulk carriers and two 25,000 DWT heavy lift ships, with an aggregate contract values of approximately RMB6,171 million. The above-mentioned ships are expected to be delivered during 2028 and 2029.

Unaudited Financial Information for the Three Months Ended March 31, 2026

For a description of our unaudited financial information for the three months ended March 31, 2026, see “Financial Information — Recent Development and No Material Adverse Change — Unaudited Financial Information for the Three Months Ended March 31, 2026.”

Recent Litigation

In December 2025, a civil claim (the “**Claim**”) was filed by a plaintiff (the “**Plaintiff**”) against our wholly-owned subsidiary Zhangwu Xiliujiazi, two other subsidiaries of our Company and our Company. The Claim pertains to an EPC contract entered into between the Plaintiff and Zhangwu Xiliujiazi in December 2021. Our Directors are of the view that, although there is uncertainty regarding the timing or ultimate results of the Claim, this Claim is not likely to have material impact on our business, results of operations and financial conditions. And nothing has come to the Joint Sponsors’ attention that would cause them to cast doubt with the aforesaid Directors’ view. For details, see “Business — Legal Proceedings and Compliance.”

Dividend

On April 3, 2026, our general shareholders meeting passed resolutions for the profit distribution for the year of 2025, which approved the payment of dividend of RMB55.5 million. As of the Latest Practicable Date, we had paid these dividends in full.

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 or prospects since December 31, 2025.

GLOBAL OFFERING STATISTICS

The statistics in the following table are based on the assumptions that (i) the Global Offering has been completed and 86,965,800 H Shares are newly issued in the Global Offering, (ii) the Offer Size Adjustment Option and the Over-allotment Option for the Global Offering is not exercised, and (iii) 724,715,149 Shares are issued and outstanding following the completion of the Global Offering:

	Based on the Maximum Offer Price of HK\$66.40 per H Share
Market capitalization of our Shares ⁽¹⁾	HK\$64,686.6 million
Unaudited pro forma adjusted consolidated net tangible assets per Share ⁽²⁾	HK\$20.39

SUMMARY

Notes:

- (1) The calculation of market capitalization of our Shares is based on the 637,749,349 A Shares in issue with an average closing price of approximately RMB80.66 (equivalent to approximately HK\$92.37) per A share as of five business days immediately preceding the Latest Practicable Date and the 86,965,800 H shares expected to be in issue immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).
- (2) The unaudited pro forma adjusted consolidated net tangible assets per H Share is arrived at after the adjustments referred to in the section headed “Unaudited Pro Forma Financial Information” in Appendix II to this prospectus and is calculated based on 724,715,149 Shares in issue immediately following the completion of the Global Offering without taking into account any Shares which may be issued upon the exercise of the Offer Size Adjustment Option and the Over-allotment Option.
- (3) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 to reflect any trading results or other transactions of the Group entered into subsequent to December 31, 2025. In particular, the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company has not taken into account payment of dividend of RMB55.5 million which was approved by the shareholders in the Company’s annual general meeting on April 3, 2026. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share would have been HK\$20.31 per Offer Share if the dividend declaration had been accounted for as of December 31, 2025.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK\$5,616.7 million, after deducting underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, and assuming an Offer Price of HK\$66.40 per Share, assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised. We currently intend to apply these net proceeds for the following purposes: (i) approximately 55.0% or HK\$3,089.2 million for enhancement of our integrated deep-sea solutions; (ii) approximately 20.0% or HK\$1,123.3 million for investment and construction of our assembly base in Europe; (iii) approximately 10.0% or HK\$561.7 million for our global center for R&D; (iv) approximately 5.0% or HK\$280.8 million for expansion into new overseas markets; and (v) approximately 10.0% or HK\$561.7 million for general working capital and corporate purposes. For details, see “Future Plans and Use of Proceeds” in this prospectus.

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE AND REASONS FOR THE LISTING ON THE STOCK EXCHANGE

Since 2010, our Company has been listed on the Shenzhen Stock Exchange. Our Directors confirmed that, as of the Latest Practicable Date, we had no instances of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors’ attention in relation to our compliance record on the Shenzhen Stock Exchange. As advised by our PRC Legal Advisors, during the Track Record Period and up to the Latest Practicable Date, we have not been subject to any material administrative penalties or regulatory measures imposed by the CSRC, Shenzhen Stock Exchange or other PRC securities regulatory authorities and we have complied with the relevant laws and regulations on A-Shares Listing applicable to us in all material respects. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors’ attention that would cause them to cast doubt on the Directors’ confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange in any material respect.

Our Company seeks to list on the Hong Kong Stock Exchange to further consolidate our global strategic positioning, establish integrated end-to-end solutions spanning “R&D, manufacturing, shipping and delivery” both domestically and internationally, enhance our competitiveness in international markets, and thereby meet the ongoing development needs and quality and efficiency enhancement requirements of our overseas business operations. See “Business — Our Growth Strategies” and “Future Plans and Use of Proceeds” in this prospectus for more details.

SUMMARY

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, our Controlling Shareholders, comprising Mr. Jin and Jinyin Energy, were collectively entitled to exercise the voting rights attached to approximately 40.15% of total issued share capital of our Company. Immediately following completion of the Global Offering (assuming (i) the Offer Size Adjustment Option and the Over-allotment Option are not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing Date), our Controlling Shareholders will be entitled to exercise the voting rights attached to approximately 35.33% of total issued share capital of our Company.

DIVIDENDS

During the Track Record Period, we have declared cash dividends. We declared and approved the final dividends of RMB116.1 million, RMB51.0 million, and RMB55.5 million, respectively, in 2023, 2024 and 2025. See note 18 in the Accountants' Report set out in Appendix I to this prospectus. As of the Latest Practicable Date, we had paid these dividends in full.

After the completion of the Global Offering, we may distribute dividends in the form of cash or by other means permitted by our Articles of Association. A decision to declare or to pay dividends in the future and the amount of dividends will be at the discretion of our Shareholders' meeting and will depend on a number of factors, including our results of operations, cash flows, financial condition, payments by our subsidiaries of cash dividends to us, business prospects, statutory, regulatory restrictions on our declaration and payment of dividends and other factors that our Board may consider important. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the relevant laws. Our Shareholders may approve any declaration of dividends. According to applicable laws in Chinese Mainland and our Articles of Association, we may distribute dividends out of our profit after tax to the extent that we were profitable for the relevant year and after deducting statutory and surplus reserves. Our cumulative profits distributed in cash over the past three years shall be no less than 30% of the average annual distributable profits achieved in the past three years. Apart from above, we currently do not have a formal dividend policy or set other payout ratio target.

LISTING EXPENSES

Listing expenses to be borne by us are estimated to be approximately HK\$157.8 million (equivalent to approximately RMB137.8 million) (assuming an Offer Price of HK\$66.40 per Share), representing approximately 2.8% of the estimated net proceeds from the Global Offering assuming no Shares are issued pursuant to the Offer Size Adjustment Option and the Over-allotment Option. The listing expenses consist of (i) underwriting-related expenses, including underwriting commission, of approximately HK\$115.5 million, and (ii) non-underwriting-related expenses of approximately HK\$42.4 million, comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK\$24.0 million, and (b) other fees and expenses of approximately HK\$18.3 million. During the Track Record Period, we incurred listing expenses of HK\$1.2 million (equivalent to approximately RMB1.1 million). After the Track Record Period, approximately HK\$7.9 million is expected to be charged to our consolidated statements of profit or loss, and approximately HK\$148.7 million is expected to be accounted for as a deduction from equity upon the Listing. We do not believe any of the above fees or expenses are material or are unusually high for our Group. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

DEFINITIONS

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

“A Share(s)”	ordinary share(s) issued by our Company, with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange and traded in Renminbi
“Accountants’ Report”	the accountants’ report for the years ended December 31, 2023, 2024 and 2025, as set out in Appendix I to this prospectus
“affiliate”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“Articles of Association” or “Articles”	the articles of association of our Company adopted on July 11, 2025 which will become effective upon the Listing Date and as amended from time to time, a summary of which is set out in Appendix V to this prospectus
“Audit Committee”	the audit committee of our Board
“Beijing Jinyin”	Beijing Jinyin Capital Management Co., Ltd. (北京金胤資本管理有限公司), a company established in the PRC on November 19, 2012 with limited liabilities and a Major Subsidiary which is wholly owned by our Company
“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 in Hong Kong and any day on which tropical cyclone warning no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
“CAGR”	compound annual growth rate
“Capital Market Intermediary(ies)”	has the meaning ascribed thereto under the Listing Rules, and unless the context requires otherwise, refers to the capital market intermediaries named in “Directors and Parties Involved in the Global Offering”

DEFINITIONS

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“China” or “PRC”	the People’s Republic of China
“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”	Dajin Heavy Industry Co., Ltd. (大金重工股份有限公司), a joint stock company established in the PRC on September 22, 2003 with limited liabilities, the A Shares of which have been listed on the Main Board of the Shenzhen Stock Exchange (stock code: 002487)
“Company Law” or “PRC Company Law”	the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
“Compliance Advisor”	Altus Capital Limited
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules; for the purpose of this prospectus, our Controlling Shareholders refer to Mr. Jin and Jinyin Energy. For further details, see section headed “Relationship with Our Controlling Shareholders” in this prospectus
“CSDC”	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC national securities markets
“Director(s)” or “our Director(s)”	the director(s) of our Company
“EIT”	enterprise income tax
“EIT Law”	the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), as amended, supplemented or otherwise modified from time to time
“EU”	European Union

DEFINITIONS

“EUR”	Euro
“Extreme Conditions”	extreme conditions caused by a super typhoon or other natural disaster of a substantial scale seriously affects the working public’s ability to resume work or brings safety concern as announced by the government of Hong Kong
“FINI”	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
“Frost & Sullivan”	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a market research and consulting company and Independent Third Party, which prepared the Frost & Sullivan Report
“Frost & Sullivan Report”	an independent market research report commissioned by us and prepared by Frost & Sullivan for the purpose of this prospectus
“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,” “our,” “we” or “us”	our Company and all of our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)
“H Share(s)”	overseas listed foreign share(s) in our ordinary share capital, with nominal value of RMB1.00 each in the share capital of our Company, which are to be subscribed for and traded in HK dollars, and for which an application has been made for listing and permission to trade on the Stock Exchange
“H Share Registrar”	Tricor Investor Services Limited
“Hingan League Dajin”	Hingan League Dajin Heavy Industry Co., Ltd. (興安盟大金重工有限公司), a company established in the PRC on September 29, 2019 with limited liabilities and a Major Subsidiary which is wholly owned by our Company

DEFINITIONS

“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
“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 operations and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, 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 dollars,” “HK dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Offer Shares”	the H Shares offered by us for subscription pursuant to the Hong Kong Public Offering

DEFINITIONS

“Hong Kong Public Offering”	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price (plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) on the terms and conditions described in this prospectus as further described in “Structure 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”
“Hong Kong Underwriting Agreement”	the underwriting agreement dated Wednesday, May 27, 2026 relating to the Hong Kong Public Offering entered into by, among other parties, our Company, the Joint Sponsors, the Overall Coordinators and the Hong Kong Underwriters, as further described in “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Hong Kong Underwriting Agreement”
“IFRS”	the International Financial Reporting Standards as issued by the IASB, which comprise the IFRS Accounting Standards, International Accounting Standards, Interpretations developed by the IFRS Interpretations Committee or its predecessor body, the Standing Interpretations Committee
“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, are not our connected persons
“International Offer Shares”	the H Shares initially offered by our Company for subscription at the Offer Price pursuant to the International Offering together with, where relevant, any additional H Shares which may be issued by our Company pursuant to the exercise of the Offer Size Adjustment Option and/or the Over-allotment Option (subject to adjustment as described in “Structure of the Global Offering”)
“International Offering”	the offer of the International Offer Shares by the International Underwriters at the Offer Price outside the United States in offshore transactions in accordance with Regulation S or any other available exemption from registration under the U.S. Securities Act, as further described in “Structure of the Global Offering”
“International Underwriters”	the underwriters expected to enter into the International Underwriting Agreement relating to the International Offering

DEFINITIONS

“International Underwriting Agreement”	the underwriting agreement expected to be entered into on or about Wednesday, June 3, 2026 by, among other parties, our Company, the Joint Sponsors, the Overall Coordinators, and the International Underwriters, as further described in “Underwriting — Underwriting Arrangements and Expenses — International Offering”
“Jinyin Energy”	Beijing Jinyin Energy Consulting Co., Ltd. (北京金胤能源諮詢有限公司), formerly known as Fuxin Jinyin Energy Consulting Co., Ltd. (阜新金胤能源諮詢有限公司)), a company established in the PRC on August 11, 2003 with limited liabilities, and one of our Controlling Shareholders
“Joint Bookrunners,” “Joint Global Coordinators,” “Joint Lead Managers”	the joint bookrunners, the joint global coordinators, and the joint lead managers as named in “Directors and Parties Involved in the Global Offering”
“Joint Sponsors”	the joint sponsors as named in “Directors and Parties Involved in the Global Offering”
“Joint Sponsor-Overall Coordinators”	the joint sponsor-overall coordinators as named in “Directors and Parties Involved in the Global Offering”
“Latest Practicable Date”	May 19, 2026, being the latest practicable date for the purpose of ascertaining certain information in this prospectus prior to its publication
“Listing”	the listing of our H Shares on the Stock Exchange
“Listing Date”	the date expected to be on or about Friday, June 5, 2026, on which dealings in our H Shares first commence on the Stock Exchange
“Listing Guide”	the Guide for New Listing Applicants as published by the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Listing Rules” or “Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with the GEM of the Stock Exchange
“Major Subsidiaries”	the major subsidiaries of our Company listed in “History, Development and Corporate Structure — Our Major Subsidiaries”

DEFINITIONS

“Mr. Jin”	Mr. JIN Xin (金鑫), our founder, chairman of the Board, executive Director and one of our Controlling Shareholders
“Nomination Committee”	the nomination committee of our Board
“Offer Price”	the final price per Offer Share in Hong Kong dollars (exclusive of brokerage fee of 1.0%, 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, to be determined in the manner further described in “Structure of the Global Offering — Pricing and Allocation”
“Offer Size Adjustment Option”	the option under the International Underwriting Agreement, exercisable by the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the International Underwriters) on or before the second Business Day prior to the Listing Date, pursuant to which the Company may issue and allot up to an aggregate of 13,044,800 additional H Shares, representing approximately 15.0% of the Offer Shares initially being offered under the Global Offering, at the Offer Price, to cover additional market demand in the International Offering, as described in “Structure of the Global Offering — Offer Size Adjustment Option”
“Offer Share(s)”	the Hong Kong Offer Share(s) and the International Offer Share(s)
“Overall Coordinators”	the overall coordinators as named in “Directors and Parties Involved in the Global Offering”
“Over-allotment Option”	the option expected to be granted by our Company to the International Underwriters, exercisable by the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the International Underwriters) pursuant to the International Underwriting Agreement, pursuant to which our Company may be required to allot and issue up to an aggregate of 13,044,800 additional H Shares, representing approximately 15.0% of the Offer Shares initially being offered under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all, or up to an aggregate of 15,001,500 additional H Shares, representing approximately 15.0% of the Offer Shares being offered under the Global Offering assuming the Offer Size Adjustment Option is exercised in full, at the Offer Price to, among other things, cover over-allocations in the International Offering, if any, further details of which are described in “Structure of the Global Offering — Stabilization”

DEFINITIONS

“Overseas Listing Trial Measures”	Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) released by the CSRC on February 17, 2023 and took effect on March 31, 2023
“Panjin Dajin”	Panjin Dajin Ocean Engineering Co., Ltd. (盤錦大金海洋工程有限公司), a company established in the PRC on December 29, 2022 with limited liabilities and a Major Subsidiary which is wholly owned by our Company
“Penglai Dajin”	Penglai Dajin Offshore Heavy Industry Co., Ltd. (蓬萊大金海洋重工有限公司), a company established in the PRC on December 14, 2009 with limited liabilities and a Major Subsidiary which is wholly owned by our Company
“PLN”	Polish Zloty
“PRC Legal Advisors”	Hai Run Law Firm (北京海潤天睿律師事務所), the legal advisors to our Company as to the laws of the PRC
“Price Determination Agreement”	the agreement to be entered into between our Company and the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) on or about the Price Determination Date to record and fix the Offer Price
“Price Determination Date”	the date, expected to be on or before Wednesday, June 3, 2026 and in any event no later than 12:00 noon on Wednesday, June 3, 2026, on which the Offer Price is to be fixed for the purposes of the Global Offering
“prospectus”	this prospectus being issued in connection with the Hong Kong Public Offering
“R&D”	research and development
“Regulation S”	Regulation S under the U.S. Securities Act
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of our Board
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“SAMR”	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)

DEFINITIONS

“SAT”	the State Taxation Administration of the PRC (中華人民共和國國家稅務總局)
“Securities and Futures Ordinance” or “SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Securities Law” or “PRC Securities Law”	the Securities Law of the PRC (《中華人民共和國證券法》), as amended, supplemented or otherwise modified from time to time
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
“Shareholder(s)”	holder(s) of our Share(s)
“Shenzhen-Hong Kong Stock Connect”	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shenzhen Stock Exchange, HKSCC and China Securities Depository and Clearing Corporation Limited for mutual market access between Hong Kong and Shenzhen
“Stabilizing Manager”	Huatai Financial Holdings (Hong Kong) Limited
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Strategy and Sustainable Development Committee”	the strategy and sustainable development committee of our Board
“subsidiary(ies)”	has the meaning ascribed to it in section 15 of the Companies Ordinance
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Tangshan Dajin”	Tangshan Dajin Ocean Engineering Equipment Manufacturing Co., Ltd. (唐山大金海洋工程裝備製造有限公司), a company established in the PRC on April 11, 2023 with limited liabilities and a Major Subsidiary which is wholly owned by our Company
“Track Record Period”	the years ended December 31, 2023, 2024 and 2025

DEFINITIONS

“U.S. dollars,” “US\$” or “USD”	United States dollars, the lawful currency of the United States
“U.S. Securities Act”	the United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
“Underwriters”	the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
“United Kingdom”, “U.K.” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States,” “USA” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“VAT”	value added tax
“Yangjiang Dajin”	Yangjiang Dajin Wind Power Offshore Engineering Technology Co., Ltd. (陽江大金風電海洋工程科技有限公司), a company established in the PRC on March 7, 2022 with limited liabilities and a Major Subsidiary which is wholly owned by our Company
“Zhangjiakou Dajin”	Zhangjiakou Dajin Wind Power Equipment Co., Ltd. (張家口大金風電裝備有限公司), a company established in the PRC on March 18, 2020 with limited liabilities and a Major Subsidiary which is wholly owned by our Company
“Zhangwu Jinyin”	Zhangwu Jinyin Electric Power New Energy Co., Ltd. (彰武金胤電力新能源有限公司), a company established in the PRC on March 3, 2020 with limited liabilities and a Major Subsidiary which is wholly owned by our Company
“Zhangwu Xiliujiazi”	Zhangwu Xiliujiazi Electric Power New Energy Co., Ltd. (彰武西六家子電力新能源有限公司), a company established in the PRC on March 25, 2020 with limited liabilities and a Major Subsidiary which is wholly owned by our Company
“%”	per cent

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

DEFINITIONS

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

For ease of reference, the names of PRC laws and regulations, governmental authorities, institutions, nature persons, other entities (including certain of our subsidiaries), facilities, certificates and titles included in this prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translations of company names and other terms from the Chinese language are provided for identification purposes only.

GLOSSARY OF TECHNICAL TERMS

In this prospectus, unless the context otherwise requires, explanations and definitions of certain terms used in this prospectus in connection with our Group and our business shall have the meanings set out below. The terms and their meanings may not correspond to standard industry meanings or usage of these terms.

“ballast system”	a controlled arrangement of tanks, pumps, valves, and piping designed to manage the distribution and weight of water within a vessel or floating structure to adjust stability, trim, draft, and list, ensuring structural integrity, operational safety, and optimal performance under varying load and environmental conditions
“CTOD”	Crack Tip Opening Displacement, used to determine the fracture toughness of metals with an artificially created crack (a notch)
“CDP”	Carbon Disclosure Project, a non-profit organization that evaluates companies’ environmental management and reporting practices. Its rating scale ranges progressively from D- to A, with a B rating indicating a high level of environmental transparency and ambition
“CIF”	cost, insurance and freight, one of the Incoterms which means that the seller arranges and pays for limited insurance to cover the buyer’s risk of loss of or damage to the goods from the port of shipment to at least as far as the port of destination
“CNC flame cutting”	computer numerical control flame cutting, an industrial thermal cutting process that uses a computer-controlled system to direct a high-temperature oxy-fuel flame along pre-programmed paths to accurately shape and bevel metal plates by oxidizing and ejecting molten material, generating components with precise geometries for applications such as structural fabrication, shipbuilding, and heavy machinery manufacturing
“DAP”	delivered at place, one of the Incoterms which means the seller delivers goods to a specified destination, bearing all costs and risks until arrival, but the buyer handles unloading and import duties
“DNV”	Det Norske Veritas, a globally recognized independent assurance and risk management provider
“DWT”	deadweight tonnage, a measure of a ship’s total carrying capacity

GLOSSARY OF TECHNICAL TERMS

“EcoVadis”	an internationally recognized provider of business sustainability ratings that evaluates companies’ environmental, social, and ethical performance through a comprehensive scorecard-based assessment, enabling organizations to monitor and improve their sustainable practices across global supply chains
“EPC contractor(s)”	engineering, procurement, and construction contractor(s), a common form used in the wind power plant construction, covering from the project planning stage and until the wind power plant is constructed and operational
“ERP system”	enterprise resource planning, an integrated software platform that centralizes and automates core business processes
“extra-large offshore wind monopiles”	fixed foundation structures characterized by steel pipe piles weighing over 1,500 tons with wall thicknesses exceeding 100 millimeters. These foundations are primarily designed for wind turbines with generating capacities of 15MW or higher
“FAS”	free alongside ship, one of the Incoterms which means that the seller is responsible for placing the goods alongside the vessel at the named port of delivery and risk of loss or damage transfers to buyer when goods are alongside the ship
“FOB”	free on board, one of the Incoterms which means that the seller pays for transportation of the goods to the port of shipment as well as loading costs; the buyer pays cost of marine freight transport, insurance, unloading and transportation from the arrival port to the final destination; and the passing of risks occurs when the goods are loaded on board at the port of shipment
“FROSIO”	Federation Responsible for Operating a Scheme for Inspection and Certification of Corrosion Protection of Steel Structures
“GWEC”	Global Wind Energy Council, a member-based organisation that represents the entire wind energy sector
“GW”	Gigawatt, a unit for measuring power, 1 GW=1 billion watts
“IMO”	International Maritime Organization
“ISO”	International organization for standardization

GLOSSARY OF TECHNICAL TERMS

“JIS”	Japanese Industrial Standards, the standards used for industrial activities in Japan
“KPI”	key performance indicator
“KR”	Korean Register of Shipping, a not-for-profit classification society founded in South Korea offering verification and certification services for ships and marine structures in terms of design, construction and maintenance
“kWh”	kilowatt-hours, a unit of electric energy, 1 kWh=1,000 Wh
“LTI”	lost time injuries, representing work-related incidents that result in an employee being unable to perform their regular duties for at least one full shift or day after the injury
“mainstream offshore wind markets”	the core offshore wind markets that started early and have established mature and standardized full-chain development and operation processes through long-term practice, supported by well-developed subsidy and policy frameworks, and continuously focus on applying advanced technologies. These markets have played a leading and demonstrative role for other global offshore wind markets in terms of development pathway, technical standards and industrial ecosystem. They mainly include certain countries in Europe (such as the United Kingdom, Germany, the Netherlands, Denmark and France) and Chinese Mainland. According to the Global Wind Energy Council (GWEC), as of the end of 2024, the cumulative installed offshore wind capacities of these two markets accounted for approximately 44.2% and 50.3% of the global total, respectively, together representing 94.5%
“mooring system”	the integrated arrangement of anchors, chains, wires, synthetic ropes, and connectors deployed on the seabed to securely station floating offshore structures, providing restoring forces against environmental loads and ensuring stability, safety, and operational integrity within designated positioning tolerances
“MW”	Megawatt, a unit for measuring power, 1 MW=1 million watts
“nacelle”	the enclosed structure mounted atop the wind turbine tower, which houses the critical components for energy conversion, including the main shaft, gearbox, generator, yaw system, brake assembly, and control systems, designed to withstand harsh marine environments while efficiently capturing and transmitting wind energy to the grid

GLOSSARY OF TECHNICAL TERMS

“NDT”	non-destructive testing, a collection of inspection and analysis techniques used to evaluate the properties, integrity and quality of materials, components, welded joints and structural elements without causing damage to the items being tested or impairing their fitness for continued use. In the context of wind power equipment production, NDT is applied throughout the manufacturing, fabrication and installation stages to monitor quality and performance in critical components of wind power equipment
“NORSOK”	NORSOK standards, developed by the Norwegian petroleum industry to ensure adequate safety, value adding and cost effectiveness for petroleum industry developments and operations
“NK”	Nippon Kaiji Kyokai, a leading international classification society based in Japan that provides certification, inspection, and technical services to ensure the safety, structural integrity, and environmental compliance of marine ships, offshore structures, and industrial facilities through adherence to international regulations and industry standards
“PQR”	procedure qualification record, a documented set of essential parameters and test results that verifies a specific welding procedure
“PV”	photovoltaic, refers to the technology and systems that convert sunlight directly into electricity using semiconductor-based solar cells
“QHSE”	quality, health, safety and environment management
“SBTi”	Science Based Targets initiative, a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis
“TCFD”	Task Force on Climate-related Financial Disclosures, a framework established by the Financial Stability Board (FSB) to guide organizations in disclosing clear, comparable, and consistent information about climate-related risks and opportunities in their financial reporting
“TP”	transition piece
“TP-less monopile”	foundations without a transition piece. The wind turbine tower is mounted directly onto the top flange of the monopile, which makes the design simpler and smarter

GLOSSARY OF TECHNICAL TERMS

“truss-type”	a structural framework characterized by the assembly of slender elements, typically arranged in interconnected triangles, to form a rigid and load-bearing lattice structure, optimizing strength-to-weight ratio and material efficiency, commonly used in applications such as bridges, towers, roofs, and crane booms to support heavy loads across long spans while minimizing deflection and material use
“twin-propeller”	a marine propulsion configuration wherein two separate propellers, each driven by its own engine or motor, are installed symmetrically on either side of a ship’s centerline
“twin-rudder”	a marine steering system configuration featuring two independently or synchronously controlled rudders
”Wind Europe”	Wind Europe, an association promoting the use of wind power in Europe, which is the founder of the GWEC
“WPS”	welding procedure specification, a formal document that provides detailed instructions for performing a specific welding operation

FORWARD-LOOKING STATEMENTS

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 certain forward-looking statements and information relating to us and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this prospectus, the words “aim,” “anticipate,” “believe,” “could,” “estimate,” “expect,” “going forward,” “intend,” “may,” “might,” “ought to,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “will,” “would” and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change.

These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing our Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our mission, goals and strategies;
- our future business development, financial conditions and results of operations;
- future developments, trends and conditions in the industry and markets in which we operate or into which we intend to expand;
- our expectations regarding demand for and market acceptance of our products and services;
- our expectations regarding our relationships with customers, business partners, suppliers and other partners;
- changes in the macro environment, regional and global economy, as well as industry trends related to our operations;
- our ability to adequately protect our reputation and brand image, as well as our intellectual property rights;
- our ability to obtain adequate capital resources to fund future development plans;
- our ability to control costs, as well as to achieve and maintain operational efficiency;
- our ability to attract and retain qualified personnel;
- competition in the industries and markets in which we operate or into which we intend to expand;
- our proposed use of proceeds;
- rapid developments in technology and our ability to successfully keep up with technological advancement;

FORWARD-LOOKING STATEMENTS

- changes in currency exchange rates;
- relevant government policies and regulations relating to industries which we operate in;
- certain statements in this prospectus with respect to trends in prices, operations, margins, overall market trends, and risk management;
- change of volatility in interest rates, equity prices, volumes, operations, margins, risk management and overall market trends;
- various uncertainties described in the “Risk Factors;” and
- other statements in this prospectus that are not historical facts.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect or at all. Accordingly, the forward-looking statements are not a guarantee of future performance and you should not place undue reliance on any forward-looking information. Moreover, the inclusion of forward-looking statements should not be regarded as representations by us that our plans and objectives will be achieved or realized. All forward-looking statements in this prospectus are qualified by reference to the cautionary statements in this section.

In this prospectus, statements of or references to our intentions or those of the Directors are made as of the date of this prospectus. Any such information may change in light of future developments.

RISK FACTORS

You should carefully consider all of the information in this prospectus, including the following risk factors before making any investment decision in relation to the H Shares. Our business, financial condition or results of operations, and the market price of the H Shares could be materially and adversely affected by any of these risks. The information given is subject to the cautionary statements in “Forward-Looking Statements.”

RISKS RELATING TO OUR INDUSTRY AND BUSINESS

Our business is subject to the market changes in the industries where we operate.

We are, to a certain extent, exposed to the market changes in the global wind power equipment industries, which are characterized by rapid technological changes and advancements. Our results are dependent in part on: (i) the demand for wind power equipment from wind power site developers and wind turbine manufacturers, (ii) the update and upgrade of technologies and process use in the industries, (iii) the competitive landscape within the industries where we operate, and (iv) the industries policies and regulatory requirements across different jurisdictions. For details, see “Industry Overview.” There is no assurance that the demand for wind power equipment will continue to increase. Any reduction in demand or activity in such industries could cause our customers to reduce their orders from us, which may materially impact our business, financial condition and results of operations. For details, see “— We may be affected if the governments reduce or cease their support and encouragement of the wind power industry.”

We derived a significant portion of our revenue from a limited number of major customers during the Track Record Period.

Our major customers primarily include large wind power site developers and wind turbine manufacturers. Revenue generated from our five largest customers in each year in aggregate accounted for 52.8%, 55.6% and 79.2% of our total revenue, respectively. For details, see “Business — Sales and Marketing — Customers.” Such concentration reflected the relatively large scale of our projects, the project-based nature of our engagements and the concentrated demand from downstream applications, as well as the high market concentration in the wind power equipment industry. If our major customers experience a downturn in their business or reduce their investment in the wind power industry, their demand for our products may be adversely affected, which may in turn lead to a reduction, delay or cessation of their purchase orders with us. Any such decrease or disruption in demand from our major customers could result in fluctuations in our revenue and may adversely affect our business operations. As we derived a substantial portion of our revenue from such major customers during the Track Record Period, any adverse developments affecting them may have a more pronounced impact on us. Accordingly, any reduction or cessation of purchase orders from our major customers may materially and adversely affect our business, results of operations and financial condition.

Our revenue is derived from project-based, non-recurring contracts, and there is no assurance that we will secure sufficient new orders to sustain our revenue levels.

Our wind power equipment business is project-based in nature. Each contract with our customers is entered into on a project-by-project basis and is customized based on individual customer requirements, project sizes vary across different periods depending on the specific demands and specifications of each project. There is no assurance that existing customers will continue to place new orders with us upon completion of their current projects. Our order backlog for overseas orders of wind power equipment decreased from RMB9,882.0 million as of December 31, 2025 to RMB8,331.8 million as of March 31, 2026, primarily as a result of the progressive conversion of existing backlog into recognized revenue. Since each customer

RISK FACTORS

engagement is tied to a specific wind farm project, the completion of any given project does not guarantee subsequent orders from the same customer. We generally have to go through competitive tendering or quotation process to secure new contracts. As a result, our revenue may be subject to significant fluctuations from period to period depending on the timing, scale and number of new project orders we are able to secure. Any failure to continuously secure new contracts or any gap between the completion of existing projects and the commencement of new ones could result in periods of reduced revenue, underutilization of our production capacity, and a material adverse effect on our business, financial condition and results of operations.

Our projects, particularly those delivered under the DAP model, are subject to extended execution and service cycles, which may result in delayed revenue recognition, increased working capital requirements and greater exposure to cost fluctuations.

The fulfillment period for our contracts varies based on product complexity and delivery model. Contracts for tower products typically have a fulfillment period of up to two years. In contrast, contracts for monopile products have a longer duration, generally are within three years, particularly for those delivered under the DAP model where we define contract completion as the delivery of products to the destination port. Since the second half of 2024, we have strategically expanded our service offerings by adopting the DAP model in addition to the FOB model for certain overseas project deliveries. Under the DAP model, we take full responsibility for transportation process from our manufacturing facilities to the customer-designated destination, bearing all main transportation, loading and international shipping costs. This extended service scope has the following implications for our business: (i) delayed revenue recognition, as revenue under the DAP model is recognized at point in time when the goods are delivered to the contracted destination and receipt for the goods is signed off by the customer, rather than upon shipment under the FOB model, resulting in a longer period between incurring costs and recognizing associated revenue; (ii) increased working capital requirements, as we are generally required to make payment in advance to our transportation and logistics service providers prior to the delivery of such services; (iii) greater exposure to cost fluctuations during the extended execution period, including foreign exchange rate movements, and potential disruptions arising from geopolitical events or extreme weather conditions; and (iv) higher inventory levels, as the extended delivery cycle under the DAP model results in products remaining classified as our inventory for a longer period before revenue recognition. Our inventory turnover days were 180 days, 250 days and 183 days in 2023, 2024 and 2025, respectively. Any significant delays in project execution, unexpected increases in transportation costs, or disruptions in shipping availability could materially and adversely affect our revenue timing, profit margins, cash flow, and overall financial performance.

Our success depends to a great extent on our production and delivery capabilities, and any failure to fulfill customer orders may have a material and adverse effect on our business prospects, results of operations and financial condition.

Our success depends fundamentally on our production and delivery capabilities, in particular the timely execution of complex projects at scale, in accordance with stringent technical specifications. Our ability to fulfill customer orders may be compromised by multiple factors, such as the difference in actual production capacity due to product type, inadequate production capacity, disruptions within our production process, delays in procuring materials, parts and components, inefficiencies in transporting finished products, machinery breakdowns, supply chain issues, catastrophic events (such as storms, fires, explosions, earthquakes, terrorist attacks, or wars), or other force majeure events (such as changes in governmental land-use planning). In 2023, 2024 and 2025, our capacity utilization rates for foundation structures were approximately 73.2%, 76.3% and 81.7%, respectively, while those for towers were approximately 61.5%, 60.5% and 62.6%, respectively. Failure to fulfill orders may not

RISK FACTORS

only damage our reputation but also expose us to substantial contractual penalties or obligations under letters of guarantee we provide to customers. Any of the above circumstances could materially and adversely affect our business, financial condition, and results of operations.

We rely on shipping services for product delivery, and significant increases in shipping costs or further scarcity of shipping capacity may adversely affect our business.

We strive to enhance our integrated capabilities through providing transportation services. Any significant increase in transportation costs could materially and adversely affect our business operations and financial performance. The global shipping market is subject to volatility due to factors such as fluctuations in fuel prices, geopolitical conflicts, port congestion, extreme weather events, and broader supply-demand imbalances in specialized ship capacity. A sustained rise in shipping costs could erode our profit margins, while a severe shortage of available ships may lead to delays in product shipments. Such disruptions could impair our ability to meet contractual delivery deadlines, and we may be forced to consider alternative transportation methods at higher costs, or even result in lost sales opportunities if customers turn to competitors. We have limited control over third-party shipping suppliers and external shipping conditions. Any material deterioration in freight market dynamics could affect our product delivery, potentially impacting our operational efficiency, customer relationships, and, ultimately, our financial performance and market position. We have developed and are enhancing in-house shipbuilding capabilities to reduce our reliance on third-party shipping services.

Supply of key materials, parts and components is subject to price volatility, shortages and other risks.

We cannot assure you that the suppliers can meet all of our specified quality standards and technical specifications for increasing quantities in a timely manner and at acceptable prices. We are also exposed to price volatility of key materials, parts and components for our products, especially for our overseas sales with extended execution cycles. For details of key material price volatility, see “Industry Overview — Overview of Wind Market in the PRC — Raw Materials Price Trend” and “Financial Information — Key Factors Affecting Our Results of Operations — Ability to control raw material costs and operating costs.” If our existing suppliers materially reduce or cease supply of key materials, parts and components to us, and we fail to source the alternatives from other suppliers, our business, financial condition and results of operations may be materially and adversely affected.

Maintaining our brand image is critical to our success, and any failure to do so could have an adverse effect on our business, financial condition and results of operations.

Our success depends on our ability to maintain and enhance our brand image and reputation, which could be affected by factors such as the quality, design, performance of our products, product innovation and customer recognition. We have not historically engaged in significant marketing or advertising activities, and have instead built our brand and market reputation primarily through the quality, performance and reliable delivery of our products, supplemented by our participation in industry exhibitions and trade shows through which we reach new customers and explore new markets. We incurred advertising and promotional expenses of approximately RMB0.9 million, RMB2.4 million and RMB5.0 million in 2023, 2024 and 2025, respectively, primarily comprising exhibition participation fees. Although these expenses are relatively modest, our brand maintenance efforts are critical because the European offshore wind foundation market is highly concentrated, our customers maintain stringent supplier qualification standards in which brand reputation and delivery track record are key evaluation factors, and we require continued brand visibility as we expand into emerging markets such as Japan, South Korea and Australia. As our customers place significant emphasis on our track record of product quality and delivery, our brand and reputation are

RISK FACTORS

important factors influencing their purchasing decisions, and maintaining our brand image and reputation is therefore critical to our continued success. We may from time to time participate in additional industry events or undertake customer engagement efforts to communicate our product capabilities to existing and potential customers, particularly in new markets where our brand awareness is relatively limited. We cannot assure you, however, that our reliance on product quality, delivery and industry exhibitions to maintain and enhance our brand will continue to be successful. Our brands, reputation and product sales could be harmed if, among others, our products fail to meet the expectations of our customers. In addition, negative publicity concerning our Company, including our Shareholders, affiliates, directors, officers, employees, business partners and other third parties, as well as the broader industry, regardless of its accuracy, can have detrimental effects.

We may fail to maintain an effective quality management system.

Our quality management system may not always identify latent product defects, which could lead to failures during installation or use, resulting in safety hazards or operational issues for our customers. The effectiveness of our quality management system depends on a number of factors, including the design of the system, the machineries used, the experience of our staff and related training programs and our ability to ensure that our employees adhere to our quality management policies and guidelines. We may be named as a defendant in product liability or warranty claims, and any insurance that we carry may not be sufficient or it may not apply to all situations. If our products fail to perform as expected, our reputation may be damaged, which could materially and adversely affect our business, results of operations and financial condition.

In addition, our quality management system may fail to be effective and in compliance with relevant laws, regulations and standards, and we may lose accreditations and requisite certifications or qualifications. The scale up in our production to meet increasing demand can put pressure on our quality assurance processes. Scaling up may involve process changes or new technologies, introducing unforeseen quality issues. These challenges collectively increase the risk of defects or non-compliance with standards.

Our expansion into international markets may be adversely affected by legal, regulatory, political and economic risks.

As part of our global expansion strategy, we have expanded our footprint to more than 30 countries and regions. We generated approximately half of our revenue from Europe during the Track Record Period, and we expect to continue to generate substantial revenue from Europe in the near term. For details, see “Business — Global Footprint and International Vision” and “Business — Our Products and Solutions — Wind Power Equipment — Key Metrics.” Our international operations are subject to various legal, regulatory, political and economic risks beyond our control. These risks include, among others, changes in local laws and regulations (including but not limited to investment controls and restrictions, capital regulations, foreign exchange control policies, economic or trade sanctions, import and export regulations, tariffs or foreign investment filings and approvals, labor, tax and environmental laws, strikes, and riots), unexpected changes in trade policies or tariffs, and challenges in protecting intellectual property rights in foreign jurisdictions. For example, the conflict in the Middle East has escalated significantly since late February 2026, resulting in heightened military actions and increased regional tensions and market volatility including volatility in fuel price. For details, see “Business — Our Products and Solutions — Heavy Marine Transportation.” Notwithstanding the foregoing, we cannot assure you that our counterparties will strictly adhere to the relevant contractual provisions to assume risks such as fuel price fluctuations, nor can we assure you that, even where such measures are enforced, we will be able to fully pass on such risks to our customers or counterparties.

RISK FACTORS

Our Directors believe that the risk of trade remedy actions in our key overseas markets would not have a material imminent direct and indirect impact on our business operations. Based on the aforesaid reasons and the independent due diligence conducted, nothing has come to the Joint Sponsors' attention to cast doubt on the Company's view above.

Direct impact refers to the tariffs and anti-dumping or countervailing duties that are directly levied on, or otherwise directly affect, our products when exported to overseas markets. During the Track Record Period and up to the Latest Practicable Date, our exports of wind power equipment mainly consisted of monopiles and transition pieces to Europe, as well as towers to Japan and Europe. Tariffs (if any) are our responsibilities only when we offer DAP terms. For all other delivery terms, such as FOB or CIF, the customer bears this responsibility, if any. In contrast, the importer (i.e. our customers) is responsible for reporting and paying the anti-dumping duties. In general, none of our products sold to the above-mentioned overseas markets during the Track Record Period were subject to any tariffs or anti-dumping duties according to applicable laws and regulations, a circumstance we believe reflects significant market demand for such wind power equipment. In markets where we were contractually responsible for export customs reporting during the Track Record Period, including Canada, Dominican Republic, New Zealand, Chile, Argentina, South Korea, Laos, Japan, EU and the UK, the applicable import tariff rate imposed by these overseas countries was nil, and the exports from China are not subject to tariffs imposed by China Customs. There is also no anti-dumping duties levied on our foundation structure products in any of the overseas jurisdictions to which we exported during the Track Record Period. As of the Latest Practicable Date, we were actively engaged in bidding processes for multiple overseas projects involving jackets and floating foundation products, and we are not aware of any tariffs or anti-dumping duties imposed on our jacket and floating foundation products in the key overseas markets where we operate. The specific situations in each key market are discussed below.

- (i) **EU.** Since December 2021, the EU has imposed anti-dumping duties at varying rates on tower products originating from China. The duty rate applicable to our tower products in the EU is 7.2% (these duties are not applicable in the UK). Pursuant to applicable laws and regulations, our customers shall be responsible for arranging and paying such anti-dumping duty. According to our arrangement with these customers, we were not liable for any such anti-dumping duty during the Track Record Period and up to the Latest Practicable Date. During the Track Record Period, only approximately 0.64% of our total revenue was derived from sales of tower products to the EU that were subject to anti-dumping duties. Accordingly, we believe the aforementioned anti-dumping duties did not have any material direct impact on our business or pricing strategy during the Track Record Period. Notwithstanding the foregoing, our Directors believe that our products and services remain competitive even taking into account the applicable anti-dumping duties described above, as compared to local and other international competitors. In particular, the offshore wind foundation market in Europe is highly concentrated, with the top five providers accounting for approximately 80% of the market share in the first half of 2025 in terms of monopile sales value. Given this market concentration and local capacity constraints, end-customers have a strong reliance on existing suppliers, particularly leading providers such as our Group. For details, see "Industry Overview— Overview of Wind Market in Europe."
- (ii) **Canada.** In April 2023, Canada initiated anti-dumping and countervailing duty investigations on wind tower products originating from or imported from China. As a result, in October 2023, Canada imposed trade remedies on tower products originating from China, subject to a geographical exemption in the west of the Ontario-Manitoba border. The measures applicable to our tower products in relevant areas of Canada consist of a 109% anti-dumping duty and a 3% countervailing duty.

RISK FACTORS

During the Track Record Period, all of our exports and order backlog destined for Canada were destined for locations within the above-mentioned exemption area, and accordingly these trade remedies did not have any direct impact on our business during the Track Record Period. The aforementioned policies in the EU and Canada remained unchanged throughout the Track Record Period after they were enacted.

- (iii) *U.S.*. During the Track Record Period, we did not have exports to the U.S. and we have no plans to export to the U.S. Accordingly, the trade policies of the U.S. did not have any direct impact on our business during the Track Record Period.
- (iv) Save for the aforementioned anti-dumping and countervailing duty investigations initiated by Canada in respect of wind tower products originating from China, during the Track Record Period and up to the Latest Practicable Date, we were not aware of any current, pending, or threatened investigations or enforcement actions related to anti-dumping or other trade remedies directed at our products in these key markets.

Beyond the direct cost implications described above, tariffs and anti-dumping duties may also give rise to a range of indirect impacts. Increased duties may be transmitted along the entire industrial chain, leading to higher input costs for downstream participants, a narrowing of viable supplier options, and reduced end-consumer demand as elevated prices suppress purchasing activity. In response, enterprises may reduce research and development spending, downsize their workforce, shift away from tariff-affected markets toward new geographies and product lines, or accelerate technological innovation and industrial upgrading to offset cost pressures. These measures may lead to changes in existing industrial chains, an increase in overall supply chain costs, a shift of production capacity to lower-tariff jurisdictions, and adjustments to long-term corporate strategy. If we are unable to adapt in a timely manner, we may temporarily or permanently lose a portion of our market share or customer base. Our Directors believe that the risk of such indirect impacts in our key overseas markets would not have a material imminent effect on our business operations, having regard to the strong market demand for our products, our competitive positioning, and the concentration of the offshore wind foundation market as described above.

Rising geopolitical tensions could lead to increased trade barriers, sanctions, or other restrictions that may adversely impact our ability to operate or expand in certain markets. We are closely monitoring potential changes in international trade policy and assessing the potential impact of such trade policy changes on our business operations and financial performance. For example, in September 2020, the European Union set a target to reduce greenhouse gas emissions and announced the Carbon Border Adjustment Mechanism (CBAM), aimed at addressing carbon leakage. CBAM imposes carbon-related fees on certain imported goods to ensure they bear similar carbon costs as EU-produced products. Currently, CBAM applies to aluminum, cement, steel, fertilizers, hydrogen, and electricity, with formal charges set to begin in 2026. Since steel products are included under CBAM, this policy will have a direct impact on the wind power equipment market. Through the implementation of the Green Steel strategic partnerships, the robust development of a green supply chain, and the proactive execution of our emission reduction plans, we are well-positioned to significantly mitigate the impact of carbon tariffs by maintaining overall costs at a stable and manageable level. For details, see “Business — Environment, Social and Governance.” Given that the revenue that we derived from overseas markets continuously increased during the Track Record Period, any adverse development might lead to the imposition of additional tariffs, export restrictions, sanctions or regulatory changes that could limit our business growth and disrupt our operation in overseas markets, undermining our ability to serve our overseas customers effectively. In such case, our business, financial condition, and results of operations might be materially and adversely affected. See also “Summary — Recent Development.”

RISK FACTORS

Furthermore, we may experience difficulties in engaging and retaining a skilled workforce, managing third-party suppliers, or adapting to different business cultures and regulatory frameworks in our overseas operations. Any disruption or delay in our international operations, or any failure to comply with applicable laws and regulations, could result in penalties, increased compliance costs, reputational harm, or even the suspension of our business activities in the affected jurisdictions.

The pricing of our products is subject to change.

We price our products based on product categories and specifications, production costs, market positioning, supply and demand dynamics, industry competition, technological advancements, and our business relationship with relevant customers. In the event of raw material price fluctuations or increased pricing pressure from intensified competition or declining market demand, we may need to reduce the prices and lower the margins of our products. Moreover, we may not be able to accurately estimate our costs or pass on all or part of any increase in our costs of production, in particular the costs of materials, parts and components to our customers. As a result, our results of operations and profitability could be materially and adversely affected.

We may fail to manage our growth or execute our strategies effectively.

Our business has continued to grow in recent years, and we have expanded into wind and photovoltaic power generation industry and are building our self-operating shipping team. We need to continuously enhance and upgrade our infrastructure and technology, improve control over our operational, financial and management aspects, strengthen our supplier and sales network management, refine our reporting systems and procedures, and expand, train and manage our growing employee base. All these efforts will require significant managerial, financial and human resources. We cannot assure you that we will be able to effectively manage our growth, or that our strategies and new business initiatives will be executed successfully. In addition, our failure to innovate and adapt to changes and developments taking place in the industry that we operate may have a materially adverse effect on our growth. Even if we innovate and adapt to these changes and developments, we may nevertheless fail to realize the anticipated benefits of changes adopted to our long-term strategies and business plans or even harm our profitability as a result.

We may fail to obtain new orders in tendering or quotation process. Failure to continuously secure new contracts could materially affect our financial condition and results of operations.

Our customers select and engage us as a supplier mainly on a contract basis through tender or quotation. Their selection process and procurement decisions are subject to internal evaluation criteria which are affected by a number of factors such as their own business needs, technological compliance requirements, financing arrangements, business relationship with suppliers, many of which are out of our control. There is no guarantee that our existing customers will continue to engage us for new contracts, and we generally have to go through competitive tendering or quotation process to secure new contracts. The number and size of contracts we are able to obtain may fluctuate from year to year and we cannot assure you that we will be continuing to obtain new contracts on terms commercially acceptable to us or that the new contracts will be profitable at current levels, or at all.

RISK FACTORS

We may be affected by government policies of the wind power industry.

The development of the wind power industry in the PRC, Europe and other regions heavily relies on policies and regulations that are introduced by local governments, which directly affect the wind power equipment industry and the demand for our products. In recent years, countries and regions represented by China and Europe have promulgated a series of laws and regulations to support and encourage the development of wind power. The direct or indirect reduction or termination of such government support may have a negative impact on the wind market. In the event of changes in these preferential policies of the markets in which we currently or intend to operate, wind power may become less attractive, and this could have a material and adverse effect on our business, results of operations and prospects.

Our margins from the sale of electricity generated from our wind and photovoltaic power generation facilities could be affected by tariff controls and changes in the PRC regulatory regime.

The electricity generated from our wind and photovoltaic power generation business is sold to grid companies at prices determined in accordance with the applicable PRC tariff policies, including the benchmark on-grid tariff or the bidding tariff established pursuant to the relevant government regulations. Such tariffs are set, guided or approved by the relevant PRC government authorities and we have limited flexibility to adjust our selling prices, thus our profit margins from the sale of electricity may be constrained by the applicable benchmark or bidding tariffs. In recent years, the PRC government has been promoting electricity market reforms and the transition towards grid-parity and market-based pricing. Any downward adjustments to the applicable benchmark or bidding tariffs, reductions or delays in subsidy payments, or changes in tariff settlement mechanisms could adversely affect our business, results of operations and prospects.

RISKS RELATING TO FINANCIAL, ACCOUNTING AND TAX MATTERS

Our historical financial and operating results may not be indicative of our future performance.

During the Track Record Period, we experienced fluctuations in our revenue and profits. Our past performance is not necessarily indicative of future results. Our financial and results of operations may not meet the expectations of public market analysts or investors. The effects of changing regulatory, economic, public health, environmental, competitive conditions and many other factors cannot be fully predicted and may have a material adverse effect on our business, financial condition, results of operations and prospects. As we continue our business expansion, we cannot assure you that we will achieve the expected results or maintain the same levels of revenue growth and profitability as we have achieved historically.

We may need additional capital, and financing may not be available.

As our business continues to expand, we may need to secure substantial additional funding in connection with our continuing operations through equity offerings, debt financing, or other sources. If we are unable to raise capital when needed or on acceptable terms, we could be forced to delay, limit, or terminate our expansion plan. If we fail to raise additional funds, we may need to sell additional equity securities, which could result in additional dilution to our Shareholders.

RISK FACTORS

We may fail to maintain optimal inventory levels.

Our inventory primarily includes raw materials, work in progress, finished goods and goods in transits. As of December 31, 2023, 2024 and 2025, our inventories amounted to RMB1,545.5 million, RMB2,084.5 million and RMB2,174.6 million, respectively, and we recorded provision for impairment loss on inventories of nil, nil and RMB5.9 million in 2023, 2024 and 2025, respectively. Our inventory turnover days were 180 days, 250 days and 183 days in 2023, 2024 and 2025, respectively. Any increase in inventory may adversely affect our working capital. If we cannot manage our inventory level efficiently in the future, our liquidity and cash flow may be adversely affected. Furthermore, any unexpected and adverse changes to the optimal storage conditions at our warehouse may expedite the deterioration of our inventories. Any unexpected change in the demand for our products may result in over-stocked inventories which may lead to decline in inventory values, and significant write-offs.

We are subject to credit risk in collecting trade and bills receivables.

We generally require our customers to pay a portion of the contract payments upfront, before the delivery of our products. Pursuant to the contract terms, our customers are required to make subsequent payments in batches, at predefined milestones. We generally granted different credit periods to our customers depending on the product type during the Track Record Period. For example, we generally granted a credit period of between 30 to 60 days for monopiles, between 30 to 180 days for towers. During the Track Record Period, a majority of our trade and bills receivables were outstanding for less than one year. Our trade and bills receivables turnover days were 155 days, 161 days and 83 days in 2023, 2024 and 2025, respectively. As of December 31, 2023, 2024 and 2025, our trade and bills receivables amounted to RMB1,669.6 million, RMB1,369.2 million and RMB1,101.1 million, respectively. There is no assurance that all such amounts will be settled on time or at all, and we are subject to credit risk in collecting the trade and bills receivables due from the customers.

Our level of indebtedness may adversely affect our ability to raise additional capital.

During the Track Record Period, we, to a certain extent, used bank borrowings to finance our capital expenditures and business operations. We expect that we may continue to do so in the future, which may increase our liquidity risk. As of December 31, 2023, 2024 and 2025, our borrowings amounted to RMB472.2 million, RMB348.4 million and RMB1,892.9 million, respectively. We cannot assure you that we will not maintain a high level of borrowings. Such indebtedness could divert a substantial portion of our cash flow to debt service, thereby limiting our financial flexibility and reducing funds available for working capital, capital expenditures, and strategic initiatives. Moreover, it would increase our vulnerability to adverse economic conditions and interest rate fluctuations, and could restrict our ability to obtain further financing. Any failure to service our debt could lead to default, which would have a material adverse effect on our business, financial condition, and prospects. As a result of the covenants and restrictions along with our borrowings, we are limited in how we conduct our business, and we may be unable to raise additional debt or equity financing to compete effectively or to take advantage of new business opportunities. A breach of any of the restrictive covenants could result in a default with respect to the related indebtedness, which could cause cross-default or payment acceleration of our other debts, and thus we may not have the funds to repay, or the ability to refinance, such debt.

RISK FACTORS

Fluctuations in exchange rates may result in foreign currency exchange losses.

We are exposed to currency risks primarily through sales and purchases, interest-bearing borrowings and bank balances that are denominated in a foreign currency. Changes in the value of foreign currencies could increase our RMB costs for, or reduce our RMB revenues from, our foreign operations. The fluctuation of foreign exchange rates also affects the value of our monetary and other assets and liabilities denominated in foreign currencies. In 2023, 2024 and 2025, we recorded net foreign exchange loss of RMB73.7 million, loss of RMB46.8 million and gain of RMB58.0 million, respectively. During the Track Record Period, we monitored currency fluctuations and utilized foreign exchange derivative instruments. Our derivative financial instruments mainly include foreign currency forward contracts. As of December 31, 2023, we entered into several foreign currency forward contracts to sell Euro with an aggregate notional amount of RMB331.5 million (approximately EUR 48.0 million) and a tenor of less than three months, which were measured at fair value with a liability position. As of December 31, 2023, 2024 and 2025, our derivative financial liabilities amounted to RMB21.5 million, nil and nil, respectively. We cannot guarantee that future fluctuations of exchange rates would not have a material adverse impact on our financial condition and results of operations.

Furthermore, if we decide to convert our RMB into Hong Kong dollars for the purpose of making payments for dividends on our H Shares or for other business purposes, any depreciation of RMB against the Hong Kong dollar would have a negative effect on the value of, and any dividends payable on, our H Shares.

We are exposed to changes in the fair value of our financial assets measured at fair value.

As of December 31, 2023, 2024 and 2025, we recorded financial assets measured at fair value through profit or loss (“FVTPL”) of RMB1,003.7 million, nil and RMB550.3 million, respectively. As of the same date, we recorded financial assets measured at fair value through other comprehensive income (“FVTOCI”) of RMB289.7 million, RMB254.2 million and RMB361.9 million, respectively. Fair values of financial assets at FVTPL and financial assets at FVTOCI are determined based on quoted prices in active markets, other market-observable inputs, or unobservable inputs using valuation techniques. For details, see note 25 to the Accountants’ Report as set out in Appendix I to this prospectus. Factors beyond our control affecting the fair value of our financial assets include, but are not limited to, general economic condition, changes in market interest rates, stability of the capital markets, shifts in our creditworthiness and other market-driven variables. Changes in assumptions relating to our valuation could result in material adjustments to the fair value of such financial assets, which may have a material adverse effect on our financial position and results of operations.

We may fail to fulfil our obligations in respect of contract liabilities.

Our contract liabilities are recognized when payment from a customer is received or is due (whichever is earlier) before we transfer the related goods or services. As of December 31, 2023, 2024 and 2025, we had contract liabilities of RMB589.0 million, RMB1,388.9 million and RMB1,608.6 million, respectively. If we were not able to fulfil our obligations with respect to our contract liabilities, our results of operations, liquidity and financial position may be materially and adversely affected.

RISK FACTORS

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

The PRC EIT Law imposes a tax rate of 25% on business enterprises. Our Company and some of our subsidiaries are entitled to preferential tax treatment, such as “High and New Technology Enterprise” for a preferential corporate income tax rate of 15%, or public infrastructure project companies entitled for three years full tax exemption followed by three years half tax reduction. For details, see “Financial Information — Description of Certain Consolidated Statements of Profit or Loss and Other Comprehensive Income Items — Income Tax Expenses.” To the extent there are any changes in the laws and regulations governing preferential tax treatment, or increases in our effective tax rate due to any other reasons, our tax liability would increase correspondingly. In addition, non-compliance with applicable tax laws and regulations may result in penalties or fines imposed by relevant tax authorities. Our effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretation. See “Financial Information — Description of Certain Consolidated Statements of Profit or Loss and Other Comprehensive Income Items — Income Tax Expenses.” We also operate in countries and regions overseas and are subject to various taxes. Due to the fact that the tax environment varies in different jurisdictions and that the regulations regarding various taxes, including but not limited to corporate income tax, are complex, our overseas operations may expose us to risks associated with the overseas tax policy changes.

We are also subject to the examination of our tax returns and other tax matters by local and overseas tax authorities and governmental bodies. There can be no assurance as to the outcome of these examinations. If our effective tax rates were to increase, or if the ultimate determination of our taxes owed is for an amount in excess of amounts previously accrued, our financial condition, operating results and cash flows could be adversely affected. In addition, applicable laws and regulations in the jurisdictions in which we operate require intra-group transactions to be conducted on arm’s length terms. After assessing our transfer pricing arrangements during the Track Record Period, our Directors, as advised by our independent transfer pricing consultant, are of the view that our transfer pricing transactions and arrangements thereunder were generally consistent with the arm’s length principle from Chinese Mainland and OECD Transfer Pricing perspectives. For details, see “Business — Global Footprint And International Vision — Transfer Pricing Arrangement.” However, there can be no assurance that tax authorities in these jurisdictions will not challenge our transfer pricing arrangements, which could result in additional taxes, interests, or penalties imposed on us. Such challenges could have a material adverse effect on our financial condition, results of operations and prospects.

Government grant we have enjoyed may change or discontinue.

In 2023, 2024 and 2025, we recorded government grants of RMB21.8 million, RMB9.6 million and RMB11.9 million, respectively. For details, see “Financial Information — Description of Certain Consolidated Statements of Profit or Loss and Other Comprehensive Income Items — Other Income.” There can be no assurance that we will be able to fully satisfy certain conditions or contractual obligations required for receiving government grants. If relevant policies change in the future, there is no assurance that we would continue to enjoy these government grants at the historical levels, or at all. Any change, suspension or discontinuation of these government grants to us could adversely affect our financial condition, results of operations and cash flows.

RISK FACTORS

RISKS RELATING TO OUR OPERATIONS

Any interruption in the operation may adversely impact on our business.

Our operation process covers from R&D through production, storage, logistics, marketing and sales to after-sales services. Any interruption or failure in the operation process, which involves use of materials, parts and components supplied by third-party vendors, could result in product quality or safety problems and other regulatory or environmental risks that may have an adverse impact on our business. Our operation process may be disrupted by fire, flood, earthquake, power outage, telecommunications failure, security breach, and other incidents that are beyond our control. Any interruption in the operation may render us unable to fulfil the orders placed with us in a timely manner and/or design and manufacture products to the customer's satisfaction or at all, which may adversely affect our business, results of operations and financial condition.

Our success depends largely on our ability to retain senior management and other key employees while controlling our labor costs.

Our experienced managers are instrumental in implementing our business strategies, executing our business plans and supporting our business operations and growth. Our success depends, to a significant extent, on our ability to recruit, train or retain our senior management and other key employees, particularly technical, marketing and other operational personnel with experience in the relevant industry. The industry in which we operate is characterized by high demand and intense competition for talent and labor. We can provide no assurance that we will be able to attract or retain qualified staff or other highly skilled employees that we will need to achieve our strategic objectives. In addition, competition for qualified individuals or workers may require us to pay higher wages, which could result in higher labor costs.

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

Our success depends on our ability to protect our and our customers' intellectual property rights. We cannot assure you that our designs, patents, trademarks, and other intellectual property rights and our customers' designs will not be misappropriated, or that we will effectively prevent leakage of confidential information or infringement of intellectual property rights, or at all. We rely on a combination of applicable intellectual property laws as well as confidentiality agreements to protect our patents, trade names, copyrights and other intellectual property rights. For details of our intellectual property rights, see "Business — Intellectual Property" and "Appendix VI — Statutory and General Information — Further Information about Our Business — Intellectual Property Rights" to this prospectus. Our intellectual property rights may be subject to various forms of infringement. Identifying unauthorized use of proprietary technology is difficult and costly, and we may need to resort to litigation to enforce or defend patents issued to us or to determine the enforceability, scope and validity of our proprietary rights or those of others. Any such litigation may require significant expenditure of financial and managerial resources and an adverse determination in any such litigation will impair our intellectual property rights and may harm our business, prospects and reputation.

Moreover, we may be subject to claims from other parties such as industry participants and competitors, and other third parties alleging our infringement of their patents, trademarks and/or other intellectual property rights in the future. Any legal or administrative proceedings resulting from such allegations is likely subject us to significant liability and even to cause a declaration of invalidity of our existing intellectual property rights. These lawsuits or proceedings would be time-consuming and costly to resolve, and would divert much of our managerial attention and administrative resources. In addition, given that the enforceability

RISK FACTORS

and scope of protection of proprietary rights both in Chinese Mainland and in other areas are uncertain and still evolving, we may choose not to litigate or spend significant resources in litigation to enforce our intellectual property rights or to defend our patents against unauthorized use by third parties.

Our investments and/or acquisitions may prove to be difficult to integrate and manage or may not be successful.

We are considering alternative avenues of dynamic growth by exploring attractive joint venture, investment and acquisition that are compatible with us. As of the Latest Practicable Date, we had not identified any potential targets or conducted any feasibility studies on any potential targets. This strategy exposes us to potential risks which could materially and adversely affect our business and financial results. Such risks include, but are not limited to, encountering unforeseen liabilities in acquired businesses, failing to successfully integrate their operations and personnel, failing to achieve the expected synergies or cost savings, losing key employees and customers, and diverting management resources. Moreover, financing such investments may require additional debt, which would increase our repayment obligations and reduce cash available for operations. We may not be able to identify suitable joint venture, investment and/or acquisition candidates, or make investment and/or acquisition on attractive terms, or obtain financing necessary to complete and support such initiatives. In addition, the anticipated future expansion of our operations through joint venture, investment and/or acquisition may place a significant strain on our management, internal controls and information technology systems and resources, and could also result in additional expenditure. We cannot assure you that we will be able to successfully integrate any joint venture, investment and/or acquisition that we undertake or that such joint venture, investment and/or acquisition will perform as planned or prove to be beneficial to our operations and cash flow.

Our business may suffer as a result of adverse outcomes of current or future litigation and regulatory actions, including with respect to anti-competitive practices.

We face the risk of litigation and regulatory proceedings in different countries in the ordinary course of our business. Legal proceedings, including regulatory actions, may seek to recover large indeterminate amounts or to limit our operations, and the possibility that they may arise, and their magnitude may remain unknown for substantial periods of time. For details of our legal proceedings, see “Business — Legal Proceedings and Compliance.”

In December 2025, a civil claim (the “**Claim**”) was filed by a plaintiff (the “**Plaintiff**”) against our wholly-owned subsidiary Zhangwu Xiliujiazi, two other subsidiaries of our Company and our Company (collectively, the “**Defendants**”). The Claim pertains to an EPC contract (the “**EPC Contract**”) entered into between the Plaintiff and Zhangwu Xiliujiazi in December 2021. Pursuant to the Claim, the Plaintiff alleges that certain payments under the EPC Contract and its related arrangements are due and payable by Zhangwu Xiliujiazi. The Plaintiff primarily seeks to hold the Defendants jointly and severally liable for the payment of outstanding amounts of approximately RMB572.6 million, together with overdue interest and related legal costs. In connection with the Claim, the Plaintiff applied for and was granted a pre-judgment asset preservation order by the court. Pursuant to this order, certain bank deposits held by the Defendants and the equity interests held by the shareholder of Zhangwu Xiliujiazi were frozen. As of December 19, 2025, the aggregate value of the bank deposits subject to the preservation order was approximately RMB12.5 million. We have provided a corresponding bank guarantee, and accordingly, the court lifted the preservation measures on the above-mentioned bank deposits and equity interests in late April 2026. We are actively defending the claim and, in response, filed a lawsuit against the Plaintiff for breach of the EPC Contract in December 2025. As of the date of this prospectus, both proceedings are at a preliminary stage.

RISK FACTORS

Having considered the opinions of the Company's PRC litigation counsel, the evidence of contract performance, the grounds of defense filed, and the separate litigation initiated by the Group, our Directors are of the view that: (i) the likelihood that the Plaintiff's claim of RMB572.6 million will be upheld in full by the court is considered low; and (ii) as of December 31, 2025, appropriate trade payables had been recorded in the consolidated statement of financial position of the Group in respect of this matter, which is broadly sufficient to cover the financial impact of the litigation on the Group. Our Directors further confirm that, the Claim in relation to the EPC Contract has no impact on, and is not otherwise related to, the Group's other existing contracts or agreements. Therefore, our Directors are of the view that, although there is uncertainty regarding the timing or ultimate results of the Claim, this Claim is not likely to have material impact on our business, results of operations and financial conditions. And nothing has come to the Joint Sponsors' attention that would cause them to cast doubt with the aforesaid Directors' view.

In particular, legal proceedings, including regulatory actions, may result from product defects, antitrust scrutiny, as well as disputes related to customer payments and product quality, both in Chinese Mainland and in other jurisdictions. We may be subject to certain antitrust investigations, lawsuits or regulatory proceedings, and may be subject to fines, civil liability or criminal liability. Third parties who are subject to injury or damage may bring claims or legal proceedings against us. Certain product liability claims may be the result of defects from materials, parts and components purchased from our suppliers. Such claims, including the damages being sought, whether or not they have any basis, may be substantial and could extend beyond the direct losses suffered by our counterparties. A substantial legal liability or adverse regulatory outcome and the substantial cost of defending litigation or regulatory proceedings may have an adverse effect on our business, results of operations, financial condition, cash flows and reputation. Further, such lawsuits, regulatory proceedings and investigations could also divert significant resources from our normal operations.

We may be the subject of unfair competition, harassing, or other detrimental conduct.

We may be the subject of unfair competition, harassing, or other detrimental conduct by third parties. We may be subject to government or regulatory investigation as a result of such third-party conduct and may be required to expend significant time and incur substantial costs to address such third-party conduct. There is no assurance that we will be able to conclusively refute each of the allegations within a reasonable period of time, or at all. Additionally, allegations, directly or indirectly against us, may be posted online by anyone, whether or not related to us, on an anonymous basis. Information posted on social media may be inaccurate and adverse to us, and it may harm our reputation, business operations and financial performance. Our reputation may be negatively affected as a result of the public dissemination of anonymous allegations or malicious statements about our business, which in turn may cause us to lose market share, customers and revenue.

Our limited insurance coverage may not cover all losses.

We have purchased property insurance covering all risks for manufacturing facility assets and construction insurance for project-related risks. We have also purchased commercial liability insurance to cover third-party injuries or property damage during overseas contract execution, as well as insurance for transportation-related third-party risks. We do not, however, carry insurance in respect of certain risks that we believe are not insured under customary industry practice, or that are uninsurable on commercially acceptable terms. Accordingly, there may be circumstances in which we will not be covered or compensated, in part or at all, for specific losses, damages and liabilities. We cannot guarantee that our insurance coverage is sufficient to cover potential losses.

RISK FACTORS

We may not be able to detect and prevent fraud or other misconduct committed by our customers, suppliers or other third parties.

We may be exposed to fraud or other misconduct committed by our customers, suppliers or other third parties that could affect our reputation and subject us to litigation, financial losses and penalties imposed by governmental authorities. Such misconduct could include: hiding unauthorized or unlawful activities; intentionally concealing material facts or failing to perform necessary due diligence procedures; improperly using or disclosing confidential information; offering bribes to, or receiving bribes from, counterparties; misappropriating funds; conducting transactions that exceed authorized limits; engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities; or otherwise failing to comply with applicable laws or our internal policies and procedures. Our internal control procedures may not be able to identify all instances of misconducts relating to our operations, non-compliance or suspicious transactions in a timely manner, if at all, and the precautions we take to prevent and detect such activities may not be effective.

Our owned and leased properties may be subject to non-compliances or challenges.

We own and lease properties in Chinese Mainland and overseas primarily for production and operation purposes. For details, see “Business — Properties.” Under PRC laws and regulations, both lessors and lessees are required to file the lease agreements for registration and obtain property leasing filing certificates for their leases. As of the Latest Practicable Date, one of our lease agreements in Chinese Mainland had not been registered. We may be subject to fines if we fail to rectify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the relevant authority. As of the Latest Practicable Date, we were not subject to any penalties arising from the non-registration of lease agreements. In addition, if any of our leases is terminated or becomes unenforceable as a result of challenges from third parties, we would need to seek alternative properties and incur relocation costs. Any relocation could lead to disruptions to our operations and adversely affect our business, financial conditions and results of operations.

Our compliance and risk management systems may not be sufficient.

Our internal controls and compliance systems may not be adequate to address all applicable risks in every jurisdiction. The policies we have put in place to prevent direct or indirect acts of corruption, bribery, anti-competitive behavior, money laundering, breaches of sanctions, fraud, deception, tax evasion and other criminal or otherwise unacceptable conduct may be insufficient to prevent all non-compliance in these areas. The materialization of any of these risks may result in reputational loss and materially adverse legal consequences, such as debarment, the imposition of fines or sanctions and penalties, or assertion of damages claims by third parties.

Our operations may be impacted by IT system and network failures or cybersecurity breaches.

We rely extensively on IT systems, some of which are supported by third-party vendors, to manage and operate our business. If these systems cease to function properly, if these systems experience security breaches or disruptions or if these systems do not provide the anticipated benefits, our ability to manage our operations could be impaired. If the software installed on the computers used by us and our employees is not properly authorized or licensed, we may be subject to claims or litigations from software vendors. We may be subject to IT system failures or network disruptions caused by natural disasters, accidents, power disruptions, telecommunications failures, acts of terrorism or war, computer viruses, physical or electronic break-ins, or other events or disruptions. Our IT systems may also be subject to

RISK FACTORS

computer viruses or other malicious codes, unauthorized access attempts, phishing and other cyberattacks. As techniques used in these cyberattacks change frequently and may be difficult to detect for periods of time, we may face difficulties in anticipating and implementing adequate preventative measures. As of the Latest Practicable Date, we had not seen any material impact on our business or operations from these attacks. If the IT systems, networks or service providers we rely upon fail to function properly or if we or one of our third-party providers suffer a loss, significant unavailability of or disclosure of our business or stakeholder information and our business continuity plans do not effectively address these failures on a timely basis, we may be exposed to reputational, competitive and business harm as well as litigation and regulatory action, including administrative fines.

We may suffer losses caused by the occurrence of extraordinary events, including natural disasters or outbreaks of contagious diseases.

Our business may be adversely affected by the occurrence of force majeure events, including natural disasters, outbreaks of contagious diseases, and other extraordinary events, such as typhoons, severe storms, earthquakes, floods, fires or other natural disasters or similar events especially in the areas where we operate. Such events could decrease the demand for our products, impact the productivity of our workforce, make it difficult or impossible for us to manufacture and deliver products to our customers in a timely manner, or to receive materials and equipment from our suppliers. Any of the foregoing could result in significant financial losses, substantial recovery time and considerable expenditures in order to resume our normal business operations, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

RISKS RELATING TO GOVERNMENT REGULATIONS

We could be affected by the development and differences of local economic, social and legal policies.

We operate in Chinese Mainland and some overseas regions and therefore our business, financial condition, results of operations and prospects may be affected by local economic, social and legal policies. We cannot guarantee that our business operations will be able to benefit from such measures. In addition, laws, rules and regulations may also be amended from time to time, and the application, interpretation and enforcement of such evolving laws, rules and regulations may affect our business operations. In addition, there are differences embedded in the legal systems of certain geographic markets where we operate. Since local administrative and court authorities are authorized to interpret and implement statutory provisions and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we have in many of the geographic markets where we operate. Any of the foregoing may have a material and adverse effect on our business, financial condition, results of operations and prospects.

We are subject to various laws, regulations and regulatory standards and any inability to comply with such requirements and standards may subject us to liabilities.

We are required to contribute to social insurance and housing provident fund on behalf of our employees in Chinese Mainland, according to the Regulation on the Administration of Housing Provident Funds (住房公積金管理條例), and the PRC Social Insurance Law (中華人民共和國社會保險法). On July 31, 2025, the Supreme People's Court of the PRC has issued the Interpretation II by the Supreme People's Court of the PRC on Legal Issues in the Trial of Labor Dispute Cases (最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)) (the “**Interpretation II**”), which takes effect from September 1, 2025. Pursuant to the Interpretation II, it is a statutory obligation on both the employers and employees to participate in the social insurance. Any arrangement not to participate in social insurance, either by

RISK FACTORS

unilateral undertaking or mutual agreement, is invalid. As advised by our PRC Legal Advisors, the Interpretation II does not impose any additional shortfalls related to social insurance or housing provident fund contributions on our Group.

The total unpaid amount of the social insurance and housing provident funds calculated based on the minimum contribution base of social insurance and housing provident funds is RMB0.7 million, RMB0.9 million and RMB0.5 million, respectively, in 2023, 2024 and 2025. There is no assurance that our historical and current practice with respect to the contribution of social insurance plans and housing provident fund will at all times be deemed in full compliance with relevant laws and regulations in Chinese Mainland by government authorities. As advised by our PRC Legal Advisors, the amount of maximum potential penalty due to our total unpaid amount of the social insurance and housing provident funds calculated based on the minimum contribution base of social insurance and housing provident funds during the Track Record Period and having taken into account all potential penalties that may be imposed if we fail to rectify as requested, is approximately RMB5.3 million. As advised by our PRC Legal Advisors, considering that (i) during the Track Record Period and up to the Latest Practicable Date, we were not aware of any material complaint, litigation or arbitration brought by any of our employees regarding our social insurance and housing provident fund policy; (ii) none of the Company nor its PRC subsidiaries had been subject to any material administrative penalties in relation to social insurance and housing provident fund contributions during the Track Record Period, and (iii) we have obtained compliance confirmations from the relevant competent government authorities, confirming that no administrative penalty was imposed on us in relation to our social insurance and housing provident fund contributions during the Track Record Period, the risk of us being penalized our historical shortfall of contribution to social insurance and housing provident funds, or relevant PRC authorities requiring us to fully pay for our historical shortfall in social insurance and housing provident funds is remote. In addition to the above, if we fail to comply with any other relevant labor laws and regulations in Chinese Mainland, we may be exposed to penalties or be required to compensate employees. If the relevant authorities order us to pay the outstanding social insurance and/or housing provident funds in accordance with applicable laws and regulations, we will make such payments promptly within the specified time to avoid administrative penalties for overdue payment. However, pursuant to the Social Insurance Law and the Regulations on the Administration of the Housing Provident Fund in the PRC, we may incur administrative penalties, only if we fail to comply with a prescribed rectification deadline set by the competent authorities. To ensure our compliance with relevant laws and regulations in respect of social insurance and housing provident fund contributions, we have taken internal control measures, and are in the process of communicating with employees with a view to seeking their understanding and cooperation in complying with the applicable local practices and policies. For details, see “Business — Employees — Insufficient Social Insurance and Housing Provident Fund Contribution.”

We are exposed to risks in relation to work safety and occurrence of accidents as well as other operational, transportation-related, occupational and environment related risks.

We must comply with the extensive environmental, handling of hazardous substances, health and safety laws and regulations and stringent standards in relation to the manufacturing and sale of products which are promulgated by the government authorities in Chinese Mainland. According to these laws and regulations, we are required to maintain safe production conditions and protect the occupational health of our employees. Accidents, if they occur, could materially affect our production and may give rise to personal injuries and fatalities, damages to or destruction of properties or production facilities, and pollution and other environmental damages. Any of these consequences, if significant, could result in business interruption, legal liability and damages to our reputation and corporate image.

RISK FACTORS

Our business is subject to data protection and cybersecurity laws and regulations.

Our business involves the utilization and storage of certain information. We are subject to laws relating to the collection, use, retention, protection and transfer of personal information domestically and abroad. We are also subject to various cybersecurity laws and regulations that govern the protection of digital infrastructure, data integrity, and network security. These laws often require businesses to implement robust cybersecurity measures, report incidents of data breaches, and ensure compliance with security frameworks. Complying with emerging and changing overseas requirements may cause us to incur substantial costs or require us to change our business practices. Failure to comply with these laws to the extent applicable to us could result in severe financial penalties, operational disruptions, and reputational damage. As data protection and cybersecurity laws continue to evolve, we face the challenge of staying compliant across multiple jurisdictions, which may necessitate significant investments in technology, personnel, and training.

We may face risks in relation to approvals, licenses or permits.

Our business is subject to supervision and regulation by various competent regulatory authorities in jurisdictions where we operate, and we are required to obtain the requisite approvals, licenses, permits, filings and registrations. As the applicable laws and regulations, including their interpretation and enforcement, may change from time to time, there can be no assurance that we have obtained, or will be able to obtain, all necessary approvals, licenses, permits, filings or registrations required for our operations, or that we will be able to maintain or renew them or complete the requisite annual inspections (as applicable) in a timely manner. Any failure to do so, or any non-compliance with relevant laws and regulations, could result in administrative penalties, fines or other regulatory actions, and could disrupt our business operations. We are also subject to approval/filing requirements in respect of our outbound investment. If any of our historical or future outbound investment was regarded as failed to comply with the requisite approval/filing requirements, we may be subject to administrative penalties and/or any other liabilities, including order us to suspend or terminate such implementation of our outbound investments.

We are subject to regulatory requirements over foreign currency conversion and remittance.

We receive part of payments from our operations in RMB and may need to convert certain Renminbi into other currencies for payment of dividends, if any, to holders of our Shares, and to fund our business activities outside of Chinese Mainland, among other things. The convertibility of RMB into foreign currencies and, in certain cases, the remittance of currency out of Chinese Mainland are subject to related regulatory requirements. Under current foreign exchange regulations of Chinese Mainland, payment of current account items, including profit distributions and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from the SAFE or its local branches, through licensed banks for foreign exchange business, by complying with certain procedural requirements. If we cannot fulfill the regulatory requirements over foreign currency conversion to obtain sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our Shareholders. Any existing and future requirements on currency exchange may limit our ability to purchase materials, parts and components outside of Chinese Mainland or otherwise fund any future business activities that are conducted in foreign currencies.

RISK FACTORS

Non-Chinese Mainland resident holders of our H Shares may be subject to Chinese Mainland income tax obligations.

Under the EIT Law and its implementation rules, subject to any applicable tax treaty or similar arrangement between Chinese Mainland and a non-Chinese Mainland investor's jurisdiction of residence that provides for a different income tax arrangement, Chinese Mainland withholding tax at the rate of 10% is normally applicable to dividends from Chinese Mainland sources payable to investors that are non-PRC resident enterprises. Under the Individual Income Tax Law of the PRC (中華人民共和國個人所得稅法) and its implementation rules, dividends from sources within Chinese Mainland paid to foreign individual investors who are not PRC resident individuals are generally subject to a withholding tax at a rate of 20% and gains from Chinese Mainland sources realized by such investors on the transfer of shares are generally subject to a 20% income tax rate, in each case, subject to any reduction or exemption set forth in applicable tax treaties and laws in Chinese Mainland. As of the Latest Practicable Date, the relevant tax provision had not expressly provided that individual income tax shall be collected from non-PRC resident individuals on the sale of shares of PRC resident enterprises listed on overseas stock exchanges. For details, see "Taxation and Foreign Exchange — Income Tax" in Appendix III to this prospectus. If Chinese Mainland income tax is imposed on gains realized from the transfer of our H Shares or on dividends paid to our non-Chinese Mainland resident investors, the value of your investment in our H Shares may be affected. Furthermore, our Shareholders whose jurisdictions of residence have tax treaties or arrangements with Chinese Mainland may not qualify for benefits under such tax treaties or arrangements.

Our offshore subsidiaries may be treated as a resident enterprise for tax purposes in Chinese Mainland.

Under the EIT Law and the Regulation on the Implementation 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), enterprises established under the laws of jurisdictions outside of Chinese Mainland with "de facto management bodies" located in Chinese Mainland may be considered PRC resident enterprises for tax purposes and may be subject to the PRC EIT at the rate of 25% on their global income. In addition, the Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Resident Enterprises on the Basis of De Facto Management Bodies (國家稅務總局關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知) (Guo Shui Fa [2009] No. 82) (the "**Circular 82**"), specifies that certain Chinese-controlled offshore incorporated enterprises, defined as enterprises incorporated by enterprises or enterprise groups within Chinese Mainland as major controlling shareholders under the laws of foreign countries (regions) will be classified as resident enterprises if all of the required conditions are met. If our offshore subsidiaries are deemed Chinese Mainland resident enterprises, the competent regulatory authorities may request EIT at 25% on such our offshore subsidiaries' global income, except that the dividends they receive from our Chinese Mainland subsidiaries, if any, may be exempt from the EIT to the extent such dividend income constitutes "dividends received by a PRC resident enterprise from its directly invested entity that is also a PRC resident enterprise." Nonetheless, it remains subject to future interpretation as to what type of enterprise would be deemed a "PRC resident enterprise" for such purposes. The EIT on our subsidiaries' global income could significantly increase our tax burden and affect our cash flows and profitability.

RISK FACTORS

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

Most of our assets are situated in Chinese Mainland. In addition, most of our Directors and senior management reside in Chinese Mainland, and are citizens of Chinese Mainland. As cross-border service of process is typically cumbersome and time-consuming, it may be difficult for investors outside of Chinese Mainland to effect service of process upon us or our management residing in Chinese Mainland. As Chinese Mainland does not have any treaties or other forms of written arrangement with the United States that provide for the reciprocal recognition and enforcement of foreign judgments, you may fail to enforce in courts in Chinese Mainland the judgments obtained in U.S. courts based on the civil liability provisions of the U.S. federal securities laws against us or our Directors or senior management. On January 18, 2019, the Supreme People's Court and the Hong Kong Government signed 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 “**Arrangement**”), which came into effect on January 29, 2024. According to the Arrangement, a judgment rendered by a Hong Kong court can generally be recognized and enforced in Chinese Mainland even if the parties in the dispute do not enter into a choice of court agreement in writing. However, we cannot guarantee that all judgments made by Hong Kong courts will be recognized and enforced in Chinese Mainland.

RISKS RELATING TO THE GLOBAL OFFERING

We will be concurrently subject to listing and regulatory requirements of Chinese Mainland and Hong Kong.

As we are listed on the Shenzhen Stock Exchange and intend to be listed on the Main Board of the Stock Exchange, we will be required to comply with the listing rules (where applicable) and other regulatory regimes of both jurisdictions, unless an exemption is available or a waiver has been obtained. Accordingly, we may incur additional costs and resources in continuously complying with all sets of listing rules in the two jurisdictions.

Our A Shares are listed on the Shenzhen Stock Exchange and the characteristics of the A share and H share markets may differ.

Following the Global Offering, our A Shares listed and traded on the Shenzhen Stock Exchange will continue to be traded on the Shenzhen Stock Exchange and our H Shares will be traded on the Stock Exchange. Under current laws and regulations of Chinese Mainland, without the approval from the relevant regulatory authorities, our H Shares and A Shares are neither interchangeable nor fungible, and there is no direct trading or settlement between the H Share and A Share markets. With different trading volumes, liquidity and investor bases, as well as different levels of retail and institutional investor participation, the H Share and A Share markets have divergent trading characteristics. Nonetheless, fluctuations in the price of our A Shares may adversely affect the price of our H Shares, and vice versa. Due to the different characteristics of the H Share and A Share markets, the historical prices of our A Shares may not be indicative of the performance of our H Shares.

RISK FACTORS

There has been no prior public market for our H Shares, and an active trading market for our H Shares may not develop or be sustained.

Prior to the Global Offering, there was no public market for our H Shares. We cannot assure you that a public market for our H Shares with adequate liquidity and trading volume will develop and be sustained following the completion of the Global Offering. In addition, the Offer Price of our H Shares is expected to be fixed by agreement between the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and us, and may not be an indication of the market price of our H Shares following the completion of the Global Offering. If an active public market for our H Shares does not develop following the completion of the Global Offering, the market price and liquidity may be materially and adversely affected.

The price and trading volume of our H Shares may be volatile.

The price and trading volume of our H Shares may be subject to significant price and trading volume volatility in response to various factors beyond our control, including the general market conditions of the securities in Hong Kong and elsewhere in the world. The business and performance and the market price of the shares of other companies engaging in similar business may also affect the price and trading volume of our H Shares. In addition to market and industry factors, the price and trading volume of our H Shares may be highly volatile for specific business reasons, such as fluctuations in our revenue, earnings, cash flows, investments, expenditures, regulatory developments, relationships with our business partners, movements or activities of key personnel, or actions taken by competitors.

Future sales or perceived sales of substantial amounts of our H Shares in the public market could have a material 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 shareholding.

The market price of our H Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate could be negatively impacted as a result of future sales of a substantial number of our H Shares or other securities relating to our H Shares in the public market, especially by our Directors, executive officer, or the issuance of new shares or other securities, or the perception that such sales or issuances may occur. In addition, our Shareholders may experience dilution in their holdings if we issue more securities in the future. Furthermore, we may issue shares pursuant to any existing or future share option incentive schemes, which would further dilute our Shareholders' interests in our Company. New shares or shares-linked securities issued by us may also confer rights and privileges that take priority over those conferred by the H Shares. Market sale of Shares by such Shareholders and the availability of these Shares for future sale may have a negative impact on the market price of our H Shares.

In addition, while investors subscribing shares in the Global Offering are not subject to any restrictions on the disposal of the H Shares they subscribed, they may have existing arrangements or agreement to dispose part or all of the H Shares they hold immediately or within certain period upon completion of the Global Offering for legal and regulatory, business and market, or other reasons. Such disposal may occur within a short period or any time or period after the Listing Date. Any sale of the H Shares subscribed by such investors pursuant to such arrangement or agreement could adversely affect the market price of our H Shares and any sizeable sale could have a material and adverse effect on the market price of our H Shares and could cause substantial volatility in the trading volume of our H Shares.

RISK FACTORS

Our Controlling Shareholders have substantial influence over our Group and their interests may not be aligned with the interests of our other Shareholders.

Our Controlling Shareholders have significant influence in determining the outcome of any corporate transaction or other matter submitted to the Shareholders for approval, including but not limited to mergers, privatizations, consolidations and the sale of all, or substantially all, of our assets, election of Directors and other significant corporate actions. Immediately following the completion of the Global Offering (assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised), the Controlling Shareholders will be together entitled to control the exercise of approximately 35.33% of the voting rights and thus remain as Controlling Shareholders of our Company. The interests of our Controlling Shareholders might differ from the interests of our other Shareholders. Any conflict of interest between our Controlling Shareholders and our other Shareholders may also materially and adversely affect aspects such as the decision and implementation of our business plans, which may in turn affect our operations and prospects.

Our historical dividends may not be indicative of our future dividend policy, and there can be no assurance whether and when we will pay dividends in the future.

We have declared dividends in the past. However, there is no assurance that dividends of any amount will be declared or distributed by us in any year in the future. Under the applicable laws and regulations of Chinese Mainland, the payment of dividends may be subject to certain limitations, and the calculation of our profit under the Accounting Standards for Business Enterprises may differ in certain respects from the calculation under the IFRS Accounting Standards. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the applicable laws and regulations of Chinese Mainland. See “Financial Information — Dividends” for further details of our dividend policy. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Our historical dividends should not be taken as indicative of our dividend policy in the future.

You should not place any reliance on any information released by us in connection with the listing of our A Shares on the Shenzhen Stock Exchange.

The information announced by us on the Shenzhen Stock Exchange in connection with our A Shares listing is based on regulatory requirements of the securities authorities, industry standards and market practices in Chinese Mainland, which are different from those applicable to the Global Offering. The presentation of financial and operational information for the Track Record Period disclosed on the Shenzhen Stock Exchange or other media outlets may not be directly comparable to the financial and operational information contained in this prospectus. As a result, prospective investors in our H Shares should be reminded that, in making their investment decisions as to whether to purchase our H Shares, they should rely only on the financial, operating and other information included in this prospectus. By applying to purchase our H Shares in the Global Offering, you will be deemed to have agreed that you will not rely on any information other than that contained in this prospectus and any formal announcements made by us in Hong Kong with respect to the Global Offering.

You should read the entire prospectus carefully and only rely on the information included in this prospectus to make your investment decision.

We strongly caution our investors not to rely on any information contained in press articles or other media regarding us, our H Shares and the Global Offering. Prior to the publication of this prospectus, there may be press and media coverage regarding the Global

RISK FACTORS

Offering and us. Such press and media coverage may include references to certain information that does not appear in this prospectus, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this prospectus, we disclaim responsibility for it and our investors should not rely on such information.

Certain facts, forecast and other statistics in this prospectus obtained from official government sources have not been independently verified and may not be reliable.

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

Forward-looking statements contained in this 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. For details, see “Forward-looking Statements.” These forward-looking statements, including, amongst others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessarily estimates reflecting the best judgment of our Directors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set out in this section. Accordingly, such statements are not a guarantee of future performance and investors should not place undue reliance.

WAIVERS

In preparation for the Listing, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules.

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong. This will normally mean that at least two of its executive directors must be ordinarily resident in Hong Kong. We do not have sufficient management presence in Hong Kong for the purposes of Rule 8.12 and Rule 19A.15 of the Listing Rules.

Our Group's management headquarters, senior management, business operations and assets are primarily based outside Hong Kong. Our Directors consider that the appointment of executive directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Group and therefore would not be in the best interests of our Company or the Shareholders as a whole. Therefore, our Company does not, and does not contemplate in the foreseeable future that we will, have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under the Listing Rules.

Accordingly, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with Rules 8.12 and 19A.15 of the Listing Rules. We will ensure that there is an effective channel of communication between the Stock Exchange and us by way of the following arrangements:

- (i) **Authorized representatives:** both of our Company's authorized representatives, Mr. Jin and Mr. LAU Kwok Yin (劉國賢), will act as our Company's principal channels of communication with the Stock Exchange. Accordingly, the authorized representatives of our Company will be able to meet with the relevant members of the Stock Exchange on reasonable notice and will be readily contactable by telephone, facsimile and/or email.

Each of the authorized representatives of our Company has means of contacting all Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange proposes to contact a Director with respect to any matter;

- (ii) **Directors:** each Director has provided their mobile phone number, office phone number, fax number, if any, and e-mail address to the authorized representatives of our Company and the Stock Exchange, and in the event that any Director expects to travel or otherwise be out of the office, they will provide the phone number of the place of their accommodation to our authorized representatives.

Each of our Directors not ordinarily residing in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and will be able to meet with the relevant members of the Stock Exchange within a reasonable period of time;

- (iii) **Compliance advisor:** we have appointed Altus Capital Limited as our Compliance Advisor, in compliance with Rule 3A.19 of the Listing Rules, who will, among other things and in addition to our authorized representatives and our Directors, also act as an additional channel of communication with the Stock Exchange from the Listing Date to the date when our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately following the Listing Date. Pursuant to the Note of Rule 3A.23, the Compliance Advisor will have access at all times to our authorized representatives, our Directors

WAIVERS

and other officers. We shall also ensure that our authorized representatives, Directors and other officers will promptly provide such information and assistance as the Compliance Advisor may need or may reasonably require in connection with the performance of the Compliance Advisor's duties as set forth in Chapter 3A of the Listing Rules. We shall ensure that there are adequate and efficient means of communication among our Company, our authorized representatives, our Directors, other officers and the Compliance Advisor, and will keep the Compliance Advisor fully informed of all communications and dealings between the Stock Exchange and us.

Any meeting between the Stock Exchange and our Directors will be arranged through our authorized representatives or the 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/or our Compliance Advisor; and

- (iv) **Legal advisors:** we will also retain Hong Kong legal advisors to advise on on-going compliance requirements as well as other issues arising under the Listing Rules and other applicable laws and regulations of Hong Kong after the Listing.

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of his or her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary.

Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (i) a member of The Hong Kong Chartered Governance Institute;
- (ii) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and
- (iii) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing the "relevant experience," the Stock Exchange will consider the individual's:

- (i) length of employment with the issuer and other issuers and the roles he/she played;
- (ii) familiarity with the Listing Rules and other relevant laws and regulations including the Securities and Futures Ordinance, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;
- (iii) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (iv) professional qualifications in other jurisdictions.

WAIVERS

We have appointed Ms. GE Xin (葛欣) (“**Ms. Ge**”), our secretary of the Board and deputy general manager, as our joint company secretary with effect from the Listing Date. Our Group’s key operations and principal business activities are conducted outside of Hong Kong. We believe that the company secretary role requires a person to be deeply familiar with our operations and the specific industry context, and to be able to cultivate strong relationships with both the Board and the management. It would be in the best interests of our Company and our corporate governance to have as its joint company secretary a person such as Ms. Ge. As the secretary of the Board, Ms. Ge is deeply familiar with our operations and is able to cultivate strong relationships with both the Board and the management. Our Board believes that Ms. Ge’s intimate knowledge of our Company and operations is essential for the performance of company secretary duties in the most effective and efficient manner. For biographical details of Ms. Ge, see “Directors and Senior Management — Senior Management.”

Since Ms. Ge does not possess the qualifications stipulated in Rule 3.28 of the Listing Rules, she is not able to solely fulfill the requirements as a company secretary of a listed issuer stipulated under the Listing Rules. To support Ms. Ge in performing the duties of company secretary, we have appointed Mr. LAU Kwok Yin (劉國賢) (“**Mr. Lau**”), who is a member of the Hong Kong Institute of Certified Public Accountants, a Chartered Financial Analyst Charter holder, and a fellow of each of The Chartered Governance Institute and the Hong Kong Chartered Governance Institute (previously known as The Hong Kong Institute of Chartered Secretaries) and meets the requirements under Rule 3.28 of the Listing Rules, as a joint company secretary to provide assistance to Ms. Ge for a three-year period from the Listing Date so as to enable Ms. Ge to acquire the relevant experience as required under Note 2 to Rule 3.28 of the Listing Rules to duly discharge her duties.

Accordingly, our Company has applied for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Ms. Ge as our joint company secretary. Pursuant to Chapter 3.10 of the Listing Guide, such waiver has been granted on the conditions that:

- (i) Mr. Lau is appointed as a joint company secretary to assist Ms. Ge in discharging her functions as a company secretary and gaining the relevant experience under Rule 3.28 of the Listing Rules;
- (ii) our Company will further ensure that Ms. Ge has access to the relevant training and support to enable her to familiarize herself with the Listing Rules and the duties required of a company secretary of an issuer listed on the Stock Exchange. Our Hong Kong legal advisors have provided training to Ms. Ge on the principal requirements of the Listing Rules and the Hong Kong laws and regulations applicable to our Company after the Listing. In addition, Ms. Ge will endeavor to familiarize herself with the Listing Rules, including any updates thereto, during the three-year period from the Listing Date;
- (iii) Ms. Ge has confirmed that she will attend no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investor relations as well as the functions and duties of a company secretary of a Hong Kong listed issuer during each financial year as required under Rule 3.29 of the Listing Rules;
- (iv) prior to the expiration of the initial three-year period, the qualifications and experience of Ms. Ge will be re-evaluated to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied and whether the need for ongoing assistance will continue. We will liaise with the Stock

WAIVERS

Exchange to enable it to assess whether Ms. Ge, having benefited from the assistance of Mr. Lau for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary; and

- (v) this waiver will be revoked immediately if and when Mr. Lau ceases to provide such assistance during the three-year period, and we undertake to re-apply to the Stock Exchange for a waiver in the event that Mr. Lau ceases to meet the requirements under Rule 3.28 of the Listing Rules or otherwise ceases to serve as a joint company secretary of our Company. In addition, this waiver is subject to revocation in the event of any material breaches of the Listing Rules by our Company. Before the end of the three-year period, our Company will demonstrate to the Stock Exchange and seek the Stock Exchange's confirmation that Ms. Ge, having had the benefit of Mr. Lau's assistance during the initial three-year period, has attained the relevant experience and is capable of discharging the functions of company secretary under Rule 3.28 of the Listing Rules so that a further waiver from Rules 3.28 and 8.17 of the Listing Rules will not be necessary.

In addition, Ms. Ge will comply with the annual professional training requirements under Rule 3.29 of the Listing Rules and enhance her understanding of the Listing Rules during the three-year period from the Listing Date. Our Company will further ensure that Ms. Ge has access to the 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. Prior to the expiration of the three-year period, our Company will further evaluate the qualifications and experience of Ms. Ge to determine whether she has satisfied the requirements as stipulated under the Listing Rules and whether she needs further assistance. We will liaise with and assist the Stock Exchange in assessing whether Ms. Ge, having benefited from the assistance of Mr. Lau for three years, has acquired the skills necessary to carry out the duties of a company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

ALLOCATION OF H SHARES TO EXISTING MINORITY SHAREHOLDERS AND THEIR CLOSE ASSOCIATES

Rule 10.04 of the Listing Rules requires that a person who is an existing shareholder of a listing applicant may only subscribe for or purchase any securities for which listing is sought that are being marketed by or on behalf of a listing applicant either in his/her/its own name or through nominees if the conditions in Rule 10.03 of the Listing Rules are fulfilled, namely that (i) no securities are to be offered to the existing shareholders on a preferential basis and no preferential treatment is given to them in the allocation of the securities; and (ii) the minimum prescribed percentage of public shareholders required by Rule 8.08(1) of the Listing Rules is achieved. Paragraph 1C(2) of Appendix F1 to the Listing Rules states that, without the prior written consent of the Stock Exchange, no allocations will be permitted to be made to directors or existing shareholders of a listing applicant or their close associates, unless the conditions set out in Rules 10.03 and 10.04 are fulfilled. For a PRC issuer, Rule 8.08(1) of the Listing Rules is amended and replaced by Rule 19A.13A of the Listing Rules.

Chapter 4.15 of the Listing Guide provides that the Stock Exchange will consider granting a waiver from Rule 10.04 of the Listing Rules and a consent to allow a listing applicant's existing shareholders or their close associates to participate in its initial public offering if any actual or perceived preferential treatment arising from their ability to influence the listing applicant during the allocation process can be addressed.

WAIVERS

Prior to the Listing, our share capital comprises entirely A Shares listed on the Shenzhen Stock Exchange. As a company listed on the Shenzhen Stock Exchange with its A Shares publicly traded thereon and with a large public A Shares shareholder base, it would be unduly burdensome for us to seek the prior consent of the Stock Exchange for each of our minority existing Shareholders or their close associates who subscribe for the H Shares in the Global Offering.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 10.04 of, and a consent under paragraph 1C(2) of Appendix F1 to the Listing Rules to permit H Shares in the International Offering to be placed to certain existing minority Shareholders (the “**Existing Minority Shareholder**”) on the conditions that:

- (a) each Existing Minority Shareholder holds less than 5% of the voting rights in our Company prior to the completion of the Global Offering;
- (b) each Existing Minority Shareholder is not, and will not be, a core connected person of our Company or any close associate of any such core connected person immediately prior to or following the Global Offering;
- (c) none of the Existing Minority Shareholders has the power to appoint any Directors nor have any other special rights in our Company;
- (d) allocation to the Existing Minority Shareholders and their close associates will not affect our Company’s ability to satisfy the public float requirement as prescribed by the Stock Exchange under the waiver in respect of the strict compliance with the requirements of Rule 19A.13A of the Listing Rules;
- (e) no preferential treatment is given to the Existing Minority Shareholders or their respective close associates (other than the assured entitlement for a cornerstone investor);
- (f) to the best knowledge and belief of our Company, we will confirm to the Stock Exchange that:
 - (i) in case of participation as cornerstone investors, no preferential treatment has been, nor will be, given to any of the Existing Minority Shareholders or their close associates by virtue of their relationship with our Company, other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Listing Guide, nor is the Existing Minority Shareholder in a position to exert influence on the Company to obtain actual or perceived preferential treatment, and the Existing Minority Shareholders’ cornerstone investment agreements do not contain any material terms which are more favorable to the Existing Minority Shareholders and/or their close associates than those in other cornerstone investment agreements; or
 - (ii) in case of participation as placees, no preferential treatment has been, nor will be given to any of the Existing Minority Shareholders or their close associates by virtue of their relationship with our Company in the allocation process in the International Offering;

WAIVERS

- (g) in the case of participation as placees, the Overall Coordinators will confirm to the Stock Exchange that, to the best of their knowledge and belief, no preferential treatment has been, nor will be, given to any of the Existing Minority Shareholders or their close associates by virtue of their relationship with our Company in the allocation process in the International Offering; and
- (h) the Joint Sponsors will confirm the matters set out in (a) to (d) above;
- (i) the Joint Sponsors will confirm to the Stock Exchange that based on (i) their discussions with our Company and the Overall Coordinators; and (ii) the confirmations provided to the Stock Exchange by our Company and the Overall Coordinators, and to the best of their knowledge and belief, they have no reason to believe that the Existing Minority Shareholders and/or their close associates received any preferential treatment in the allocation process either as cornerstone investors or as placees by virtue of their relationship with our Company, other than, in the case of participation as cornerstone investors, the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Listing Guide, and details of allocation to the Existing Minority Shareholders holding more than 1% of the total issued share capital of our Company immediately prior to the completion of the Global Offering and/or their close associates will be disclosed in this prospectus (for cornerstone investors) and allotment results announcement (for both cornerstone investors and placees) of our Company.

DISCLOSURE OF OFFER PRICE

Paragraph 15(2)(c) of Appendix D1A to the Listing Rules provides that the issue price or offer price of each security must be disclosed in the prospectus. Pursuant to Paragraph 12 of Chapter 4.14 of the Listing Guide, the Stock Exchange also allows an indicative offer price range to be included in the prospectus, as an alternative to the disclosure of a fixed offer price.

We have applied to the Stock Exchange a waiver from strict compliance with paragraph 15(2)(c) of Appendix D1A to the Listing Rules so that the Company will only disclose the maximum Offer Price in this prospectus on the below basis:

- (a) the Offer Price will be determined with reference to, among other factors, the closing price of the Company's A Shares on the Shenzhen Stock Exchange on the last trading day on or before the Price Determination Date. Our Company is unable to control the trading price of our A Shares on the Shenzhen Stock Exchange;
- (b) setting a fixed offer price or an offer price range with a low-end may adversely affect (a) the market price of our A Shares, (b) our ability to price the Offer Shares given potential price fluctuations of our A Shares during the period from the date of this prospectus until the pricing of the Global Offering; and (c) our ability to price our H Shares in the best interests of our Shareholders and the market price of the A Shares and the Hong Kong Offer Shares;
- (c) pursuant to paragraphs 9 and 10(b) of Part A under the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the amount payable on application and allotment on each share, and the price to be paid for shares subscribed for, shall be specified in the prospectus, respectively. Disclosure of a maximum offer price complies with the requirements prescribed under

WAIVERS

paragraphs 9 and 10(b) of Part A under the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance by providing a clear indication of the maximum subscription consideration a potential investor shall pay for the Offer Shares; and

- (d) a maximum Offer Price will be disclosed in this prospectus. This alternative disclosure approach would not prejudice the interests of the investing public in Hong Kong.

The Stock Exchange has granted, a waiver from strict compliance with paragraph 15(2)(c) of Appendix D1A to the Listing Rules on the conditions that this prospectus will disclose:

- (a) the maximum Offer Price;
- (b) the time for the determination of the Offer Price and the form of its publication;
- (c) the historical prices of our A Shares and trading volume on the Shenzhen Stock Exchange during the Track Record Period and up to the Latest Practicable Date;
- (d) the determinants of the final Offer Price;
- (e) the source for investor to access the latest market price of the Company's A Shares; and
- (f) in no circumstances will the final Offer Price be greater than the maximum Offer Price as stated in this prospectus.

See “Structure of the Global Offering — Pricing and Allocation” for the historical prices of our A Shares and trading volume on the Shenzhen Stock Exchange.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus, for which our Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) for the purpose of giving information to the public with regard to our Group. 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.

RESTRICTIONS ON OFFER AND SALE OF H SHARES

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

No action has been taken to permit a public offering of the H Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, and without limitation to the following, this prospectus may not be used for the purpose 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 for subscription. The distribution of this prospectus 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 the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

CSRC FILING

We have obtained a filing notice from the CSRC for the overseas issuance and listing. In granting such filing notice, the CSRC accepts no responsibility for the financial soundness of us or for the accuracy of any of the statements made or opinions expressed in this prospectus. No other approvals under the PRC laws and regulations are required to be obtained for the Listing.

INFORMATION ON THE GLOBAL OFFERING

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

The Hong Kong Offer 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 Joint Sponsors, 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 affiliates or any of our or their respective directors, officers, employees, advisors, agents or representatives, or any other persons or parties involved in the Global Offering.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

The Listing is sponsored by the Joint Sponsors and the Global Offering is managed by the Overall Coordinators. Pursuant to the Hong Kong Underwriting Agreement, the Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement. The International Offering is expected to be fully underwritten by the International Underwriters and subject to the terms and conditions of the International Underwriting Agreement. For further details on the Underwriters and the underwriting arrangements, please refer to “Underwriting.”

Neither the delivery of this prospectus nor any offering, sale, delivery, subscription or acquisition made in connection with the Offer Shares shall, under any circumstances, constitute a representation or 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 of any date subsequent to the date of this prospectus.

The application procedures for the Hong Kong Offer Shares are set out in “How to Apply for Hong Kong Offer Shares.”

For details of the structure of the Global Offering, including its conditions and the arrangements relating to the Offer Size Adjustment Option, the Over-allotment Option and stabilization, please refer to “Structure of the Global Offering.”

APPLICATION FOR LISTING OF THE H SHARES ON THE HONG KONG STOCK EXCHANGE

We have applied to the Hong Kong Stock Exchange for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option). Dealings in the H Shares on the Hong Kong Stock Exchange are expected to commence on Friday, June 5, 2026. Except for the A Shares that have been listed on the Shenzhen Stock Exchange and our pending application to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the H Shares, no part of our share or debt securities is listed on or dealt in on the Hong Kong Stock Exchange or any other stock exchange and no such listing or permission to list is being or proposed to be sought in the near future.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotment made in respect of any application will be invalid if the listing of, and permission to deal in, the H Shares on the Hong Kong Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to our Company by or on behalf of the Hong Kong Stock Exchange.

The H Shares will be traded in board lot of 100 H Shares. The stock code of the H Shares is 1081.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of listing of, and permission to deal in, the H Shares on the Hong Kong Stock Exchange and our 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 date of commencement of dealings in the H Shares on the Hong Kong Stock Exchange or any other date as determined by HKSCC. Settlement of transactions between participants of the Hong Kong Stock Exchange is required to take place

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

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

REGISTER OF MEMBERS AND STAMP DUTY

All of the H Shares issued pursuant to applications made in the Global Offering will be registered on our H Share register of members to be maintained in Hong Kong by our H Share Registrar, Tricor Investor Services Limited. Our principal register of members will be maintained by us at our headquarters in Chinese Mainland.

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

DIVIDENDS PAYABLE TO HOLDERS OF H SHARES

Unless determined otherwise by our Company, dividends payable in Hong Kong dollars in respect of our H Shares will be paid to the shareholders as recorded on the H Share register of members of our Company in Hong Kong and sent by ordinary post or electronic approaches allowed under the Listing Rules, at the shareholders' risk, to the registered address of each shareholder of our Company.

PROFESSIONAL TAX ADVICE RECOMMENDED

You should consult your professional advisers if you are in any doubt as to the taxation implications of subscribing for, purchasing, holding, disposal of, dealing in or the exercise of any rights in relation to our H Shares. None of our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Lead Managers, the Joint Bookrunners, the Underwriters, the Capital Market Intermediaries, any of our or their affiliates or any of their respective directors, officers, employees, advisers, agents or representatives, or any other persons or parties involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchase, holding, disposal of, dealing in, or the exercise of any rights in relation to, our H Shares.

LANGUAGE

If there is any inconsistency between this prospectus and its Chinese translation, the English version of this prospectus shall prevail. The English names of the Chinese laws and regulations, government authorities, institutions, natural persons, other entities (including certain of our subsidiaries), facilities, certificates and titles included in this prospectus are translations of their Chinese names for identification purposes only. In the event of any inconsistency, the Chinese version shall prevail.

ROUNDING

Certain amounts and percentage figures, such as share ownership and operating data, included in this prospectus may 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. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

CURRENCY TRANSLATIONS

Solely for your convenience, this prospectus contains translations among certain amounts denominated in Renminbi, Hong Kong dollars and U.S. dollars.

Unless otherwise specified, this prospectus contains certain translations for the convenience purposes at the following rates: Renminbi into Hong Kong dollars at the rate of RMB0.8732 to HK\$1.00, Renminbi into U.S. dollars at the rate of RMB6.8375 to US\$1.00 and Hong Kong dollars into U.S. dollars at the rate of HK\$7.8306 to US\$1.00. The RMB to HK\$ and RMB to US\$ exchange rates are quoted by the SAFE for foreign exchange transactions prevailing on May 19, 2026.

No representation is made that any amounts in RMB, Hong Kong dollars or U.S. dollars can be or could have been at the relevant dates converted at the above rate or any other rates or at all.

MARKET SHARE DATA CONVENTION

The statistical and market share information contained in this prospectus has been derived from official government publications and other sources, including information or data provided by Frost & Sullivan. Unless otherwise indicated, the information has not been verified by us independently. This statistical information may not be consistent with other statistical information from other sources within or outside the PRC. While reasonable caution has been made in the process of reproducing the data and statistics extracted from such official government publications or other sources, our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our and their respective directors, officers, employees, advisors, agents or representatives, or any other persons or parties involved in the Global Offering make no representation to the appropriateness, accuracy, completeness or reliability of any such statistical and market share information.

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

DIRECTORS

Name	Address	Nationality

Executive Directors

Mr. JIN Xin (金鑫)	No. 25, Building 1 Hua'an South Lane Xishi District Yingkou City, Liaoning Province PRC	Chinese

Mr. SUN Xiaole (孫曉樂)	No. 2002, Building 2 No. 177, Huanghe Road Economic and Technological Development District Yantai, Shandong Province PRC	Chinese

Ms. LIU Aihua (劉愛花)	No. 1605, Building 103 No. 6, Beiyuan Chaoyang District, Beijing PRC	Chinese

Mr. LI Xin (李新)	No. 12, Door 3, Building 26 Yongle West District Shijingshan District, Beijing PRC	Chinese

Mr. JIANG Haitao (姜海濤)	No. 1-2934 New Generation Building Nanshan District Shenzhen, Guangdong Province PRC	Chinese

Independent Non-executive Directors

Mr. CAI Meng (蔡萌)	No. 904, Building 114 No. 37, Xue Yuan Road Haidian District, Beijing PRC	Chinese

Mr. QU Guangjie (曲光杰)	No. 905, Building 5 No. 3 Courtyard, Yangqiao Jiaomen North Road Fengtai District, Beijing PRC	Chinese

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

Name	Address	Nationality
Ms. ZHANG Wei (張瑋)	Group 24, Committee 13 Xinhua Street Meihekou, Jilin Province PRC	Chinese
Ms. LU Qiannan (陸倩南)	Unit D, 65/F Tower 2, SORRENTO 1 Austin Rd W, Tsim Sha Tsui Kowloon Hong Kong	Chinese

For further details regarding our Directors, please see “Directors and Senior Management.”

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors

Huatai Financial Holdings (Hong Kong) Limited

62/F, The Center
99 Queen's Road Central
Hong Kong

China Merchants Securities (HK) Co., Limited

32/F, One Exchange Square
8 Connaught Place
Central
Hong Kong

Joint Sponsor-Overall Coordinators

Huatai Financial Holdings (Hong Kong) Limited

62/F, The Center
99 Queen's Road Central
Hong Kong

China Merchants Securities (HK) Co., Limited

32/F, One Exchange Square
8 Connaught Place
Central
Hong Kong

Overall Coordinators

Huatai Financial Holdings (Hong Kong) Limited

62/F, The Center
99 Queen's Road Central
Hong Kong

China Merchants Securities (HK) Co., Limited

32/F, One Exchange Square
8 Connaught Place
Central
Hong Kong

China International Capital Corporation Hong Kong Securities Limited

29/F, One International Finance Centre
1 Harbour View Street
Central
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

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

**Joint Global Coordinators, Joint
Bookrunners, Joint Lead Managers and
Capital Market Intermediaries**

**Huatai Financial Holdings (Hong Kong)
Limited**
62/F, The Center
99 Queen's Road Central
Hong Kong

**China Merchants Securities (HK)
Co., Limited**
32/F, One Exchange Square
8 Connaught Place
Central
Hong Kong

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

CCB International Capital Limited
12/F, CCB Tower
3 Connaught Road Central
Central
Hong Kong

Legal Advisors to our Company

as to Hong Kong and U.S. laws:

Kirkland & Ellis
26/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

as to PRC law:

Hai Run Law Firm
17/F, Broadcasting Tower
No. 14A, Jianwai Avenue
Chaoyang District
Beijing
PRC

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

Legal Advisors to the Joint Sponsors and Underwriters

as to Hong Kong law:

King & Wood

13/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

as to PRC law:

King & Wood

18/F, East Tower
World Finance Center
No. 1, Dongsanhuan Zhonglu
Chaoyang District, Beijing
PRC

Reporting Accountant and Independent Auditor

BDO Limited

Certified Public Accountants and Registered Public Interest Entity Auditor
25/F, Wing On Centre
111 Connaught Road Central
Hong Kong

Industry Consultant

**Frost & Sullivan (Beijing) Inc.,
Shanghai Branch Co.**

Suite 2504, Wheelock Square
1717 Nanjing West Road
Jing'an District, Shanghai
PRC

Transfer Pricing Consultant

BDO Tax Limited

25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

Compliance Advisor

Altus Capital Limited

21 Wing Wo Street
Central
Hong Kong

Receiving Bank(s)

**Industrial and Commercial Bank of China
(Asia) Limited**

33/F., ICBC Tower
3 Garden Road Central
Hong Kong

CORPORATE INFORMATION

Registered Office in the PRC	No. 155, Xinqiu Street Xinqiu District Fuxin, Liaoning Province PRC
Head Office and Principal Place of Business in the PRC	No. 1102, East Tower China Overseas Plaza Building 7, Yard 8 Yongdingmen Outer Street West Riverside Road Dongcheng District, Beijing PRC
Principal Place of Business in Hong Kong	40/F, Dah Sing Financial Centre 248 Queen's Road East Wanchai, Hong Kong
Company's Website	<u>www.dajin.cn</u> <i>(Information contained in this website does not form part of this prospectus)</i>
Joint Company Secretaries	Ms. GE Xin (葛欣) No. 1102, East Tower China Overseas Plaza Building 7, Yard 8 Yongdingmen Outer Street West Riverside Road Dongcheng District, Beijing PRC Mr. LAU Kwok Yin (劉國賢) <i>(member of the Hong Kong Institute of Certified Public Accountants, and fellow of each of The Chartered Governance Institute and the Hong Kong Chartered Governance Institute)</i> 40/F, Dah Sing Financial Centre 248 Queen's Road East Wanchai, Hong Kong
Authorized Representatives	Mr. JIN Xin (金鑫) No. 25, Building 1, Hua'an South Lane Xishi District Yingkou City, Liaoning Province PRC Mr. LAU Kwok Yin (劉國賢) 40/F, Dah Sing Financial Centre 248 Queen's Road East Wanchai, Hong Kong

CORPORATE INFORMATION

Audit Committee	Ms. ZHANG Wei (<i>Chairwoman</i>) Mr. QU Guangjie Mr. CAI Meng
Nomination Committee	Mr. QU Guangjie (<i>Chairman</i>) Mr. SUN Xiaole Ms. ZHANG Wei
Remuneration and Appraisal Committee	Mr. CAI Meng (<i>Chairman</i>) Ms. LIU Aihua Ms. LU Qiannan
Strategy and Sustainable Development Committee	Mr. JIN Xin (<i>Chairman</i>) Mr. SUN Xiaole Mr. QU Guangjie
H Share Registrar	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal Banks	China Construction Bank Corporation (Fuxin Chengjian Sub-branch) No. 142-1, Xinqiu Avenue Xinqiu District Fuxin City, Liaoning Province PRC China Minsheng Banking Corp., Ltd (Shenyang Union Road Branch) No. 39-6, Bawangsi Street Dadong District Shenyang City, Liaoning Province PRC

INDUSTRY OVERVIEW

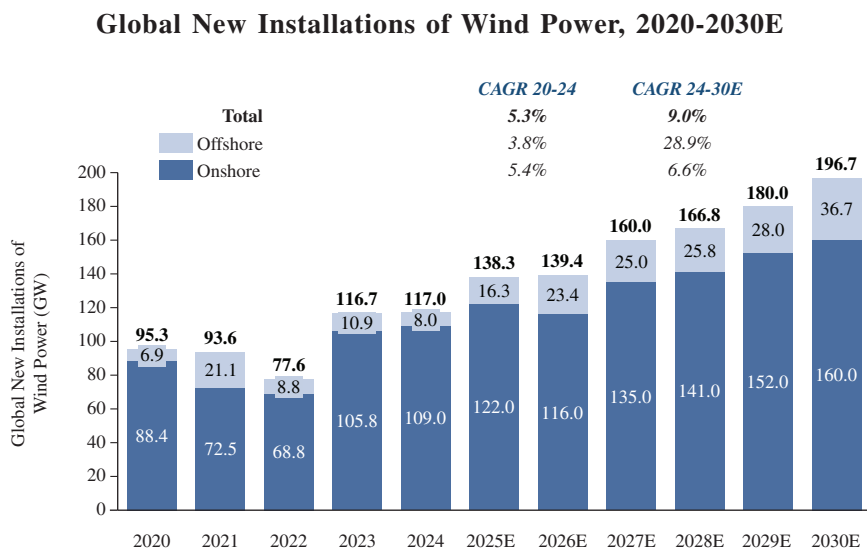
The information and statistics set out in this section and other sections of this prospectus were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by Frost & Sullivan. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the Global Offering. The information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, any of the Underwriters, 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.

OVERVIEW OF GLOBAL WIND MARKET

Overview of Global Wind Market

Driven by the global energy transition and carbon neutrality targets, wind power has become one of the most strategically significant segments of renewable energy. With continued policy support, declining technology costs, and expanding green investment, the global wind market has entered a new phase of accelerated growth.

In terms of new installations, the global wind market has maintained steady growth over the past few years. New installations increased from 95.3 GW in 2020 to 117.0 GW in 2024, representing a CAGR of 5.3%. Supported by structural changes in power demand and the commissioning of large-scale projects, new installations are projected to reach 196.7 GW by 2030, with a CAGR of 9.0% from 2024 to 2030.



Source: GWEC, Frost & Sullivan

New installations of onshore wind increased from 88.4 GW in 2020 to 109.0 GW in 2024, representing a CAGR of 5.4%. It is projected to reach 160.0 GW by 2030, with a CAGR of 6.6% from 2024 to 2030. China and Europe remain the core markets, together accounting for 73.0% of the new installations of onshore from 2025 to 2030. Global onshore wind market faces limited development potential, as land availability and natural conditions constrain further expansion.

INDUSTRY OVERVIEW

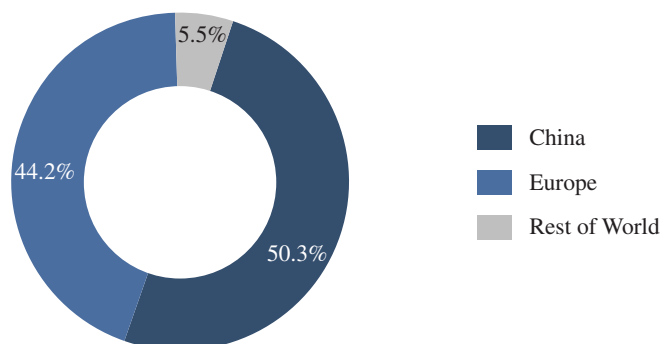
Offshore wind has become the key growth driver of global wind: Offshore wind, driven by technological breakthroughs and strong policy support, is entering a phase of rapid expansion and has emerged as the major growth engine of the global wind market. Although offshore wind still accounts for a relatively small share of global new installations, its growth potential is significant. By 2030, offshore wind is expected to account for 18.6% of new installations, with new installations increasing significantly from 8.0 GW in 2024 to 36.7 GW in 2030, representing a CAGR of 28.9%.

Offshore wind is also central to Europe's energy independence and industrial autonomy: In advancing renewable energy, countries must balance efficiency, cost, supply chain stability and grid capacity. Compared with other traditional energy sources such as oil and natural gas, offshore wind offers high efficiency and low emissions while leveraging relatively mature domestic technology and manufacturing systems in Europe, which enables Europe to pursue energy transition goals while safeguarding industrial security and employment, and therefore making offshore wind as the cornerstone of Europe's clean energy development.

Overview of Global Offshore Wind Market

China and Europe now dominate global offshore wind development. By the end of 2024, China accounted for around half of cumulative offshore wind capacity. Europe, led by the UK, Germany, the Netherlands, and Denmark, together with China represented roughly 94.5% of global cumulative capacity.

Cumulative Installed Capacity of Offshore Wind (By Region), 2024



Source: GWEC, Frost & Sullivan

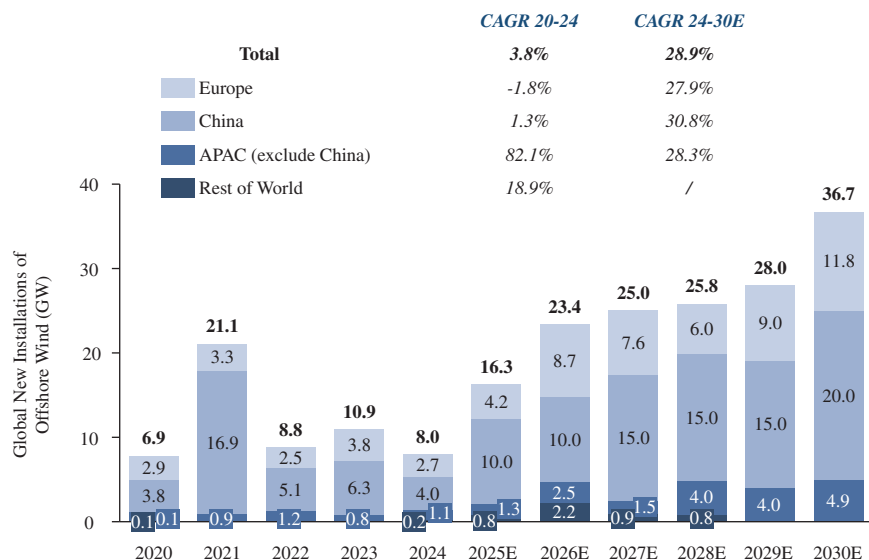
Market Size and Growth of Global Offshore Wind Market

Global new installations of offshore wind grew steadily in recent years, from 6.9 GW in 2020 to 8.0 GW in 2024, representing a CAGR of 3.8%. Backed by policy support and technology progress in Europe and APAC region, new installations of offshore wind are projected to reach 36.7 GW by 2030, with a CAGR of 28.9% from 2024 to 2030. The expected growth rate of global new installations of offshore wind is projected to substantially exceed historical levels. This acceleration is underpinned by strengthened global climate commitments and government targets, the sizeable volume of recently awarded offshore wind capacity and announced auction schedules, as well as the continued expansion of global offshore wind manufacturing capacity: (i) strengthening global climate ambitions have provided a clear policy foundation for faster offshore wind deployment. At COP28, more than 130 countries committed to tripling global renewable energy capacity by 2030, identifying offshore wind as a critical technology for achieving the 1.5°C target and offering strong long-term visibility for industry growth; (ii) recent global auction and tender outcomes have created a substantial and highly certain project pipeline that will materialise into installations over the forecast period. According to GWEC, 2024 was a key year for offshore wind auctions with a total of 56.3 GW of offshore wind capacity awarded worldwide that year. A further 100 GW of auctions is expected to take place over the next two

INDUSTRY OVERVIEW

years, reinforcing the momentum of new installations; and (iii) the imperative to align with global net-zero pathways requires a sharp increase in annual offshore wind installations. GWEC's projections under current policy scenarios indicate that wind energy will only reach about 77% of the capacity needed by 2030 to remain on a net zero pathway. To close this gap, annual installations must grow nearly threefold. This acceleration is increasingly supported by expanding global manufacturing capacity, with China playing a central role through several coastal cities have emerged as manufacturing and logistics hubs for offshore wind.

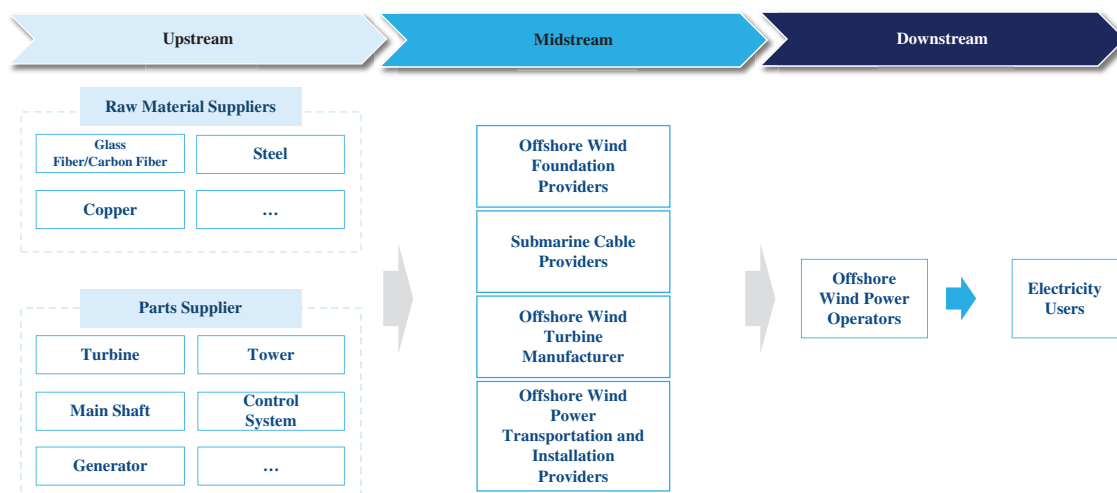
Global New Installations of Offshore Wind (By Region), 2020-2030E



Source: GWEC, Frost & Sullivan

Value Chain of Offshore Wind Market

The offshore wind value chain is broadly divided into three segments. Upstream consists of suppliers of raw materials and parts. Midstream includes providers of offshore wind foundation, submarine cable, offshore wind turbine, and offshore wind power transportation and installation. Downstream comprises offshore wind power operators and electricity users.



Source: Frost & Sullivan

Overview of Global Offshore Wind Foundation Market

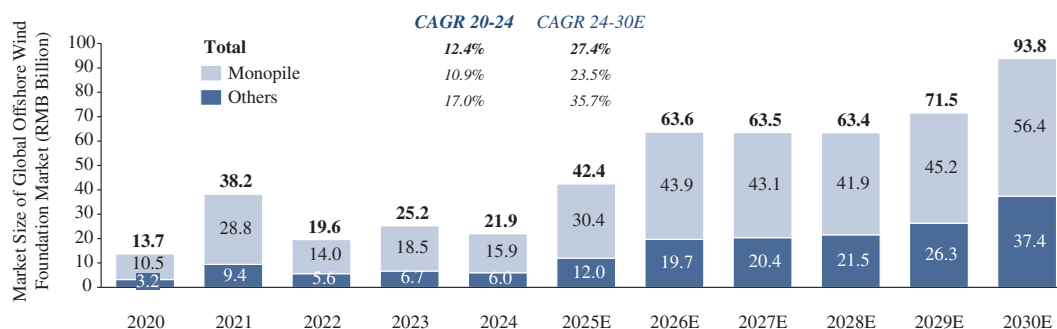
Offshore wind foundations represent a core segment of the industry value chain. Among them, monopile foundations, currently the most widely used with largest market share globally, hold a key position in market development and are the core equipment within this sector. In addition to monopiles, jacket foundations, floating foundations, and other structural types collectively form the offshore wind foundation market.

In recent years, alongside the accelerated global energy transition and rapid commissioning of offshore wind projects, the offshore wind foundation market has maintained steady growth. The global market size in terms of sales value increased from RMB13.7 billion in 2020 to RMB21.9 billion in 2024, representing a CAGR of 12.4%. As countries worldwide accelerate the energy transition and deploy offshore wind projects, the market is expected to enter a phase of rapid expansion from 2024 to 2030. The global offshore wind foundation market is expected to reach RMB93.8 billion by 2030, with a CAGR of 27.4%, approximately four times the size of 2024. This rapid growth is primarily supported by favourable policies in key markets such as Europe and China, along with increased government backing for nearshore, deep-sea, and ultra-deepsea offshore wind technologies in response to 2030 carbon reduction targets, which accelerates project development. It is further underpinned by the robust expansion of global new installations of offshore wind, which are projected to increase at a CAGR of 28.9% from 2024 to 2030. Looking ahead, ongoing technological advancements and scale efficiencies are expected to further expand the offshore wind foundation market, providing essential support for the global energy transition.

In terms of project location and foundation type, the global offshore wind market is currently concentrated in near-shore areas. Throughout the forecast period from 2025 to 2030, the majority of new offshore wind installations are anticipated to remain in near-shore waters, where fixed-bottom monopile foundations continue to be the predominant solution owing to their proven track record, cost competitiveness, and suitability for moderate water depths. Although deep-sea projects represent a key strategic direction for the future of offshore wind development, large-scale deployment is not expected to commence until the 2030s. Floating foundations, which serve as the primary structural solution for deep-sea wind projects, currently account for a limited share of global new offshore wind installations. According to GWEC, floating offshore wind is expected to achieve commercial-scale deployment by 2029, with its share in total new offshore wind installations projected to reach approximately 4.7% by 2030. In the medium to long term, close to 80% of the world's offshore wind resource potential is estimated to be located in deep-sea areas, whereas near-shore resources are comparatively limited in scale. As accessible near-shore sites are progressively developed and utilised, the industry is expected to shift increasingly towards deep-sea deployment, which will in turn drive growing demand for floating foundation solutions. For details, see “— Overview of Wind Market in Europe — Overview of Floating Offshore Wind Market in Europe” below. Notwithstanding this long-term trend, the near-shore segment is expected to remain the dominant market throughout the forecast period from 2025 to 2030, underpinning sustained demand for monopile foundations.

INDUSTRY OVERVIEW

Market Size of Global Offshore Wind Foundation Market in terms of Sales Value, 2020-2030E



Source: GWEC, Frost & Sullivan

OVERVIEW OF WIND MARKET IN EUROPE

Overview of Wind Market in Europe

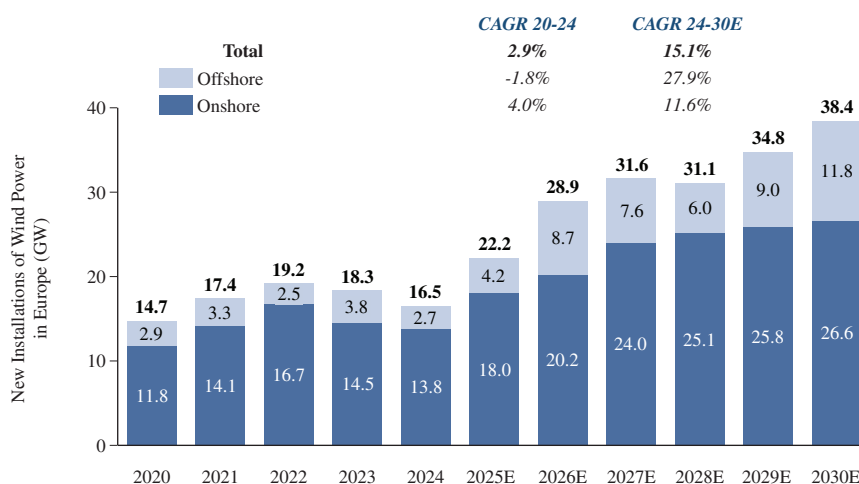
Europe, as the birthplace of offshore wind market, benefits from significant natural advantages. Supported by a mature supply chain, extensive engineering experience, and established policy frameworks, Europe has long maintained its global leadership in offshore wind while driving industrial upgrading and large-scale expansion.

In October 2023, the European Union (“EU”) published the *European Wind Power Action*, designed to promote the widespread adoption of wind energy and support the growth of the wind industry. The plan highlights Europe’s abundant wind resources and underscores that developing wind power is essential for achieving decarbonization targets and ensuring energy security. The share of wind power in Europe’s total electricity consumption increased from 17.3% in 2022 to 19.1% in 2024. The EU has set a target of raising wind power’s share to 35% of electricity consumption by 2030 and to over 50% by 2050. The initiative aims to accelerate decarbonization through the deployment of wind technologies while maintaining a secure and reliable energy supply. New installations of wind power in Europe grew from 14.7 GW in 2020 to 16.5 GW in 2024, representing a CAGR of 2.9%. New installations are expected to reach 38.4 GW by 2030, with a CAGR of 15.1% from 2024 to 2030.

Offshore wind is identified as a strategic focus for Europe’s wind energy development and has become an increasingly important driver of this sector. According to Wind Europe, by the end of 2024, Europe’s cumulative installed capacity of wind power reached 285 GW, comprising 248 GW of onshore wind and 37 GW of offshore wind. In 2024, offshore wind accounted for approximately 16.4% of new installations of wind power. By 2030, its share is expected to reach 30.7% of new installations of wind power in Europe.

INDUSTRY OVERVIEW

New Installations of Wind Power in Europe, 2020-2030E



Source: GWEC, Frost & Sullivan

Market Size and Growth of Offshore Wind Market in Europe

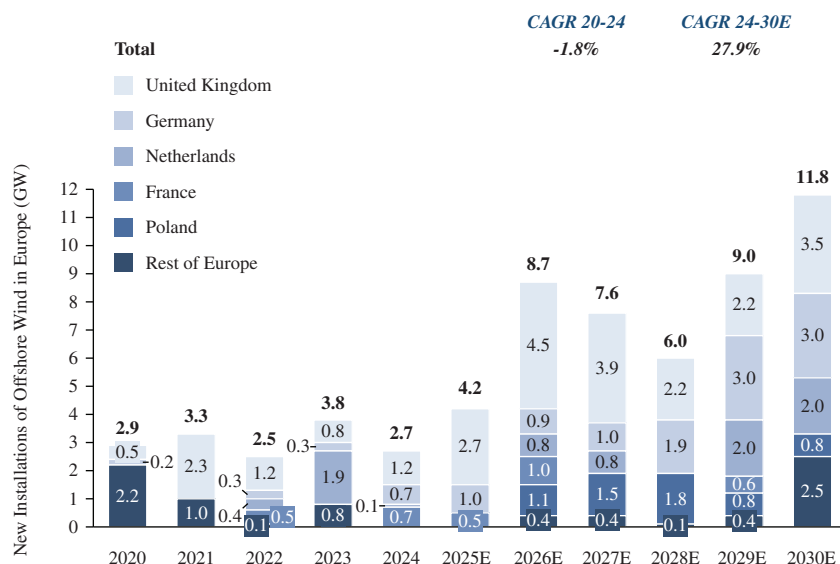
New installations of offshore wind in Europe declined slightly from 2.9 GW in 2020 to 2.7 GW in 2024, reflecting a CAGR of -1.8%, primarily due to a combination of project-specific and market-wide factors. Lengthy approval processes delayed the commencement of some projects, while capacity constraints in critical equipment, including foundations, subsea cables, vessels, and port infrastructure, further limited timely delivery. In addition, persistently high interest rates increased financing costs, prompting certain developers to postpone or revise their investment plans. Despite these short-term challenges, the long-term outlook for Europe's offshore wind market remains robust. Since the launch of the European Green Deal, which sets targets of a 55% reduction in emissions by 2030 and climate neutrality by 2050, offshore wind has been positioned as a central pillar of Europe's energy transition. Complementary measures, including revisions to the Renewable Energy Directive, the REPowerEU plan (the European Union's strategic plan launched in 2022 to rapidly reduce dependence on Russian fossil fuels, accelerate the clean energy transition, and strengthen energy security across member states), and the European Wind Power Action Plan, have strengthened support across permitting, financing, and supply chain development, significantly enhancing market confidence.

The strategic role of offshore wind in Europe's energy mix continues to grow. In 2024, the awarded capacity of offshore wind reached a record 23.2 GW, led by Germany, the United Kingdom, and the Netherlands. To address supply constraints and ensure timely project delivery, European developers are supplementing domestic production with equipment imports from countries such as China and expanding global capacity deployment, while simultaneously upgrading domestic production and port infrastructure. Supply capability is expected to increase from 2025 onwards. Supported by policy momentum and improved supply chains, Europe's new installations of offshore wind are expected to reach 11.8 GW by 2030, representing a CAGR of 27.9% from 2024 to 2030. The recent short-term decline in installations reflects market adjustments and a period of technological transition, while the medium- to long-term growth potential remains strong.

INDUSTRY OVERVIEW

Europe, as the world's most mature offshore wind market, is expected to benefit not only from overall global growth but also from faster and more transparent permitting processes. According to GWEC, the number of wind projects currently under permitting in the EU is approximately five times that of projects under construction. Legislate offshore wind targets with milestones for both auction volumes and permitting timelines, giving industry long term visibility on pipeline size and schedule. This suggests that a significant number of projects are likely to progress to the construction phase in the coming years, which underpins and supports the higher projected growth rate in the forecast period.

New Installations of Offshore Wind in Europe (By Country), 2020-2030E



Source: GWEC, Frost & Sullivan

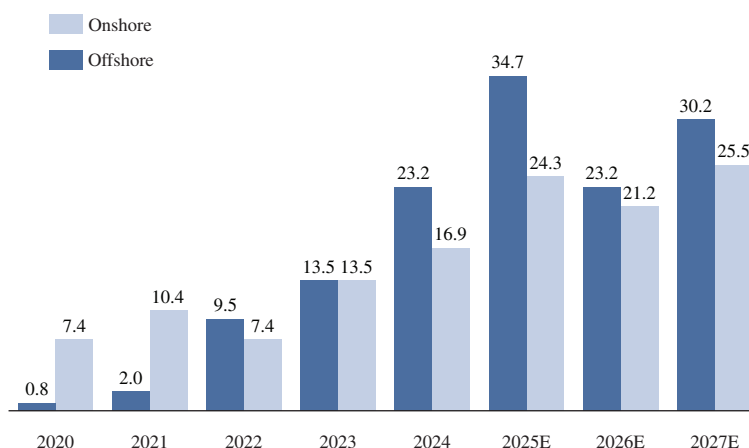
Awarded Wind Capacity in Europe

Awarded capacity refers to the capacity of wind power projects that have been granted development rights and/or long-term power offtake agreements through government or regulatory tenders and auctions. It represents committed future growth and serves as a leading indicator for renewable energy expansion, energy planning, and market forecasting. In Europe, awarded wind capacity increased from 8.2 GW in 2020 to 40.1 GW in 2024, representing a CAGR of 48.7%. Growth was underpinned by ambitious national and EU climate targets, strategies to strengthen energy independence, and supportive policy frameworks. A defining feature during this period was the rapid acceleration of offshore wind auctions, with awarded capacity rising from just 0.8 GW in 2020 to 23.2 GW in 2024, making offshore wind the primary source of new awarded capacity.

Looking forward, Europe's offshore wind awarded capacity is projected to reach 34.7 GW in 2025, 23.2 GW in 2026, and 30.2 GW in 2027, reflecting a stepwise expansion. The sharp increase in 2025 is driven by the release of multiple large-scale offshore projects, closely linked to the implementation of national energy transition policies and the EU's phased climate objectives. Over the medium to long term, offshore wind is expected to gradually surpass onshore wind as the main driver of awarded capacity growth in Europe.

INDUSTRY OVERVIEW

Awarded Wind Capacity in Europe (GW), 2020-2027E



Source: GWEC, Wind Europe, Frost & Sullivan

Key Drivers of Offshore Wind Market in Europe

Policy support as the key enabler of market development: Within the EU framework, member states have introduced successive rounds of supportive measures to accelerate offshore wind deployment. Overall, these policy measures have enhanced investment visibility and project bankability, strengthened domestic supply chains, accelerated permitting processes, and fostered cross-border collaboration, together forming the structural foundation for long-term market growth.

- **United Kingdom — AR7 scheme upgrade:** In its seventh round of offshore wind auctions (AR7), the UK government announced its most comprehensive support package to date. Key measures include extending CfD (Contract for Difference, which is a long-term agreement between a power generator and a government-backed company) contract terms from 15 to 20 years, introducing a budget flexibility mechanism, and lowering entry thresholds by allowing fixed-bottom projects without full planning approval to participate. In addition, a £1 billion industrial fund was established to strengthen the domestic supply chain across project development and equipment manufacturing. Offshore wind has been designated as a central element of the UK's energy security strategy, with planned deployment increased by 25% and a national target of 50 GW by 2030, supporting the goal of achieving more than 95% low-carbon electricity. In January 2026, the results of AR7 were announced, with 8.44 GW of offshore wind capacity ultimately awarded, making it the largest offshore wind auction in European history. Of the total awarded capacity, approximately 8.2 GW was allocated to fixed-bottom offshore wind projects and approximately 0.24 GW to floating offshore wind projects. These projects are expected to be commissioned progressively between 2028 and 2031. The strike prices under AR7 were significantly higher than those in previous allocation rounds, while the auction volume reached a record high.
- **Germany — prioritization under the Renewable Energy Act (EEG):** Germany has elevated offshore wind development to the legal principle of “overriding public interest and serving public security” under the EEG, thereby granting it priority comparable to national security. This designation is expected to accelerate permitting, enhance maritime spatial planning, and streamline grid connection. Germany has set offshore wind targets of at least 30 GW by 2030 and 70 GW by 2045.

INDUSTRY OVERVIEW

- **Other European markets — policy innovation accelerating deployment**
 - **Denmark** has moved away from the zero-subsidy model, introducing 20-year CfD contracts backed by DKK 55.2 billion in subsidies, and relaunched a 3 GW tender in support of its 12.9 GW target by 2030.
 - **Poland** is transitioning from fixed tariffs to competitive CfD auctions, launching its first 4 GW tender with 25-year contracts, accelerating its path toward 11 GW by 2030.
 - **France** plans to consolidate two offshore wind power tender rounds (AO9 and AO10) into a single large-scale tender with a combined installed capacity of up to 10 GW, making it one of the largest offshore wind power tenders in Europe in recent years. The results of the award are anticipated to be announced by the end of 2026 or early 2027.

Energy security accelerating demand for offshore wind: Since 2022, the geographical tension has intensified Europe's focus on energy security. The majority of the EU's imported energy still relies on fossil fuels, according to Wind Europe, and volatility in fossil fuel prices has reinforced the need for diversification and accelerated energy transition. Offshore wind, as a renewable, low-carbon, and locally available energy source, plays a strategic role in reducing import dependence and ensuring supply stability. Coupled with electrification trends and supportive renewable energy policies, this dynamic has significantly increased demand for offshore wind projects, driving parallel growth in turbine manufacturing, construction and installation, and remote operation and maintenance capabilities, thereby consolidating Europe's leadership in the global offshore wind industry.

Scale procurement and cost optimization: With the advancement of grid parity policies and increasing demands for capital return, developers and investors are placing greater emphasis on the levelized cost per MW, construction timelines, and operational efficiency of projects. Automation and standardized production in manufacturing, modular design, and integrated supply chains have significantly improved the efficiency of producing and installing key components such as monopiles, floating foundations, and subsea cables, thereby substantially reducing overall construction costs. At the same time, through scale procurement and project replication, capital expenditures are optimized and project economics are continuously enhanced, providing a strong foundation for attracting further investment in the European market and driving offshore wind capacity growth.

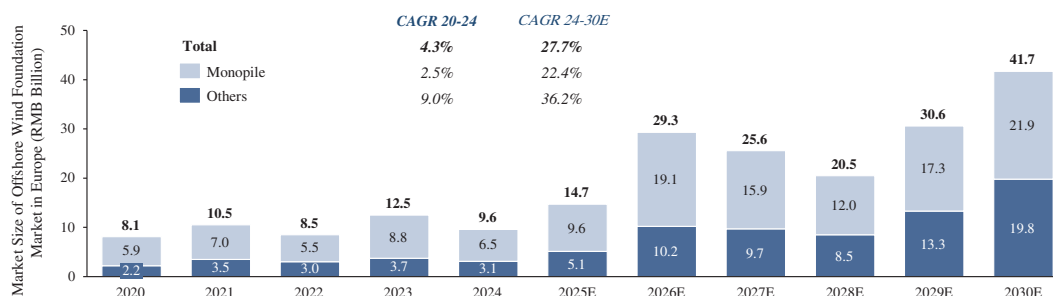
Overview of Offshore Wind Foundation Market in Europe

The offshore wind foundation market in Europe has exhibited a notable growth trend in recent years, supported by the continued implementation of the European Green Deal, which positions offshore wind as a core driver of the energy transition. The market size, in terms of sales value, expanded from RMB8.1 billion in 2020 to RMB9.6 billion in 2024, representing a CAGR of 4.3%. Looking ahead, with the commencement of multiple large-scale projects, the progressive development of deep-sea sites, the accelerated commercialization of floating wind, and the roll-out of supportive national policies, the market is expected to enter a phase of rapid expansion. By 2030, the market size of offshore wind foundation market in Europe is projected to reach RMB41.7 billion, representing a CAGR of 27.7% from 2024 to 2030. It is underpinned by the robust expansion of new installations of offshore wind in Europe, which are projected to increase at a CAGR of 27.9% from 2024 to 2030.

INDUSTRY OVERVIEW

Within this market, monopiles currently represent the most prevalent foundation type. Europe's relatively stable seabed conditions and moderate water depths, together with the maturity of monopile construction techniques and cost advantages, make monopiles the most competitive solution for projects in waters up to 30 meters deep. Jacket foundations, composed of multiple tubular steel structures, are commonly deployed in deeper waters (30 to 60 meters) or areas with more complex seabed conditions, offering superior resistance against overturning and wave loading. Floating foundations, by overcoming depth constraints, provide a critical technological pathway for the large-scale deployment of deep-sea offshore wind. Supported by the REPowerEU plan and targeted national incentive schemes, the floating foundation segment is expected to achieve commercial maturity and enter large-scale adoption after 2030.

Market Size of Offshore Wind Foundation Market in Europe in terms of Sales Value, 2020-2030E



Source: GWEC, Frost & Sullivan

Future Trends of Offshore Wind Foundation Market in Europe

Capacity constraints among European suppliers and increasing participation from overseas manufacturers: Driven by rapid growth in offshore wind installations and policy objectives such as “net zero emissions” and “energy independence,” European manufacturers have been operating at consistently high utilization rates. However, capacity expansion and technological upgrading have lagged behind demand. With monopiles, jackets, and other foundations evolving towards larger dimensions and higher standards, European manufacturers face multiple constraints, including limited land and port resources, shortages of skilled labor, and elevated costs, resulting in persistent capacity shortages. A few Chinese manufacturers, who have already met the high technical standards of the European market, are increasingly capturing premium orders and expanding their strategic presence, leveraging stable capacity reserves, advanced manufacturing capabilities, strong delivery efficiency, and accumulated experience in deep-sea projects.

Equipment scaling and technology evolution: Continuous technological upgrades are driving the offshore wind foundation market in Europe towards larger scale and higher reliability. With turbine capacities steadily increasing, foundations are required to provide greater load-bearing capacity, durability, and resistance to extreme wind and wave conditions. Accordingly, offshore wind foundation structures are trending towards larger diameters and higher material strength. According to GWEC, the largest offshore turbine size has grown from 9.5MW in 2020 to 26MW in 2024, and are projected to reach 35MW by 2030. In this context, Chinese manufacturers have demonstrated clear competitive advantages owing to their large-scale production capacity, cost efficiency, and adaptability to rapid iterations in large-scale equipment.

INDUSTRY OVERVIEW

Floating offshore wind power equipment unlocking deep-sea potential and cost reduction pathways: As nearshore resources become increasingly constrained, offshore wind development in Europe is accelerating towards deeper waters, where close to 80% of the world's offshore wind resource potential is in deep-sea areas in the medium to long term. Compared with fixed foundations, floating structures offer greater adaptability to water depth and flexibility in deployment, enabling large-scale applications across a wider range of locations. According to GWEC, the main cost reduction pathways for floating wind include design optimization, localized supply chains, modular construction, standardized components, and economies of scale, which together contribute to lowering lifecycle costs. Against this backdrop, floating technology is expected to gradually advance its commercialization, positioning itself as a key direction for the future offshore wind foundation market.

Competitive Landscape of Offshore Wind Foundation Market in Europe

Top Five Offshore Wind Foundation Providers in terms of Monopile Sales Value in Europe, 2024 & 2025H1

Ranking	Offshore Wind Foundation Provider	Headquarter	2025H1 Monopile Sales Value in Europe (RMB billion)	Market Share (%)
1	Our Group	China	1.6	29.1%
2	Company A	Netherlands	1.0	18.2%
3	Company B	Germany	0.7	12.7%
4	Company C	Germany	0.6	10.9%
5	Company D	Spain	0.5	9.1%
Top five			4.4	80.0%
Total			5.5	100.0%

Ranking	Offshore Wind Foundation Provider	Headquarter	2024 Monopile Sales Value in Europe (RMB billion)	Market Share (%)
1	Company A	Netherlands	1.5	23.1%
2	Our Group	China	1.2	18.5%
3	Company C	Germany	0.8	12.3%
4	Company D	Spain	0.8	12.3%
5	Company E	Spain	0.7	10.8%
Top five			5.0	77.0%
Total			6.5	100.0%

Notes:

- Company A is a Euronext Amsterdam listed company, founded in 1948 and headquartered in the Netherlands. It is mainly engaged in manufacturing steel tubular structures, including offshore wind foundations such as monopiles and transition pieces.
- Company B is a private company, founded in 1936 and headquartered in Germany. It is mainly engaged in the production of large-diameter longitudinally welded steel pipes and pipe components for various energy-related industries, including offshore wind foundations.
- Company C is a private company, founded in 2011 and headquartered in Germany. It is mainly engaged in manufacturing large steel monopile foundations and transition section components for offshore wind projects.
- Company D is a private company, founded in 2007 and headquartered in Spain. It focuses on the production and supply of onshore and offshore wind towers and offshore wind foundations.
- Company E is a private company, founded in 2016 and headquartered in Spain. It is mainly engaged in the design, manufacture, and assembly of large metal structures for the wind industry, including wind towers, offshore foundations, and large cast components.

Source: Frost & Sullivan

Entry Barriers of Offshore Wind Foundation Market in Europe

Stringent technical requirements: As one of the world's most mature offshore wind markets, Europe imposes highly rigorous technical standards on offshore wind foundation. Requirements cover design standards, structural strength, fatigue life, anti-corrosion performance, and marine adaptability, and must comply with certifications from European authorities such as Det Norske Veritas (DNV). In particular, deep-sea applications demand advanced capabilities in high-strength steel, modular structures, and intelligent monitoring systems, which pose significant barriers to companies without long-term R&D accumulation and engineering experience.

INDUSTRY OVERVIEW

Strict delivery schedules and capacity constraints: European offshore wind projects are typically managed under fixed commissioning windows, with project timelines closely tied to subsidy schemes and power purchase agreements. Any delay in equipment delivery may materially affect project returns. Timely delivery of foundation structures depends not only on manufacturing capacity but also on integration with highly complex maritime transportation and port handling systems. As a result, suppliers must demonstrate large-scale and batch manufacturing capabilities, as well as secure access to specialized transport vessels and offshore installation windows, to establish a responsive and reliable delivery system.

Heavy marine transport capabilities: Heavy marine transport, essential for delivering oversized offshore wind components, faces severe global capacity constraints. The availability of specialized ships capable of handling monopiles and turbine components is particularly limited in high-demand regions such as the North Sea in Europe. Competition for these ships is also intensified by concurrent demands from oil, gas, and marine engineering projects. Therefore, projects require vessel bookings one to two years in advance. As offshore wind expands into deeper waters, this supply-demand gap in transport capacity represents a significant barrier to entry in Europe's offshore wind foundation market.

Policy and certification requirements: Offshore wind projects in Europe are subject to stringent policy and certification requirements, creating significant market access hurdles for new entrants. Project development must undergo environmental impact assessments, maritime spatial planning approvals, and construction safety reviews to ensure compliance with national standards in ecological protection, navigational safety, and grid stability. In addition, regulatory frameworks differ across countries, with specific requirements relating to grid connection, tariff support, subsidy applications, and long-term operational management. New entrants must possess the resources and expertise to navigate and comply with multi-jurisdictional regulatory environments.

Overview of Floating Offshore Wind Market in Europe

Currently, offshore wind in Europe is concentrated in nearshore areas with water depths of up to 30 meters, predominantly using fixed-bottom monopile foundations. According to GWEC, for most countries around the world, the technical potential of fixed offshore wind is dwarfed by that of floating offshore wind. Floating wind, with its superior adaptability to water depth and minimal seabed constraints, is set to become a core pathway for offshore wind development in the region.

Europe enters its first commercial deployment phase for floating wind during 2023 to 2025, with countries such as France and the UK launching tenders for floating offshore wind projects, marking the start of substantial construction activities. Going forward, floating wind is expected to scale up, with batch delivery and gradual standardization of platform design and supply chain systems. Floating wind is projected to reach mature commercial operations after 2033 and achieve cost parity with fixed-bottom solutions, fully integrating into mainstream power systems and becoming a significant component of Europe's deep-sea renewable energy capacity.

Globally, floating offshore wind remains at a technology demonstration and small-scale pilot stage. Most countries, however, have established ten-year development targets. By 2029, floating capacity additions are expected to remain limited and demonstration-oriented. From 2030 onwards, declining costs, improved standards, and large-scale deep-sea site development are expected to drive rapid capacity growth, with 2030 to 2033 representing the main growth period, contributing a significant share to global offshore wind additions and driving upstream supply chain development and investment expansion.

INDUSTRY OVERVIEW

Market Size and Growth of Floating Offshore Wind in Europe

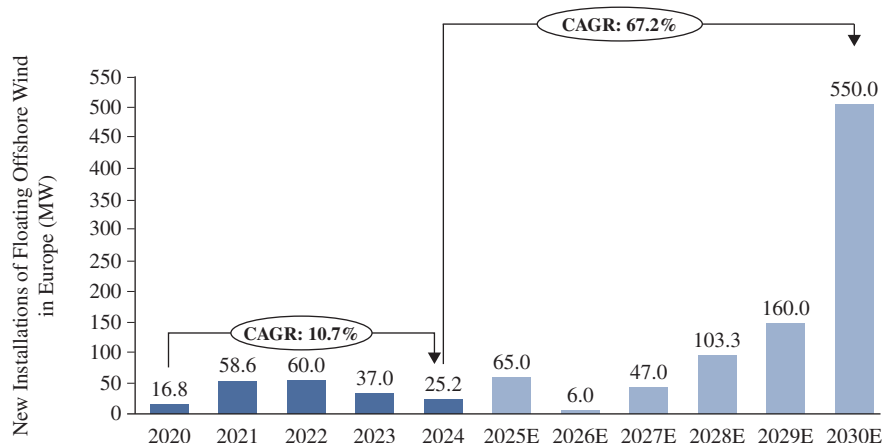
Europe currently leads global floating offshore wind technology, with several pilot projects already operational or under construction. The new installations of floating offshore wind were 25.2 MW in 2024, and are expected to reach 550.0 MW in 2030, representing a CAGR of 67.2% from 2024 to 2030. Between 2025 and 2030, cumulative new floating capacity in Europe is projected to reach 931.3 MW, with early deployment concentrated in the UK, Norway, Spain, and Italy. The share of floating wind in total new offshore installations is anticipated to rise rapidly, reaching 4.7% by 2030.

The commercialization of floating offshore wind is expected to drive structural expansion of the associated foundation structure market, representing one of the highest-growth segments in the offshore wind supply chain. Compared with fixed-bottom solutions, floating wind is suitable for deep-sea areas exceeding 60 meters, offering broader deployment potential while presenting new technical and engineering challenges. Floating wind is positioned as the next-generation deep-sea technology, increasing both cumulative installed capacity and demand for specialized foundation structures.

Despite its potential, Europe's floating offshore wind sector remains at an early commercial stage and faces multiple core challenges nowadays: (i) high costs, as complex platform design, large unit size, and manufacturing difficulty result in unit costs higher than fixed-bottom foundations; (ii) an underdeveloped supply chain due to a lack of dedicated deep-sea manufacturing facilities and mass-production lines for floating foundations; (iii) infrastructure and logistics constraints where limited port facilities and a shortage of specialized vessels hinder offshore installation and operations and maintenance efficiency; (iv) technical and talent gaps stemming from the scarcity of qualified personnel with full lifecycle experience in demanding fields such as engineering design, structural mechanics, mooring systems, and deep-sea operations and maintenance, which restricts project efficiency and quality control.

These challenges, however, highlight the key directions for future industry development. European governments are increasing policy support, expanding local manufacturing facilities, promoting international supply chain collaboration, and establishing dedicated funds and incentive mechanisms to foster capital investment and standardization. In the medium to long term, companies with scalable floating foundation production and efficient delivery capabilities are expected to secure first-mover advantages in the deep-sea offshore wind market.

New Installations of Floating Offshore Wind in Europe, 2020-2030E



Source: GWEC, Frost & Sullivan

OVERVIEW OF WIND MARKET IN THE PRC

Overview of Offshore Wind Market in the PRC

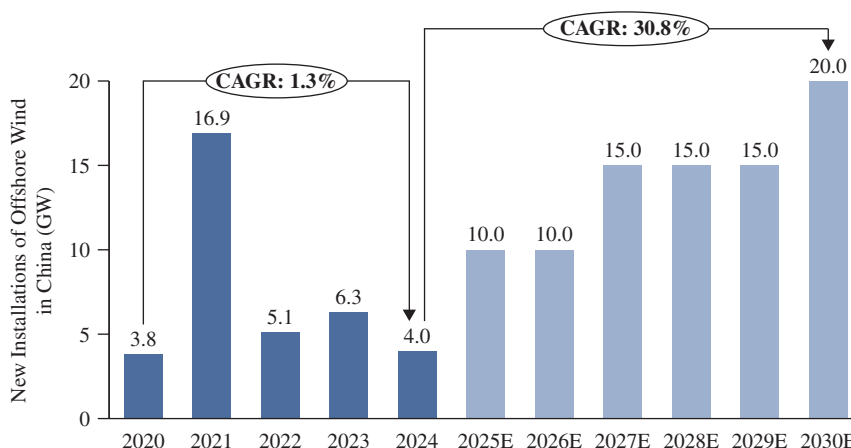
During the 14th Five-Year Plan period, China's offshore wind market has shown a trend of initial slowdown followed by recovery. In 2024, new installations of offshore wind in China reached 4GW, reflecting significant fluctuations compared to the CAGR of 1.3% from 2020 to 2024. This volatility was primarily driven by the expiration of national subsidies in 2022, which led to a surge in pre-subsidy project completions followed by a period of adjustment. However, with the continued advancement of the "dual carbon" goals and the rollout of provincial-level subsidy programs, coupled with favorable policies such as the *Administrative Measures for Deep and Far-Sea Offshore Wind Power*, the industry is accelerating into a stage of high-quality development.

The offshore wind supply chain has achieved notable cost reductions and efficiency gains, with 8-10MW turbines becoming mainstream and 16MW models entering commercial application, driving a more than 40% decline in levelized cost of electricity. According to GWEC, supported by growing power demand in eastern coastal regions and the pressure from EU carbon tariffs, new installations of offshore wind in China is expected to achieve 20GW annually by 2030, with a CAGR of 30.8% from 2024 to 2030.

As China's offshore wind industry continues to upgrade technologically and expand in scale, deep and far-sea development is emerging as the next major growth engine. The implementation of the *Administrative Measures for Deep and Far-Sea Offshore Wind Power* and the commercialization of floating wind technology provide both regulatory and technological support for deploying larger turbines beyond nearshore limitations. Coastal provinces such as Guangdong, Fujian, and Shandong have announced plans for large-scale deep and far-sea offshore wind bases, which are expected to contribute the bulk of new installations between 2025 and 2030, significantly expanding development scale. These projects not only help optimize spatial distribution and alleviate resource constraints nearshore but also generate stable demand for large-capacity turbines, deep-sea foundations, and supporting supply chains, thereby accelerating the high-quality development of China's offshore wind industry and the maturation of its deep-sea industrial ecosystem.

According to the Beijing Declaration on Wind Energy 2.0 presented at the China Wind Power 2025, China's cumulative wind power installed capacity is expected to reach 130 GW by 2030. This represents a substantial increase compared with the 41.8 GW of cumulative installations achieved by the end of 2024, and provides a strong foundation supporting the higher projected growth rates over the forecast period.

New Installations of Offshore Wind in China, 2020-2030E



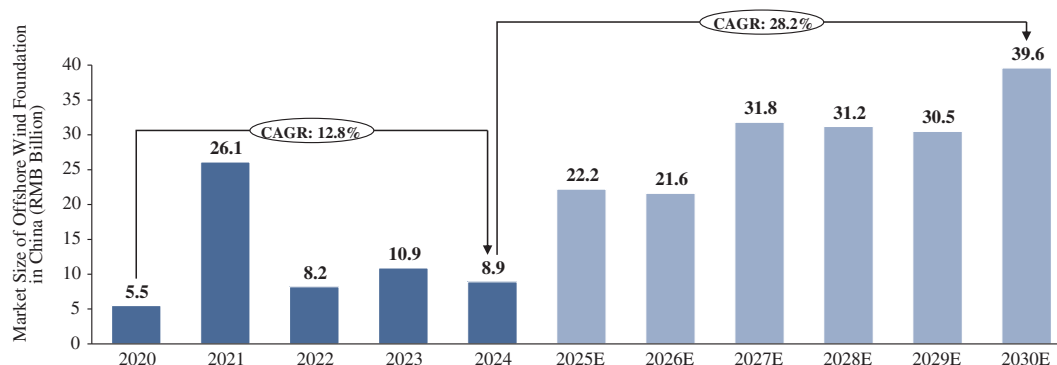
Source: GWEC, Frost & Sullivan

INDUSTRY OVERVIEW

Market Size and Growth of Offshore Wind Foundation Market in the PRC

The market size of China's offshore wind foundation structures grew from RMB5.5 billion in 2020 to RMB8.9 billion in 2024, representing a CAGR of 12.8%. With the continued advancement of the “dual carbon” strategy and the acceleration of deep and far-sea wind power development, the industry is entering a period of explosive growth. Driven by both the widespread adoption of large-capacity turbines and breakthroughs in floating foundation technology, traditional structures such as monopiles are rapidly upgrading toward heavier designs, while new solutions like floating foundations are beginning to enter commercial deployment. By 2030, the market size of China's offshore wind foundation structures is expected to reach RMB39.6 billion, with a CAGR of 28.2% from 2024 to 2030. It is underpinned by the robust expansion of new installations of offshore wind in the PRC, which are projected to increase at a CAGR of 30.8% from 2024 to 2030.

Market Size of Offshore Wind Foundation Market in China in terms of Sales Value, 2020-2030E



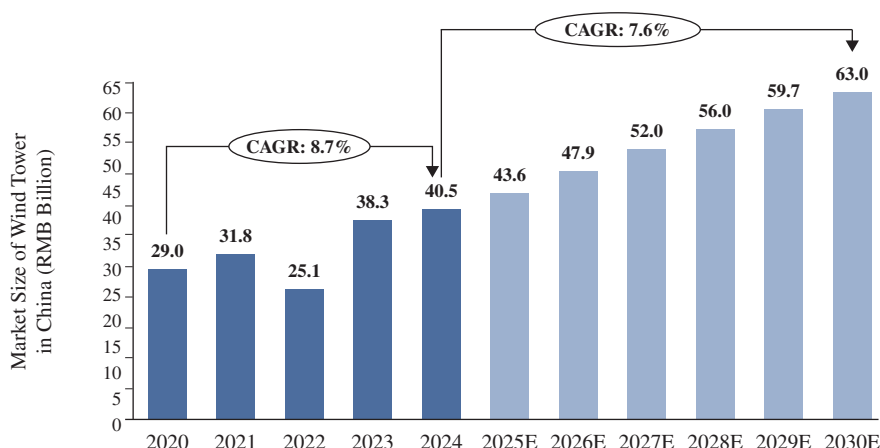
Source: GWEC, Frost & Sullivan

Market Size and Growth of Wind Tower Market in the PRC

The market size of China's wind tower market, including both onshore and offshore wind towers, grew from RMB29.0 billion in 2020 to RMB40.5 billion in 2024, representing a CAGR of 8.7%. Benefiting from the rapid expansion of wind power installations and the continuous advancement of turbine technologies, the demand for wind towers has maintained steady growth. With the accelerated development of offshore wind power and the gradual expansion into deep-sea areas, the market size of offshore wind towers is experiencing faster growth compared with that of traditional onshore towers. By 2030, the market size of China's wind tower market is expected to reach approximately RMB63.0 billion, representing a CAGR of 7.6% from 2024 to 2030.

INDUSTRY OVERVIEW

Market Size of Wind Tower Market in China in terms of Sales Value, 2020-2030E



Source: GWEC, Frost & Sullivan

Competitive Landscape of Wind Tower Market in the PRC

We ranked fifth among wind tower providers in China in terms of sales value in the first half of 2025, with a market share of 2.4%, and ranked third with a market share of 4.4% in 2024. Overall, the wind tower market in China remains highly fragmented, with the top five providers accounting for approximately 20.7% of the market in 2024 and approximately 22.2% in the first half of 2025, indicating that no single manufacturer holds a dominant market position. The market is characterized by the presence of numerous specialized tower manufacturers as well as engineering and heavy equipment companies, with competition primarily driven by manufacturing capacity, cost efficiency, project execution capability and geographic proximity to wind farm projects.

Top Five Wind Tower Providers in terms of Sales Value in China, 2024 & 2025H1

Ranking	Wind Tower Provider	2025H1 Wind Tower Sales Value in China (RMB billion)	Market Share (%)
1	Company F	1.2	5.8%
2	Company G	1.1	5.3%
3	Company H	1.0	4.8%
4	Company I	0.8	3.9%
5	Our Group	0.5	2.4%
Top five		4.6	22.2%
Total		20.7	100.0%

Ranking	Wind Tower Provider	2024 Wind Tower Sales Value in China (RMB billion)	Market Share (%)
1	Company H	2.0	4.9%
2	Company F	1.9	4.7%
3	Our Group	1.8	4.4%
4	Company G	1.4	3.5%
5	Company I	1.3	3.2%
Top five		8.4	20.7%
Total		40.5	100.0%

Notes:

- Company F is a company listed on the Shenzhen Stock Exchange, founded in 2005 and headquartered in Suzhou, China. It is primarily engaged in the manufacturing of wind power equipment components, primarily onshore and offshore wind towers and offshore wind structural components.
- Company G is a company listed on the Shenzhen Stock Exchange, founded in 2006 and headquartered in Qingdao, China. It is mainly engaged in the manufacturing of onshore and offshore wind towers and offshore wind structural components, and related large steel structures.
- Company H is a company listed on the Shenzhen Stock Exchange, founded in 2001 and headquartered in Shanghai, China. It is mainly engaged in the manufacturing of onshore and offshore wind towers and related steel structures.

INDUSTRY OVERVIEW

4. Company I is a company listed on both the Shanghai Stock Exchange and the Hong Kong Stock Exchange, founded in 2015 and headquartered in Beijing, China. It is primarily engaged in the manufacturing of rail transit equipment and diversified high-end equipment, and also participates in the production of wind power equipment components, including wind towers and related steel structures.

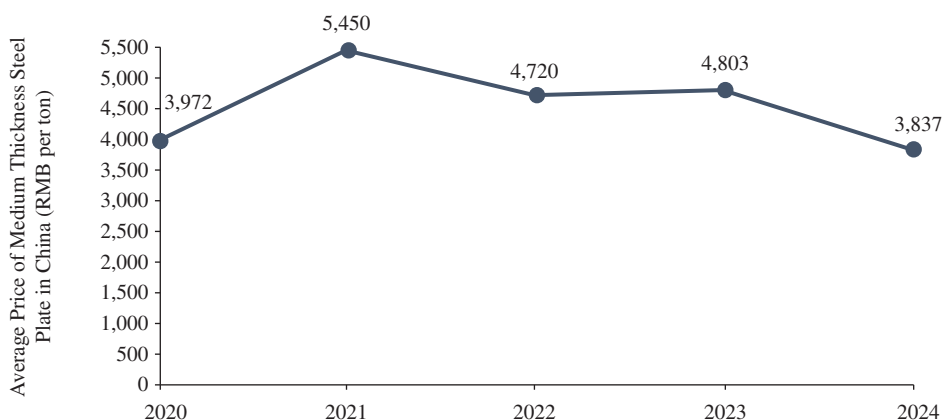
Source: Frost & Sullivan

Raw Materials Price Trend

The principal raw material for offshore wind foundations is medium thickness steel plates. From 2020 to 2024, the average price of medium thickness steel plates in China exhibited cyclical fluctuations. In 2020, the average price of medium thickness steel plates was RMB3,972 per ton, primarily reflecting the impact of the pandemic and uneven recovery in downstream demand. In 2021, driven by global commodity inflation and robust domestic infrastructure investment, the average price increased sharply to RMB5,450 per ton, representing a year-on-year growth of 37.2%. In 2022, however, weakening demand from the real estate sector and easing cost pressures led to a 13.4% decline to RMB4,720 per ton. A modest rebound occurred in 2023, with the average price rising 1.8% to RMB4,803 per ton. In 2024, the average price decreased to RMB3,837 per ton.

In the long run, the price of medium thickness steel plates in China is expected to follow a cyclical pattern, driven by fluctuations in steel prices, demand from downstream industries, and policy-induced supply adjustments. It will have a direct impact on the cost structure of offshore wind foundation providers.

Average Price of Medium Thickness Steel Plates in China, 2020-2024



Source: Langesteel, Frost & Sullivan

Key Drivers of Offshore Wind Market in the PRC

National policies and strategic orientation: Driven by the green energy transition and China's "dual carbon" goals, offshore wind power has become a key force in optimizing the energy structure at the national level and for multiple coastal regions. At the same time, policies are guiding new projects toward deep and far-sea development, driving both technological upgrades and innovation in development models.

INDUSTRY OVERVIEW

Technological progress driving cost reduction: The trend toward larger wind turbines, breakthroughs in deep and far-sea floating wind technology, and the maturation of supporting technologies such as subsea cables, foundations, and operations and maintenance have collectively driven down per-kilowatt investment and levelized cost of electricity, significantly enhancing project economics.

Energy consumption and local economic needs of coastal regions: Major load centers in East and South China show strong demand for clean energy. Offshore wind, located near these load hubs, enables efficient local consumption while also stimulating the development of related industries, including equipment manufacturing, offshore engineering, and port logistics, thereby fostering coordinated growth across the value chain.

Synergies within the industrial ecosystem: Offshore wind is increasingly integrated with energy storage and hydrogen production, whereby surplus or curtailed electricity is converted into storable energy carriers. In practice, electricity generated from offshore wind farms may be directed to battery energy storage systems for short-term balancing, or utilized in electrolysis to produce green hydrogen for medium- to long-term storage and downstream industrial applications. Such integration enhances dispatch flexibility, supports grid stability, and improves the overall utilization of offshore wind assets. The growing adoption of hybrid offshore energy hubs — which co-locate wind power generation with on-site storage or hydrogen conversion facilities — increases the economic viability and capacity factor of individual wind farm projects, thereby incentivizing greater investment in new offshore wind capacity and more needs for core wind power equipment. Accelerated localization of core equipment is strengthening an independent supply chain, while innovations in green finance instruments are helping to ease funding pressures, together creating a self-reinforcing industry ecosystem.

SOURCES OF INFORMATION

We commissioned Frost & Sullivan to analyze and prepare a report regarding global wind market as well as wind market in Europe. Frost & Sullivan is an independent global consulting firm founded in 1961 in New York that offers industry research and market strategies and provides growth consulting and corporate training. We agreed to pay a commission fee of RMB350,000 to Frost & Sullivan pursuant to a service agreement reached by arm's length negotiation. Except as otherwise noted, all of the data and forecasts contained in this section are derived from the Frost & Sullivan Report. We have also referred to certain information in the "Summary," "Risk Factors," "Business" and "Financial Information" sections to provide a more comprehensive presentation of the industry in which we operate. In preparing the report, Frost & Sullivan conducted both primary and secondary research and relied on various sources. The primary research was conducted via interviews with key industry experts and leading industry participants. The secondary research involved analysis of market data obtained from several publicly available data sources, such as the IMF, World Bank, National Bureau of Statistics and other industrial associations. The market projections in the Frost & Sullivan Report are based on the following key assumptions: (i) the global social, economic, and political environment are expected to remain stable during the forecast period; (ii) global economic and industrial development are likely to maintain a steady growth in the forecast period; (iii) related industry key drivers are likely to drive the growth of the global wind market as well as wind market in Europe in the forecast period; and (iv) there is no extreme force majeure or industry regulation which may affect the market dramatically or fundamentally.

Our Directors confirm that, to the best of their knowledge, after making reasonable inquiries and exercising reasonable care, there is no material adverse change in the market information since the date of the relevant data contained in the Frost & Sullivan Report which may qualify, contradict or have an impact on the information in this section.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN THE PRC

Regulations and Policies Relating to the Industry

Pursuant to the Energy Law of the People's Republic of China (中華人民共和國能源法) promulgated by the Standing Committee of the National People's Congress ("SCNPC") on November 8, 2024 and came into effect on January 1, 2025, the State promotes the development and utilization of wind energy by adhering to both centralized and distributed development, accelerating the construction of wind power bases, supporting nearby development and utilization of distributed wind power, and developing offshore wind power in a rational and orderly manner.

According to the Renewable Energy Law of the People's Republic of China (中華人民共和國可再生能源法) promulgated by the SCNPC on February 28, 2005 and amended on December 26, 2009, the development and utilization of renewable energy was listed as a priority area of energy development by the State. The establishment and development of the renewable energy market were promoted through setting targets on the total volume of development and utilization of renewable energy and adopting corresponding measures. The State encouraged economic entities with various forms of ownership to participate in the development and utilization of renewable energy, and the legitimate rights and interests of the developers and users of renewable energy were protected under the law. Power grid enterprises shall enter into grid connection agreements with renewable energy power generation enterprises that are constructed in accordance with renewable energy development and utilization plans and have lawfully obtained administrative permits or completed the filing process. They shall purchase in full the on-grid electricity generated by renewable energy grid-connected power generation projects within their grid coverage that meet grid connection technical standards. Power generation enterprises are obligated to cooperate with power grid enterprises to ensure grid security.

According to the Opinions on Promoting the High-quality Development of the Renewable Energy Green Power Certificate Market (關於促進可再生能源綠色電力證書市場高質量發展的意見) promulgated and implemented by the National Development and Reform Commission ("NDRC") and other departments on March 6, 2025, the scale of green power trading should be increased. The increasing scale of green power trading focusing on green power and corresponding green power environmental value as the subject matter should be accelerated. Wind power (including distributed wind power and offshore wind power), solar power (including distributed photovoltaic power generation and solar thermal power generation), and other renewable energy power generation projects such as biomass power generation, geothermal power generation and ocean energy power generation should be steadily promoted to participate in green power trading.

According to the Action Plan for Standardization and Improvement of Energy in Reaching Carbon Peak and Carbon Neutrality (能源碳達峰碳中和標準化提升行動計劃) promulgated by the National Energy Administration on September 20, 2022 and implemented on the same date, a standard system for renewable energy mainly focusing on photovoltaic and wind power should be established and improved. By researching on the establishment of a standard system to support the construction of a new energy system and accelerating the improvement of a new energy storage standard system, strong support will be provided for the development and construction of large-scale bases of wind power, photovoltaic and distributed energy, as well as for their grid-connected operation, consumption and utilization.

REGULATORY OVERVIEW

Pursuant to the Implementation Plan on Promoting the High-quality Development of New Energy in the New Era (關於促進新時代新能源高質量發展實施方案), which was forwarded by the General Office of the State Council on May 14, 2022 and implemented on the same date, the wind power projects will be adjusted from an approval system to a filing system. Integrated energy projects focusing on new energy such as multi-energy complementary projects, source-grid load-storage projects and micro-grid projects, may go through the approval (filing) procedures as a whole.

Pursuant to the 14th Five-Year Renewable Energy Development Plan (“十四五”可再生能源發展規劃) promulgated by the NDRC, the National Energy Administration and other departments on October 21, 2021 and implemented on the same date, the construction of offshore wind power bases was proceeded in an orderly manner. The provincial-level offshore wind power planning system was revised, with simultaneous commencement of environmental impact assessment on the plans, and the layout of near-shore and offshore wind power plants was optimized. Local governments were encouraged to roll out support policies, large-scale development of near-shore and offshore wind power plants was actively promoted. Deep-sea and oceanic offshore wind power plans were carried out, with improvement in managing the development and construction of deep-sea and oceanic offshore wind power. Innovation and demonstration of application of deep-sea and oceanic offshore wind power technology were promoted. Models for centralized transmission and centralized operation and maintenance were explored. These have actively promoted cost reduction and efficiency improvement in deep-sea and oceanic offshore wind power, and demonstrated low-price operation in deep-sea and oceanic offshore wind power.

According to the Guiding Opinions of the State Council on Accelerating the Establishment and Improvement of an Economic System for Green, Low-Carbon and Recycle Development (國務院關於加快建立健全綠色低碳循環發展經濟體系的指導意見) promulgated by the State Council on February 2, 2021 and implemented on the same date, establishing and improving an economic system for green, low-carbon and recycle development and promoting a comprehensive green transformation of economic and social development are the basic strategies to solve the problems of resources and environmental ecology in the PRC. We should promote green and low-carbon transformation of the energy system, give priority to energy conservation, improve the dual control of total energy consumption and intensity, increase the proportion of renewable energy utilization and vigorously promote the development of wind power and photovoltaic power generation.

Regulations Relating to Companies

According to the Company Law of the People’s Republic of China (2023 Revision) (中華人民共和國公司法(2023修訂)) promulgated by the SCNPC on December 29, 2023 and came into effect on July 1, 2024, companies in the PRC are generally classified into two categories, namely, limited liability companies and joint stock limited companies.

Regulations Relating to Foreign Investment

According to the Foreign Investment Law of the People’s Republic of China (中華人民共和國外商投資法) promulgated by the SCNPC on March 15, 2019 and came into effect on January 1, 2020 and the Regulations on Implementing the Foreign Investment Law of the People’s Republic of China (中華人民共和國外商投資法實施條例) promulgated by the State Council on December 26, 2019 and came into effect on January 1, 2020, an administrative system of pre-access national treatment plus negative list on foreign investment are implemented in the PRC. Foreign investment in the PRC, other than those listed on the negative list, will enjoy national treatment. The State encourages and facilitates foreign

REGULATORY OVERVIEW

investments, protects legitimate rights and interests of foreign investors, standardizes the management on foreign investments, optimizes the foreign investment environment continuously, and promotes higher level of opening to external investors. According to the Special Administrative Measures (Negative List) for Foreign Investment Access (2024 Edition) (外商投資准入特別管理措施 (負面清單)(2024年版)) jointly issued by the NDRC and the Ministry of Commerce (the “MOFCOM”) on September 6, 2024 and came into effect on November 1, 2024, the industry in which the Company operates is not an industry under the “prohibited” or “restricted” categories for foreign investment.

Regulations Relating to Overseas Investment

Pursuant to the Administrative Measures for Overseas Investment (2014) (境外投資管理辦法 (2014)) promulgated by the MOFCOM on September 6, 2014 and came into effect on October 6, 2014, the MOFCOM and provincial competent commerce authorities administered by record-filing and approval, respectively. Overseas investment by enterprises that involves sensitive countries and regions or sensitive industries shall be subject to administration by approval. Overseas investment by enterprises under any other circumstances shall be subject to administration by record-filing.

Pursuant to the Administrative Measures for Overseas investment of Enterprises (企業境外投資管理辦法) promulgated by the NDRC on December 26, 2017 and came into effect on March 1, 2018, when an investor makes an overseas investment, it shall obtain approval, conduct record-filing or other procedures applicable to overseas investment projects, report relevant information, and cooperate with supervision and inspection. Sensitive projects carried out by investors directly or through overseas enterprises controlled by them shall be subject to approval; non-sensitive projects directly carried out by investors, namely, non-sensitive projects involving investors’ direct contribution of assets or interests or provision of financing or guarantee shall be subject to record-filing.

Regulations Relating to Product Quality

According to the Product Quality Law of the PRC (2018 Amendment) (中華人民共和國產品質量法 (2018) 修正) promulgated by the SCNPC on December 29, 2018 and came into effect on the same date, manufacturers and sellers shall establish and improve the internal product quality management system, and strictly implement job quality standards, quality responsibilities and corresponding evaluation methods. The State encourages the implementation of scientific methods of quality management, adoption of advanced science and technology, and encourages enterprises to meet and exceed industrial, national and international standards in product quality.

Regulations Relating to Import and Export of Goods

According to the Foreign Trade Law of the PRC (2025 Revision) (中華人民共和國對外貿易法 (2025 修訂)) promulgated by the SCNPC on December 27, 2025 and came into effect on March 1, 2026, and the Regulations of the PRC on the Administration of Import and Export of Goods (2024 Revision) (中華人民共和國貨物進出口管理條例 (2024 修訂)) promulgated by the State Council on March 10, 2024 and came into effect on May 1, 2024, the State permits the free import and export of goods, and maintains a fair and orderly import and export trading of goods in accordance with the law. Except for imports and exports expressly prohibited or restricted by laws and administrative regulations, no entity or individual may impose or maintain prohibition or restriction on the import or export of goods.

REGULATORY OVERVIEW

According to the Customs Law of the PRC (2021 Amendment) (中華人民共和國海關法 (2021 修正)) promulgated by the SCNPC on April 29, 2021, and came into effect on the same date, consignees or consignors of imported or exported goods or customs brokers shall conduct customs declaration procedures and make customs filing in accordance with the law.

Regulations Relating to Production Safety

Pursuant to the Production Safety Law of the PRC (2021 Amendment) (中華人民共和國安全生產法 (2021 修正)) promulgated by the SCNPC on June 10, 2021 and came into effect on September 1, 2021, entities engaged in production and business activities shall comply with the Production Safety Law and other laws and regulations relating to production safety, strengthen production safety management, establish and improve production safety responsibility system and production safety rules and regulations for all employees, increase the provision of funds, materials, technology and manpower to ensure production safety, improve production safety conditions, enhance standardization and informatization of production safety, establish a dual preventive mechanism for safety risk management and control by tiers and for detection and rectification of potential hazards, improve the risk prevention and elimination mechanism, increase production safety level to ensure production safety. The safety facilities for new construction, reconstruction and expansion projects (collectively, the “construction projects” hereinafter) of production and business entities must be designed, constructed, commence operation and utilization at the same time with the main structure.

Regulations Relating to Environmental Protection

According to the Environmental Protection Law of the PRC (2014 Revision) (中華人民共和國環境保護法 (2014修訂)) promulgated by the SCNPC on April 24, 2014 and came into effect on January 1, 2015, all entities and individuals have the obligation to protect the environment. Enterprises, public institutions and other producers and operators shall prevent and reduce environmental pollution and ecological damage, and shall be legally responsible for the damage caused.

According to the Environmental Impact Assessment Law of the PRC (2018 Amendment) (中華人民共和國環境影響評價法 (2018 修正)) promulgated by the SCNPC on December 29, 2018 and came into effect on the same date, and the Regulations on the Administration of Construction Project Environmental Protection (2017 Revision) (建設項目環境保護管理條例 (2017 修訂)) promulgated by the State Council on July 16, 2017 and came into effect on October 1, 2017, a construction entity shall compile an environmental impact assessment report, an environmental impact statement or complete the environmental impact registration form in accordance with the relevant provisions.

According to the Regulations on the Administration of Pollutant Discharge Licensing (排污許可管理條例) promulgated by the State Council on January 24, 2021 and came into effect on March 1, 2021, and the Administrative Measures for Pollutant Discharge Licensing (排污許可管理辦法) issued by the Ministry of Ecology and Environment on April 1, 2024 and came into effect on July 1, 2024, enterprises, public institutions and other producers and operators which are subject to pollutant discharge licensing management as stipulated by laws must apply for and obtain pollutant discharge licences in accordance with this regulation; discharging pollutants is prohibited without obtaining such licence.

REGULATORY OVERVIEW

Regulations Relating to Intellectual Property

According to the Patent Law of the People's Republic of China (2020 Amendment) (中華人民共和國專利法 (2020修正)) promulgated by the SCNPC on October 17, 2020 and came into effect on June 1, 2021, and the Implementation Rules of the Patent Law of the People's Republic of China (2023 Revision) (中華人民共和國專利法實施細則 (2023修訂)) promulgated by the State Council on December 11, 2023 and came into effect on January 20, 2024, patents in the PRC are categorized into invention patents, utility model patents and design patents. Commencing from the date of application, the duration of patent rights for invention patents, utility model patents and design patents are twenty years, ten years and fifteen years, respectively. No person may the patent without licensing or authorization of the patentee.

According to the Trademark Law of the People's Republic of China (2019 Amendment) (中華人民共和國商標法 (2019修正)) promulgated by the SCNPC on April 23, 2019 and came into effect on November 1, 2019, and the Implementation Rules of the Trademark Law of the People's Republic of China (2014 Revision) (中華人民共和國商標法實施條例 (2014 修訂)) promulgated by the State Council on April 29, 2014 and came into effect on May 1, 2014, trademarks approved by and registered with the Trademark Office are registered trademarks, including commodity marks, service marks, collective marks and certification marks. The valid period of a registered trademark is ten years, commencing from the date of approval for registration.

According to the Regulations for the Protection of Computer Software (2013 Revision) (計算機軟件保護條例 (2013修訂)) promulgated by the State Council on January 30, 2013 and came into effect on March 1, 2013, software copyright holders may register with the software registration institution recognized by the copyright administration and management authority of the State Council. Software copyright holders may license others to use their software copyright and are entitled to receive compensation. Software copyright holders may transfer their software copyright wholly or partially and are entitled to receive compensation.

Regulations Relating to Labor, Social Insurance and Housing Provident Fund

According to the Labor Contract Law of the People's Republic of China (2012 Amendment) (中華人民共和國勞動合同法 (2012修正)) promulgated by the SCNPC on December 28, 2012 and came into effect on July 1, 2013, and the Implementation Regulations of the Labor Contract Law of the People's Republic of China (中華人民共和國勞動合同法實施條例) promulgated by the State Council on September 18, 2008 and came into effect on the same date, labour contracts shall be entered into in writing if employment relationships are to be established. If employment relationship is established without entering into a labour contract in writing at the same time, a labour contract in writing shall be signed within one month from the date of commencing employment. For labour contracts signed between employer and employee before the date of commencing employment, the employment relationship shall be established on the date of commencing employment.

According to the Social Insurance Law of the People's Republic of China (2018 Amendment) (中華人民共和國社會保險法 (2018修正)) promulgated by the SCNPC on December 29, 2018 and came into effect on the same date, and the Provisional Regulations for The Collection And Payment of Social Insurance Premiums (2019 Revision) (社會保險費徵繳暫行條例 (2019修訂)) promulgated by the State Council on March 24, 2019 and came into effect on the same date, employer and employees within the PRC shall contribute payment of social insurance premiums in accordance with the law, are entitled to make enquiries on the records of payment and personal rights and interests, and request the social insurance agencies to provide social insurance consultation and related services. The paying entity and individual shall contribute payment of social insurance premiums in full amount as scheduled.

REGULATORY OVERVIEW

According to the Administrative Regulations on the Housing Provident Fund (2019 Revision) (住房公積金管理條例 (2019 修訂)) promulgated by the State Council on March 24, 2019 and came into effect on the same date, entities are required to complete the registration of contribution to the housing provident fund with the housing provident fund management centre, and the procedures for opening housing provident fund accounts for their employees. Each employee may have only one housing provident fund account. Newly established entities shall register with the housing provident fund management centre within 30 days of incorporation to complete the registration of contribution to the housing provident fund, and shall open housing provident fund accounts for their employees within 20 days after registration.

Regulations Relating to Enterprise Income Tax and Value-Added Tax

According to the Enterprise Income Tax Law of the People's Republic of China (2018 Amendment) (中華人民共和國企業所得稅法 (2018修正)) promulgated by the SCNPC on December 29, 2018 and came into effect on the same date, and the Implementation Rules of the EIT Law of the People's Republic of China (2024 Revision) (中華人民共和國企業所得稅法實施條例 (2024修訂)) promulgated by the State Council on December 6, 2024 and came into effect on January 20, 2025, a resident enterprise means an enterprise established within the PRC in accordance with the laws, or established in accordance with any laws of a foreign country or region but with an actual management entity within the PRC. A resident enterprise is subject to EIT at the tax rate of 25% for any income generated within or outside the PRC. Small enterprises with minimal profit and satisfy required conditions may be subject to a lower EIT tax rate of 20%. Key high-tech enterprises which are supported by the State may enjoy a reduced EIT rate of 15%.

According to the Value-Added Tax Law of the People's Republic of China (中華人民共和國增值稅法) promulgated by the SCNPC on December 25, 2024 and came into effect on January 1, 2026, units and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets or immovable properties, as well as import goods within the territory of the PRC, shall be taxpayers of value-added tax and shall pay value-added tax.

Regulations Relating to Foreign Exchange

According to the Regulations of the People's Republic of China on Foreign Exchange Administration (2008 Revision) (中華人民共和國外匯管理條例 (2008修訂)) promulgated by the State Council on August 5, 2008 and came into effect on the same date, foreign exchange receipts and payments of current account items shall have authentic and legal transaction basis. Foreign exchange payments of current account items shall be paid with the payer's own foreign currency or with foreign currency purchased from financial institutions engaging in the business of foreign exchange settlement and foreign currency sales by producing valid vouchers and certificates as evidence. Domestic entities and individuals that make overseas direct investments, or engage in the issuance and trading of overseas marketable securities and derivative products, shall complete the registration procedure in accordance with the requirements of the foreign exchange administrative authority of the State Council.

According to the Circular of the State Administration of Foreign Exchange on Improving Foreign Exchange Administration to Support the Development of Overseas Business (國家外匯管理局關於優化外匯管理支持涉外業務發展的通知) promulgated by SAFE on April 10, 2020 and came into effect on the same date, the reform of providing convenience in the receipts and payments of capital account items was promoted nationwide. Subject to ensuring the authenticity and legal compliance of utilization of funds and satisfying the prevailing administrative requirements on the use of receipts of capital account items, when enterprises which have met the required conditions utilize their receipts from capital account items such as capital funds, foreign debts and overseas listing for domestic payments, they are not required to provide authenticity evidence materials in advance to the bank for each sum.

REGULATORY OVERVIEW

Regulations Relating to Securities and Overseas Listing

Pursuant to the Securities Law of the People's Republic of China (2019 Revision) (中華人民共和國證券法 (2019修訂)) (the “**Securities Law**”) promulgated by the SCNPC on December 28, 2019 and came into effect on March 1, 2020, the Securities Law is applicable to the issuance and trading of shares, corporate bonds, depositary receipts and other securities recognized legally by the State Council within the PRC. For any matters not mentioned in the Securities Law, the requirements of the Company Law of the PRC (中華人民共和國公司法) and other laws and administrative regulations shall be applicable. Domestic enterprises which, directly or indirectly, issue securities overseas or perform overseas listing and trading of their securities, shall comply with the relevant requirements of the State Council.

Pursuant to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) promulgated by the China Securities Regulatory Commission (the “**CSRC**”) on February 17, 2023 and came into effect on March 31, 2023, and the five ancillary guidelines, overseas offering and listing are prohibited under any one of the following circumstances: (1) such listing and financing are explicitly prohibited by the provisions of laws, administrative regulations or relevant stipulations of the State; (2) the overseas offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with the laws; (3) either the domestic company or its controlling shareholder(s), or the de facto controller(s), has/have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (4) the domestic company is suspected of committing a crime or severe violation of laws and regulations, and is under investigation in accordance with the laws and no clear conclusive opinion has been made; (5) there is/are material ownership dispute(s) over equity interests held by the controlling shareholder(s) or the shareholder(s) that are controlled by the controlling shareholder(s) or the de facto actual controller(s).

Pursuant to the Provisions on Strengthening Confidentiality and Archives Administration Concerning Overseas Securities Offering and Listing by Domestic Companies (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) jointly issued by the CSRC, MOFCOM and other authorities on February 24, 2023 and came into effect on March 31, 2023, a domestic company that provides or publicly discloses, either directly or through its overseas listed entities, any documents and materials involving State secrets or work secrets of government agencies to entities, such as relevant securities companies, securities service providers or overseas regulators, and individuals shall obtain approval from the competent authorities with approval authority in accordance with law, and make filing with the confidentiality administrative management authority at the same level.

REGULATIONS AND POLICIES RELATING TO THE EU

Carbon Border Adjustment Mechanism

The EU Carbon Border Adjustment Mechanism (CBAM) was adopted by the European Parliament and the Council on May 10, 2023 and amended on October 17, 2025 under Regulation (EU) 2025/2083. CBAM entered a transitional period on October 1, 2023 and will be fully implemented from January 1, 2026. It imposes a carbon charge on imports of specified carbon-intensive products, including steel, aluminum and cement, at a level equivalent to the EU Emissions Trading System (EU ETS), with the objective of equalizing carbon costs between imports and EU-produced goods and mitigating carbon leakage. During the 2023–2025 transitional period, importers are required to submit embedded-emissions data only, without payment obligations; from 2026, EU importers must purchase and surrender CBAM certificates to settle the embedded emissions of imported goods.

REGULATORY OVERVIEW

For emissions data, CBAM relies on installation-level actual data as the basis for declarations. Third-country operators must implement monitoring plans in accordance with CBAM rules to measure and calculate energy use and greenhouse gas emissions for the relevant product categories and, where applicable, the categories of precursor materials produced at supplier installations. Such data must be independently verified by an EU-accredited third-party verifier before they can be used as the compliant basis for declaring embedded emissions under CBAM. To align with the pace of carbon-cost exposure within the EU, CBAM applies a “free allocation” arrangement that references the share of emissions covered by free allocation under the EU ETS; the share starts at 97.5% in 2026 and is gradually reduced to zero by 2034.

With respect to pricing and payment mechanics, the CBAM charge is anchored to the EU ETS carbon price. CBAM certificates will be available for sale from February 2027 for use in settling obligations related to imports made in 2026; for 2026, the CBAM certificate price is calculated using the quarterly average of EU ETS auction prices, and from 2027 onward the weekly average applies. The EU importer generally bears the obligation to purchase and surrender certificates and must complete the first annual CBAM declaration and surrender for the 2026 period by September 30, 2027. Certificates purchased may be used only for the corresponding compliance year; any surplus certificates may be repurchased in full upon application, and certificates that remain unused and are not submitted for repurchase by the deadline will be automatically canceled on November 1 each year.

Net-Zero Industry Act, NZIA

The NZIA was passed by the European Parliament and the Council on June 28, 2024, and came into effect on June 29, 2024. This act is one of the core pillars of the EU’s “Green Deal” Industrial Plan. It stipulates that by 2030, EU-based manufacturing capacity of net-zero technologies (such as solar panels, wind turbines, batteries and heat pumps) must reach 40% of EU deployment needs. By 2040, the EU must increase its global market share to 15% for all key low-carbon technologies, including renewable energy, nuclear power, heat pumps, electrolyzers, and other decarbonization technologies such as carbon capture. The act stipulates several measures to increase investment in green technologies, including streamlining permitting procedures for strategic projects and enhancing market access for strategic technologies and products through public procurement and renewable energy auctions. This ensures a secure and sustainable supply of net-zero technologies in the EU, thereby expanding manufacturing capacity, enhancing supply chain resilience, and contributing to the EU’s climate neutrality goal, in an effort to create high-quality jobs and strengthen the EU’s global competitiveness.

Renewable Energy Directive (RED III)

The amendment Directive (EU) 2023/2413 (RED III), which was passed by the European Parliament and the Council in October 2023 and officially came into effect in January 2024, serves as a key legal basis for accelerating the energy transition in the EU. The directive stipulates that the share of renewable energy in the EU’s overall energy consumption shall be raised to 42.5% by 2030, with an additional 2.5% indicative top-up to achieve a total share of 45%. The directive also introduces several new measures to accelerate the adoption of renewable energy projects, including streamlining the permit-granting procedures for wind farm construction and expediting administrative approvals.

REGULATORY OVERVIEW

The EU Electricity Market Reform Package

The EU Electricity Market Reform Package was promulgated by the European Parliament and the Council on May 21, 2024 and came into effect on July 16, 2024. The package aims to accelerate the deployment of renewable energy and other clean electricity sources, and incentivize the clean energy transition. The package supports the development of long-term power purchase agreements and encourages the implementation of contracts for difference in member states, thereby stabilizing renewable energy prices and promoting investment and development in renewable energy.

EU Emissions Trading System

The Directive 2003/87/EC, passed by the European Parliament and the Council on October 13, 2003 and came into effect on January 1, 2005, aims to establish a greenhouse gas emission allowances trading system, EU Emissions Trading System (EU ETS).

Directive (EU) 2023/959, published on May 16, 2023 and came into effect on June 5, 2023, formally includes the shipping sector into the EU ETS. Shipping companies covered by this directive must surrender carbon allowances by September 30 each year for their greenhouse gas emissions from the preceding year. Each allowance represents the right to emit one tonne of carbon dioxide equivalent. Shipping companies can purchase carbon allowances through auctions on the European Energy Exchange (EEX) or through the secondary market, as well as derivatives of carbon allowances. Shipping companies must open a trading account with a registry to purchase and hold carbon allowances.

The FuelEU Maritime Regulation (FuelEU Maritime)

Regulation (EU) 2023/1805, also known as the FuelEU Maritime Regulation, aims to promote the low-carbon transformation of the shipping industry by implementing phased reductions in the greenhouse gas intensity of fuels used by ships. The regulation requires all commercial ships (over 5,000 gross tonnage) calling at EU ports to reduce the greenhouse gas intensity of their fuels annually starting in 2025. This regulation is a key component of the EU's "Fit for 55" package, which is implemented in conjunction with the EU Emissions Trading System (EU ETS), with the goal of achieving a 55% reduction in greenhouse gas emissions by 2030 compared to 1990 levels.

This regulation covers intra-EU voyages (100% of the energy used is included in the emission calculation) and international routes to or from EU ports (50% of the energy used is included in the emission calculation). Vessels can choose to use shore power, reduce fuel consumption, or switch to low-emission fuels (such as biofuels) to meet the requirements.

REGULATIONS AND POLICIES RELATING TO THE UK

The UK Carbon Border Adjustment Mechanism

The UK Carbon Border Adjustment Mechanism ("UK CBAM") was officially announced on December 18, 2023, and will come into effect on January 1, 2027. The UK CBAM will place a carbon price on some of the most emissions intensive imported industrial goods. It will only apply to products in the aluminum, cement, fertiliser, hydrogen and iron & steel sectors. The UK CBAM aims to ensure that imported goods receive similar carbon pricing treatment to domestic products, thereby preventing carbon leakage.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

We are a globally leading provider of core offshore wind power equipment, deeply rooted in the wind power industry with nearly two decades of dedicated experience. We offer integrated solutions across production, transportation, and delivery of wind foundation to major offshore wind developers worldwide. Our history can be traced back to September 2003 when our Company was founded by our founder, Mr. Jin, in Fuxin, Liaoning Province.

Prior to establishing our Group in 2003, Mr. Jin had accumulated extensive commercial and operational management experience, which laid a solid foundation for the founding of our Group and for his strategic leadership in guiding its subsequent growth. Details of the biographies of Mr. Jin are set out in “Directors and Senior Management”.

Since October 2010, our Company has been listed on the Shenzhen Stock Exchange under the stock code 002487, becoming the first company principally engaged in the wind tower and foundation business with its shares listed on China’s A-share market.

KEY CORPORATE AND BUSINESS DEVELOPMENT MILESTONES

The following table sets forth our key corporate and business development milestones:

Year	Milestones
2003	Our Company was established in Liaoning Province, PRC.
2004	We entered the energy equipment manufacturing market.
2007	We transformed into a clean energy equipment manufacturer and successfully delivered our first domestic onshore wind tower project.
2009	We commenced the construction of our Shandong Penglai Offshore Facility.
2010	We were listed on the Shenzhen Stock Exchange, becoming the first company principally engaged in the wind tower and foundation business with its shares listed on China’s A-share market.
2012	Our Shandong Penglai Offshore Facility commenced operations, marking the beginning of our overseas expansion.
2014	We delivered our first export project for onshore towers.
2015	We delivered our first domestic offshore tower project and our first domestic monopile project.
2020	We established our European subsidiary in Hamburg, Germany, marking key milestone in our globalization strategy.
2021	We delivered our first export project for offshore towers and secured our first export order for offshore wind foundation products.
2022	We commissioned our first self-owned onshore wind turbine.
2023	Our Liaoning Panjin Shipbuilding Facility commenced operations, launching our ship design and construction business.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Year	Milestones
	We, the first offshore wind power manufacturer in the Asia-Pacific region, delivered our first export monopile project to Europe (Moray West Offshore Wind Turbine in the U.K.).
2024	We commenced the construction of our Hebei Tangshan Caofeidian Deep and Far-sea Offshore Facility. Our in-house international transportation team was established, enabling our first DAP delivery, supporting RWE's Thor offshore wind project in Denmark. We obtained regulatory approval for 950MW of onshore wind power projects in Hebei Province, PRC.
2025	We established our Global Floating Wind Business Center in Madrid, Spain. We designed and launched three specialized vessel types and secured our first third-party shipbuilding contract. We became the first company in the global offshore wind foundation industry to have our science-based carbon emissions targets validated by the Science Based Targets initiative (SBTi).
2026	Our first self-constructed heavy-lift deck transport barge has commenced its transportation missions.

OUR MAJOR SUBSIDIARIES

Since our inception, we have been continuously expanding our business and, as of the Latest Practicable Date, operated 60 subsidiaries to ensure the rapid and effective execution of our strategies.

Details of the Major Subsidiaries of our Company which made a material contribution to our results of operations during the Track Record Period are set out below.

No.	Name	Principal business activities	Date and place of establishment
1.	Penglai Dajin	Offshore wind power equipment manufacturing	December 14, 2009, PRC
2.	Hinggan League Dajin	Wind power equipment manufacturing	September 29, 2019, PRC
3.	Tangshan Dajin	Offshore wind power equipment manufacturing	April 11, 2023, PRC
4.	Zhangwu Xiliujiazi	Electricity production and supply	March 25, 2020, PRC
5.	Zhangwu Jinyin	Investment holding	March 3, 2020, PRC
6.	Beijing Jinyin	Investment holding	November 19, 2012, PRC
7.	Panjin Dajin	Shipbuilding and Offshore wind power equipment manufacturing	December 29, 2022, PRC

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

No.	Name	Principal business activities	Date and place of establishment
8.	Yangjiang Dajin	Offshore wind equipment manufacturing	March 7, 2022, PRC
9.	Zhangjiakou Dajin	Wind power equipment manufacturing	March 18, 2020, PRC

Our Company held the entire equity interest in each of the Major Subsidiaries throughout the Track Record Period and up to the Latest Practicable Date.

See Note 19 to the Accountants' Report in Appendix I and "Statutory and General Information — Further Information about Our Group — Changes in the Share Capital of Our Subsidiaries" in Appendix VI for more details of our subsidiaries.

CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES

Establishment and Early Development

In September 2003, our Company was established as a limited liability company in the PRC by our founder, Mr. Jin. Following several rounds of capital injections and share transfers, our registered share capital increased to RMB17.3 million by August 2009. Immediately before our conversion to a joint stock company, Mr. Jin controlled 68.21% of the voting power in our Company through Jinyin Energy and Fuxin Longda Technology Development Co., Ltd. (阜新隆達科技發展有限公司) ("**Fuxin Longda**"). Jinyin Energy, which held 63.21% equity interest in the Company, was wholly owned by Mr. Jin. Fuxin Longda, which held 5.00% equity interest in the Company, was owned as to 65.00% by Mr. Jin, with the remaining 35.00% owned collectively by seven employees of the Company at that time.

Conversion into a Joint Stock Limited Liability Company and Listing on the Shenzhen Stock Exchange

In October 2009, our Company was converted from a limited liability company to a joint stock company with limited liability with the number of our total issued share capital increased to 90,000,000 Shares.

In October 2010, we completed the listing of our A shares on the Shenzhen Stock Exchange (stock code: 002487) (the "**A-Shares Listing**"). In the A-Share Listing, we issued an aggregate of 30,000,000 A Shares, representing 25.0% of our Company's total share capital immediately following the A-Shares Listing.

Private Placement of A Shares

As approved by the Shareholders in January 2022 and the CSRC in September 2022, our Company conducted a private placement of its A Shares to raise funds mainly for the construction of R&D centers, manufacturing facilities and other projects, and working capital supplementation. A total of 82,088,349 A Shares were issued in the placement to 17 investors, all of whom, to the best knowledge of our Directors, were Independent Third Parties. The placement raised net proceeds of approximately RMB3.06 billion. Following the completion of the private placement, the Company's total issued share capital increased to 637,749,349 A Shares.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

There were no other outstanding options, warrants, or convertible securities that could potentially affect the shareholding structure of our Company as of the Latest Practicable Date. As of December 31, 2025, 85.79% of the net proceeds from the private placements of A Shares had been utilized in accordance with the designated use, as amended from time to time and disclosed in our public disclosures on the website of Shenzhen Stock Exchange.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

Our Company did not carry out any major acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE AND REASONS FOR THE LISTING ON THE HONG KONG STOCK EXCHANGE

Since 2010, our Company has been listed on the Shenzhen Stock Exchange. Our Directors confirmed that, as of the Latest Practicable Date, we had no instances of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the Shenzhen Stock Exchange. As advised by our PRC Legal Advisors, during the Track Record Period and up to the Latest Practicable Date, based on the filings on the website of the Shenzhen Stock Exchange and the information available in the public domain, we have not been subject to any material administrative penalties or regulatory measures imposed by the CSRC, Shenzhen Stock Exchange or other PRC securities regulatory authorities and we have complied with the relevant laws and regulations on A-Shares Listing applicable to us in all material respects. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would cause them to cast doubt on the Directors' confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange in any material respect.

Our Company seeks to list on the Hong Kong Stock Exchange to further consolidate our global strategic positioning, offer integrated solutions across production, transportation, and delivery of wind foundation to major offshore wind developers worldwide, enhance our comprehensive competitiveness in international markets, and thereby meet the ongoing development needs and quality and efficiency enhancement requirements of our overseas business operations. See "Business — Our Growth Strategies" and "Future Plans and Use of Proceeds" in this prospectus for more details.

PUBLIC FLOAT AND FREE FLOAT

Satisfaction of the Public Float Requirement

Rule 19A.13A(2) of the Listing Rules provides that, where a new applicant is a PRC issuer with 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, at the time of listing, must (a) represent at least 10% of the issuer's total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK\$3,000,000,000.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Our A Shares are listed on the Shenzhen Stock Exchange. Immediately upon completion of the Global Offering, assuming that (i) 86,965,800 H Shares are issued pursuant to the Global Offering; (ii) the Offer Size Adjustment Option and the Over-allotment Option are not exercised; and (iii) no other changes are made to the issued share capital of our Company or treasury Shares from the Latest Practicable Date to the Listing, our H Shares to be issued in connection with the Listing will represent 12.0% of our Company's total issued Shares immediately following the Global Offering and the expected market value of our Company held by the public at the time of the Listing will be HK\$5,774.5 million with respect to the maximum Offer Price of HK\$66.40 per Offer Share. As such, it is expected that the Company will be in compliance with the public float requirements set forth under Rule 19A.13A of the Listing Rules.

Satisfaction of the Free Float Requirement

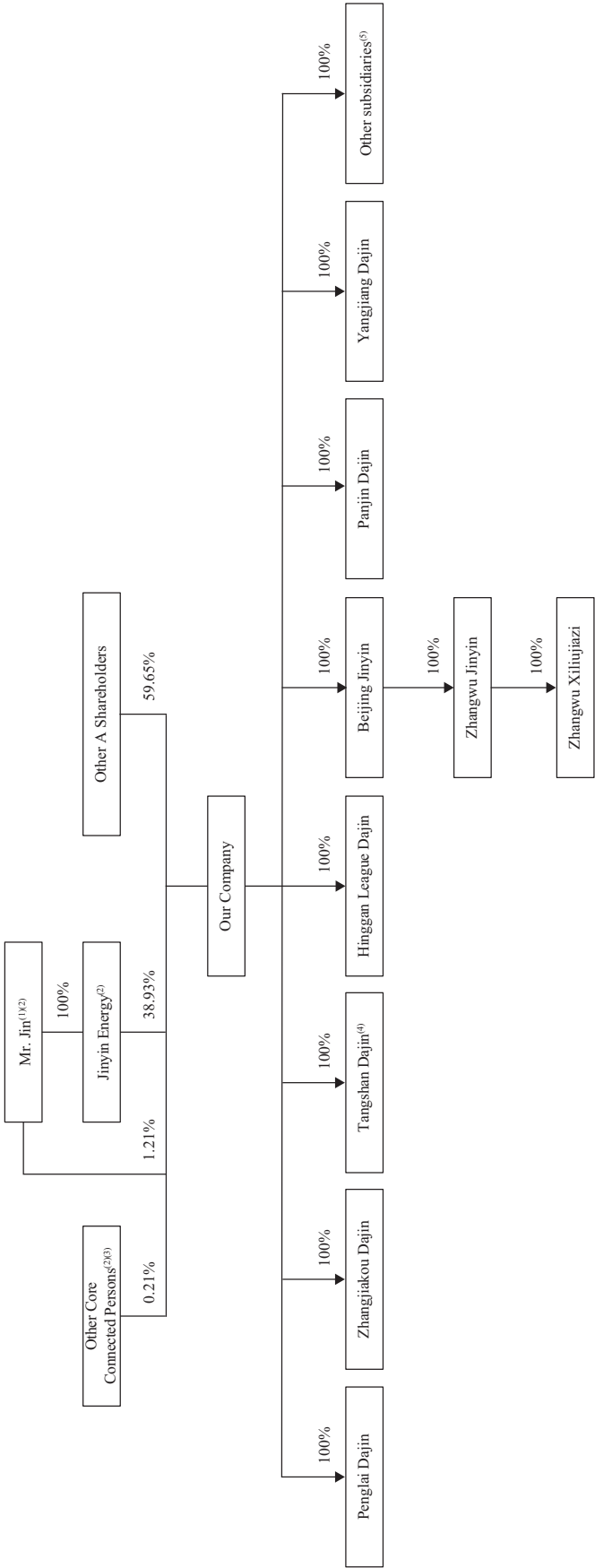
Rule 19A.13C(2) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK\$50,000,000; or (b) have an expected market value at the time of listing of not less than HK\$600,000,000.

Immediately upon completion of the Global Offering, assuming that (i) 86,965,800 H Shares are issued pursuant to the Global Offering; (ii) the Offer Size Adjustment Option and the Over-allotment Option are not exercised; and (iii) no other changes are made to the issued share capital of our Company or treasury Shares from the Latest Practicable Date to the Listing; and (iv) 43,396,600 H Shares are issued to the Cornerstone Investors pursuant to the cornerstone investments set forth in "Cornerstone Investors" of this prospectus, our H Shares to be issued in connection with the Listing will represent 12.0% of our Company's total issued Shares immediately following the Global Offering and the expected market value of our Company held by the public and not subject to any disposal restrictions at the time of the Listing will be HK\$2,971.3 million with respect to the maximum Offer Price of HK\$66.40 per Offer Share. As such, it is expected that the Company will be in compliance with the free float requirements.

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and Corporate Structure Immediately before the Global Offering

The following chart depicts a simplified shareholding and corporate structure of our Group immediately before the completion of the Global Offering, assuming that no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the Listing:

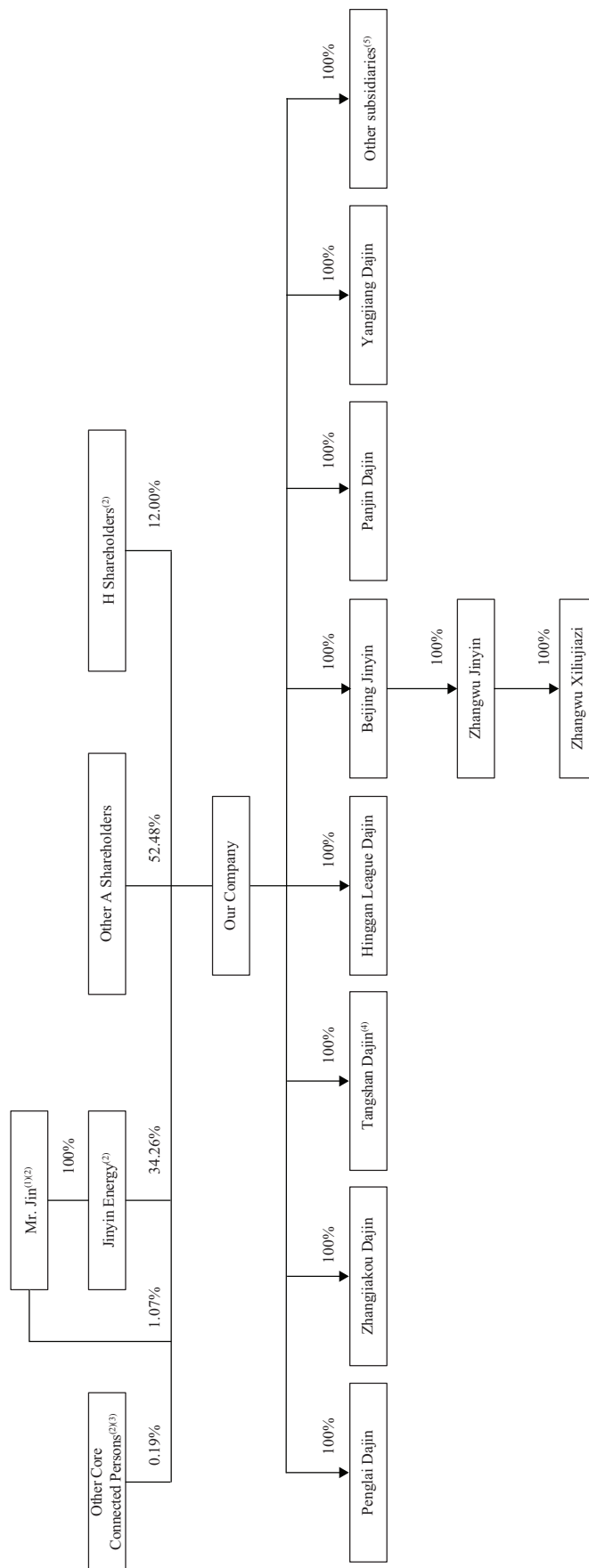


Notes:

- (1) Mr. Jin is our founder, an executive Director and the chairman of our Board.
- (2) The Shares held by Mr. Jin, Jinyin Energy and other core connected persons will not be considered as part of the public float.
- (3) Other core connected persons include Mr. SUN Xiaole, an executive Director and our general manager, who directly holds 1,359,819 Shares and Ms. SONG Dan, the spouse of our executive Director (LI Xin), who directly holds 4,700 Shares.
- (4) As of the Latest Practicable Date, our Company indirectly held 100% of the equity interest in Tangshan Dajin through its direct wholly-owned subsidiary Ningbo Jinyin Heavy Industry Technology Co., Ltd. (寧波金胤重工科技有限公司).
- (5) As of the Latest Practicable Date, other subsidiaries included, in aggregate, 51 subsidiaries.
- (6) The shareholding percentages above are subject to rounding adjustment.

Shareholding and Corporate Structure upon Completion of the Global Offering

The following chart depicts a simplified shareholding and corporate structure of our Group immediately upon completion of the Global Offering, assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised and no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the Listing:



Notes: See the notes in “— Shareholding and Corporate Structure Immediately Before the Global Offering” above.

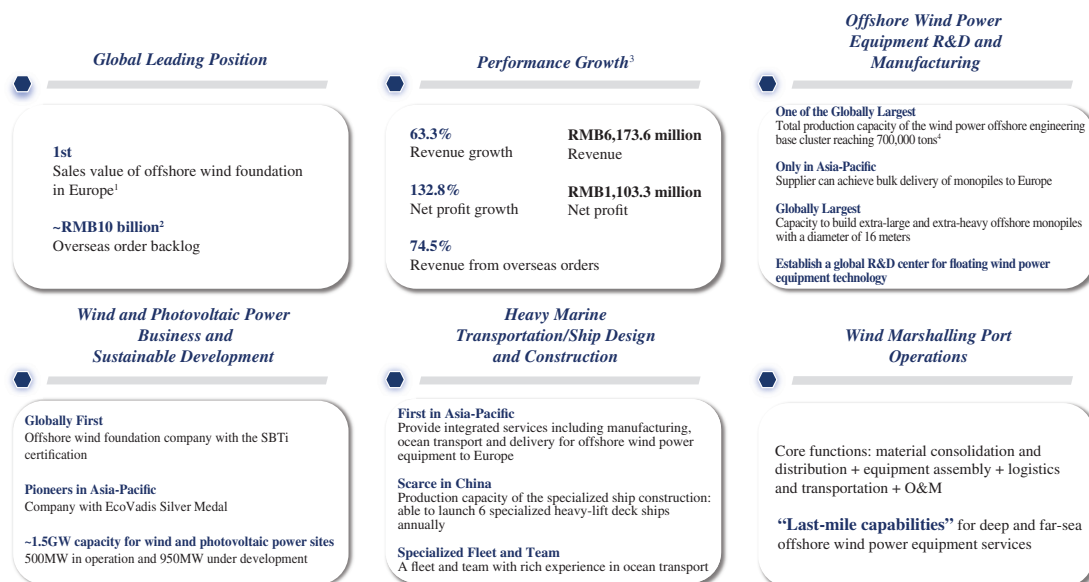
OVERVIEW

We are a globally leading provider of core offshore wind power equipment, deeply rooted in the wind power industry with nearly two decades of dedicated experience. We offer integrated solutions across production, transportation, and delivery of wind foundation to major offshore wind developers worldwide. With a strategically forward-looking approach to penetrate into the global deep-sea wind power sector, we focus on mainstream offshore wind markets characterized by high technical standards, rigorous quality requirements, and promising commercial potential. Our core operations span offshore wind power equipment R&D and manufacturing, heavy marine transportation, ship design and construction, wind and photovoltaic power generation, and wind marshalling port operations. We are dedicated to implementing an effective transformation from a product supplier to an integrated solution provider, delivering the “Dajin Solution” in support of the global transition to wind and photovoltaic power.

We were listed on the Shenzhen Stock Exchange in 2010, becoming the first company principally engaged in the wind tower and foundation business with its shares listed on China’s A-share market and one of the pioneers participating in and witnessing the remarkable growth of the wind power sector in China. Since our listing on the A-share market, we have strategically pioneered our “overseas and offshore wind business strategy” (“兩海戰略”), have consistently maintained disciplined strategic focus and execution over the past decades, and have adhered to a core operational philosophy centered on risk mitigation, value-focused growth, and high-quality development. Our offshore wind power equipment export business expanded rapidly, resulting in a leading market share.

According to Frost & Sullivan, we are the largest offshore wind foundation provider in Europe in terms of sales value of monopiles in the first half of 2025, with our market share increasing from 18.5% in 2024 to 29.1% in the first half of 2025. For details, see “Industry Overview — Overview of Wind Market in Europe — Competitive Landscape of Offshore Wind Foundation Market in Europe.” In addition, based on the review of publicly disclosed filings of certain competitors which are comparable to us in terms of products delivered, as of June 30, 2025, we are the only supplier in the Asia-Pacific region to achieve bulk delivery of monopiles to Europe. According to the same source, we ranked fifth among wind tower providers in the PRC in terms of sales value in the first half of 2025, with a market share of 2.4%, and ranked third with a market share of 4.4% in 2024. For details, see “Industry Overview — Overview of Wind Market in the PRC — Competitive Landscape of Wind Tower Market in the PRC.”

The chart below highlights a selection of our core achievements:



Notes:

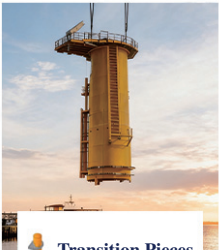
1. According to Frost & Sullivan, we are the largest offshore wind foundation provider in terms of sales value of monopiles in the first half of 2025 in Europe.
2. Representing our order backlog for overseas orders of wind power equipment as of December 31, 2025.
3. Representing revenue, net profit and percentage of revenue from overseas business in 2025, and the growth of revenue and net profit compared to the same period in 2024.
4. Consisting of annual production capacity of 300,000 tons at the Shandong Penglai Offshore Facility and annual production capacity of 400,000 tons at the Hebei Tangshan Caofeidian Deep and Far-sea Offshore Facility.

Our Products and Solutions

To meet the diverse and integrated needs of our customers, we have expanded our products and services from offshore wind power equipment R&D and manufacturing to gradually include heavy marine transportation, ship design and construction, wind marshalling port operations, and actively deploy wind and photovoltaic power generation, gradually evolving from a product supplier to an integrated solution provider. Our business segments are structured to be operationally synergistic while maintaining the capacity for standalone viability. They are designed to be mutually supportive, collectively forming our core competitive strength. While no critical dependencies exist, the segments interact in a way that enhances our overall value proposition: (i) wind and photovoltaic power generation operates independently from our other business activities and has no material operational or financial overlap, (ii) wind power equipment R&D and manufacturing is our core business segment. Its capabilities are powerfully supplemented, but not dependent on, our other segments, and (iii) heavy marine transportation, ship design and construction, wind marshalling port operations function in a dual capacity, including enhancing our wind foundation delivery capabilities while possessing the intrinsic capability to operate as independent businesses. This integration allows us to offer end-to-end services (such as the DAP model) to our customers, a key competitive advantage that few of our domestic peers can match.

R&D and Manufacturing of Wind Power Equipment

We mainly produce offshore wind power equipment, including monopiles, transition pieces, jackets, floating foundations, and towers. In particular:

 Towers Towers are key load-bearing structures of wind turbines, supporting the nacelle and blades while elevating them to the designed height to capture optimal wind resources.	 Transition Pieces Transition pieces are intermediate structures that connect monopiles with towers in offshore wind power projects.	 Monopiles Monopiles are the most commonly adopted type of fixed-bottom foundation for offshore wind power projects. Constructed from large-diameter steel tubular sections, monopiles are driven directly into the seabed to provide stable vertical support for both the tower and the wind turbine.	 Jackets Jackets serve as a critical load-bearing component in offshore engineering applications. As offshore wind power advances from shallow to deeper waters, jacket foundation technology is evolving toward greater lightweight design, cost reduction, and installation efficiency.	 Floating Foundations Floating foundations are a core structural solution in deep and far-sea engineering, particularly widely used in applications such as offshore wind power and floating oil and gas platforms.

Heavy Marine Transportation

We provide integrated solutions covering production, transportation, and final delivery of our products. We have demonstrated an extensive global logistics network, strong project management, and well-established risk control capabilities, demonstrated by exporting offshore wind power equipment under the DAP model. The DAP model simplifies customer supply chain management, strengthens customer retention, and enhances the added value of our products. During the Track Record Period, our deliveries of wind foundation structures to overseas markets were primarily conducted under the DAP model in terms of contract value. During this period, we have gradually scaled up our marine transportation business and successfully executed 16 full-process shipments. Leveraging the delivery of our products, we have gradually developed a one-stop heavy marine engineering logistics solution with expertise spanning ship R&D, transport planning, marine engineering design, and port handling. During the Track Record Period, revenue generated from product delivery was classified as a part of revenue from manufacturing and sales of wind power equipment. We have not generated revenue from external shipping services. Leveraging our accumulated key competencies and differentiated competitive advantages in specialized marine transportation, we will actively expand into market-oriented specialized shipping services and continuously explore high-value-added business opportunities.

Wind Power
Jacket



Towers and Transition
Pieces



Floating
Foundations



Monopiles



Ship Design and Construction

As an extension of our offshore wind power equipment manufacturing business, we have independently designed suitable ships for the transportation of offshore wind power equipment, leveraging our proven expertise regarding the “extra-large, extra-heavy, and ultra-wide” nature of offshore wind power equipment, and addressing the growing industry demand for specialized transport solutions. As of the Latest Practicable Date, we had built one self-designed extra-large heavy deck ship, with four additional ships under construction. Our first in-house developed, specialized heavy-lift transport ship commenced commercial operation in February 2026. Our ships will support both our own operations and external commercial projects, utilizing either our proprietary in-house ship designs or customer-provided designs. During the Track Record Period, we did not generate revenue from ship design and construction business.

Wind and Photovoltaic Power Generation

Since 2020, we have strategically diversified along the value chain and expanded downstream into wind and photovoltaic power generation business. We have constructed and operated the 250MW Liaoning Fuxin Zhangwu Xiliujiazi Onshore Wind Power Project and Tangshan Shilihai 250MW Aquaculture-PV Complementary Project — totaling 500MW of installed capacity, all of which is grid-connected. Since commencing operations in 2023, these facilities have supplied approximately 1.9 billion kWh of electricity to the grid and reduced carbon dioxide emissions by an estimated 1,032,200 tons. In addition, we are currently developing additional wind power sites with an expected capacity of 950MW in aggregate.

Wind Marshalling Port Operations

To enhance our local operational capabilities in key overseas markets, we have leveraged our extensive experience in port operations to establish a presence in wind marshalling port operation business. This business integrates four core functions — material consolidation and distribution, equipment assembly, logistics and transportation, and operations and maintenance services — to support the delivery of our integrated service solutions.

Our Customer Base

Our customers primarily comprise leading offshore wind power developers and wind turbine manufacturers globally. In 2023, we refined our strategic focus from “overseas and offshore wind business strategy” (“兩海戰略”) to a targeted “overseas offshore wind business strategy” (“新兩海戰略”), sharpening our emphasis from developing overseas wind markets and offshore wind projects to specialized offshore projects in overseas markets. We continuously evolve our marketing strategies and iterate our products to align with mainstream offshore wind markets characterized by high technical standards, rigorous quality requirements, and promising commercial potential.

From 2023 to 2025, our overseas business expanded remarkably, with the proportion of revenue from products delivered to overseas markets increased significantly from 39.6% to 74.5%, underscoring the success of our strategic shift and strong customer recognition. We have served as the exclusive or one of the primary suppliers for multiple major global energy developers, such as RWE and Ocean Winds, as well as globally well-known wind turbine manufacturers such as Vestas. As of March 31, 2026, our order backlog for overseas orders of wind power equipment reached RMB8,331.8 million, with the majority scheduled for delivery over the next two years. These projects span multiple wind farm clusters across the North Sea and Baltic Sea in Europe and involve high-specification production requirements and specialized heavy transport services. In addition, we have secured a long-term capacity reservation agreement with an overseas offshore wind customer, scheduling to 2030 and covering 400,000 tonnes of dedicated production capacity. The first supply contract under this agreement has been signed, with subsequent projects to be executed progressively.

The European offshore wind market is characterized by high entry barriers and substantial commercial potential, and offshore wind power equipment in Europe serve as a primary driver of our profitability. We have established a strong global brand reputation in the European market and built a global strategic marketing framework based on our presence there. With offices in Europe, Japan, and South Korea, we have built a sales and marketing network covering key development regions for offshore wind sector, providing a foundation for our further expansion into emerging markets such as Australia and Southeast Asia.

Our Manufacturing Capabilities

Global production capacity for high-specification, heavy offshore equipment is limited. We have strategically developed a cluster of three major offshore manufacturing facilities within the Bohai Rim region, including the Shandong Penglai Offshore Facility, the Hebei Tangshan Caofeidian Offshore Facility, and the Liaoning Panjin Shipbuilding Facility. These facilities form an industry-leading, highly specialized and complementary manufacturing cluster in the wind power equipment market, supported by dedicated deep-sea heavy-load berths, enabling us to offer a full range of industry-leading offshore wind foundation products to the world, particularly for Europe near-shore, deep and far-sea projects.

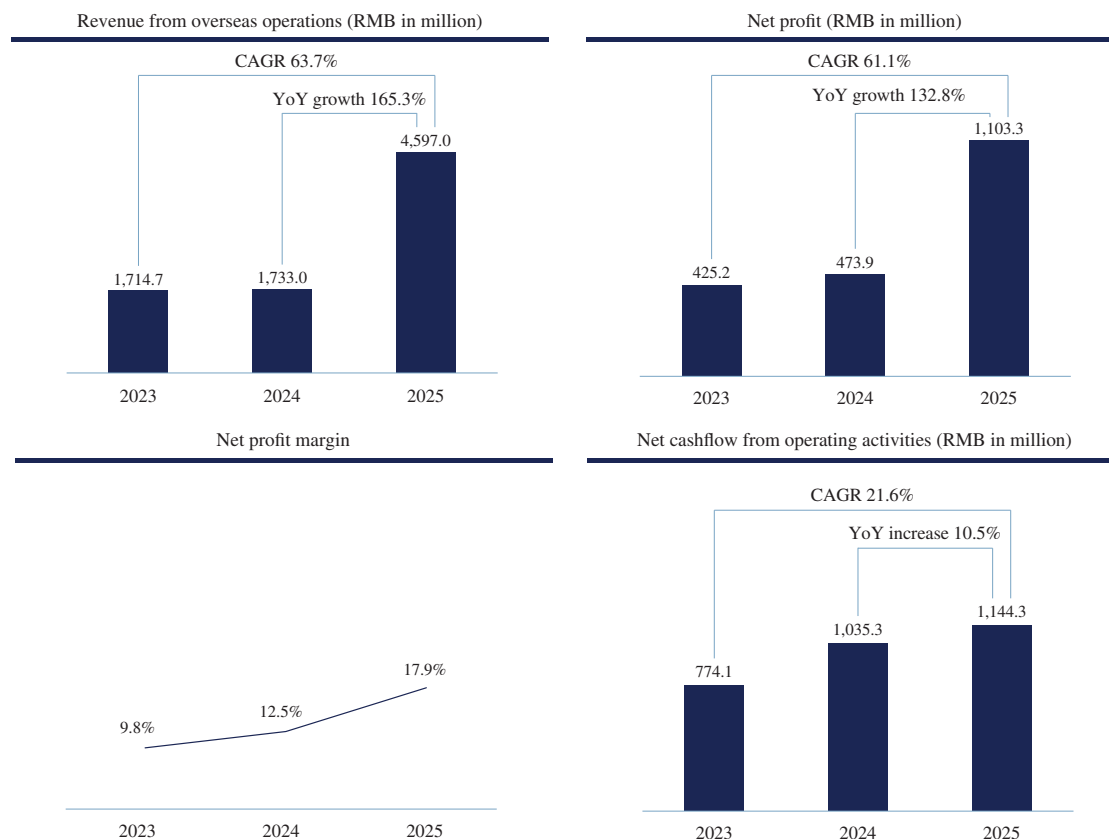
We leverage our globally proven manufacturing process and standard as well as quality control system, and deliver products such as monopiles, with precision, quality, and scale that fully comply with European requirements. As of the Latest Practicable Date, our Shandong Penglai Offshore Facility has supplied over 200 units of monopiles to the European market with a multi-year record of zero quality disputes regarding manufacturing of extra-large monopiles — demonstrating world-class manufacturing capability. We are constructing our self-designed heavy-lift transport ships in our Liaoning Panjin Shipbuilding Facility, and plan to develop a proprietary fleet of extra-large transport ships of varying tonnages.

Our Financial Performance

We have consistently maintained disciplined strategic focus and execution, dedicating more resources to exploring overseas markets with promising commercial potential. In 2023, 2024 and 2025, our revenue from products delivered to overseas markets reached RMB1,714.7 million, RMB1,733.0 million and RMB4,597.0 million, accounting for 39.6%, 45.9% and 74.5% of total revenue, respectively. Benefiting from the growth and increasing proportion of overseas revenue, our profitability has continued to improve, with net profit showing an overall upward trend. During the same periods, our net profit was RMB425.2 million, RMB473.9 million and RMB1,103.3 million, respectively, and our net profit margin also increased from 9.8% to 12.5% and 17.9%, respectively.

Supported by the continuous expansion of high-quality overseas project deliveries, we have maintained solid cash flow. In 2023, 2024 and 2025, net cash generated from operating activities amounted to RMB774.1 million, RMB1,035.3 million and RMB1,144.3 million, respectively.

BUSINESS



OUR STRENGTHS

Evolving from a Globally Well-known Supplier of Offshore Wind Power Equipment to an Integrated Solution Provider with First-Mover Advantages under a Strategic Vision

As a pioneer in China's wind power industry and a key participant in the global industry, we have strategically advanced our capabilities over nearly two decades of rapid growth. Our journey has been marked by a substantial strategic evolution from manufacturing onshore wind steel structures to offshore wind foundations, and from being a wind foundation manufacturer to a DAP provider. Driven by disciplined strategic focus and execution, we have continuously iterated our production capacity, customer base, product offerings, and business model. This has allowed us to build a formidable first-mover advantage and accelerate our transformation from a globally well-known supplier of offshore wind power equipment into a fully integrated solution provider.

In 2009, we commenced the construction of our Shandong Penglai Offshore Facility adhering to stringent European offshore engineering standards. As of the Latest Practicable Date, this facility was capable of mass production and supply of extra-large offshore monopiles to the European market, and was one of the largest monopile manufacturing facility in terms of capacity. In addition, its superior natural conditions, including a vast site area and deep-sea, heavy-load berths, form the bedrock of our first-mover advantage in production capacity. Our Hebei Tangshan Caofeidian Deep-sea Offshore Facility and Liaoning Panjin Shipbuilding Facility are poised to further solidify our capacity advantage.

We secured qualified supplier certification from leading global wind turbine manufacturers such as Vestas since 2015 and from a major global energy developer since 2020. Our market penetration accelerated when we were awarded our first European monopile project in 2022 and commenced large-scale, high-quality deliveries of offshore wind power equipment to Europe in 2023. Through years of close collaboration with globally well-known customers, we have continuously refined marketing systems, upgraded technology and processes, improved quality control, and optimized transportation design. This has resulted in a consistent pipeline of overseas project orders, establishing our first-mover advantage in customer resources. According to Frost & Sullivan, we are the largest offshore wind foundation provider in Europe in terms of sales value of monopiles in the first half of 2025, with our market share increasing from 18.5% in 2024 to 29.1% in the first half of 2025. To date, we have secured repeat orders from several overseas customers for multiple projects, demonstrating their confidence in and recognition of our integrated solutions. Our order backlog for wind power equipment increased from RMB9,641.9 million as of December 31, 2023 to RMB10,376.4 million as of December 31, 2025, primarily reflecting the ramp-up of overseas offshore foundation structure projects.

Targeting the deep and far-sea wind power markets, we established a global business center for floating wind power equipment in Europe in 2024. We are collaborating with globally well-known floating foundation design firms to co-develop next-generation floating foundation products, and to provide an integrated solution that encompasses “production-transportation-assembly-delivery,” enabling energy developers to reduce costs and achieve scalable mass production. Through this proactive positioning in floating wind power equipment industry, we intend to maintain our first-mover advantage in new product development.

Leveraging the core technologies and project experience accumulated in the offshore wind power equipment sector, we are progressively transitioning from a product supplier to an integrated solution provider, thereby securing a competitive advantage in our business model. We have expanded into integrated associated services, including heavy marine transportation, ship design and construction, and overseas wind power marshalling port operations. We established our shipping division in 2023 and adopted the Delivered at Place (DAP) model in addition to the Free on Board (FOB) model for certain overseas project deliveries in 2024. During the Track Record Period, our deliveries of wind foundation structures to overseas markets were primarily conducted under the DAP model in terms of contract value. Under this model, we provide a one-stop service from production to final delivery to the customer’s destination port, offering a more value-added solution. Driven by our proven ability to meet high technical requirements and a successful transition to the DAP model which further strengthened our capacity to secure more demanding and higher-margin orders, our overseas business has not only expanded continuously but also achieved a substantial increase in gross profit margin, which surged from 27.2% in 2023 to 33.9% in 2025. Furthermore, we commenced the construction of the Liaoning Panjin Shipbuilding Facility in 2023, and our self-built, heavy-lift specialized ship for offshore engineering is expected to further reduce transportation costs while enhancing delivery reliability and flexibility and expanding our service portfolio. We have also secured commercial shipbuilding orders, which has earned us recognition from international shipowners.

Capacity Barriers Supported by One of the World's Largest Offshore Foundation Manufacturing Cluster and Leading Export Infrastructure

The manufacturing and logistics of heavy-lift offshore equipment require substantial port infrastructure, adjacent production facilities, and storage space. According to Frost & Sullivan, the European market is shifting toward larger and more reliable foundation designs, increasing demands on suppliers in terms of production scale, port capabilities, technical expertise, and integrated solutions. While the capacity growth of native European manufacturers is constrained by limitations on land and port resources, as well as a shortage of skilled labor, they are struggling to meet escalating market demand effectively. In contrast, Chinese manufacturers that have met Europe's high technical standards are positioned to capitalize on this gap. Leveraging their stable production capacity, well-established manufacturing capabilities, strong delivery efficiency, and accumulating project experience, Chinese manufacturers like us are able to secure high-value orders and continuously expand their business scope.

We have established three well-equipped offshore bases in the Bohai Rim Economic Circle, located in Penglai, Tangshan and Panjin. These are strategically integrated to provide capabilities across traditional foundation production, innovative deep and far-sea floating foundation production, offshore heavy-lift specialized shipbuilding, and export loading operations. Equipped with high-standard processes, these facilities are designed to meet the demands of large-scale and mega-projects. We have formed the world's largest cluster of offshore wind power equipment bases, with each of our major bases has a clear positioning and complementary functions, creating synergies that enhance high-quality production capacity. All bases are capable of independently executing GW-scale projects and can coordinate production and scheduling across locations in line with customer delivery timelines, ensuring execution continuity and reliability.

Our Shandong Penglai Offshore Facility is an offshore wind foundation manufacturing facility and wind marshalling port with the largest standalone capacity in Asia. It commenced operations since 2012, spans 570,000 square meters. Through multiple technical upgrades over the past decade, it boasts an annual capacity of 300,000 tons. It is equipped with two 100,000-ton heavy-duty berths and one 35,000-ton recessed berth. The Shandong Penglai Offshore Facility primarily manufactures offshore towers and monopiles associated with 10 to 15 MW wind turbines.

Our Hebei Tangshan Caofeidian Deep and Far-sea Offshore Facility is the world's first super factory for deep-sea equipment to commence construction. It covers 900,000 square meters with a planned annual capacity of 400,000 tons. It will be equipped with a 3,000-ton crane and the world's first fully indoor production line for extra-large segments for offshore wind power equipment, featuring core equipment sourced from Europe or developed in-house. The Hebei Tangshan Caofeidian Offshore Facility will specialize in ultra-heavy extra-large monopiles, extra-large jackets, and floating foundations. It is planned to include four 50,000-ton heavy-duty berths and will support 15 to 25 MW wind turbines, positioning it to meet global demand for next-generation offshore wind products over the next decade. The Hebei Tangshan Caofeidian Offshore Facility commenced production of its first offshore engineering project for export in December 2025.

Our Liaoning Panjin Shipbuilding Facility is dedicated to constructing large-scale, specialized transport ships for oil, gas and offshore engineering applications. With an annual launch capacity of six heavy-lift deck ships (each with 40,000-60,000 deadweight tonnage ("DWT")), this facility will provide critical production support for our global logistics network. We design the first ship model with a beam of approximately 51 meters, a length of

approximately 240 meters, a deadweight capacity of over 40,000 tons, and design the second ship model with a beam of approximately 61 meters, a length of approximately 245 meters, a deadweight capacity of approximately 60,000 tons, enabling them to effectively meet the demands of transporting ultra-heavy and extra-large equipment over long distances.

From our origins in facilities for monopiles to our expansion into facilities for deep and far-sea equipment, and from a single site to the world's largest cluster of offshore engineering facilities, we have achieved one of the global largest capacity which adhering to European offshore engineering standards. Our Shandong Penglai Offshore Facility and Hebei Tangshan Caofeidian Deep and Far-sea Offshore Facility in aggregate boast an annual capacity of 700,000 tons. According to Frost & Sullivan, only a few peers in this market are equipped with annual capacity of over 500,000 tons. We have established the capability to produce extra-large monopiles with diameters up to 16 meters, greater than the industry average of around 12.5 meters according to Frost & Sullivan, and a full range of industry-leading offshore foundation products. Furthermore, we have accumulated solid experience in loading and transportation for heavy-lift equipment and are constructing our specialized ships, which laid a solid foundation for developing deep-sea floating wind foundations and further expanding our overseas business. Our capabilities including our production capacity, access to premium deep-sea ports, 100,000-ton level berth resources, and heavy-lift transport capabilities have created us a distinct and defensible competitive advantage in serving global leading customers.

Forging a Unique Competitive Advantage Through a Dual-Engine Growth Model of Specialized Transport and Shipbuilding

According to Frost & Sullivan, heavy marine transportation capability is a core competitive factor influencing both cost and delivery efficiency throughout the production and operation of an offshore wind project. Globally, the limited supply of specialized heavy-lift transport ships continues to drive freight rates upward. At the same time, the large size and weight of key components such as foundations and towers impose extreme demands on port infrastructure and loading schedules.

To strengthen our integrated competitiveness, we have upgraded our delivery model for exported offshore wind power equipment, transitioning from the traditional FOB model to the DAP model. We have evolved from participating only in the manufacturing stage — where energy developers engage third parties for load-out, transport, and delivery — to providing end-to-end services from manufacturing through final delivery. Leveraging in-house expertise and coordination capabilities, we offer energy developers a seamless solution covering ship scheduling, loading, transportation, and delivery — gradually establishing a heavy marine logistics system with core competencies in ship R&D, transport planning, marine engineering design, and port operations. This integrated approach has improved the profitability of our overseas projects and created a unique competitive advantage rooted in our control over manufacturing costs, transportation costs, and project delivery schedules. The Thor Offshore Wind Farm project in Denmark was our first overseas delivery under the DAP model. Its successful execution validated the feasibility and future potential of this approach. We continue to leverage the advantages of DAP delivery and adopt such model for the majority of our deliveries of wind foundation structures to overseas markets during the Track Record Period, such as the Nordseecluster A monopile project in Germany. As a result, the gross profit margin of our manufacturing and sales of wind power equipment demonstrated a consistent upward trend throughout the Track Record Period, increasing from 20.5% in 2023 to 25.9% in 2024, and further to 29.0% in 2025. For details, see “Financial Information — Description of Certain Consolidated Statements of Profit or Loss and Other Comprehensive Income Items — Gross Profit and Gross Profit Margin.”

Leveraging our years of expertise in the offshore wind sector and our in-depth understanding regarding the “extra-large, extra-heavy, and ultra-wide” nature of offshore wind power equipment, and addressing the growing industry demand for specialized transport solutions, we had built one self-designed extra-large heavy deck ship, with four additional ships under construction as of the Latest Practicable Date. Looking ahead, we will strategically balance our resource allocation between building ships for our own fleet and constructing them for the commercial orders, based on market conditions and our production capacity. Our self-owned fleet of specialized transport ships will release us from the constraints of transport availability and scheduling in the external shipping market. This allows us to independently manage our transportation plans, guarantee on-time delivery, reduce transportation costs and provide higher added value to our customers. Furthermore, in the first half of 2026 we have entered into shipbuilding contracts with three customers in Norway, Greece and Netherlands, pursuant to which we will design, construct and deliver a total of ten 211,000 DWT bulk carriers and two 25,000 DWT heavy lift ships, with an aggregate contract values of approximately RMB6,171 million, a successful validation of our design and construction capabilities by an international shipowner.

Industry-Leading Quality Control and R&D Capabilities Ensuring High-Standard Delivery for Export Projects

Europe is the world’s earliest pioneer in the global offshore wind market, having commenced development nearly two decades ahead of other countries and regions. European offshore wind technology, stemming from its marine engineering heritage, represents the global cutting edge in offshore engineering, with systematic construction standards that also lead those of other nations and regions. According to Frost & Sullivan, Europe, as one of the world’s most mature offshore wind markets, imposes extremely stringent technical requirements on foundation structures, including design standards, structural strength, fatigue life, corrosion resistance, and marine suitability. Moreover, European customers demand strict adherence to quality standards and on-time delivery. Superior quality control and technical R&D capabilities have been key to our successful establishment and growth in the high-end European offshore foundation market.

In quality assurance, we have established stringent standards and implemented rigorous control systems across supplier management, new product development, process control, and after-sales service. We hold international certifications from institutions including the British Standards Institution (BSI), Japanese Industrial Standards (JIS), and Det Norske Veritas (DNV). We thoroughly analyze customer requirements for quality, warranty, and service, integrating them into our quality assurance system. We have set and implemented annual QHSE management objectives across all business sectors and functions, covering operational levels and production processes. Our quality evaluation mechanism ensures every offshore product meets stringent standards. Since our first delivery to Europe and throughout our track record, we have maintained zero material customer complaints, zero product recalls, zero lost-time incidents, and a 100% customer satisfaction rate for all export projects.

We have established three core technological systems, including precision control, welding technology, and anti-corrosion treatment, ensuring our products consistently meet international standards. Through collaboration with major European energy developers, we have gained deep insight into European industry needs, enabling breakthroughs in high-complexity processes such as TP-less designs and monopiles with diameter exceeding 16 meters. We have mastered precision machining of flanges and complex components, longitudinal and circumferential welding of thick plates, and efficient anti-corrosion treatment, achieving high-standard batch production and delivery.

A stable and highly skilled workforce is another core competitive element in the high-end European market. As of December 31, 2025, we have over a hundred skilled technicians with more than 15 years of experience, including numerous expert welders holding international certifications, guaranteeing high-quality products and efficient project execution.

We also maintain a substantial professional R&D team and an extensive patent portfolio, forming a solid technological barrier. As of June 30, 2025, we had 348 professional R&D personnel, higher than the industry average of 157 according to Frost & Sullivan. Such team forms the core human resource foundation for our technology-driven development. We held around 200 patents as of the same date, higher than the industry average of 138 according to Frost & Sullivan, which establishes a virtuous cycle of R&D investment, technological achievement, and industrial application. This model, supported by professional R&D personnel and scaled patent barriers, ensures that we can proactively respond to industry trends toward larger and deep-sea projects, creating a formidable technological moat that serves as a key engine for maintaining product leadership and securing high-value orders globally.

Comprehensive ESG Development System Driving the Transition to Wind and Photovoltaic Power

We view ESG initiatives as critical to building our core competitiveness, and have incorporated carbon neutrality and sustainable development goals into our corporate strategy. ESG performance is a top priority for European energy developers. We were among the first in China's wind power industry to proactively respond to the requirements of leading European wind power developers. We have established a structured ESG governance framework with a dedicated Strategy and Sustainability Committee and an ESG reporting mechanism at the Board level. We continuously enhance our ESG performance management, conduct regular employee training, supplier training, and communication with peers to incorporate sustainability principles into our daily operations and decision-making. Furthermore, through technological innovation, management optimization, and supply chain collaboration, we are committed to reducing emissions, contributing to the global energy transition and a green, low-carbon society.

Our ESG initiatives have earned broad international recognition. We have received an EcoVadis Silver Medal and have obtained multiple certifications, including Quality Management, Occupational Health and Safety, Environmental Management, Energy Management, Sustainable Procurement Compliance, and Anti-Bribery Management. In the Carbon Disclosure Project (CDP) ratings, we achieved a "B" rating for our climate change disclosures and a "B-" rating for our water security disclosure. We also actively participate in sustainability audits by European customers and have successfully passed various ESG evaluations by leading international energy developers, showcasing our sustainable competitiveness in the global supply chain.

In production, we focus on key processes such as edge preparation, welding, and painting, continuously optimizing techniques and processes, enhancing our energy efficiency, and promoting green electricity use to reduce the utilization of raw materials and energy. While our GHG emission intensity temporarily rose to 13.31 tons of carbon dioxide equivalent/revenue in RMB1 million in 2023 due to a product mix adjustment, our focused initiatives in technological enhancement and clean energy utilization have driven a continuous reduction since then. The GHG emission intensity subsequently fell to 13.13 in 2024 and further to 8.63 in 2025, demonstrating our effective management of environmental footprints. In 2025, the proportion of green electricity usage in our Shandong Penglai Offshore Facility, one of our most important manufacturing facilities, reached approximately 55%, which lays a foundation for Science-Based carbon reduction targets and demonstrates our proactive approach to the

“Dual Carbon” goals. Furthermore, this facility became the first in the global offshore wind foundation structure industry to have its targets validated by the Science Based Targets initiative (SBTi), with a commitment to achieve net-zero emissions across its value chain by 2050.

Regarding our supply chain, steel is a key raw material in the wind power industry, and its low-carbon attributes directly determine the emission reduction efficiency of the entire value chain. To advance the low-carbon transition of our supply chain, we established a Green Steel Coordination Committee and a Green Steel Task Force in 2024. We have entered into strategic cooperation framework agreements with leading domestic steel mills to engage in deep, multi-dimensional collaboration focused on optimizing steel plate production processes, reducing carbon footprints, and advancing green steel technology R&D. Through these efforts, we are committed to driving the low-carbon transformation of our upstream suppliers, deepening the decarbonization pathway of the global industrial chain, and continuing to provide the global wind power industry with high-quality, low-carbon steel solutions from China.

In the application of clean energy, we are advancing the development and construction of our own wind and photovoltaic power sites, progressively increasing the share of green electricity utilized to lower our operational carbon emissions. These efforts also support society’s transition to low-carbon development, contributing further momentum to global clean energy progress.

Through these systematic practices, we are enhancing our own sustainability performance while setting an example for the offshore wind power industry, reinforcing our leadership in driving the low-carbon energy transformation and global sustainable development.

Visionary Management Team and Internationally Competitive Talent Structure

Our management team possesses profound industry knowledge, acute market insight, and strong organizational capabilities. Our founder, Mr. JIN Xin, is a visionary and long-term oriented leader with over 20 years of experience in the steel structure industry. He has consistently made strategic decisions ahead of key industry inflection points, guiding our Company to continuously explore new markets and products through a focus on “doing the difficult yet right things.” Under his leadership, our Group has evolved into a globally recognized benchmark in China’s wind core equipment manufacturing, achieving a successful transition from a domestic supplier to an international player.

Since 2018, we have built a local European service team. Through external recruitment and internal training, we have established a high-caliber management team with international perspective, achieving a localization rate of over 90% within our European team to closely match the needs of European energy developers. We are strengthening business and management teams in other overseas regions to support our global strategy. We have also set up a Global Floating Wind Business Center to capture opportunities from industry and product transformation. Our highly skilled production workforce provides strong assurance for high-quality and efficient product delivery.

The majority of our core management members have technical backgrounds and extensive experience, possessing keen sensitivity to technology and product iteration. We believe the professional knowledge, foresight, and dedication of our management team are crucial to our success and will continue to drive future growth. Under their leadership, and supported by our first-mover advantages, high-standard service capabilities, and strong R&D prowess, we are confident in maintaining our market position while exploring new growth opportunities.

OUR GROWTH STRATEGIES

We will drive development across all business segments by emphasizing our core strategic focus, enhancing three key capabilities and constructing three future business pillars. Evolving from a foundation manufacturer to a global integrated provider in offshore wind market, we are committed to becoming a pioneer in global deep and far-sea wind power development. Looking ahead, we will continue to deepen our full-chain capabilities, advance our global layout, and provide customers worldwide with more efficient, economical, and safer deep-sea wind power solutions centered on floating wind technology industrialization and delivered through integrated services, aiding the exploration into the deep blue and co-development of a clean, sustainable future. According to Frost & Sullivan, as accessible near-shore resources become increasingly limited, the development of offshore wind is accelerating into deep and far-sea areas. From a mid- to long-term perspective, close to 80% of the world's offshore wind resource potential is in deep-sea areas. Compared to fixed-bottom structures, floating structures offer greater adaptability to varying water depths and provide more flexible deployment, enabling large-scale application across a wider range of locations.

Our Core Strategic Focus

We focus on mainstream offshore wind markets characterized by high technical standards, rigorous quality requirements, and promising commercial potential — primarily in Europe, with expansion into emerging high-value regions such as Japan, South Korea, and Australia. We aim to address industry pain points in deep-sea development, including high costs of floating foundations, low delivery efficiency, and challenges in multi-party coordination. With a mission to provide end-to-end customer services, we synergize the entire value chain covering R&D, procurement, manufacturing, transport, marshalling, assembly, installation, delivery, and maintenance — to deliver integrated foundation structure solutions for the deep-sea wind industry.

Through full-chain integration, we solve persistent customer challenges related to cost optimization, delivery cycle control, and multi-supplier coordination, truly achieving end-to-end service. By fostering collaboration among industry participants to upgrade from standalone products to integrated solutions, we enhance overall efficiency. Leveraging full-chain cost optimization, we aim to accelerate the commercialization of deep-sea wind power, supporting the global clean energy transition.

Our Three Key Capabilities

We will continuously strengthen three key capabilities, covering design of technological innovation, global operations, and sustainable development, which will ensure the implementation of our core strategy and solidify competitive barriers.

Technological innovation is a core competitiveness supporting our business development. We will continue to focus on breakthroughs and process optimization in the design and manufacturing of large wind foundation, covering key areas such as core technology R&D, high-standard process application, and technology transfer. As offshore wind moves into deeper waters and larger size, the industry demands higher structural stability, material durability, and manufacturing precision for floating foundations, necessitating continuous innovation to break through bottlenecks and create differentiated advantages. We will increase R&D efforts in large-size structure design, specialized material application, marine corrosion protection, and intelligent manufacturing, promoting a transition from traditional to smart, lean processes, optimizing production flows, enhancing precision and efficiency, and reducing energy consumption and costs, achieving synergy between technical advancement and cost control.

Global operational capability is key to expanding overseas markets and building a global business network, encompassing overseas market insight, multinational resource integration, and localized operation management. In market expansion, we will progress from key regional breakthroughs to a global network layout, gradually expanding from Europe to other key markets such as Japan, South Korea, and Australia, forming an overseas operational network supported by marshalling ports and regional services to enhance market penetration. We will consolidate global supply chains, technological resources, and talent to enhance resource integration, establishing a synergistic model of global R&D coupled with domestic manufacturing and overseas assembly. In localization, we will transition from product exports to exports of technology, services, and ecosystem co-development, deepening local talent cultivation, supply chain development, and partnerships to improve adaptation to local markets.

Sustainable development capability is essential for long-term, high-quality growth. We will focus on three major dimensions: environmental friendliness, social responsibility, and corporate governance optimization, integrating sustainability concepts into all business operations. We aim to balance economic, environmental, and social responsibilities, achieving synergistic development with society and the environment. We will conduct corporate carbon footprint accounting to build a low-carbon operational system, identify key emission links, introduce clean energy, transform energy supply systems, promote green logistics, and adopt energy-efficient ships. In marine ecological protection, we will conduct prudent ecological impact assessments for offshore projects. In ESG performance, we will benchmark against international rating standards, optimize ESG-related indicators, establish an ESG information management system for real-time collection and analysis of ESG data, and enhance our corporate ESG rating.

Our Three Future Business Pillars

We believe three pillars including floating wind foundation design and manufacturing, integrated marine logistics services, and local ecosystem and port services, will form our main future growth curves.

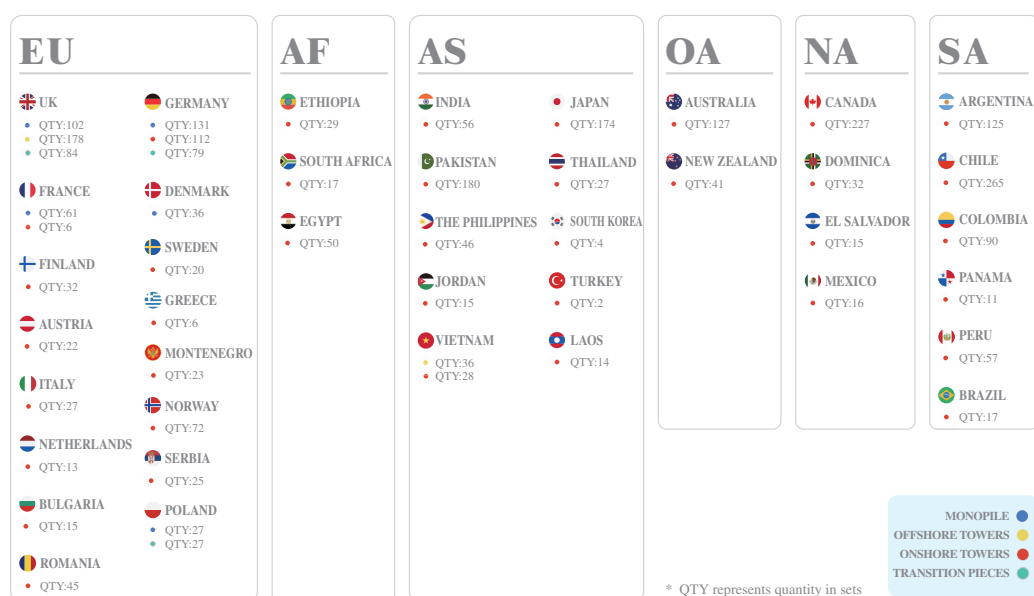
Floating wind foundation design and manufacturing will become our next core business and primary pillar. Focused on floating foundation production, we plan to provide critical equipment support for deep-sea wind development. We intend to build the smart production line for extra-large floating foundations, promoting the industry's transition from project customization to "productization, production-line manufacturing, and serialization," advancing floating wind power development and energy transformation globally.

We will focus on the niche of large-size offshore equipment transport, building specialized service capabilities to become a leading domestic marine logistics provider and expand internationally. With three ship types designed and launched by us suitable for transportation of extra-large and extra-heavy offshore equipment, we gradually commence the commercial operations for a fleet of specialized ships since 2026. Establishing our own transport fleet will reduce costs, guarantee delivery, and open new growth opportunities.

We plan to advance our European localization strategy, comprising one overseas manufacturing facility and over three marshalling ports. We are currently actively conducting site selection and evaluation for the European assembly base. Establishing localized manufacturing facilities and marshalling ports in Europe will enhance response efficiency by being closer to customers, address cost and timeliness challenges associated with transoceanic transport of extra-large equipment, and lay a solid foundation for a global service system.

GLOBAL FOOTPRINT AND INTERNATIONAL VISION

China and Europe represent the two largest regional markets for offshore wind power globally. Leveraging our extensive experience and successful track record in the Chinese market, we commenced our expansion into the European offshore wind market in 2019 and have since established solid partnerships with industry leaders in Europe. By virtue of our overall strength and unique competitiveness, we have positioned ourselves as a globally leading provider of core offshore wind power equipment and cultivated strong brand recognition internationally. Our products have been exported to over 30 countries and regions, including the UK, Germany, France, Denmark, Spain, Norway, Poland, Japan, South Korea, Vietnam, Australia, Italy, Chile, Finland, India, and Canada, among others. We have earned an excellent industry reputation through our high-quality products and service. The following image sets forth our accumulated secured orders, including the geographical location, product type, and quantity (in sets), as of December 31, 2025.



The following table sets forth a breakdown of our revenue by geographical location at which the goods are delivered for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	% of total	RMB'000	% of total	RMB'000	% of total
Chinese Mainland . .	2,610,430	60.4%	2,046,617	54.1%	1,576,512	25.5%
Outside Chinese						
Mainland	1,714,652	39.6%	1,733,034	45.9%	4,597,038	74.5%
– Europe	1,201,202	27.8%	1,539,557	40.7%	4,248,152	68.8%
– Germany	–	–	–	–	2,522,917	40.9%
– Denmark	–	–	559,318	14.8%	872,290	14.1%
– United Kingdom	1,150,604	26.6%	231,758	6.1%	720,139	11.7%
– France	–	–	668,957	17.7%	–	–
– Others	50,598	1.2%	79,524	2.1%	132,806	2.1%

BUSINESS

For the year ended December 31,						
	2023		2024		2025	
	RMB'000	% of total	RMB'000	% of total	RMB'000	% of total
– Asia (excluding Chinese Mainland)	148,940	3.4%	106,905	2.8%	143,972	2.3%
– Others ⁽¹⁾	364,510	8.4%	86,572	2.3%	204,914	3.3%
Total	<u>4,325,082</u>	<u>100.0%</u>	<u>3,779,651</u>	<u>100.0%</u>	<u>6,173,550</u>	<u>100.0%</u>

Note:

(1) Mainly include Canada, New Zealand, Chile, Egypt, Argentina and Brazil.

According to Frost Sullivan, as of June 30, 2025, we are the only supplier in the Asia-Pacific region to achieve bulk deliveries of monopiles to Europe. We have an established track record in the European market, having successfully completed the supplier qualification review process of nearly all major European offshore wind power developers, and have become the exclusive or one of the primary suppliers for multiple projects. As of December 31, 2025, we have deployed a dedicated sales team of experienced professionals in key European markets to closely align with the procurement needs of major customers in the region.

As of the Latest Practicable Date, we had obtained ratings or certifications from a number of internationally recognized ESG rating agencies, including the SBTi certification, the EcoVadis Silver Medal certification, the “B” and “B-” ratings from the CDP in respect of climate change and water, respectively, and we had also become a corporate member of Responsible Steel. The aforementioned ratings and certifications carry high international credibility, with stringent review processes and elevated admission thresholds. For instance, to obtain SBTi certificate, enterprises are required to conduct a comprehensive assessment of greenhouse gas emissions, establish a base year, and formulate an emissions reduction roadmap in line with SBTi requirements, with the approval period typically ranging from four months to two years. Our forward-looking approach in proactively pursuing and successfully obtaining these certifications not only fulfills the stringent sustainability requirements of overseas customers but also sets a benchmark within the industry, establishing sustainable competitive advantages and market barriers.

Building on our success in Europe, we are actively expanding into emerging offshore wind markets such as Japan, South Korea, Southeast Asia, and Australia to further increase our global market share in offshore wind power. We are building our dedicated commercial and management teams in other overseas regions to support the effective execution of our global expansion strategy.

Denmark, Germany, the United Kingdom and France are the only four foreign countries that each accounted for more than 5% of our total revenue in any single year during the Track Record Period, which indicates that changes in the political and economic environment of any single foreign country would not have a material adverse effect on our business. However, the sustainability of our international operations are subject to various legal, regulatory, political and economic risks beyond our control. For details, see “Risk Factors — Risks Relating to Our Industry and Business — Our expansion into international markets may be adversely affected by legal, regulatory, political and economic risks.”

Transfer Pricing Arrangement

During the Track Record Period, we mainly engaged in intra-group transactions among our entities in Chinese Mainland and Poland, namely (i) procurement and sales of wind power equipment among the Company, Penglai Dajin, Hinggan League Dajin, Zhangjiakou Dajin and Yangjiang Dajin; (ii) Beijing Jinyin's sales of renewable energy products to Tangshan Caofeidian District Jinrui Energy Co., Ltd. ("**JR Energy**") and Tangshan Caofeidian District Jinhong Energy Co., Ltd ("**JH Energy**"); (iii) management service fees charged by Beijing Jinyin to Zhangwu Xiliujiazi, JR Energy and JH Energy; and (iv) DAJIN HEAVY INDUSTRY POLAND SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOSCIĄ's involvement in project coordination activities for Penglai Dajin.

Under the transfer pricing laws and regulations of Chinese Mainland and Organisation for Economic Co-operation and Development ("**OECD**") Transfer Pricing Guidelines, related-party transactions are subject to scrutiny by the relevant tax authorities, and the relevant transfer pricing arrangements must generally comply with the arm's length principle. After assessing our transfer pricing arrangements during the Track Record Period, our Directors, as advised by our independent transfer pricing consultant, are of the view that our transfer pricing transactions and arrangements thereunder were generally consistent with the arm's length principle from Chinese Mainland and OECD Transfer Pricing perspectives.

During the Track Record Period and up to the Latest Practicable Date, we were not subject to any inquiry, audit, investigation, or challenge by tax authorities in connection with these intra-group transactions.

OUR PRODUCTS AND SOLUTIONS

During the Track Record Period, we primarily focused on the R&D, manufacturing and sales of offshore and onshore wind power equipment, including monopiles, transition pieces, and towers, which serve as core components of wind turbine systems. We are now actively expanding our business in jacket foundations and floating foundations, with established production lines and manufacturing capabilities. We have developed in-house shipbuilding capabilities and have started to secure external shipbuilding orders. Leveraging our self-constructed ships, we are proactively expanding into global logistics and transportation services, possessing independent shipping management expertise. In the second half of 2024, we have commenced offering DAP solutions that integrate manufacturing and transportation, enabling more effective cost control and enhancing our ability to provide end-to-end solutions to customers. In addition, since 2023, we have started generating revenue from wind and photovoltaic power generation, and gradually secured approvals for several new projects, which we expect will contribute to a continuous increase of our installed capacity of wind and photovoltaic power sites in the foreseeable future. Moreover, we also generate revenue from other business, primarily including the revenue generated from sales of scrap steels and provision of terminal services in our ports and docks.

The table below sets forth our revenue by our business segments and their percentage of our total revenue for the years indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	% of total	RMB'000	% of total	RMB'000	% of total
Manufacturing and sales of wind power equipment .	4,146,031	95.9%	3,510,733	92.9%	5,865,638	95.0%
– Foundation structures ⁽¹⁾ . . .	1,339,546	31.0%	1,274,481	33.7%	3,338,198	54.1%
– Towers	2,806,485	64.9%	2,236,252	59.2%	2,527,440	40.9%

BUSINESS

2023		2024		2025	
<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>

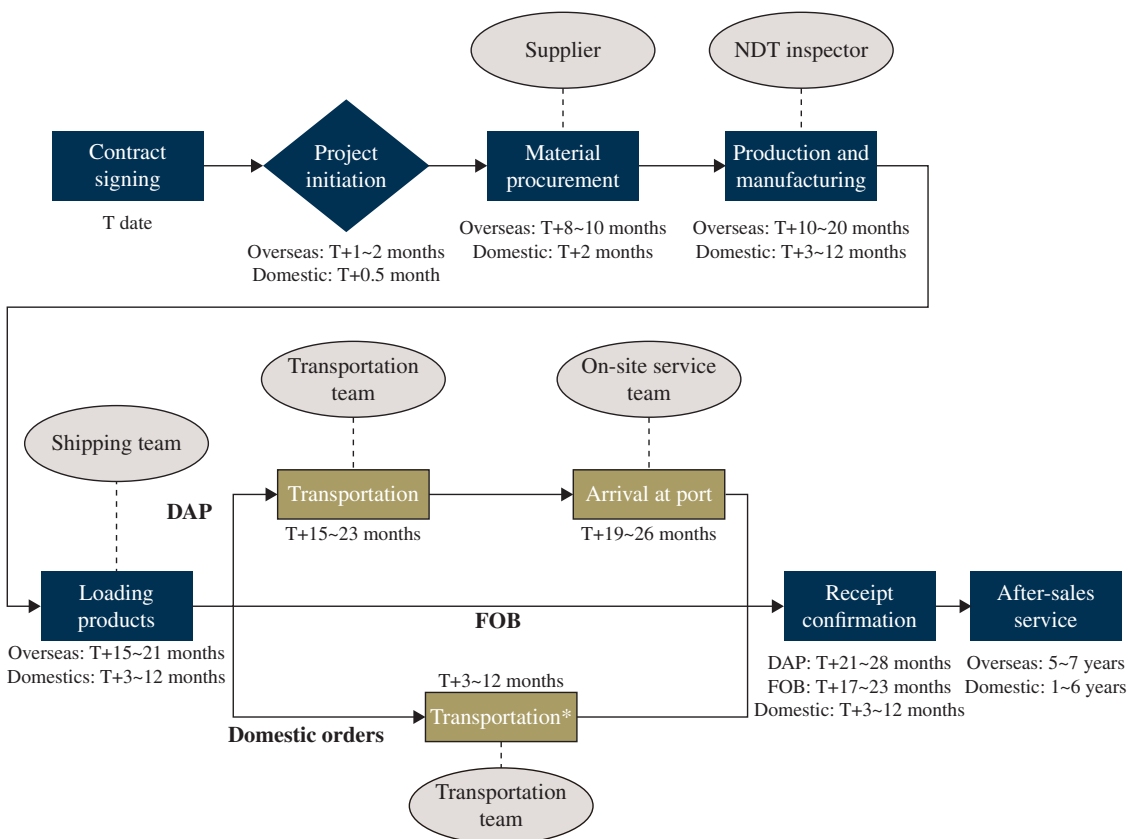
Wind and photovoltaic power generation	131,615	3.0%	215,782	5.7%	251,114	4.1%
Others	47,436	1.1%	53,136	1.4%	56,798	0.9%
Total	4,325,082	100.0%	3,779,651	100.0%	6,173,550	100.0%

Note:

(1) Mainly include monopiles and transition pieces.

Wind Power Equipment

The following diagram sets forth our typical business operational flow from order acquisition to product delivery:



Notes:

* We are only responsible for such service if explicitly included in the contracts with our customers.

1. Gray circles represent third-party services.

2. Under the DAP model, we provide added value to customers through arranging transportation and arrival at port. During product delivery at the destination port, we provide management and inspection personnel, while the third-party on-site service team provides associated supporting services. For details of comparative analysis of the DAP versus FOB models, see “— Heavy Marine Transportation” below.

BUSINESS

3. The “project initiation” serves as a decision-making point to organize and confirm procurement arrangements and delivery details, ensuring product compliance and alignment with customer requirements, subject to a management-level veto mechanism for subsequent progress. At each stage, we maintain close communication with the customer and proceed with the next steps only after obtaining the customer’s written confirmation.
4. To ensure the timely and reliable delivery of our products, we have established a structured project management methodology supported by company-wide procedures and escalation controls. Pursuant to our internal *Project Plan Management Regulation* and *Project Management Control Procedure*, baseline schedules covering the entire execution process, from procurement and production to inspection, shipment and final delivery, are formulated after contract signing. Project progress is tracked through daily, weekly and monthly reports. In case of any delay, the project team will promptly analyze the causes and implement catch-up measures. If the delay is not resolved promptly, the escalation procedure under our *Major Matters Management and Reporting Procedures* will be activated for management intervention. Through this multi-tier monitoring and control mechanism, we aim to maintain effective oversight of project implementation and ensure that all projects are completed and delivered on schedule.
5. All primary steel structure products — including monopiles, jackets, and the core structures of floating foundations — are and will be manufactured in China. For floating foundations, we expect to employ two delivery models: (i) shipping segments to our European assembly base for final assembly; or (ii) completing full fabrication at our facility in China and transporting the finished unit to Europe. Under the second model, our European assembly base may still undertake limited installation of ancillary components. All assembly work described above is performed by us. For details of our planned European assembly base, see “Future Plans and Use of Proceeds.”

Key Metrics

The following table sets forth the breakdown of sales volume and average selling price (“ASP”) of our wind power equipment by product category and by geographical region at which the goods are delivered for the years indicated:

For the year ended December 31,						
2023		2024		2025		
Sales Volume	ASP	Sales Volume	ASP	Sales Volume	ASP	
	RMB in thousand per ton		RMB in thousand per ton		RMB in thousand per ton	
Tons		Tons		Tons		
By Product Category:						
Foundation structures ⁽¹⁾	145,003	9.24	69,278	18.40	111,124	23.01
Towers	362,933	7.73	317,887	7.03	326,499	7.74
Total	507,936	8.16	387,165	9.07	437,623	11.62
By Region:						
Chinese Mainland . . .	359,241	6.77	265,904	6.69	207,446	6.12
Outside Chinese						
Mainland	148,695	11.53	121,261	14.29	230,177	16.58
– Europe	96,630	12.43	98,412	15.64	183,564	18.89
– Asia (excluding Chinese						
Mainland)	14,016	10.63	10,790	9.91	17,859	8.06
– Others	38,049	9.58	12,059	7.18	28,754	7.13
Total	507,936	8.16	387,165	9.07	437,623	11.62

Note:

- (1) Mainly include monopiles and transition pieces.

BUSINESS

Our sales volume of foundation structures decreased from 2023 to 2024. This decrease was not due to a reduction in demand but rather our enhanced capability to undertake more overseas orders for foundation structures with higher technical requirements and greater profitability. The production of these technically complex products, such as TP-less monopiles, requires more production hours per ton compared to standard structures. Consequently, this resulted in a lower total production volume and sales volume (measured in tons) for the period. Our sales volume of foundation structures increased from 2024 to 2025, driven by our continued growth in securing contracts from overseas customers. The ASP of our foundation structures generally increased throughout the Track Record Period as we began providing wind marshallings port operation services to customers, reflecting our successful strategy of undertaking orders with higher technical requirements and greater profitability. In particular, the ASP of our foundation structures increased significantly in 2024 and 2025 as we started to adopt the DAP model since the second half of 2024. Under the DAP model, our service offering expands beyond manufacturing to include the arrangement of international transportation. By providing this value-added logistical service, the scope of our contracts is larger, leading to higher revenue per order and, consequently, an increase in the ASP.

The sales volume and ASP of our towers decreased from 2023 to 2024, primarily because the towers we manufactured and sold during the Track Record Period were primarily onshore towers. As part of our strategic shift to the “overseas offshore wind business strategy” (“新兩海戰略”), we deliberately changed our business focus from onshore to offshore projects. Consequently, this re-prioritization led to a reduction in both the manufacturing and sales of our towers. The sales volume and ASP of our towers increased from 2024 to 2025, primarily because we had more overseas orders for tower products which generally had higher selling price.

Our overseas sales primarily focus on Europe, the other dominant global offshore wind market besides Chinese Mainland. Our orders in Europe primarily consist of foundation structures, which are mainly monopiles and a limited number of transition pieces. Consequently, the trends for sales volume and ASP in Europe are largely in line with the overall trends for our foundation structures.

As of March 31, 2026, our order backlog for overseas orders of wind power equipment reached RMB8,331.8 million, with the majority scheduled for delivery over the next two years. The order backlog is calculated based on the total contract value of projects as set out in the contracts signed with customers (excluding value-added tax). The following table sets forth the movements of our order backlog for wind power equipment as of the dates or for the years indicated:

	As of/for the year ended December 31,		
	2023	2024	2025
	<i>(RMB'000, except for percentage)</i>		
Opening balance at beginning of the year	4,845,839	9,641,925	9,764,506
New contracts awarded (including variations) during the year ⁽¹⁾	8,942,117	3,633,314	6,477,553
Revenue recognized during the year	4,146,031	3,510,733	5,865,638
Closing balance at the end of the year	9,641,925	9,764,506	10,376,421
Conversion rate ⁽²⁾	30.1%	26.4%	36.1%

BUSINESS

Notes:

- (1) Represents the total value of new contracts secured during the respective period. During the Track Record Period, there were no cancelled orders by customers except for limited ones in 2025 due to the overall construction plan of the wind power farms. During the same period, order adjustments were insignificant, typically relating to, among others, minor needs for additional products.
- (2) The conversion rate represents the proportion of revenue recognized during the year to the sum of the opening backlog and new contracts awarded.

The following table sets forth the breakdown of order backlog for wind power equipment by product category and by geographical region at which the goods are delivered as of the dates indicated:

	As of December 31,					
	2023		2024		2025	
	RMB'000	% of total	RMB'000	% of total	RMB'000	% of total
By Product Category:						
Foundation structures ⁽¹⁾	6,930,908	71.9%	6,939,040	71.1%	8,613,891	83.0%
Towers	2,711,017	28.1%	2,825,466	28.9%	1,762,530	17.0%
Total	9,641,925	100.0%	9,764,506	100.0%	10,376,421	100.0%
By Region:						
Outside Chinese						
Mainland	8,263,167	85.7%	8,621,244	88.3%	9,882,279	95.2%
Germany	4,767,614	49.4%	5,131,122	52.5%	4,917,964	47.4%
U.K.	1,242,791	12.9%	2,410,186	24.7%	3,267,488	31.5%
Poland	—	0.0%	—	0.0%	1,466,954	14.1%
Denmark	1,431,608	14.8%	872,290	8.9%	—	0.0%
France	668,957	6.9%	—	0.0%	—	0.0%
Others	152,197	1.6%	207,646	2.1%	229,873	2.2%
Chinese Mainland . .	1,378,758	14.3%	1,143,262	11.7%	494,142	4.8%
Total	9,641,925	100.0%	9,764,506	100.0%	10,376,421	100.0%

Notes:

- (1) Mainly include monopiles and transition pieces. As our jackets and floating foundations have not yet been commercialized, there were no outstanding orders for these products as of each year-end.
- (2) The figures above represent amounts excluding value-added tax.

Our order backlog for wind power equipment increased from RMB9,641.9 million as of December 31, 2023 to RMB10,376.4 million as of December 31, 2025, primarily reflecting the ramp-up of overseas offshore foundation structure projects. The fulfillment period for our contracts varies based on product complexity and delivery model. Contracts for tower products typically have a fulfillment period of up to two years. In contrast, contracts for monopile products have a longer duration, generally are within three years, particularly for those delivered under the DAP model where we define contract completion as the delivery of products to the destination port. The decrease in our conversion rate of order backlog for wind power equipment from 2023 to 2024 was primarily attributable to the substantial volume of new contracts awarded in 2023. These contracts were characterized by a higher proportion of overseas orders for foundation structure products, which typically have longer execution cycles and are delivered under the DAP model, resulting in a later recognition of revenue. Our order backlog for overseas orders of wind power equipment decreased to RMB8,331.8 million as of

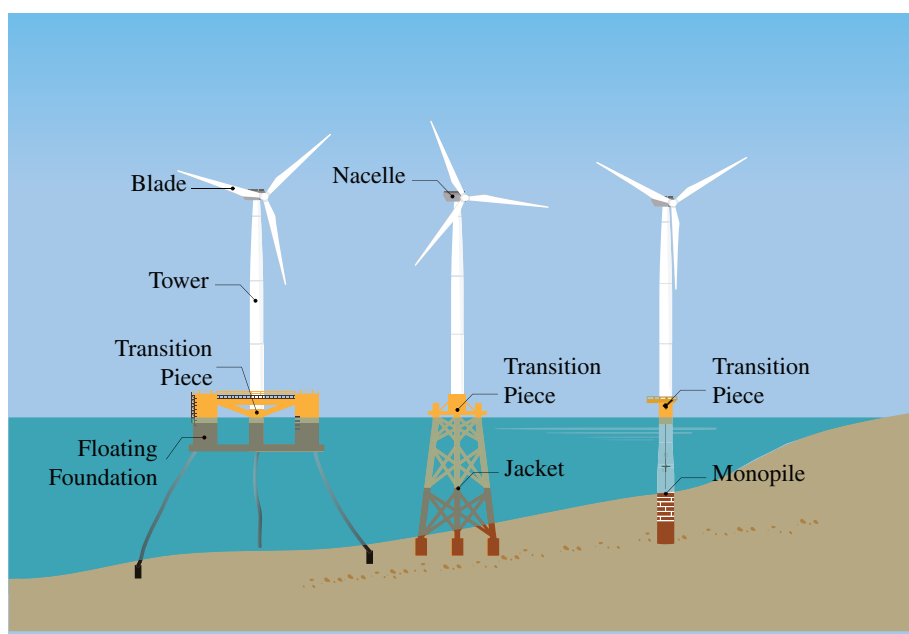
March 31, 2026, primarily as a result of the progressive conversion of existing backlog into recognized revenue in line with project delivery schedules during the first quarter of 2026. We continue to actively pursue new order opportunities and participate in ongoing tenders and bidding processes.

During the Track Record Period, the average project size of our foundation structure projects (including monopiles and transition pieces) amounted to approximately RMB2,072 million, RMB639 million and RMB1,020 million in 2023, 2024 and 2025, respectively, while the average project size of our tower projects amounted to approximately RMB49 million, RMB42 million and RMB41 million in 2023, 2024 and 2025, respectively. As our contracts with customers are customized based on individual customer requirements, project sizes vary across different periods depending on the specific demands and specifications of each project. In 2023, the average size of new contracts for our foundation structures was notably higher than in other years, driven by the award of an exclusive supply contract for a large-volume order of over 100 monopiles based on the customer's needs.

Key Products

We develop tailored solutions based on customer-defined technical specifications and functional requirements proposed by customers, such as structural foundations and connection components, while incorporating trends in the offshore wind power industry. Through multiple rounds technical exchanges, we work closely with our customers to define customized solutions. The wind power equipment development process is tailored to each project and varies with project complexity. It begins with our in-house technical team employing modern tools and technologies, including simulation modelling and structural analysis, to create customized design proposals. Preliminary design schemes are submitted to our customers for review and subsequently optimized based on feedback. Upon customer confirmation of the design, we proceed to manufacture prototype samples and conduct necessary functional tests to validate performance. The final design is confirmed by the customer and serves as the basis for mass production.

The following diagram illustrates the interrelationships among major offshore wind power equipment products, among which we are able to provide foundation structures, including monopiles, transition pieces, jacket foundations, and floating foundations, as well as towers:



We possess professional marine engineering expertise and extensive experience in delivering overseas offshore projects. Equipped with modern production facilities and leading-edge manufacturing processes, we are capable of providing customers with integrated service, including pre-assembly, painting, non-destructive testing, and loading prior to project delivery. Our products comply with European norms and standards and are widely recognized in the international offshore wind market. Our monopiles, transition pieces and towers are certified to comply with leading international standards and have obtained third-party certifications, such as from DNV and ISO (International Organization for Standardization).

Monopiles

Monopiles are the most commonly adopted and technologically mature type of fixed-bottom foundation for offshore wind power projects. Constructed from large-diameter steel tubular sections, monopiles are driven directly into the seabed to provide stable vertical support for both the tower and the wind turbine. This foundation product is particularly suited for shallow waters with depths of up to approximately 50 meters, and has been widely deployed in near-shore areas of China as well as in the North Sea and the Baltic Sea in Europe.



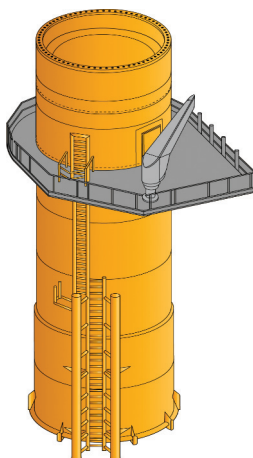
In recent years, we have steadily expanded our offshore wind power equipment with steel structure to include the manufacturing of monopiles and other foundation products. We have established large-scale manufacturing capabilities for these products and have successfully fulfilled orders for multiple projects. We commenced the batch deliveries of monopiles in 2023.

Set out below are the typical specifications of our monopiles:

- Diameter: 8 to 16 meters;
- Length: 70 to 130 meters;
- Weight: 1,300 to 3,000 tons;
- Plate thickness: 60 to 150 mm; and
- Lead time: 5 to 6 months.

Transition Pieces

Transition pieces are intermediate structures that connect monopiles to towers in offshore wind power projects. Typically constructed with external and internal platforms, a boat landing system, cable interfaces and other ancillary components, transition pieces facilitate the safe installation and operation of offshore wind turbines. They are generally deployed together with monopiles and are applicable to all monopile foundation projects adopting a transition piece design.



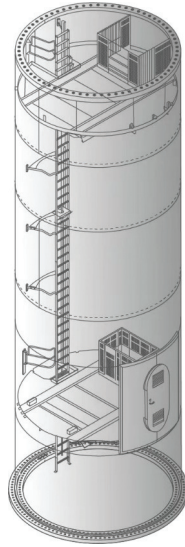
Leveraging our extensive expertise in steel structure design and manufacturing, we possess the capability to produce and deliver fully integrated transition pieces, including all ancillary structures. We have continuously enhanced our manufacturing processes and quality control protocols to improve product reliability and delivery performance, thereby supporting our customers' structural integration requirements in offshore wind power projects.

Set out below are the typical specifications of our transition pieces:

- Diameter: 6.5 to 8.5 meters;
- Length: 20 to 35 meters;
- Weight: 300 to 600 tons; and
- Lead time: 5 to 6 months.

Towers

Towers are key load-bearing structures of wind turbines, supporting the nacelle and blades while elevating them to the designed height to capture optimal wind resources. They incorporate internal components such as cable trays, ladders, platforms and interfaces for power distribution equipment. As a leading supplier in the wind power industry, we have extensive experience providing tower components to leading wind turbine manufacturers such as SGRE, Vestas, GE, Goldwind, Envision Energy, and Ming Yang Smart Energy. According to Frost & Sullivan, we were the first company in China to supply towers for offshore wind turbine models manufactured by SGRE, and for offshore wind turbine models with capacity over 12MW per unit manufactured by GE. Our offshore towers are widely deployed in turbines with capacities ranging from 8MW to 20MW.



We possess strong manufacturing capabilities for both onshore and offshore wind turbine towers, enabling us to meet diverse requirements in dimensions, anti-corrosion coating, and structural strength. As wind turbines continue to trend toward larger capacities, we have consistently enhanced our manufacturing automation and product adaptability to accommodate evolving technical specifications.

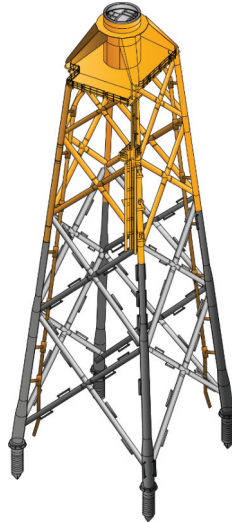
The general specifications for our offshore and onshore towers are as follows:

- Diameter: 7 to 9 meters for offshore towers and 4 to 6 meters for onshore towers;
- Length: 25 to 50 meters for offshore towers and 15 to 30 meters for onshore towers;
- Weight per set: 600 to 1,000 tons for offshore towers and 300 to 500 tons for onshore towers; and
- Lead time: 3 to 4 months per set for offshore and onshore towers.

Jackets

Jackets serve as a critical load-bearing component in offshore engineering applications, encompassing offshore oil and gas exploration, offshore wind power generation, as well as acting as auxiliary support structures for other marine projects such as offshore substations, ocean observation platforms, and cross-sea bridge piers. Jackets are securely connected to the seabed through pile legs, providing stable support for offshore facilities including oil and gas production platforms and wind power turbine units. Jackets effectively transfer the weight of the superstructure to the seabed and resist environmental forces such as waves, currents, wind, and seismic activity. Currently, offshore wind power jackets predominantly feature three or four-legged foundation types, either piled or suction-bucket based, and are designed for water depths ranging from 40 to 80 meters in continental shelf regions, such as the Bohai Bay, East China Sea, South China Sea, as well as the North Sea and Baltic Sea in Europe. As offshore wind power advances from shallow to deeper waters, jacket foundation technology is evolving toward lighter designs, cost reduction, and installation efficiency.

We are able to maintain highly standardized processes and a seamless workflow in the production of jackets. In addition, by implementing a segmented flow manufacturing approach for the transition piece, upper jacket, and lower jacket, combined with efficient gantry crane assembly techniques, we effectively reduce manufacturing lead times and enhance delivery capacity. Leveraging our strong manufacturing expertise and experience in large-scale steel structure fabrication, we design and will produce jacket foundation products that comply with stringent international standards in structural engineering and welding, including those established by ISO. During the Track Record Period, we did not generate revenue from jacket products. As of the Latest Practicable Date, we were actively engaged in bidding processes for multiple overseas projects involving jacket products.



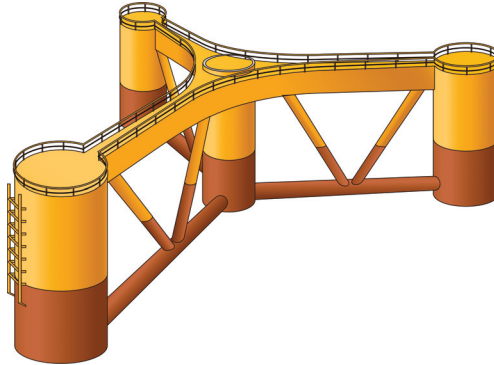
Set out below are the typical specifications of our jackets:

- Height: 70 to 120 meters;
- Weight: 2,000 to 4,000 tons; and
- Lead time: 7 to 8 months.

Floating Foundations

Floating foundations are a core structural solution in deep and far-sea engineering, widely used, particularly in applications such as offshore wind power and floating oil and gas platforms. Unlike fixed-bottom foundations such as jackets or monopiles, floating foundations utilize buoyancy to support superstructures including wind turbine generators and oil and gas production modules, and are secured in place via mooring systems — comprising chains, steel wires, or synthetic fiber cables connected to seabed anchors — without the need for direct rigid connection to the seabed. This design enables deployment in water depths exceeding 50 meters and even 1,000 meters, making it suitable for deep-sea regions such as the North Sea in Europe, the Mediterranean in Southern Europe, and certain maritime areas in East Asia. As a next-generation solution for offshore wind power, floating foundations enable the expansion of offshore wind development into deeper water environments without traditional bottom-fixed structures, thereby harnessing stronger and more consistent wind resources.

During the Track Record Period, we did not generate revenue from floating foundation products. As of the Latest Practicable Date, we were actively engaged in bidding processes for multiple overseas projects involving floating foundation products.



We are actively expanding into the floating wind sector, participating in the manufacturing of structural components for multiple demonstration projects. In September 2024, we entered into a strategic partnership with BlueFloat Energy, a global leader in floating wind farm development, to jointly build a sustainable floating wind supply chain. Leveraging our extensive expertise in large-scale, complex steel structures, we are now focused on developing floating foundations and exploring next-generation offshore wind solutions.

Set out below are the typical specifications of our floating foundations:

- Diameter span: can exceed 50 meters per set, depending on modular design;
- Foundation weight: over 3,000 tons; and
- Lead time: 9 to 11 months.

Our engineering services include structural design, strength analysis, and integrated mooring system solutions. This allows us to offer a full suite of engineering support tailored to the unique requirements of floating foundations. To execute these projects, we have invested in modern and specialized manufacturing infrastructure, including a dedicated production facility for floating foundations in Tangshan, China, which features an expansive indoor factory setting. This controlled environment ensures high-quality construction while mitigating the impact of adverse weather, resulting in enhanced manufacturing efficiency and quality control. Additionally, our own fleet of large transport ships will enable us to provide a seamless integrated solution for our customers. By streamlining project interfaces and logistics, we improve overall reliability and reduce the risks and costs associated with the supply chain.

Case Study

Our export volume and delivery scope for overseas offshore projects to Europe have recorded a notable increase since 2023. Our representative projects include the Moray West monopile/transition piece/tower project in the U.K., the NOY monopile project in France, the Thor monopile project in Denmark, and the Nordseecluster A monopile project in Germany. All batches of these products were delivered on time and with quality assurance. The products we delivered have received praise and awards from customers. For the TP-less monopile project built by us for the Thor offshore wind farm project in Denmark, we achieved nearly 800,000 man-hours with zero LTI, for which the customer issued a relevant certification, reflecting our commitment to safe production, high-quality delivery, and team collaboration.



Moray West Offshore Wind Farm (U.K.)

We supplied all key structural components, including monopiles, transition pieces, and offshore towers, for the Moray West offshore wind farm in Scotland, with a total supply volume of approximately 110,000 tons. The monopiles and transition pieces were fully delivered in 2023, followed by the completion and delivery of offshore towers in 2024.



NOY Offshore Wind Farm (France)

In 2024, we completed the full delivery of 61 monopiles for the NOY offshore wind farm in France. This marked our first exclusive supply contract in the European offshore wind market.



Thor Offshore Wind Farm (Denmark)

The Thor offshore wind farm marked our first overseas offshore project under which we were responsible for the transportation. The project successfully transitioned from FOB to DAP delivery terms, with all 36 monopiles fully delivered in the first quarter of 2025.



Nordseecluster Offshore Wind Project Cluster (Germany)

We are the sole supplier for TP-less monopiles and associated components for Germany's Nordseecluster offshore wind project cluster. Manufacturing for Nordseecluster A project commenced in 2024, with delivery of the trial section completed in the same year. In August 2025, we successfully completed the manufacturing and trans-oceanic transportation of 45 extra-large TP-less monopiles for Phase A of the project.

In recent years, we have further upgraded our manufacturing technology and processes at our manufacturing facilities and port operations, and have also established an overseas transportation management system, successfully transitioning from the manufacturer of offshore wind power equipment to an integrated solution provider covering manufacturing, shipping and delivery. For details of our business operational flow from order acquisition to product delivery, see “— Wind Power Equipment” above. This has laid a solid foundation for us to further expand our overseas business scope, boost our market share, and strengthen our international competitiveness. For example, we entered into a contract for a project in Germany in the second half of 2023, which exemplifies our ability to deliver a seamless and integrated solution for our international customers. After our process and design plan was approved, we made centralized production planning and capacity scheduling to ensure on-time production and delivery. In the first three quarters of 2025, we managed the international transportation of the finished products under the DAP model in six batches. Upon their arrival at the customer’s designated port, we coordinated on-site logistics, including inspection, defect rectification, and handover procedures, and facilitated the completion of the customer’s taking-over documentation.

The following table sets forth the details of our top 10 projects by revenue recognized for each year during the Track Record Period.

2023

Ranking	Project	Project Company	Revenue Recognized During the Year (RMB'000)	Contract Value (Excluding Tax) (RMB'000)	Time of Signing	Project Duration (Year)	Products	Our Work Scope	Status as of December 31, 2025
1	Project 1	Customer 1	975,377	975,377	2022	1-2	Foundation structures	Overseas order, covering production and transportation to the port designated by the customer	Completed
2	Project 2	Customer 2	301,764	815,521	2019	3-4	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
3	Project 3	Customer 3	175,227	175,227	2022	1	Foundation structures	Overseas order, covering production and transportation to the place designated by the customer	Completed
4	Project 4	Customer 4	148,999	148,999	2023	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
5	Project 5	Customer 5	134,076	134,437	2023	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
6	Project 6	Customer 6	104,119	104,119	2022	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed

BUSINESS

BUSINESS

Ranking	Project	Project Company	Revenue Recognized During the Year (RMB'000)	Contract Value (Excluding Tax) (RMB'000)	Time of Signing	Project Duration (Year)	Products	Our Work Scope	Status as of December 31, 2025
7	Project 7	Customer 7	97,159	97,159	2022	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
8	Project 8	Customer 8	88,719	88,719	2023	1	Towers	Domestic order, covering production	Completed
9	Project 9	Customer 9	84,485	84,485	2022	1	Foundation structures	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
10	Project 10	Customer 6	79,523	79,523	2023	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
2024									
Ranking	Project	Project Company	Revenue Recognized During the Year (RMB'000)	Contract Value (Excluding Tax) (RMB'000)	Time of Signing	Project Duration (Year)	Products	Our Work Scope	Status as of December 31, 2025
1	Project 11	Customer 10	657,549	657,549	2022	1-2	Foundation structures	Overseas order, covering production and transportation to the port designated by the customer	Completed
2	Project 12	Customer 11	559,318	1,431,608	2023	2-3	Foundation structures	Overseas order, covering production and transportation to the place designated by the customer	Completed

BUSINESS

Ranking	Project	Project Company	Revenue Recognized During the Year (RMB'000)	Contract Value (Excluding Tax) (RMB'000)	Time of Signing	Project Duration (Year)	Products	Our Work Scope	Status as of December 31, 2025
3	Project 13	Customer 12	264,418	268,668	2024	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
4	Project 14	Customer 13	137,369	137,369	2023	1-2	Towers	Overseas order, covering production and transportation to the place designated by the customer	Completed
5	Project 15	Customer 14	132,405	132,405	2022	2-3	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
6	Project 16	Customer 15	98,338	98,338	2023	1-2	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
7	Project 17	Customer 13	94,037	405,530	2023	1-2	Towers	Overseas order, covering production and transportation to the place designated by the customer	Completed
8	Project 18	Customer 16	86,623	102,443	2023	1-2	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
9	Project 19	Customer 17	67,710	67,710	2024	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
10	Project 20	Customer 18	61,112	61,112	2024	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed

BUSINESS

2025

Ranking	Project	Project Company	Revenue Recognized During the Year (RMB'000)	Contract Value (Excluding Tax) (RMB'000)	Time of Signing	Project Duration (Year)	Products	Our Work Scope	Status as of December 31, 2025
1	Project 21	Customer 19	2,159,409	2,159,409	2023	1-2	Foundation structures	Overseas order, covering production and transportation to the port designated by the customer	Completed
2	Project 12	Customer 11	872,290	1,431,608	2023	2-3	Foundation structures	Overseas order, covering production and transportation to the place designated by the customer	Completed
3	Project 22	Customer 20	363,508	363,508	2024	1-2	Foundation structures	Overseas order, covering production and transportation to the port designated by the customer	Completed
4	Project 17	Customer 13	311,493	405,530	2023	1-2	Towers	Overseas order, covering production and transportation to the port designated by the customer	Completed
5	Project 23	Customer 21	263,582	699,540	2022	3-4	Towers	Overseas order, covering production and transportation to the port designated by the customer	To be delivered in batch as scheduled and expected to be completed in 2026
6	Project 24	Customer 22	146,645	146,645	2025	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed

Ranking	Project	Project Company	Revenue Recognized During the Year (RMB'000)	Contract Value (Excluding Tax) (RMB'000)	Time of Signing	Project Duration (Year)	Products	Our Work Scope	Status as of December 31, 2025
7	Project 25	Customer 13	145,064	483,782	2024	1-2	Towers	Overseas order, covering production and transportation to the place designated by the customer	To be delivered in batch as scheduled and expected to be completed in 2026
8	Project 26	Customer 8	127,979	134,073	2025	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed
9	Project 27	Customer 23	92,901	92,901	2025	1	Towers	Overseas order, covering production and transportation to the place designated by the customer	Completed
10 . . .	Project 28	Customer 8	88,470	88,470	2025	1	Towers	Domestic order, covering production and domestic transportation to the place designated by the customer	Completed

Notes:

- (1) Customer 1 refers to a project company established for a wind farm project in the United Kingdom, sponsored by an international offshore wind development company headquartered in Spain, and a company headquartered in Lithuania, primarily focusing on electricity distribution networks.
- (2) Customer 2 refers to an affiliate of a Chinese energy company, specializing in the development, construction and operation of wind power and solar energy projects.
- (3) Customer 3 refers to an affiliate of a Chinese unlisted company, specializing in the manufacturing and sale of offshore wind power foundation structures, and providing integrated solutions for offshore energy projects.
- (4) Customer 4 refers to a Chinese listed company, specializing in the development and operation of clean energy, research and development and manufacturing of high-end equipment, as well as engineering and technical services.
- (5) Customer 5 refers to a Chinese listed company, specializing in global clean energy equipment and services.

- (6) Customer 6 refers to a Chinese listed company, specializing in smart design of wind turbine generators, wind resource assessment, and digitalized investment and development of wind farms.
- (7) Customer 7 refers to an affiliate of a Chinese listed company, specializing in the manufacturing, sales and technical services of high-end offshore wind power equipment components.
- (8) Customer 8 refers to a Chinese listed company, specializing in the production, sales, development and application of large-scale wind turbine generators.
- (9) Customer 9 refers to an affiliate of a Chinese infrastructure company, specializing in undertaking infrastructure projects.
- (10) Customer 10 refers to a French electric utilities company, specializing in the production of electricity using wind power.
- (11) Customer 11 refers to an affiliate of a Germany-listed energy group, specializing in electricity, gas, steam and air conditioning supply. Customer 11 and Customer 19 are ultimately controlled by the same customer.
- (12) Customer 12 refers to an affiliate of a Chinese energy group, specializing in new energy equipment manufacturing and wind power generation technology services.
- (13) Customer 13 refers to an affiliate of a Germany-listed energy group, specializing in the design, manufacturing, installation, and operation and maintenance of onshore and offshore wind turbines.
- (14) Customer 14 refers to an affiliate of a Chinese unlisted company, specializing in the development and operation of hydropower, wind and solar projects.
- (15) Customer 15 refers to an affiliate of a Chinese engineering company, specializing in survey, design, consulting, project management and EPC contracting for power, new energy, nuclear energy and infrastructure projects.
- (16) Customer 16 refers to an affiliate of a Chinese unlisted company, specializing in material procurement services and supply chain integrated services.
- (17) Customer 17 refers to an affiliate of a Chinese industrial company, specializing in design and manufacturing of wind turbines, intelligent operation and maintenance of wind farms, wind resource assessment, wind farm investment and development and smart energy solutions. Customer 17 is ultimately controlled by Customer 6.
- (18) Customer 18 refers to a Chinese unlisted company, specializing in power supply, new energy equipment sales and wind-solar technical services.
- (19) Customer 19 refers to an affiliate of a Germany-listed energy group, specializing in the production of electricity and the generation of hydroelectric, solar and wind power. Customer 11 and Customer 19 are ultimately controlled by the same customer.
- (20) Customer 20 refers to a Spain-based company specializing in the manufacturing of offshore foundation products.
- (21) Customer 21 refers to a French affiliate of a NYSE-listed company, specializing in the manufacturing of miscellaneous electrical machinery and equipment.
- (22) Customer 22 refers to a Chinese unlisted company, specializing in investment, research and development, sales and technical services related to wind power equipment and projects.
- (23) Customer 23 refers to an affiliate of a Chinese listed company, specializing in the production, sales, development and application of large-scale wind power turbine generators. Customer 23 is ultimately controlled by Customer 8.

Ship Design and Construction

According to Frost & Sullivan, the wind power industry is experiencing rapid growth in turbine size, which in turn drives demand for larger and more complex foundations. However, the global supply of specialized heavy-lift ships capable of supporting such foundations remains highly limited. In response to this market dynamic, we commenced our ship design and construction business in 2024 to address the equipment requirements for offshore wind installation and transportation, as well as to capture external market opportunities. Our ship design and construction business (including third-party commercial shipbuilding and the related fleet operation activities) is positioned as a standalone, long-term core business segment of our Group, rather than a short-term or opportunistic arrangement, and has been incorporated into our medium- and long-term strategic development plan. With respect to management and team configuration, we have established a dedicated ship business division within our Group. We have set up dedicated professional teams covering ship design and R&D, construction, marketing and sales, and fleet operation, and have implemented business decision-making, project control, supply chain and risk control systems for our ship design and construction business under our Group's management framework. During the Track Record Period, we did not generate revenue from ship design and construction business.

We are developing our own shipbuilding facility at the Liaoning Panjin Shipbuilding Facility to build a specialized transportation fleet and establish an integrated logistics system for wind power industry. This initiative is intended to position us as an integrated provider for both the production and transportation of wind power equipment. Separately, we plan to construct an assembly base in Europe, which will focus on the assembly and fabrication of mainstream offshore wind foundation products, including monopiles, jackets, and floating foundations, while maintaining most of the preliminary production of components in Mainland China. The European assembly base is not intended to undertake ship design or construction activities, and therefore there is no overlap in business scope between the two initiatives. That said, we expect to achieve operational synergies between the two initiatives. Specifically, by leveraging the port resources of the European assembly base, we can provide berthing and maintenance support for our ships as needed in the future. Our ships will support both our own operations and external commercial projects, utilizing either our proprietary in-house ship designs or customer-provided designs. In particular, (i) ships retained for our own use will support our logistics operations both within and outside Europe; (ii) ships may be sold to third-party customers, thereby generating additional revenue streams; and (iii) ships can be deployed to transport certain components from our existing production facilities in Mainland China to Europe. The rationale for establishing a local assembly base in Europe, rather than shipping fully assembled products directly from our production facilities in Mainland China, is twofold. First, our foundation products, particularly floating foundations, are characterized by a higher degree of standardization per unit, larger deck area occupancy and greater transportation difficulty and cost compared to other products. Disassembling these products into components for shipment and reassembling them locally is more cost-efficient than transporting fully assembled units, thereby reducing overall logistics costs. Second, the port and berth facilities at the European assembly base can serve as storage and logistics support hubs, facilitating the staging and handling of components and equipment for our offshore wind projects in the region. During the Track Record Period, we independently designed and developed several ship types, including 40,000-ton deck carriers, 60,000-ton deck carriers, and 24,000-ton roll-on/roll-off and lift-on/lift-off multi-purpose carriers. Ships designed by us are able to meet self-unloading requirements at multiple European ports and accommodate the transportation of diverse cargo types. These ships are primarily intended for the transportation of wind power components, such as towers, monopiles, transition pieces, wind turbines, blades, jackets and floating foundations, to port destinations.

The specialized ships currently under construction offer the following key advantages: (i) high deck load capacity, addressing deck strength requirements for the vertical shipment of extra-heavy monopiles and large offshore towers, thereby meeting the requirements for various cargo loading conditions; (ii) an extra-long and extra-wide deck, enabling the transportation of more units or larger-diameter monopiles per voyage, thereby reducing total shipment expenses; (iii) a modern ballast system equipped with higher-capacity ballast pumps, allowing for faster load adjustments while minimizing port tidal range restrictions during loading and unloading operations; and (iv) a twin-propeller and twin-rudder configuration, providing sufficient power redundancy to ensure schedule adherence and navigational safety, guaranteeing secure and timely product delivery.

In terms of intended scale, leveraging our existing customers, technology, market presence and industrial chain resources, we plan to steadily expand into the ship design and construction market, gradually build up capacity and order volume, and develop this business into a complementary second growth curve alongside our wind power equipment business. In August 2025, we entered into a shipbuilding contract for deck transport ship with a shipping company in South Korean, under which we will design, build, and deliver a 23,000 DWT heavy-lift wind power deck transport ship. The total contract value is approximately RMB300 million. In October 2025, we further entered into a shipbuilding contract for semi-submersible ship with a shipping company in Norway, under which we will design, build, and deliver a 43,000 DWT semi-submersible ship. The total contract value is approximately RMB275 million. Both of the above-mentioned ships are scheduled for delivery in 2027.

Our first in-house developed, specialized heavy-lift transport ship commenced commercial operation in February 2026. Leveraging the successful deployment of our heavy-lift transport ships and the robust market demand for heavy marine transportation ships, we recently secured additional shipbuilding orders. Specifically, we entered into shipbuilding contracts with three customers in Norway, Greece and Netherlands, pursuant to which we will design, construct and deliver a total of ten 211,000 DWT bulk carriers and two 25,000 DWT heavy lift ships, with an aggregate contract values of approximately RMB6,171 million. The above-mentioned ships are expected to be delivered during 2028 and 2029.

Heavy Marine Transportation

We provide integrated solutions covering production, transportation, and final delivery of our products. We have established a global logistics network, strong project management, and integrated risk control capabilities, demonstrated by exporting offshore wind power equipment under the DAP model. The DAP model simplifies customer supply chain management, strengthens customer retention, and enhances the added value of our products. Under the DAP model, we take full responsibility for transportation process. We now generally arrange third-party logistics companies to deliver the products to our customers under the DAP model, to designated ports.

BUSINESS

The following table sets forth the comparative analysis of the DAP versus FOB models:

	DAP Model	FOB Model
Responsibilities and contractual obligations	We are responsible for arranging the transportation of goods from our manufacturing facilities to the customer-designated destination, bearing all main transportation, loading and international shipping costs until the goods reach the designated destination. We are not responsible for unloading operations and unloading costs, customs clearance or import duties at the destination port. We are responsible for arranging on-site services including inspection and defect rectification, which may be further extended to include cleaning services pursuant to contracts with customers.	We are responsible for transport to the designated port of shipment and loading on board, and our obligations are completed upon loading. We are not responsible for international shipping and unloading costs at the destination. The customer assumes the subsequent costs and risks.
Transfer of risks	We bear all related transportation and insurance costs and risks until the goods arrive at the specific destination and are signed off by the customer.	We bear the costs and risks until the goods arrive at the port of shipment and are loaded on board.
Revenue recognition	Revenue is recognized at point in time when the goods are delivered to the contracted destination and receipt for the goods is signed off by the customer.	Revenue is recognized at point in time when the goods are shipped offshore, customs clearance procedures are completed, and both customs declarations and bills of lading are obtained.
Working capital requirements	For our purchase of transportation and logistics services, we are generally required to make payment in advance prior to the delivery of such services, which requires greater working capital.	Our working capital requirements is limited to only the procurement of raw materials and production.

The delivery model for our project is determined on a case-by-case basis through direct negotiation with our customers. This decision is primarily driven by the customer's own logistical preference and capabilities, as well as their evaluation of our expertise to manage end-to-end delivery. Once both parties reach an agreement that appropriately balances service scope, cost, and risk, the adopted model is formally documented and included as a binding term in the final contract between both parties.

During the Track Record Period, revenue generated from product delivery was classified as a part of revenue from manufacturing and sales of wind power equipment. We have not generated revenue from external shipping services.

In delivering shipping solutions, we deploy a professional project management team responsible for voyage planning, port coordination, loading and unloading supervision, and transportation safety management to ensure timely and intact delivery of cargo. For example, we successfully executed the transportation of 36 oversized and extra-heavy offshore wind monopiles for Denmark's largest wind farm project, the Thor Offshore Wind Farm in 2024 and 2025. The shipment originated from Penglai, China, and was delivered to a port in Europe, utilizing the DAP model. Additionally, in 2025, we scheduled to provide ocean transportation services for the Nordseecluster A project in Germany. The scope of work includes the delivery of equipment in six separate batches, utilizing the DAP model to ensure seamless and efficient logistics execution. During the Track Record Period, our deliveries of wind foundation structures to overseas markets were primarily conducted under the DAP model in terms of contract value, demonstrating our unparalleled expertise in managing complex, heavy marine transportation. Based on publicly available information as of the Latest Practicable Date, we are the first PRC-based manufacturer to have adopted the DAP model for exports of similar products, while most of our domestic peers are only able to fulfill orders under the FOB model. We expect that our future service methods will include (i) utilizing self-owned ships for transportation tasks; (ii) chartering third-party ships that meet project requirements; and (iii) collaborating with international shipping companies for intermodal transport. We are exploring opportunities to leverage our shipping expertise and provide logistics solutions for third-party products, and are actively engaged in customer discussions.

While geopolitical tensions in the Middle East since late February 2026, including the evolving regional situation involving Iran, have heightened uncertainty in the region, we continued to engage with customers and advance project implementation in the ordinary course of business. As of the Latest Practicable Date, progress on all of our projects has not been materially affected by the geopolitical situation, with production and delivery proceeding as originally planned. We have adopted the DAP model for our overseas markets since the second half of 2024 and our overseas operations are primarily focused on the European market. Our exported products are primarily shipped from Penglai to designated terminals in Europe along well-established and stable shipping routes that do not pass through the Strait of Hormuz, which is currently subject to geopolitical tensions. In February 2026, our own vessel commenced its first export shipment for an offshore project, and arrived at a destination port in Europe in early April 2026. Our Directors confirm, and nothing has come to the attention of the Joint Sponsors to cast doubt on such confirmation, that the recent geopolitical conflicts have not had, and are not expected to have, a material adverse impact on our transportation routes, logistics efficiency or shipping arrangements, for the following reasons:

Our DAP contracts generally incorporate fuel price adjustment mechanisms or actual-cost reimbursement clauses, enabling us to effectively pass through increased fuel and freight costs to our customers. In the event of route alterations or increased voyage distances, we will renegotiate delivery schedules and freight prices with our customers accordingly. We have prepared alternative shipping routes and contingency plans for every European project delivery as a matter of course, including prior to the onset of the Middle East conflict.

We adopt the high-safety standard insurance portfolio commonly used in the shipping and logistics industry, fully covering asset losses and operational liability risks for both vessels and cargo. For voyages transiting high-risk zones such as the Red Sea, we separately procure special war risk insurance with coverage fully matched to applicable risk limits. Our shipping and vessel management teams conduct daily war risk assessments and maintain a risk meeting mechanism with customers during periods of heightened risk to exchange views and formulate response measures.

BUSINESS

With respect to raw materials, while market prices for certain raw materials have experienced some degree of increase as a result of geopolitical factors, the principal raw materials required for our major projects in 2026 have already been procured in advance or their purchase prices have been locked in with suppliers prior to the onset of the current round of price increases. Accordingly, we have assessed that the risk of raw material price increases is manageable on an overall basis. In terms of raw material transportation, our raw materials are primarily sourced domestically and transported mainly by waterway. Our principal production bases in Penglai and Tangshan are located in close proximity to port facilities, resulting in relatively short transportation distances. As such, fluctuations in fuel prices have a limited impact on our overall raw material transportation costs.

Our Directors confirm that the above events are not expected to have a material adverse impact on our intended use of proceeds, as the majority of such proceeds are designated for long-term capital investment not directly connected to our shipping operations. In view of the foregoing, our Directors are of the view that the above events have not had, and are not expected to have, a material adverse effect on our business prospects, results of operations and financial condition.

Wind and Photovoltaic Power Generation

We remain committed to the principles of green and low-carbon development and are actively expanding our footprints in the wind and photovoltaic power generation sector by accelerating the construction of wind and photovoltaic power projects. We commenced our expansion into wind and photovoltaic power generation in 2020. As of the Latest Practicable Date, our total annual capacity for wind and photovoltaic power generation reached 500MW, including (i) the 250MW Liaoning Fuxin Zhangwu Xiliujiazi Onshore Wind Power Project, which achieved grid-connected power generation in April 2023; and (ii) Tangshan Shilihai 250MW Aquaculture-PV Complementary Project, which achieved grid-connected power generation in May 2025. We integrate the electricity generated from these projects into local power grids and sell such electricity to local grid companies either directly or through local grid operators. As of the same date, we had obtained the necessary approvals for three projects with an additional 950MW of onshore wind power capacity which are currently under construction.

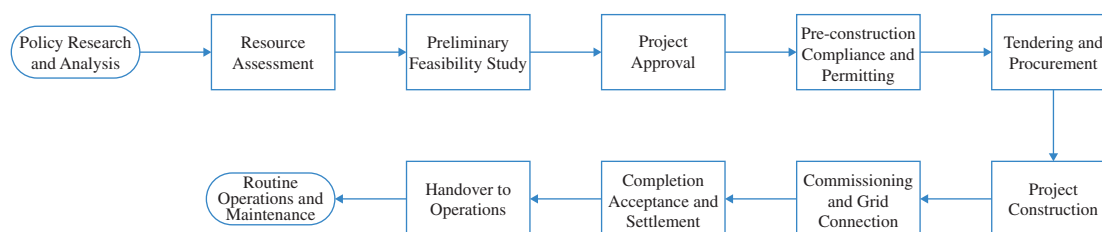
The table below sets forth our installed capacity, total electricity sold and average selling price for wind and photovoltaic power generation business as of the dates or for the years indicated:

	As of/for the year ended December 31,		
	2023	2024	2025
Installed capacity at the end of the year (MW)	250	250	500
Total electricity sold (kWh)	402,869,500	665,902,160	876,503,761
Average selling price ⁽¹⁾ (RMB per kWh)	0.33	0.32	0.29

Note:

- (1) Calculated by dividing revenue from wind and photovoltaic power generation by total electricity sold during the same year.

Wind and Photovoltaic Power Generation Project Development Process



- Site Evaluation and Project Feasibility Assessment.** During the initial stage of project development, from policy research and analysis to preliminary feasibility study, we conduct site surveys and feasibility studies for potential project locations. The evaluation process covers a wide range of key factors, including but not limited to, wind or photovoltaic resources, topography, site area and geographic location, construction costs (including land use rights), grid connection conditions (such as distance and capacity), feed-in tariff policies, planned installed capacity, transportation infrastructure, land ownership and availability, ecological and environmental conditions, projected financial indicators, and estimated investment returns. Our internal technical team is involved throughout the evaluation process to ensure the accuracy of data and analysis.
- Application for Development Rights and Regulatory Approvals.** Following a rigorous review of the site survey and feasibility study reports, we undergo applications for project approval, pre-construction compliance and permitting. We proceed to apply to the relevant authorities for development rights over the target site. This application process requires the acquisition of administrative permits from various regulatory authorities, including among others those responsible for environmental protection and land resources. In addition, securing grid connection approval from the local power grid operator is a mandatory prerequisite.
- Construction and Operation Commencement.** Upon obtaining all requisite statutory permits, we commenced the construction through tendering and procurement, project construction, commissioning and grid connection, completion acceptance and settlement and handover to operations steps. We engage qualified construction contractors through a tendering process. Following the completion of construction, system commissioning, and trial operation testing, we submit an application to the relevant energy authorities for a power generation business license. Commercial operations and grid-connected power generation officially commence upon receipt of the relevant permit.
- Routine Operations and Maintenance.** The daily operations and maintenance of the wind and photovoltaic power generation business primarily involve the close monitoring of equipment and production conditions, along with the sale of the daily energy output. Pursuant to the Renewable Energy Law of the People's Republic of China (《中華人民共和國可再生能源法》) and applicable laws and regulations, for projects that comply with renewable energy development and utilization plans, grid companies are required to enter into grid connection agreements with renewable energy power generation enterprises that have obtained the requisite administrative approval or have completed the relevant filing procedures, purchase the grid-connected electricity generated by renewable energy projects within their grid coverage areas, and provide the necessary grid connection services for renewable energy generation. After a project commences commercial operation, the electricity generated is sold to grid companies through grid connection, and

settlement with the grid companies is generally conducted on a periodic basis. For details, see “Regulatory Overview — Laws and Regulations Related to Our Business in the PRC — Regulations and Policies Relating to the Industry.”

Case Study

250MW Liaoning Fuxin Zhangwu Xiliujiazi Onshore Wind Power Project



In 2021, we initiated the construction of the 250MW Liaoning Fuxin Zhangwu Xiliujiazi Onshore Wind Power Project in a region with abundant wind resources, which achieved grid-connected power generation in April 2023. Configured with a total installed capacity of 250MW, the Liaoning Fuxin Zhangwu Xiliujiazi Onshore Wind Power Project comprises 63 individual turbine units. In 2024 and 2025, this project generated over 665 million and 676 million kWh of renewable electricity, respectively. This substantial renewable energy output is projected to reduce over 368,000 metric tons of carbon dioxide emissions and conserve the equivalent of over 209,500 metric tons of standard coal per year.

Tangshan Shilihai 250MW Aquaculture-PV Complementary Project



The Tangshan Shilihai 250MW Aquaculture-PV Complementary Project encompasses two sub-projects, being a 125MW Complementary Guaranteed PV Project and a 125MW Complementary Commercialized PV Project. Each of the sub-projects is expected to generate approximately 200 million kWh of renewable electricity annually. These two sub-projects successfully achieved grid-connected power generation in May 2025. Our Tangshan Project is projected to result in an average annual reduction of approximately 214,640 tons of carbon dioxide emissions and the conservation of around 122,200 tons of standard coal.

As of the Latest Practicable Date, we had obtained the necessary approvals for three projects which are currently under construction: (i) the 350MW Onshore Wind Power Project in the Caofeidian District (Guaranteed) with an anticipated installed capacity of 350MW; (ii)

the 350MW Onshore Wind Power Project in the Caofeidian District (Market-Oriented) with an expected installed capacity of 350MW; and (iii) the 250MW Onshore Wind Power Project in Fengnan District, Tangshan City with an anticipated installed capacity of 250MW.

RESEARCH AND DEVELOPMENT

We have established a R&D organizational structure that leverages both domestic and overseas research teams, forming a collaborative and efficient R&D system. In support of our globalization strategy, we are undertaking continuous R&D efforts to enhance the competitiveness of our products and solutions, including meeting the high quality and performance standards demanded by the European market, as well as adapting our designs to accommodate the industry trend towards larger turbine sizes. We are also prioritizing the development of innovative, environmentally friendly technologies to address the growing emphasis on green, low-carbon energy solutions. A key focus area is the advancement of global-leading floating foundation technologies for deep-sea offshore wind applications. To further bolster our green manufacturing capabilities, we also focus on technical research, equipment upgrades, and optimization of raw materials. Our cross-functional teams are collaborating to enhance our production processes and drive continuous improvements in our environmental footprint.

R&D Team

As of December 31, 2025, our R&D team consisted of 379 members. Our R&D team comprises industry veterans with extensive wind power expertise and hands-on experience. The team is led by senior specialists who combine deep theoretical knowledge with practical industry insights gained from successfully delivering major offshore wind projects. The R&D team has a well-developed structure that covers the full value chain, including business development and technical R&D, ensuring a complete and functional talent pipeline. At present, the team is advancing foundational research to support the development of future product and service frameworks.

R&D Activities and Technology

Our R&D team is primarily stationed at our manufacturing facilities, covering the functions of technology, quality control, project management and equipment. Our R&D team drives manufacturing excellence and innovation by overseeing and optimizing production processes across projects. For example, we develop compatible anti-corrosion coatings in line with project specifications, establish surface treatment processes compliant with international standards, and create welding frameworks for core renewable energy components such as monopiles and towers. Through standardized procedures, automated production systems that are efficient, energy-saving, and environmentally friendly, while meeting international standards and customer specifications, we enhance product quality, reduce costs, and strengthen competitiveness — ensuring our process technologies and manufacturing practices remain industry-leading.

Through years of practical experience in wind power equipment manufacturing, we have established three core technical systems focusing on dimensional control, welding processes, and anti-corrosion treatment, ensuring our products consistently meet international standards.

We implement dimensional control in two critical areas: (i) flange machining precision through adopting high-precision milling which ensures flange-to-tower alignment is maintained within millimeter-level tolerance, reaching global benchmarks; and (ii) complex structural components such as internal and external platforms and boat landings. We have

adopted digital measurement and strict process control to ensure millimeter-level interface accuracy. These capabilities support our achievement of a 100 percent dimensional compliance rate in the European monopile market.

In terms of welding technology, we have addressed key challenges in thick-plate longitudinal and circumferential seam welding. For high-strength specialty steels such as grades S420 and S460, we have developed a welding procedure qualification system (PQR/WPS) through welding tests and Crack Tip Opening Displacement (CTOD) evaluations, earning high recognition from international customers and leading third-parties such as DNV and BV. For large thick-plate welding, we have implemented a mature quality control system, establishing advantages in personnel training, weld quality, and production efficiency. We have fully complied with the European standards regarding welding quality since our first fully export-oriented MW-class project. Our in-house research and development efforts translate this expertise into measurable improvements. A prime example is our development and implementation of an innovative V + U-groove welding process for thick plates, replacing the conventional X-groove joint design. This proprietary process optimizes the groove geometry by combining flame cutting with mechanical milling, allowing for more precise profile control, ensuring adequate root penetration, and reducing the risk of welding defects. Compared with the traditional X-groove design, this innovation yields benefits: it reduces the consumption of welding materials, shortens the welding cycle, enhances overall welding quality and appearance, and lowers operators' labor intensity. The V + U-groove process has been successfully adopted in mass production, leading to quantifiable reductions in material usage and production costs and thereby improving our manufacturing efficiency and operating performance. We have filed a patent application for this technology to protect our proprietary R&D results and strengthen our intellectual property portfolio. For details of our measures to protect our intellectual property rights, see “— Intellectual Property” below.

Effective anti-corrosion treatment is essential for ensuring the long service life of offshore wind power equipment, which is typically expected to exceed 25 years. To address this critical requirement, we have developed customized anti-corrosion processes tailored specifically to the harsh marine environments encountered in offshore wind power projects. Through innovative weld surface preparation and coating techniques, we are able to provide long-term protection against the severe conditions encountered offshore, such as salt spray, tidal fluctuations, and other extreme environmental factors. Our anti-corrosion treatment solutions are certified by relevant standards, such as ISO 12944 or NORSOK M-501, and fully comply with the stringent anti-corrosion requirements in Europe and other major offshore wind markets.

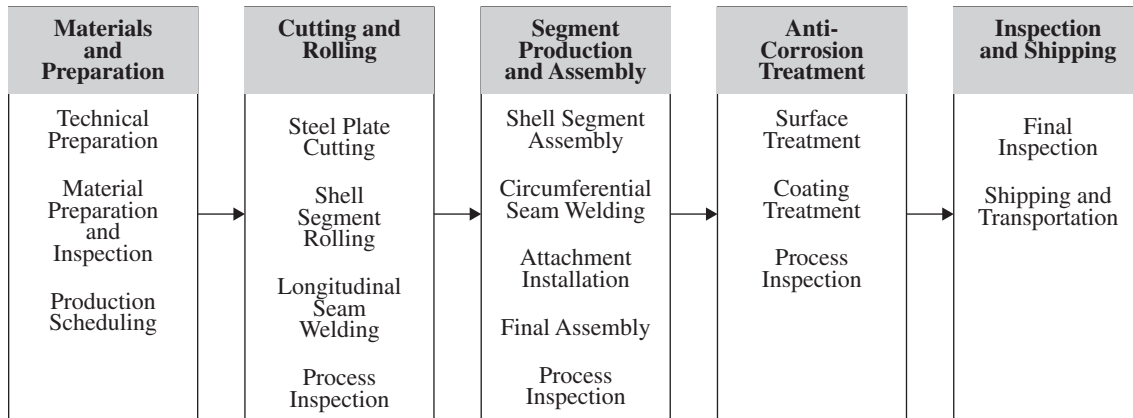
MANUFACTURING

Manufacturing Process

Our offshore wind power equipment manufacturing is carried out under standardized and systematic processes, and we operate under a make-to-order production model. Stringent safety and quality control are implemented throughout the entire project lifecycle. We conduct inspections on critical steps such as drawing quality, material testing, cutting, welding and coating to ensure process integrity and product consistency. In addition, customers or third-party on-site supervisors are involved in reviewing key milestones, including raw material inspection and anti-corrosion treatment, prior to shipment. This multi-level oversight ensures that all products meet required quality standards and customer expectations before delivery.

BUSINESS

The diagram below illustrates the manufacturing process of our wind power equipment:



- **Technical Preparation:** We conduct drawing decomposition, technical reviews, and other technical process preparations based on the project's technical drawings and specification requirements, while developing detailed designs, establishing product process routes, and formulating construction plans.
- **Material Preparation and Inspection:** We select qualified suppliers based on the bill of materials (BOM) and issue purchase orders for primary and auxiliary materials, while strictly implementing material inspections, including physical and chemical property tests, non-destructive testing, and verification of material certificates, specifications, dimensions, chemical composition, and mechanical properties.
- **Production Scheduling:** We develop the project production plan based on the milestone delivery schedule in the contract, material plan, construction drawings, and manufacturing processes, coordinating resources including personnel, machinery, materials, methods, environment, and testing to ensure production readiness.
- **Steel Plate Cutting:** We utilize CNC flame cutting machines, plasma cutting machines, or other equipment to cut steel plates into precise dimensions as required by the drawings.
- **Shell Segment Rolling:** We employ four-roll or three-roll rolling machines to roll and cold-form steel plates into cylindrical shapes, demonstrating our expertise in manufacturing large-scale components.
- **Longitudinal Seam Welding:** We employ submerged arc welding to join the two edges of the steel plate together, forming a longitudinal seam.
- **Shell Segment Assembly:** We use shell segment assembly equipment to join individual shell segments, forming extended "multi-segment" sections.
- **Circumferential Seam Welding:** We weld the circumferential seams between multiple shell segments to form a complete "segment."
- **Attachment Installation:** We weld secondary attachments such as inner ring plates, fender components, and external platform supports onto the segments.

- **Final Assembly:** We perform final closure seam welding on the segments and conduct release inspections.
- **Surface Treatment:** We conduct automated sandblasting to treat the product surface to the required cleanliness grade.
- **Coating Treatment:** We apply anti-corrosion coatings to the product surface.
- **Process Inspection:** We develop a quality inspection plan for the entire production process, strictly controlling the quality of each process step, proceeding to the next step only after passing inspection, with third-party institutions conducting spot checks and re-verifications at critical production stages.
- **Final Inspection:** We conduct pre-delivery inspections, including dimensional checks, coating thickness and adhesion tests, non-destructive testing for weld seam re-inspections, and review of completion documentation.
- **Shipping and Transportation:** We weigh the product and transport it to the port prior to shipment, securing the product on the vessel using stop blocks and straps, ensuring it is welded, bound, and fixed for transportation.

Manufacturing Facilities

The manufacturing of offshore wind power products requires extensive production and storage space. Access to high-capacity deep-sea ports is essential for the global transportation of wind power equipment. Our manufacturing facilities in Penglai and Tangshan are strategically located to support the global offshore wind market. For instance, our Shandong Penglai Offshore Facility is equipped with its own Dajin Port, storage areas, a 1,000-ton gantry crane, and other transportation equipment. The facility features two 100,000-ton-class berths with a shoreline of 580 meters and one 35,000-ton recessed dock with a shoreline of 250 meters, enabling it to fully meet the delivery requirements for heavy equipment. In addition, our Hebei Tangshan Caofeidian Offshore Facility boasts a total shoreline length of 1,200 meters, supported by dedicated berths specifically designed to serve as a wind power support port. These sites not only have access to deep-sea harbors suitable for large-scale equipment logistics, but also possess open port certification, which is a scarce and valuable attribute for international operations.

We continue to optimize our production capacity layout. As of the Latest Practicable Date, we established seven large-scale manufacturing facilities in Chinese Mainland, as well as three dedicated ports in Shandong Penglai Offshore Facility, Hebei Tangshan Caofeidian Offshore Facility and Liaoning Panjin Shipbuilding Facility. Together, these facilities and ports support a high-standard manufacturing system and offer solid infrastructure support for offshore wind power projects worldwide.

The table below lists our manufacturing facilities and ports:



*Shandong Penglai
Offshore Facility*

According to Frost & Sullivan, as of June 30, 2025, the Shandong Penglai Offshore Facility was the only manufacturing facility in the Asia-Pacific region capable of mass production and supply of extra-large offshore monopiles to the European market. The facility occupies a site area of approximately 570,000 square meters and is primarily engaged in the production of offshore wind towers, monopiles and deep-sea jacket foundations, in particular towers and monopiles designed for 10 to 15MW wind turbines.

Through successive phases of technical upgrades, we have enhanced the manufacturing processes and equipments at the Shandong Penglai Offshore Facility in line with product innovation cycles. The facility is equipped with two 100,000-ton heavy-load berths, which allow for direct shipment of large-scale structures. These facilities enable us to meet the requirements of the European market in terms of technical standards, product quality, production efficiency and delivery schedule.



*Hebei Tangshan
Caofeidian Offshore
Facility*

The Hebei Tangshan Caofeidian Offshore Facility is positioned as a large-scale manufacturing base for extra-large offshore wind power equipment and oil and gas foundations for deep and far-sea operations. The facility focuses on the production of deep-sea extra-large monopiles, jackets and floating foundations. It has adopted a proprietary large-capacity factory design and the first fully-indoor mega-segment construction model in the global offshore wind power equipment market. The facility covers a site area of approximately 900,000 square meters and is designed to produce extra-heavy towers, extra-large monopile foundations, jackets and floating foundations. It is planned with multiple heavy-load berths to accommodate 15 to 25MW wind turbines, with the objective of meeting global offshore wind product demand in the coming years. The Hebei Tangshan Caofeidian Offshore Facility commenced production of its first offshore engineering project for export in December 2025.

In its initial phase, the facility will primarily focus on the production of monopiles, with subsequent phases expanding to other products such as jacket foundations and floating foundations.



*Liaoning Panjin
Shipbuilding Facility*

To support our global expansion, we are establishing a global logistics system. The Liaoning Panjin Shipbuilding Facility is engaged in the construction of large transport ships for oil and gas and offshore engineering applications. At this facility, we have built specialized ships and a team for the transportation of offshore wind power equipment. We design the first ship model with a beam of approximately 51 meters, a length of approximately 240 meters, a deadweight capacity of over 40,000 tons, and design the second ship model with a beam of approximately 61 meters, a length of approximately 245 meters, a deadweight capacity of approximately 60,000 tons. The ships are intended to meet our long-term transportation needs and are expected to provide higher efficiency and cost-effectiveness compared with conventional market solutions, particularly for deep-sea offshore wind projects.



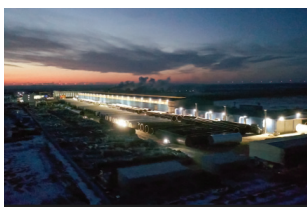
*Guangdong Yangjiang
Offshore Facility*

The Guangdong Yangjiang Offshore Facility is located in the Hailing Bay Port Area of Yangjiang Port, Guangdong Province. The facility has been developed under the investment principles of internationalization, scale and low carbon. Its principal products include offshore towers, onshore towers and jackets, which are supplied to domestic and international markets, including Guangdong, Guangxi, and Europe.



*Liaoning Fuxin Onshore
Facility*

The Liaoning Fuxin Onshore Facility is located in Fuxin, Liaoning Province and focuses on the manufacturing of onshore towers. It is our first wind tower manufacturing facility.



*Inner Mongolia Hinggan
League Onshore Facility*

The Inner Mongolia Hinggan League Onshore Facility is located in the Hinggan League Economic Development Zone, Inner Mongolia and focuses on the manufacturing of onshore wind power equipment.



*Hebei Zhangjiakou
Onshore Facility*

The Hebei Zhangjiakou Onshore Facility is located in Zhangjiakou, Hebei Province and focuses on the manufacturing of onshore towers.

BUSINESS

Recognizing the importance of localization, we are actively exploring the feasibility of final assembly of our products within Europe. Through collaboration with European port operators and partners, we aim to avoid the high costs of transporting large components from Chinese Mainland while meeting the local requirements of offshore wind projects in overseas region.

The table below sets forth the actual production capacity, actual production output and utilization rate by major product type:

	For the year ended December 31,								
	2023			2024			2025		
	Actual Production Capacity ⁽¹⁾	Actual Production Output	Utilization Rate	Actual Production Capacity ⁽¹⁾	Actual Production Output	Utilization Rate	Actual Production Capacity ⁽¹⁾	Actual Production Output	Utilization Rate
	(tons in thousands)			(tons in thousands)			(tons in thousands)		
Foundation structures ⁽²⁾ . .	190	139	73.2%	160	122	76.3%	142	116	81.7%
Towers	621	382	61.5%	504	305	60.5%	497	311	62.6%
Total	811	521	64.2%	664	427	64.3%	639	427	66.8%

Notes:

- (1) Our actual production capacity is adjusted from time to time in response to order requirements, and production resources (including personnel, equipment and facilities) may be allocated flexibly across different manufacturing facilities and product lines. Accordingly, the actual capacity and capacity utilization rates set out in the table may not fully reflect our overall capacity utilization and may fluctuate from period to period depending on the order mix.
- (2) Mainly include monopiles and transition pieces.

Due to the highly customized nature of our products, our production capacity and utilization rate are largely determined by production line design and resource allocation following the receipt of customer orders. Our production lines for towers and foundation structures are dedicated and independent, due to differences in their underlying technologies and therefore have no interchangeability of actual production capacity between them.

For tower products, we primarily manufactured onshore towers during the Track Record Period. As part of our strategic shift to the “overseas offshore wind business strategy” (“新兩海戰略”), we deliberately changed our business focus from onshore to offshore projects. Consequently, this re-prioritization led to a reduction in capacity allocation for our tower manufacturing operations, and the utilization rate fluctuated slightly during the Track Record Period.

In 2024 and 2025, the production of certain technically complex products required longer standard production hours when measured at comparable tonnage, which resulted in lower actual production capacity but higher capacity utilization rates. However, the stringent technical requirements and intricate manufacturing processes of these products enabled us to achieve higher profit margins.

According to Frost & Sullivan, due to the customized, large-scale, and technically challenging nature of offshore wind power equipment manufacturing, our capacity utilization rate is in line with the industry average.

Manufacturing Equipment

Our facilities are equipped with a range of high-efficiency and automated production systems, enabling us to manufacture large-scale wind power components with extra-large dimensions, high structural strength, and complex geometries.

Our core equipment covers key processes such as CNC flame cutting, high-precision bevel machining, efficient splicing and welding, thick plate rolling, circumferential weld root cleaning, and anti-corrosion treatment. This includes CNC flame cutting machines, rolling machines, self-lining roller beds, precision edge milling machines, circumferential seam root cleaning machines, automated welding machines, heavy-duty panel splicing machines, eco-friendly paint mist treatment systems, and high-efficiency dehumidification equipment — all owned in-house. This enables high-quality, high-efficiency, and low-energy consumption operations throughout the entire workflow, from material preparation and forming to welding and coating. The majority of these core production equipment items have a designed service life typically ranging from 12 to 20 years, with a remaining service life of approximately 10 to 20 years. We adhere to a strategy of technological independence and innovation-driven development, particularly in the field of core process equipment. Nearly 40% of our key machinery is either self-developed or co-designed under our leadership. For instance, we took the lead in the joint design of rolling machines, automatic steel plate edge milling machines, and specialized automated welding equipment, ensuring close alignment between equipment performance and process requirements. We also independently developed self-lining roller beds and heavy-duty panel splicing machines, which were manufactured by equipment suppliers according to our design specifications, further strengthening our innovative edge in the field of specialized equipment.

Our core equipment operates in coordination across different processes: the rolling machines employ dynamic compensation systems and closed-loop control technology to achieve high rolling accuracy and forming speed; the self-lining roller beds support stable rotation of heavy workpieces with synchronized multi-station operation and axial adjustment; the automatic milling machines provide precise bevel processing for straight seams and circular rings, suitable for ultra-thick plates; the circumferential seam milling machines adopt controlled processing with specialized tooling and automated systems, enabling continuous operation under high weld strength requirements; the automated welding systems enhance efficiency and quality consistency through process control, high-energy welding and modular design, and are applicable to complex conditions such as heavy steel structures and offshore wind power projects, while all welding operations comply with international standards such as ISO 3834-2, ISO 15614-1, EN1090-1/2 and DNV-OS-C401, and have obtained relevant welding certifications including EN 1090-1/2, ISO 3834-2, DNV-CP-0352, H rating under JIS (Japanese Industrial Standard), and NK (Nippon Kaiji Kyokai); the heavy-duty splicing machines support accurate plate alignment under high pressure, improving flatness and stability in large plate splicing; the fully enclosed automated blasting rooms are designed to meet the stringent corrosion resistance requirements of the offshore operating environment, such as Sa 2.5 and Sa 3, and leveraging our state-of-the-art manufacturing equipment, Shandong Penglai Offshore Facility was officially awarded the FROSIO (Federation Responsible for Operating a Scheme for Inspection and Certification of Corrosion Protection of Steel Structures) certification in April 2025, making us the first company in China and the second in Asia within the offshore engineering sector to receive this prestigious international accreditation. Collectively, the equipment ensures forming accuracy, weld quality and production efficiency, while reducing surface damage and transportation costs, thereby supporting stable mass production of extra-large and complex structural components. Moreover, we are implementing a series of smart and automated upgrades. For example, we

plan to deploy welding robotics, intelligent cutting platforms, and digital painting lines, all aimed at enhancing production efficiency for extra-large monopiles, deep-sea jacket foundations, and floating foundations.

QUALITY CONTROL

We are committed to delivering high-quality products through a stringent quality management system. We maintain close communication and collaboration with our customers, enabling us to accurately identify and respond to evolving global demands for products and services. Through the continuous refinement of our internal quality management system, we have established stringent quality monitoring procedures and quality control methodologies, thereby enhancing product reliability, elevating corporate reputation, and reinforcing brand value.

As of December 31, 2025, all of our long-term operational facilities had obtained ISO 9001 Quality Management System certification awarded by international agencies, ensuring the implementation of globally consistent quality control standards across our manufacturing operations. In particular, our Shandong Penglai Offshore Facility has obtained multiple internationally recognized certifications, including: ISO 3834-2, ISO 15614-1, EN 1090-1/2, and DNV-OS-C401, EN 1090-1/2, ISO 3834-2, DNV-CP-0352, JIS Grade H and ClassNK certification. These certifications reflect the facility's extensive quality assurance capabilities, particularly in relation to the production of offshore wind power equipment.

Guided by our internal quality policy framework, we formulate and implement annual QHSE management objectives, which are applied across functions, operational levels, and production processes. These objectives cover a wide range of areas, including health, safety and environmental (HSE) management, procurement, technical processes, production yield, metrology and calibration, human resources, project management for both domestic and overseas projects, production planning, equipment maintenance, and administrative operations. All objectives are designed to be measurable, actionable, and aligned with our strategic development goals. We continue to invest in research and development to optimize production techniques, improve process efficiency, and advance technological innovation, thereby driving sustained improvements in product quality and consistency.

We have also established a supplier management and evaluation system. We conduct semi-annual performance evaluations of all key suppliers based on the *Management Measures for Supplier Performance Evaluation*, assessing their performance in areas such as product qualification, on-time delivery, pricing competitiveness, and service quality. Based on the evaluation results, suppliers that fail to meet performance requirements are subject to rectification or elimination. This dynamic supplier management system enables us to mitigate supply chain risks, enhance supplier capabilities, and build an efficient, stable, and sustainable supply chain system.

SALES AND MARKETING

Sales Model

We operate an expanding global sales network, supported by a strong presence in both domestic and overseas markets. For the overseas market, Europe has become our strategic focus due to its mature offshore wind sector, high technical standards, rigorous quality requirements, and promising commercial potential. We engage in long-term collaboration with multiple major global energy developers, such as RWE and Ocean Winds, as well as leading European wind turbine manufacturers such as Vestas, primarily through direct negotiations,

strategic bidding, and framework agreements. For the domestic market, we primarily secure orders through open tender procedures. Our key customers consist of leading wind turbine manufacturers such as Goldwind, Envision Energy, and Ming Yang Smart Energy.

Our bidding strategy for overseas foundation structure projects, which are core to our business, is multifaceted and proactive as we actively participate in project tenders. We are strategically focused on deepening our long-term partnerships with key established customers in Europe, enhancing customer loyalty by actively participating in the tenders for their new projects.

We are the only supplier in the Asia-Pacific region to achieve bulk delivery of monopiles to Europe, as of June 30, 2025, according to Frost & Sullivan, marking a milestone in our internationalization strategy. Overseas customers consider a strong track record to be a critical factor in the bidding evaluation process, and therefore providing us a competitive barrier and enhancing our ability to secure contract awards. We are expanding our scope of services described in our bidding documents beyond the supply of products under the FOB model to include shipping and logistics arrangement under the DAP model, and further extended our capabilities to provide one-stop integrated solutions. Geographically, our strategy involves consolidating and growing our market share in mature markets like the United Kingdom, Germany, and France, while actively pursuing opportunities in emerging markets such as Denmark, the Netherlands, Ireland, Belgium, and Lithuania. Underpinning our entire tendering process is a customer-centric philosophy where we prioritize project quality, safety, and on-time delivery as our foremost commitments. Looking ahead, while continuing to solidify our market leadership in flagship products like monopiles, we are proactively expanding into more technologically complex and higher value-added products, including jacket and floating foundations. For our overseas offshore and onshore tower projects, our bidding strategy is primarily centered on maintaining strong relationships with our core customers. We participate in tenders for these products selectively, undertaking bids only when our production capacity allows. To support our global business development, we have established regional representative offices in key overseas markets, including Europe, Japan, and South Korea, which serve as localized platforms for customer engagement, project follow-up, and market intelligence.

Regarding domestic projects, our bidding strategy is guided by the “risk prevention and pursuit of high-quality development” objective that we have firmly implemented over the past two years. We primarily focus our tendering activities on projects located within a 500-kilometer transportation radius of our production bases in Fuxin, Zhangjiakou, Hinggan League, and Yangjiang. All potential projects are rigorously screened based on their overall value, which we assess through criteria such as customer creditworthiness, payment terms, and gross margin. We prioritize collaborations with leading reputable enterprises, leading EPC contractors, and major wind turbine manufacturers. Our focus is on securing projects with favorable payment terms and high gross margins, which enables us to effectively control risk while generating favorable profitability and healthy cash flow.

Marketing Activities

We actively maintain and enhance our brand reputation through targeted branding and promotional campaigns, which include the regular presentation of our product portfolio and technological capabilities at industry forums, technology conferences, and major exhibitions. Participation in key industry events allows us to showcase our latest products and technologies to potential customers in strategic regions, enhance our brand recognition, and deepen our understanding of local market demands and industry trends. For example, we have participated in events such as the WindEnergy Hamburg, the WIND EXPO - TOKYO, the UK Global

Offshore Wind in London, and the Offshore Technology Conference in the United States. These platforms enable us to engage with global stakeholders, demonstrate our technological leadership, and explore opportunities to expand our market presence.



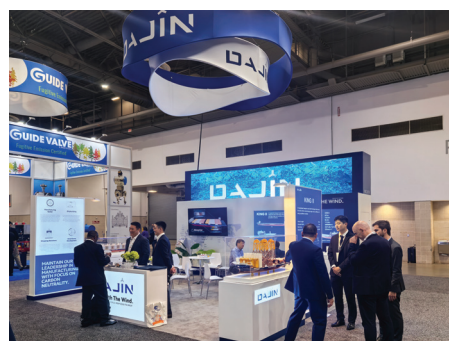
WindEnergy Hamburg



WIND EXPO - TOKYO



UK Global Offshore Wind



U.S. Offshore Technology Conference

In addition, we maintain close collaboration with mainstream and industry-specific media outlets, through which we publish information on our technological advancements, new product developments, and corporate milestones, thereby ensuring sustained market visibility, strengthening brand recognition, and reinforcing our positioning as a trusted and innovative player in the offshore wind power equipment industry.

Customers

Our customers primarily consist of leading offshore wind power developers and wind turbine manufacturers across various regions globally, particularly in Europe, many of which maintain stringent supplier qualification standards. We generally granted different credit periods to our customers depending on the product type during the Track Record Period. For example, we generally granted a credit period of between 30 to 60 days for monopiles, between 30 to 180 days for towers.

In 2023, 2024 and 2025, the aggregate revenue generated from our five largest customers in each year during the Track Record Period amounted to RMB2,285.0 million, RMB2,100.0 million and RMB4,886.5 million, representing approximately 52.8%, 55.6% and 79.2% of our total revenue for the corresponding year, respectively. In the same periods, the revenue generated from our largest customer in each year during the Track Record Period amounted to RMB975.4 million, RMB657.5 million and RMB3,031.7 million, representing approximately 22.6%, 17.4% and 49.1% of our total revenue for the corresponding year, respectively. We

BUSINESS

maintain long-term and stable cooperative relationships with our major customers. The relatively high concentration of our largest customer in each year is in line with industry norms and does not adversely affect our operational independence or sustainable business capabilities.

The following table sets forth details of our five largest customers in each period during the Track Record Period:

Customer	Background	Products we Provided	Relationship Since	Revenue Contribution (RMB'000)	% of Total Revenue
<i>For the year ended December 31, 2025</i>					
Customer A . . .	A Germany listed energy group, specializing in the generation and trading of electricity from conventional and renewable energy sources.	Foundation structures	2024	3,031,699	49.1%
Customer B . . .	A Chinese listed company that specializes in the production, sales, development and application of large-scale wind power turbine generators.	Towers	2014	662,104	10.7%
Customer C . . .	A Germany listed energy company that mainly specializes in power transmission and distribution.	Towers	2019	547,769	8.9%
Customer D . . .	A Spain-based company specializing in the manufacturing of offshore foundation products.	Foundation Structures	2024	363,508	5.9%
Customer E . . .	A Chinese energy corporation offering technical consulting and services for the manufacturing, and research and development of wind power generation equipment.	Towers	2016	281,370	4.6%
Total				4,886,450	79.2%
<i>For the year ended December 31, 2024</i>					
Customer F . . .	A French electric utilities company that specializes in the production of electricity using wind power.	Foundation structures	2024	657,549	17.4%
Customer A . . .	A Germany listed energy group, specializing in the generation and trading of electricity from conventional and renewable energy sources.	Foundation structures	2024	559,318	14.8%
Customer C . . .	A Germany listed energy company that mainly specializes in power transmission and distribution.	Towers	2019	352,841	9.3%
Customer G . . .	Affiliate of a Chinese energy group specializing in new energy equipment manufacturing and wind power generation technology services.	Towers	2009	289,456	7.7%
Customer E . . .	A Chinese energy corporation offering technical consulting and services for the manufacturing, and research and development of wind power generation equipment.	Towers	2016	240,829	6.4%
Total				2,099,993	55.6%

BUSINESS

Customer	Background	Products we Provided	Relationship Since	Revenue Contribution (RMB'000)	% of Total Revenue
<i>For the year ended December 31, 2023</i>					
Customer H . .	A project company established for a wind farm project in the U.K., sponsored by an international offshore wind development company headquartered in Spain, and a company headquartered in Lithuania primarily focusing on electricity distribution network.	Foundation structures	2023	975,377	22.6%
Customer C . .	A Germany listed energy company that mainly specializes in power transmission and distribution.	Towers	2019	444,106	10.3%
Customer I . .	Affiliate of a Chinese energy group, specializing in wind power investment, development, and operation.	Towers	2012	340,329	7.9%
Customer J . .	A Chinese listed company that specializes in the smart design of wind power turbine generators, wind resource assessment and digitalized investment and development of wind farm.	Towers	2017	298,338	6.9%
Customer K . .	A Chinese listed company that dedicates in the global clean energy equipment and services.	Towers	2022	226,844	5.1%
Total				2,284,994	52.8%

As of the Latest Practicable Date, to the best knowledge of our Directors, none of our Directors or their respective close associates, and none of our Shareholders who own more than 5% of the Shares in issue, had any interest in any of our five largest customers in each year during the Track Record Period.

Major Terms with Our Key Customers

In our business collaborations, we primarily adopt a direct sales model with our customers. Set forth below is a summary of the major terms in our contracts with key customers for wind power equipment:

- *Pricing:* The contract price is determined based on the mutually agreed fixed unit prices and quantities for each item. Our agreements with overseas customers typically include price adjustment mechanisms that provide us with the flexibility to adjust prices in the event of significant fluctuations in the price of raw materials and foreign exchange rates.
- *Payment terms:* Payments are made in instalments based on predefined milestones.
- *Delivery terms:* We are responsible for the packaging, insurance, and delivery of the equipment to the designated site. The equipment is to be delivered in batches in accordance with the project implementation schedule and actual demand by the customers as specified in the agreement.
- *Risk transfer:* The risk of loss or damage to the equipment transfers to the customer in accordance with specific contractual provisions, usually upon customer acceptance and approval. Risk of loss or damage usually remains with us until such transfer has occurred and relevant conditions have been fulfilled.
- *Quality assurance:* We provide a warranty that the equipment will conform to the agreed technical specifications and performance standards, though warranty terms vary by region. For details, see “— After-sales Services.”

BUSINESS

- *Liquidated damage:* In the event of any delay in delivery, quality issues, or failure to perform other contractual obligations, we may be required to pay liquidated damages. The triggering events and the amount of liquidated damages are determined in accordance with the terms of the respective contracts.
- *Termination:* Termination is generally allowed by mutual agreement under circumstances such as material breach, insolvency, or prolonged force majeure circumstances.

We supply electricity generated from our wind and photovoltaic power facilities to local branches of State Grid Corporation of China. The following sets out a summary of the principal terms of the long-term power purchase agreement for our wind and photovoltaic power generation business:

- *Pricing:* The on-grid tariff is determined in accordance with policies approved by the National Development and Reform Commission and relevant pricing authorities. During the testing period, the price follows national regulations. During the commercial operation period, the price is based on the benchmark coal-fired power tariff or other approved settlement prices.
- *Licensing and compliance:* We are required to obtain and maintain all necessary generation licenses, grid connection permits, and comply with the dispatch protocols as stipulated in the relevant grid dispatching agreement.
- *Payment:* Settlement is conducted on a monthly basis.
- *Electricity standards and liability:* The electricity we supply must meet national and industry standards. We are responsible for ensuring the stable and compliant operation of our wind and photovoltaic power generation equipment and for any deviation from dispatch instructions.
- *Maintenance and metering:* We are responsible for the maintenance and proper functioning of metering equipment and transmission facilities within our ownership boundary. Meter readings are conducted jointly at agreed metering points, and data is submitted to the trading platform for monthly settlement.
- *Liquidated damage:* Either party that fails to perform or violates the contractual obligations may be required to rectify the breach and compensate the counterparty for the resulting losses. The specific events of default and calculation of liquidated damages are specified in agreements.
- *Termination:* Either party is allowed to terminate the agreement by written notice upon the occurrence of certain events, including, among others, bankruptcy or liquidation of a party, revocation or suspension of a business or power operation license, termination of grid connection or dispatch agreements, prolonged interruption of power generation or use due to the fault of either party, or other circumstances that render the continued performance of the agreement impossible.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any defaults under the contracts with our customers that would have a material adverse impact on our results of operations, financial performance, or growth prospects.

Pricing Policy

For pricing of our wind power equipment, we strive to offer competitive pricing and optimize our cost structure through the adoption of efficient technical designs and effective utilization of supply chain resources. Our pricing is determined and adjusted with reference to factors such as product categories and specifications, production costs, market positioning, supply and demand dynamics, industry competition, and technological advancements, and our business relationship with relevant customers. We maintain open and continuous communication with our customers regarding key cost elements that may affect product pricing, including fluctuations in raw material prices, logistics costs, and exchange rate movements. Based on such communications, mutual price adjustments may be negotiated to reflect changes in cost structures, thereby ensuring stable and sustainable cooperation with our customers.

During the Track Record Period, we entered into contracts with local branches of the State Grid Corporation of China regarding the sale of electricity generated from our facilities. These contracts stipulate that we are to be compensated at either the benchmark tariff or the bidding tariff, in accordance with the applicable laws and regulations.

After-sales Services

In the overseas market, we place great emphasis on after-sales services for overseas customers. Quality assurance for delivered products is primarily provided through international warranty insurance, generally covering a period of five to seven years. For after-sales support beyond the warranty period, we offer professional technical guidance and paid maintenance, committed to establishing lifelong quality assurance cooperation mechanisms with our customers.

In the domestic market, we are equally dedicated to providing high-quality after-sales support. The product warranty period is usually determined through negotiations with customers and may vary depending on specific project circumstances, typically ranging from one to six years. During the warranty period, our services include on-site technical guidance, paint touch-ups, parts replacement, and repairs. Should any after-sales issues arise, our service team will arrive at the project site timely after receiving the notification, and provide efficient on-site support in strict accordance with customer requirements.

During the Track Record Period, we have not encountered any major customer complaints or product returns, nor have we experienced any significant order cancellations or returns due to product quality issues. With our efficient and professional service capabilities, we have earned widespread recognition from our customers.

RAW MATERIALS AND SUPPLY CHAIN

Raw Materials

We adopt an order-driven supply chain management model, whereby the procurement of key raw materials, such as steel plates, flanges, paints and tower internal fittings, is directly linked to specific sales orders. Procurement activities are typically initiated only after the signing of corresponding customer contracts, ensuring alignment between production planning and material sourcing and ensuring that the raw material prices at the time of procurement can meet the targeted profit levels of the sales orders. Furthermore, we have strengthened our dynamic analysis and assessment of market trends. We have also enhanced communication and strategic cooperation with our suppliers to, wherever possible, lock in the raw material

BUSINESS

procurement costs for order fulfillment and stabilize our supply channels. We mainly source raw materials from China and, to a lesser extent, from overseas suppliers. For details of measures we adopted to manage our procurement of key raw materials, see “Financial Information — Key Factors Affecting Our Results of Operations — Ability to control raw material costs and operating costs.”

During the Track Record Period, we did not experience any significant shortage of raw material supplies, and the raw materials provided by our suppliers did not have any significant quality issues.

Supply Chain Management

We have established a set of internal control policies that regulate a hierarchical compliance framework. This system promotes transparency, risk management, and operational integrity, driving the sustainable and compliant development of our supply chain. All suppliers are subject to rigorous qualification procedures prior to engagement, which include assessments of their certifications, product quality, responsiveness, and evaluations of their ESG performance. Only suppliers meeting our predefined standards are included in the approved supplier list. Additionally, we conduct annual performance and ESG evaluations of approved suppliers to continuously monitor and ensure the stability, quality, reliability, and compliance of our supply chain.

Suppliers

Our suppliers primarily comprise raw material suppliers, mainly for steel plates, flanges, paints and tower internal fittings, and transportation service providers. For suppliers who grant us a credit period, the typical term is up to 90 days.

In 2023, 2024 and 2025, the purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB1,413.8 million, RMB1,516.3 million and RMB1,528.4 million, representing approximately 44.5%, 45.4% and 41.6% of our total purchases for the corresponding year, respectively. In the same periods, the purchases from our largest supplier in each year during the Track Record Period amounted to RMB552.2 million, RMB665.3 million and RMB464.8 million, representing approximately 17.4%, 19.9% and 12.7% of our total purchases for the corresponding year, respectively. We have established long-term and stable cooperative relationships with our major suppliers.

The following table sets forth details of our five largest suppliers in each year during the Track Record Period:

Suppliers	Background	Products/Services Provided	Relationship Since	Purchase Amount	% of Total Purchase
<i>(RMB'000)</i>					
<i>For the year ended December 31, 2025</i>					
Supplier A . .	A water transportation corporation that engages in the transport of general cargo, international shipping and ship sales.	Logistics services	2025	464,822	12.7%
Supplier B . .	A wholesale corporation that specializes in the sales of metal materials, high-quality special steel, machinery and equipment.	Steel plates	2021	354,211	9.6%

BUSINESS

Suppliers	Background	Products/Services Provided	Relationship Since	Purchase Amount (RMB'000)	% of Total Purchase
Supplier C . . .	A wholesale corporation that specializes in the process of metals and the sales of construction materials, machinery electronics, and minerals.	Steel plates	2018	302,546	8.2%
Supplier D . . .	A corporation that primarily engages in ferrous metal smelting and rolling processing.	Steel plates	2005	218,700	6.0%
Supplier E . . .	A listed company that engages in the trading, resource development, and infrastructure development and operation businesses in the globe.	Steel plates	2025	188,143	5.1%
Total				1,528,422	41.6%
<i>For the year ended December 31, 2024</i>					
Supplier B . . .	A wholesale corporation that specializes in the sales of metal materials, high-quality special steel, machinery and equipment.	Steel plates	2021	665,291	19.9%
Supplier C . . .	A wholesale corporation that specializes in the process of metals and the sales of construction materials, machinery electronics, and minerals.	Steel plates	2018	239,239	7.2%
Supplier D . . .	A corporation that primarily engages in ferrous metal smelting and rolling processing.	Steel plates	2005	235,308	7.0%
Supplier F . . .	A large-scale industrial group that specializes in the mining and mineral process, real estate development, engineering design, steel fabrication, metal and metallurgical by-product processing.	Steel plates	2015	220,165	6.6%
Supplier G . . .	An energy corporation offering technical consulting and services for the manufacturing, and research and development of wind power generation equipment.	Steel plates, flanges	2016	156,324	4.7%
Total				1,516,327	45.4%
<i>For the year ended December 31, 2023</i>					
Supplier B . . .	A wholesale corporation that specializes in the sales of metal materials, high-quality special steel, machinery and equipment.	Steel plates	2021	552,235	17.4%
Supplier D . . .	A corporation that primarily engages in ferrous metal smelting and rolling processing.	Steel plates	2005	294,590	9.3%
Supplier C . . .	A wholesale corporation that specializes in the process of metals and the sales of construction materials, machinery electronics, and minerals.	Steel plates	2018	228,772	7.2%
Supplier H . . .	A wholesale corporation that specializes in the sales of metal materials, merchandise import and export, warehousing services and domestic logistic support.	Steel plates	2020	170,200	5.4%

BUSINESS

Suppliers	Background	Products/Services Provided	Relationship Since	Purchase Amount	% of Total Purchase
				(RMB'000)	
Supplier I . . .	A corporation in clean energy sector specializing in the manufacturing of metal flanges, fasteners, and forgings, which are extensively used in a diverse range of industries such as wind power, nuclear power and hydropower.	Flanges	2009	167,996	5.2%
Total				1,413,793	44.5%

To the best knowledge of our Directors, none of our Directors, their respective close associates, and none of our Shareholders who own more than 5% of the Shares in issue, had any interest in any of our five largest suppliers in each year during the Track Record Period.

Major Terms with Our Key Suppliers

Set forth below is a summary of the major terms in our contracts with key raw material suppliers:

- *Pricing:* The contract price is determined based on the mutually agreed fixed unit prices and quantities for each item. Our agreements with suppliers typically do not include price adjustment mechanisms.
- *Product standards:* Suppliers must deliver products that meet agreed technical and quality standards.
- *Delivery and risk transfer:* Delivery is made to designated locations within agreed timelines. Risk of loss transfers to us upon delivery. Late or non-conforming deliveries may be rejected.
- *Payment terms:* Payments are settled according to agreed schedules. Late payments incur default interest.
- *Product liability:* Suppliers are liable for losses arising from quality issues, delivery delays or breaches of contract.
- *Liquidated damage:* Our supply contracts include customary provisions governing events of default, under which the non-defaulting party may request the defaulting party to rectify the breach and claim compensation for losses.
- *Termination:* Termination is generally allowed by mutual agreement under circumstances such as material breach, insolvency, or prolonged force majeure circumstances.

OVERLAP BETWEEN MAJOR CUSTOMERS AND SUPPLIERS

During the Track Record Period, certain of our customers also acted as our suppliers, resulting in an overlap between our customer and supplier relationships.

In particular, one of our five largest customers during the relevant periods, Customer E (or Supplier G), not only purchased our tower products but also supplied certain steel plates and flanges to us under the request of this customer to ensure progress and meet quality requirements. Customer E (or Supplier G) is a Chinese energy corporation offering technical consulting and services for the manufacturing, and research and development of wind power generation equipment. According to Frost & Sullivan, it is not uncommon for large domestic energy enterprises, such as Customer E, to purchase raw materials and resell to its suppliers for better control over supply chain stability, quality and cost control. Our Directors have confirmed that all transactions with this overlapping customer-supplier were fair and reasonable, considering the following factors (i) we secured orders for tower products from Customer E through a standard tender process, (ii) we procured the required steel plates and flanges from this overlapping customer-supplier after due consideration taking into account the prevailing market price at the relevant times, and the pricing mechanisms and key commercial terms are generally aligned with those with other Independent Third Parties who are not overlapping customer-suppliers, and (iii) these transactions were undertaken by different departments and entities both in our Group and in this overlapping supplier-customer, and conducted in the ordinary course of business under normal commercial terms and on arm's length basis. In 2023, 2024 and 2025, revenue generated from transactions with this customer amounted to approximately RMB219.3 million, RMB240.8 million and RMB281.4 million, respectively. For the same periods, our purchase amounts from this customer amounted to RMB124.3 million, RMB156.3 million and RMB6.7 million, respectively.

In addition, we supplied electricity generated from our facilities to the local branches of the State Grid Corporation of China according to applicable laws and regulations. The portion of our wind and photovoltaic power generation revenue that was generated from the local branches of the State Grid Corporation of China amounted to RMB131.6 million, RMB214.6 million and RMB251.1 million in 2023, 2024 and 2025, respectively. We also procured electricity from the local branches of the State Grid Corporation of China during the Track Record Period, amounting to RMB35.8 million, RMB32.8 million and RMB36.1 million in 2023, 2024 and 2025, respectively. Our Directors confirmed that all of our sales of electricity generated from our facilities and purchase of electricity used in our daily operation were not inter-conditional, inter-related or otherwise considered as one transaction.

Based on the above, our Directors confirm that (i) such overlapping customer and supplier relationships represented normal commercial arrangements in the ordinary and usual course of business; (ii) the terms of these transactions were fair and reasonable; and (iii) such arrangements did not have any adverse impact on our operational independence, pricing mechanisms or business arrangements. We are not reliant on such overlapping relationships. Nothing has come to the Joint Sponsors' attention to cast doubt of the Directors' view above.

INVENTORY MANAGEMENT

We operate under a make-to-order business model, whereby we align our production and procurement plans with the specific requirements of customer projects. This approach allows us to control inventory levels at the source, enhancing operational efficiency and reducing the risk of inventory accumulation. We utilize an ERP system to dynamically manage inventory, recording real-time data on the movement of raw materials, work-in-progress, and finished goods, and implement category-specific management based on inventory type. To further strengthen inventory control, we conduct regular stocktaking and aging analyses, evaluate inventory turnover, and promptly identify and address slow-moving or obsolete items. These measures facilitate refined inventory management, improve capital efficiency, and ensure supply chain stability and on-time project delivery.

WAREHOUSING AND LOGISTICS

Warehousing

To meet the needs of our manufacturing and delivery operations, we have developed an extensive warehousing network across key operational hubs. As of December 31, 2025, we owned and leased a total of 31 warehouses, covering an aggregate gross floor area of approximately 27,670 square meters.

We exercise strict planning and control over warehouses, aiming to reduce excess procurement and promote energy conservation and emission reduction. Our approach to warehouse operations emphasizes environmental responsibility, resource efficiency, and operational performance. In particular, we focus on enhancing intelligent warehouse management systems, improving space utilization, and implementing more refined warehousing control measures. To further strengthen our warehouse management performance, we have adopted the following practices: (i) optimizing inventory control to reduce overstock and minimize inventory losses; (ii) improving warehouse layout and space utilization to lower storage costs; (iii) enhancing operational efficiency to reduce labor costs while ensuring workplace safety and regulatory compliance; and (iv) implementing real-time monitoring and data-driven decision-making to support precise and efficient warehouse operations.

Logistics

We now generally arrange third-party logistics companies to deliver the products to our customers under the DAP model, to designated ports. As of December 31, 2025, we had established partnerships with 15 external logistics providers. Given the large scale, high value, and transportation complexity of our offshore wind power equipment, we maintain stringent standards in managing transportation operations to ensure safety, quality, and timeliness.

We offer end-to-end logistics solutions, including on-site cargo handling, loading and ocean transportation. Our logistics planning is meticulously designed to account for equipment dimensions, route restrictions, port handling capacities, and weather conditions, ensuring safe and efficient delivery from origin to destination. These tailored logistics services are specifically designed to support the deployment of offshore wind power projects, providing critical support in meeting project schedules and contractual delivery commitments. We integrate logistics planning with production scheduling to optimize time utilization, enhance delivery efficiency, and improve customer satisfaction. In addition to engaging external logistics service providers, we are establishing our own international shipping fleet and self-operated global logistics system.

INTELLECTUAL PROPERTY

We rely on patent laws, trademark laws, copyright laws, other intellectual property (IP) laws, fair trade practices, contractual arrangements, and confidentiality procedures in the jurisdictions where we operate to establish and protect our proprietary technologies. As of December 31, 2025, we held 201 patents in Chinese Mainland, among which 157 were self-developed by our Company, and owned 14 trademarks, three software copyrights, and four domain names in Chinese Mainland. As of the same date, we owned five trademarks and one trademark application in overseas areas. For detailed information about our material intellectual property, see “Appendix VI — Statutory and General Information — Further Information about Our Business — Intellectual Property Rights.”

We take a proactive approach to managing our IP portfolio, implementing systematic processes for patent applications, analysis, operations, expiration, and acquisitions. These processes ensure effective IP management throughout the protection lifecycle. Our legal team regularly monitors our IP rights and takes action against potential infringements. We also conduct specialized training programs to enhance employee understanding of IP protection and standardize workflows. Despite preventive measures, risks related to alleged infringement of third-party IP or violations of our IP rights may arise. For details, see “Risk Factors — Risks Relating to Our Operations — We may not be able to adequately protect our intellectual property rights.” During the Track Record Period and up to the Latest Practicable Date, as advised by our PRC Legal Advisors, we had not been subject to any material litigations with third parties in relation to our IP rights.

SEASONALITY

Our business is subject to seasonal variations. For instance, domestic orders for wind power equipment are generally concentrated in the second and third quarters, largely influenced by seasonal construction conditions and the availability of labor resources, which can result in period-to-period fluctuations in our financial performance. Orders for overseas wind power equipment do not exhibit significant seasonal variation, as they are influenced by diverse demand patterns across different regional markets. To mitigate the impact of this seasonality, we have implemented several strategic initiatives such as optimizing our production and inventory management processes, as well as expanding into overseas markets to reduce our reliance on weather-dependent resources in limited geographic areas. Our wind and photovoltaic power generation business is subject to seasonal variations driven by fluctuations in natural resource availability. We anticipate continuing to experience some degree of seasonal fluctuations in our results of operations and financial condition going forward.

COMPETITION

According to Frost & Sullivan, China and Europe have become the primary driving forces behind global offshore wind power development, establishing an industry landscape predominantly led by these two regions. China contributes approximately half of the global installed capacity, while Europe, anchored by key markets in the United Kingdom, Germany, the Netherlands, and Denmark, serves as a critical hub. European local manufacturers continue to face capacity constraints, limited by land resources, port infrastructure, and labor costs, making it difficult to keep pace with the rapid growth in installed capacity. Against this backdrop, overseas enterprises, particularly Chinese companies, leverage stable production capacity, modern manufacturing technologies, and extensive experience in deep-sea projects to secure high-quality orders and accelerate their strategic expansion. In addition, the global shortage of specialized deck transport ships, which resulted in tight heavy-lift maritime transport capacity and rising transportation costs, further underscores the importance of reliable delivery capabilities. Overall, the offshore wind foundation structure industry is characterized by high technical barriers, stringent certification requirements, and constraints on manufacturing capacity and maritime transport resources. Enterprises that possess large-scale manufacturing capabilities, internationally recognized certifications, and cross-border delivery assurances are well positioned to gain a competitive advantage in the future.

BUSINESS

EMPLOYEES

We believe a skilled workforce is key to sustainable growth. As of December 31, 2025, we had 2,303 full-time staff globally, including 2,265 located in Chinese Mainland and 38 located overseas. The table below details employee distribution by function as of December 31, 2025.

Function	Number of Employees	% of Total
Production	1,159	50.3%
Technology	514	22.3%
General administration	468	20.3%
Sales	84	3.7%
Finance	78	3.4%
Total	2,303	100.0%

Our workforce comprises skilled laborers and seasoned industry professionals. We place great emphasis on investing in our employees and have established a well-structured talent development system. Our training programs are structured at three levels: corporate, departmental, and functional. Governed by our *Employee Training Management Policy*, we deliver professional, technical, and skills development through a combination of internally developed courses, external resources, and specialized programs. These initiatives are designed to execute our talent strategy, nurture key personnel, and elevate management capabilities while ensuring full compliance with employment laws and regulations. This systematic approach continuously enhances our employees' technical competencies, career competitiveness, and growth potential.

Upholding an employee-first core value, we prioritize incentive policies and share operational achievements with our team. Our compensation and benefits system are equitable, market-competitive, and inclusive, featuring base salaries augmented by annual performance bonuses, profit-sharing plans, outstanding performance awards, special bonuses, and mid-year/annual salary adjustments. Additional benefits include annual health checks and paid leave.

We have established a dedicated labor union which safeguards employee rights, facilitates participation in management decisions, and mediates disputes. Throughout the Track Record Period and up to the Latest Practicable Date, no material labor disputes have arisen, reflecting harmonious employee relations.

Insufficient Social Insurance and Housing Provident Fund Contribution

Pursuant to applicable laws and regulations in the PRC, we are required to participate in social insurance plans and make housing provident fund contribution for our employees. During the Track Record Period, we did not make social insurance and housing provident fund contributions for some of our employees in full, primarily because (i) certain employees were unwilling to pay social insurance and housing provident funds in full as it requires additional contributions from them; and (ii) our human resources staff do not fully understand the relevant provisions of applicable PRC laws and regulations. The total unpaid amount of the social insurance and housing provident funds calculated based on the minimum contribution base of social insurance and housing provident funds is RMB0.7 million, RMB0.9 million and RMB0.5 million, respectively, in 2023, 2024 and 2025. As advised by our PRC Legal Advisors, the relevant authorities could order an employer who fails to make social insurance contributions

in full to pay, within a prescribed time limit, the outstanding social insurance contribution amount with an additional late payment penalty at the daily rate of 0.05%, and if the such employer fails to make the overdue contributions within such time limit, a fine equal to one to three times the outstanding amount may be imposed. In addition, if any employer fails to register and establish an account for housing provident funds for its employees, the authority could order such employer to correct it within a prescribed time limit, where failure to do so at the expiration of the time limit shall result in a fine of not less than RMB10,000 nor more than RMB50,000. If the employer fails to make corrections or fails to pay fines within the prescribed time limit, the relevant authority could make an application to a People's Court of the PRC for compulsory enforcement. See "Risk Factors — Risks Relating to Government Regulations — We are subject to various laws, regulations and regulatory standards and any inability to comply with such requirements and standards may subject us to liabilities."

As advised by our PRC Legal Advisors, considering that (i) during the Track Record Period and up to the Latest Practicable Date, we were not aware of any material complaint, litigation or arbitration brought by any of our employees regarding our social insurance and housing provident fund policy; (ii) none of the Company nor its PRC subsidiaries had been subject to any material administrative penalties in relation to social insurance and housing provident fund contributions during the Track Record Period, and (iii) we have obtained compliance confirmations from the relevant competent government authorities, confirming that no administrative penalty was imposed on us in relation to our social insurance and housing provident fund contributions during the Track Record Period, the risk of us being penalized our historical shortfall of contribution to social insurance and housing provident funds, or relevant PRC authorities requiring us to fully pay for our historical shortfall in social insurance and housing provident funds is remote. Based on the opinion of our PRC Legal Advisors, we are of the view that no provision is required for payments with respect to social insurance and/or housing provident funds.

To ensure our compliance with relevant laws and regulations in respect of social insurance and housing provident fund contributions, we have taken internal control measures including: (i) we have designated our human resources department to review and monitor the reporting and contributions of social insurance and housing provident funds; (ii) we aim to improve our employees' understanding and cooperation in complying with the applicable payment base for the social insurance and housing provident funds. We have implemented policies specifying that social insurance and housing fund contributions should be made in accordance with relevant regulations; (iii) we are communicating with employees on a monthly basis regarding the payment of social insurance and housing fund contributions; and (iv) we will consult our PRC legal advisors on a regular basis for advice on relevant PRC laws and regulations to keep us abreast of relevant PRC laws and regulatory developments, including but not limited to PRC laws and regulations in relation to social insurance and housing provident funds. Our internal control consultant noted that no material internal control deficiencies were identified from our enhanced internal control measures since implementation.

We are in the process of communicating with such employees with a view to seeking their understanding and cooperation in complying with the applicable local practices and policies, which also require additional contributions from our employees. We will continue to work with our employees to make social insurance and housing provident fund contributions in accordance with the relevant PRC laws and regulations. We will use our best efforts to liaise with our employees to rectify the current situation. It is expected that the rectification of these matters for our key management personnel will be completed by the end of the year ending December 31, 2026, and we expect to continue the rectification for our other staff on a best-effort basis.

INSURANCE

We consider our insurance coverage to be adequate and in accordance with the commercial practices in the industries in which we operate. We have purchased property insurance covering all risks for manufacturing facility assets and construction insurance for project-related risks. We have also purchased commercial liability insurance to cover third-party injuries or property damage resulting from our operations or products during overseas contract execution, as well as insurance for transportation-related third-party risks.

We provide social security insurance, including pension insurance, unemployment insurance, work-related injury insurance, maternity insurance and medical insurance for our employees in China and statutorily required insurance coverage for overseas employees. Our management will evaluate the adequacy of our insurance coverage from time to time and purchase additional insurance policies as needed.

ENVIRONMENT, SOCIAL AND GOVERNANCE

We have always regarded innovation-driven development and green development as the core philosophy of our corporate growth and are committed to providing high-quality wind power equipment solutions for the global energy transition. We have established a framework for social responsibility and sustainable development, systematically advancing occupational health and safety, environmental protection, and social welfare initiatives. Based on a thorough assessment of ESG risks, we will continue to refine our risk identification and management mechanisms to ensure that our corporate development strategy aligns closely with the recommended requirements of Appendix C2 “Environmental, Social, and Governance Reporting Guide” under the Listing Rules.

As the highest decision-making and supervisory body for our sustainability efforts, the Board of Directors is responsible for (i) reviewing and approving our sustainability vision, mission, and strategy while assuming ultimate responsibility for sustainability disclosures; (ii) regularly receiving progress reports on sustainability initiatives to ensure effective strategy implementation; and (iii) overseeing the execution of our sustainability management system and related measures.

To fully implement the sustainable development strategy and enhance management effectiveness and competitiveness, we restructured and expanded our Strategic Development Committee into the Strategy and Sustainability Committee in 2024, and have established four specialized subcommittees within the Strategy and Sustainability Committee: the Green Steel Specialized Committee, the Carbon Reduction Specialized Committee, the Sustainability Risk Assessment Specialized Committee, and the Sustainable Procurement Specialized Committee. Each specialized subcommittee is responsible for specific functions, supporting our high-quality development in the green and low-carbon emission transition.

The Green Steel Specialized Committee is dedicated to driving our green steel activities, focusing on enhancing carbon competitiveness, and supporting domestic and overseas customers in building low-carbon supply chains. By integrating internal and external resources, it accelerates the development and industrial application of low-carbon emission steel, ensuring we maintain a proactive position in the green transition. The Carbon Reduction Specialized Committee focuses on advancing our carbon reduction targets by formulating scientific emission reduction pathways and applying innovative technologies. It strengthens carbon management capabilities to ensure steady progress in green and low-carbon emission development. The Sustainable Development Risk Assessment Specialized Committee is tasked with establishing a risk identification and early-warning mechanism. It conducts extensive

evaluations of potential risks related to sustainability issues and proposes scientific and effective risk mitigation strategies to ensure our stable operations and long-term sustainable development. The Sustainable Procurement Specialized Committee focuses on green supply chain management, driving the transformation and innovation of the supply chain towards sustainability. By formulating and implementing sustainable procurement policies, it enhances supply chain transparency and low-carbon emissions, ensuring that upstream and downstream partners work together to achieve green goals. The Sustainable Development Center, as a permanent executive body, is responsible for coordinating policy research, providing data support, and facilitating cross-functional collaboration.

Identification and Management of ESG-Related Risks and Opportunities

We incorporate climate change-related factors into our business risk identification process, continuously advancing our efforts to identify and respond to climate change risks. At the same time, we proactively seize the opportunities brought by climate change, positioning global low-carbon emission development and energy transformation as key growth drivers. We accelerate product optimization and strategically expand our focus on the renewable energy sector to meet the ever-evolving low-carbon emission demands of our downstream customers. Following the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we identify, analyze, and evaluate the risks and opportunities related to climate change within the context of our business and operational conditions. Based on this analysis, we develop corresponding strategies and countermeasures to address these challenges and capitalize on emerging opportunities.

ESG Policy

We are committed to integrating ESG factors into our business decision-making processes. To this end, we have established a group-wide ESG policy, supported by a series of measures and initiatives, to guide our actions and efforts in strengthening sustainable development practices.

Environment

As a core driver in the industrialization of global deep and far-sea energy, we are fully committed to green and low-carbon emission development, and strictly comply with and enforce key laws and regulations, and actively build and improve our environmental management system. In 2023, 2024 and 2025, we incurred environmental compliance costs of approximately RMB4.2 million, RMB7.4 million and RMB4.2 million, respectively. During the Track Record Period, our environmental compliance costs primarily represented expenses relating to the purchase of environmental protection equipment, consultancy fees, and discharge fees.

We have developed a series of internal control system policies to ensure the standardization and transparency of our environmental management requirements and measures, laying a solid foundation for the company's sustainable development. As a pioneer in sustainability in the Asia-Pacific region, we were among the first recipients of the EcoVadis Silver Medal and achieved "B" ratings from the CDP in respect of climate change and water security. According to Frost & Sullivan, we have taken the lead in launching an innovative green steel initiative, collaborating with major steel enterprises to explore the application of low-carbon steel in offshore wind foundation steel structure products, driving research and practice toward a low-carbon supply chain. In a landmark climate commitment, we also became the first global offshore wind power equipment manufacturer which obtains the SBTi certification, developing science-based decarbonization roadmaps aligned with the international standards and global climate goals.

In August 2023, we initiated a systematic study on the EU Carbon Border Adjustment Mechanism (“**CBAM**”). For details regarding regulatory framework of CBAM, see “Regulatory Overview — Regulations and Policies Relating to the EU — Carbon Border Adjustment Mechanism.” We have evaluated the potential impact of CBAM to better serve our downstream customers, and are of the view that (i) CBAM did not affect the costs of our products during the Track Record Period as CBAM was not officially adopted during this period; and (ii) CBAM is not expected to have a material impact on our product costs in the foreseeable future. During transitional period from October 1, 2023 to December 31, 2025, we have successfully submitted multiple CBAM carbon data reports to European customers and progressively established an internal process covering data collection, carbon emissions calculation, compliance audits, and external reporting, building solid carbon measurement and reporting capabilities. We have also developed periodic CBAM work plans, including information collection tools, training programs, audit plans, and unified carbon emissions calculation standards to ensure data accuracy and compliance. Additionally, we have conducted CBAM risk assessments covering short-term, medium-term, and long-term influences, and integrated CBAM compliance requirements into our supplier management system, driving upstream steel suppliers to enhance transparency in carbon emissions data and low-carbon transformation capabilities. Currently, CBAM applies to aluminum, cement, steel, fertilizers, hydrogen, and electricity, with formal charges set to begin in 2026. In addition, we do not anticipate that the CBAM will materially impact our competitive position against local EU competitors in the foreseeable future. This is because CBAM is designed to operate in parallel with the EU’s Emissions Trading System (the “**EU ETS**”), which imposes comparable carbon costs on domestic producers. The fundamental objective of CBAM is to equalize the carbon price for imported goods with that faced by EU producers under the EU ETS. Consequently, the methodologies for calculating the associated carbon-related fees are substantially aligned between the two systems. Therefore, we believe the formal adoption of CBAM does and will not place us at a competitive disadvantage, as our local competitors are subject to a comparable regulatory cost framework. For details, see “Risk Factors — Risks Relating to Our Industry and Business — Our expansion into international markets may be adversely affected by legal, regulatory, political, and economic risks.”

We will continue to transform CBAM-related compliance challenges into opportunities for expanding into the EU market by enhancing production management, strengthening supply chain decarbonization collaboration, and actively developing low-carbon product solutions, thereby continuously improving our competitiveness in the global green value chain transition. In particular, we have established clear, forward-looking energy-saving KPI targets for our Shandong Penglai Offshore Facility, being our largest and most important facility targeting overseas market, to reduce energy intensity per unit of product revenue by 6% by 2030 compared to 2024, and further reduce this intensity by 30% by 2050. For details, see “— Environmental Indicators and Targets” below. To advance our energy transition goals, our Shandong Penglai Offshore Facility is electrifying both fixed and mobile equipment, including replacing natural gas for heating and welding, and converting non-road transport vehicles from gasoline and diesel to electric power. We are also continuously refining our process technologies in key production stages, such as steel plate cutting, rolling, and longitudinal and circumferential seam welding, to minimize the consumption of raw materials and energy, which in turn reduces the carbon emissions associated with both our procurement and production activities. Furthermore, to advance the low-carbon transition of our supply chain, we established a Green Steel Coordination Committee and a Green Steel Task Force in 2024. We have entered into strategic cooperation framework agreements with leading domestic steel mills to engage in deep, multi-dimensional collaboration focused on optimizing steel plate production processes, reducing carbon footprints, and advancing green steel technology R&D.

Waste Gas Management

The waste gas emissions generated by our operation mainly come from the smoke and dust produced during cutting, grinding and welding. We strictly ensure that the generation, collection, treatment and discharge of waste gases comply with national laws and regulations. We clearly define the responsibilities and specific requirements for waste gas management during project processes. We reduce emissions from production and operation by installing dust prevention and purification equipment, optimizing production processes, and strengthening end-of-pipe treatment. Additionally, we engage professional third-party organizations to conduct regular monitoring and analysis of air pollutants, enabling real-time tracking of pollutant compliance levels.

Noise Control

We place great emphasis on noise pollution prevention and control in daily production, especially in areas prone to high noise, such as cutting and sandblasting. To ensure the occupational health and safety of employees in high-noise environments, we provide labor protection supplies on time, in accordance with national and local requirements. Additionally, we continue to upgrade equipment and facilities, replacing high-noise machinery with low-noise alternatives to reduce noise at the source. We also standardize material usage procedures to lower noise levels in the working environment. During project construction and operations, we apply various noise-reduction techniques, such as adding dampers to equipment, using the building structures for sound insulation, installing silencers on key noise sources like fans, and strategically arranging production areas to minimize noise overlap and spread.

Water Resource Management

To improve water resource utilization efficiency and reduce water consumption, we continue to optimize our water resource management strategies. In daily operations, we focus on reducing water usage by implementing water recycling, utilizing water-saving devices, and adopting water-efficient processes. For domestic water consumption, we display water conservation notices in prominent areas to encourage water-saving actions. Additionally, through training and promotional activities, we strengthen employees' awareness of water conservation, transforming it into a collective action among all employees, creating a positive atmosphere for water resources protection within the Company.

Waste Management

We strictly control over the generation and discharge of waste throughout production operations to minimize environmental impact. Our solid waste mainly includes general waste, hazardous waste, and domestic waste. We have developed relevant documents to standardize the responsibilities of each link in waste disposal, clarify the requirements for recycling, storage, and disposal, and entrust qualified third parties for recycling and treatment to ensure all waste is disposed of in compliance with regulations.

Energy Management

We strictly adhere to national and local energy management laws and regulations, developing energy-saving and consumption-reduction policies tailored to our business operations. Penglai Dajin has obtained ISO 50001 Energy Management System certification, implementing meticulous management of energy consumption throughout our production and operations. We will deploy energy management systems across all export bases to enable

BUSINESS

dynamic monitoring and management of energy consumption, actively adopting energy-saving and efficiency-improving measures to effectively fulfill our commitment to energy conservation and emission reduction.

We emphasize fostering green office awareness by posting notices in office buildings, canteens, factory areas, and other spaces with reminders such as “turning off lights when not in use”, “energy-saving and environmental protection.” We also encourage employees to save water and paper, fostering a culture of conservation. Additionally, we continue to carry out energy-saving upgrades to equipment, gradually replacing energy-intensive devices with more energy-efficient lighting, power generation, and other equipment to reduce energy consumption of daily operations. During the year, the Shandong Penglai Offshore Facility completed the replacement of outdoor lighting with energy-efficient light emitting diode (LED) fixtures and installed time-controlled clock lighting systems that adjust lighting based on seasonal timing to prevent energy waste. The Hebei Zhangjiakou Onshore Facility, based on the lighting requirements of the anti-corrosion workshop, selected high-brightness, long-lifetime LED fixtures, improving the overall lighting quality of the workshop while reducing electricity consumption.

Raw Material Management

We have established materials management procedures such as the *Consumables Exchange and Distribution Control Procedure* and the *Consumables Control Management Regulations*, which strictly manage the distribution and recycling of materials like welding wire and flux, effectively reducing unnecessary material waste.

Biodiversity Protection

We place great importance on the impact of our operations on biodiversity and strictly adhere to applicable laws and regulations. We continuously enhance our biodiversity management system by integrating biodiversity strategies into our ESG governance framework, ensuring awareness and implementation across business processes. We have issued a *Biodiversity Statement*, committing to the principles of sustainable development, firmly prohibiting any activity that damages ecosystems or harms biodiversity, and actively participating in biodiversity conservation efforts while promoting its sustainable resource use through scientific approaches.

Environmental Indicators and Targets

The table below lists our operation-related environmental key performance data during the Track Record Period:

		For the year ended December 31,			
Unit		2023	2024	2025	
Emissions					
GHG Emission					
(i)	Direct Emissions				
	(Scope 1).	Ton CO ₂ e	21,174.11	20,194.84	20,797.79
(ii)	Indirect Emissions				
	(Scope 2).	Ton CO ₂ e	36,406.07	29,444.80	32,493.31
		Ton			
		CO ₂ e/million			
GHG Emission Intensity		RMB Revenue	13.31	13.13	8.63

BUSINESS

		For the year ended December 31,		
Unit		2023	2024	2025
Energy Consumption				
Energy				
Total Integrated Energy Consumption ⁽¹⁾	MWh	155,572.72	133,953.76	132,568.29
	MWh/million			
Energy Consumption Intensity	RMB Revenue	35.97	35.44	21.47
Total Direct Energy Consumption ⁽²⁾	MWh	91,319.56	72,718.79	71,851.90
Total Indirect Energy Consumption ⁽³⁾	MWh	64,253.16	61,234.97	60,716.39
Total Green Electricity Consumption in Shandong Penglai Offshore Facility	MWh	0	11,181	23,800

Notes:

- (1) The integrated energy consumption refers to the sum of direct energy consumption and indirect energy consumption.
- (2) Direct energy includes propane, gasoline, diesel and natural gas.
- (3) Indirect energy includes purchased electricity and purchased heat.

Waste	Unit	For the year ended December 31,		
		2023	2024	2025
General Waste	Tons	13,438	18,106	21,187
Hazardous Waste	Tons	680	526	772

Water	Unit	For the year ended December 31,		
		2023	2024	2025
Water Consumption	Tons in thousand	184.5	199.8	185.4
Water Consumption Intensity	Tons in thousand/revenue in million RMB	0.04	0.05	0.03

In 2024, we reduced a portion of our indirect emissions by introducing green electricity. Our GHG emission intensity was 13.13 tons of CO₂e per RMB million of revenue in 2024, which was slightly higher than the industry average of 11.4 (derived from comparable indicators in the ESG reports of other A-share listed companies in the wind tower manufacturing sector for the same period), mainly due to the higher material consumption required for our offshore products, which feature more advanced and complex designs. Owing to our multi-pronged emission control measures, our GHG emission intensity did not increase in proportion to our revenue growth during the Track Record Period. In 2025, our GHG emissions grew at a rate lower than that of our business expansion, resulting in a significant decrease in our emission intensity to 8.63, which reflects the initial effectiveness of our energy conservation and emission reduction initiatives.

Our Shandong Penglai Offshore Facility takes 2024 as the key benchmark year and follows internationally recognized standards such as the Greenhouse Gas Protocol (GHG Protocol) and ISO 14064-1:2018 Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals. The facility has conducted a comprehensive, systematic, and detailed inventory of its greenhouse gas

emissions. Except for the above-mentioned metrics, our Shandong Penglai Offshore Facility also reviewed its Scope 3 emissions, including various indirect emissions along the value chain, such as purchased goods and services, capital goods, and upstream and downstream transportation and distribution. The annual emissions for Scope 3 in our Shandong Penglai Offshore Facility in 2024 reached 678,615.85 tons of CO₂e. We plan to progressively engage in data collection and collaborate with our partners for Scope 3 emissions management and reduction in the future.

Moreover, we have implemented measures to minimize waste generation, including the adoption of advanced manufacturing equipment and the optimization of our processing technologies. As a direct result of these initiatives, our total hazardous waste generation in 2024 was 526 tons, significantly lower than the industry average of 768 tons (derived from comparable indicators in the ESG reports of other A-share listed companies in the wind tower manufacturing sector for the same period), and our water consumption intensity was 0.05 tons in thousand per million RMB of revenue, lower than the industry average of 0.06 tons in thousand per million RMB (derived from comparable indicators in the ESG reports of other A-share listed companies in the wind tower manufacturing sector for the same period), demonstrating our commitment to outperforming industry peers on key environmental metrics. Our total hazardous waste generation increased to 772 tons in 2025, primarily due to (i) increased production activities at our Liaoning Panjin Shipbuilding Facility (遼寧盤錦造船基地), which commenced operations in mid-2024, and (ii) increased production volume of products featuring more advanced and complex designs, thereby generating higher volumes of hazardous waste during processing, anti-corrosion treatment, painting, and related procedures.

To furthermore promote green development and green production, our Shandong Penglai Offshore Facility, as our largest and most important facility targeting overseas market, has established clear, forward-looking energy-saving KPI targets, aiming to reduce energy intensity per unit of product revenue by 6% by 2030 compared to 2024, and further reduce this intensity by 30% by 2050. To ensure the achievement of these goals, the facility has prioritized the development and enhancement of its energy management system, including compliance with ISO 50001. Additionally, our Shandong Penglai Offshore Facility continues to deeply explore energy-saving potential through practical measures such as optimizing production equipment and improving process flows. Shandong Penglai Offshore Facility actively aligns with the energy transition trend and will vigorously promote the electrification process. A detailed electrification KPI system has been established, targeting different emission sources. For fixed sources, such as welding preheating using natural gas, canteens and boilers, and heating in the coating workshop, as well as non-road transportation equipment using gasoline and diesel, electrification renovations are being steadily implemented. Furthermore, green electricity development is a key pillar of the facility's sustainability strategy, and our Shandong Penglai Offshore Facility plans to increase the proportion of green electricity usage to 96.5% by 2030, and further to 100% by 2036. In 2025, the proportion of green electricity usage at our Shandong Penglai Offshore Facility reached approximately 55%.

To support China's 14th Five-Year Plan, the 2035 Long-Range Objectives, the 3060 Carbon Peaking and Carbon Neutrality Goals, as well as the United Nations' Paris Agreement, our Shandong Penglai Offshore Facility has taken the lead in announcing its "Dual-Carbon" goals. We will further update our "Dual-Carbon" goals and outline a refined carbon reduction roadmap. We expect that:

- By 2030, scope 1 (direct emissions) and scope 2 (indirect emissions) carbon emissions in our Shandong Penglai Offshore Facility will decrease by 42% compared to that of 2024, while carbon emissions from scope 3 (value chain emissions) will decrease by 25% compared to that 2024; and
- By 2050, we will achieve net zero emissions of the full value chain (including scope 3 carbon emissions).

To achieve our medium- and long-term emission reduction targets, we have implemented targeted measures across our key production processes and supply-chain management. For example, at our manufacturing bases, we optimized bevel-cutting and welding procedures, resulting in an approximately 11% reduction in welding-wire consumption and an approximately 11% decrease in flux usage, which effectively reduced energy use and carbon emissions. We introduced gas-free welding technology that lowered carbon-rod consumption to approximately one rod per tonne of tower weight and eliminated the release of harmful gases. In our coating workshops, the upgraded spraying process and rotary painting system improved efficiency and reduced volatile organic compound emissions. We enhanced exhaust-gas treatment efficiency through the installation of regenerative thermal oxidation systems, achieving 95% to 99% purification efficiency. In parallel, our plants recycled and reused production offcuts and components, including the processing of approximately 260 sets of surplus bolts in 2024, reducing raw-material purchases and associated carbon emissions.

Social Responsibility

We actively promote sustainable development across our value chain by building a responsible supply chain through mutually beneficial supplier partnerships and joint sustainability initiatives. We also prioritize employee well-being through occupational health and safety systems, continuous professional development programs, competitive compensation packages, and by fostering an inclusive, diverse workplace culture — all supported by transparent governance including regular stakeholder engagement and third-party audits, ensuring we create shared value while pursuing sustainable business growth.

Employee Management

We strictly comply with relevant domestic and international laws and regulations in all our operational locations. We have developed the *Employee Handbook*, and adhere to the principles of fairness, impartiality, and transparency to standardize our recruitment policies and ensure the full protection of employees' rights. We provide equal employment opportunities to female employees, overseas employees, ethnic minority employees, and other special groups. We firmly oppose all forms of workplace discrimination and is committed to building a diverse and inclusive career development platform, effectively safeguarding the equal rights and interests of all employees.

We are dedicated to fostering a “Happy Workplace” by providing a comfortable office environment, scientifically reasonable task allocation, and effective overtime management, ensuring the physical and mental well-being of employees. Additionally, we actively encourage employees to participate in team activities and interactive experiences, fostering a positive and uplifting work atmosphere. To help employees better cope with work and life pressures, we regularly organize mental health education and discussion activities to improve employees' psychological resilience and stress-coping abilities. For female employees, we strictly adhere to regulations on pregnancy, maternity, and breastfeeding leave, while also providing dedicated mother-and-baby rooms to protect the special rights and interests of female employees. Furthermore, we conduct regular employee satisfaction surveys, implement a rapid response mechanism to promptly incorporate employee concerns into management decision-making. Through these actions, we demonstrate our commitment to valuing employee and continuously enhancing their sense of belonging and well-being.

We attach great importance to the protection of employees' legitimate rights and interests by continuously enhancing our compensation and benefits system. During traditional festivals and holidays, we regularly provide benefits to all employees, effectively enhancing their sense

BUSINESS

of fulfillment and happiness. Additionally, we regularly offer professional health check-ups and occupational disease screenings, with special focus on employees in hazardous positions to ensure their physical and mental health.

To uphold fairness, we have established a dedicated complaint hotline and mailbox for reporting complaints, allowing employees to report discrimination or unfair treatment verbally or in writing.

Occupational Health and Safety

We prioritize production safety as a fundamental pillar of enterprise development, striving to establish a scientific safety management system and a strict safety control framework. We ensure end-to-end safety coverage, from raw material procurement to final production delivery, clearly defining safety responsibilities at all levels. Regular safety inspections and risk assessments are conducted to maintain a secure and controlled production process. Prior to project commencement, risk identification is performed, and corresponding mitigation strategies are implemented. Additionally, we emphasize employee safety awareness and emergency response preparedness. Regular safety training sessions and practical emergency drills equip employees with the necessary skills to handle emergencies effectively. Our commitment to safety excellence is reflected in our achievement of ISO 45001 Occupational Health and Safety Management Systems, demonstrating our adherence to international safety standards and ongoing improvements in safety management. Throughout the Track Record Period and up to the Latest Practicable Date, we did not experience material safety incidents at any of our manufacturing facilities.

Contribution to Community Development

We actively participate in local community building and development, supporting education and charitable causes, and is committed to promoting the progress of society. Our Shandong Penglai Offshore Facility collaborates with local universities to serve as an educational practice base, and provides a platform for interaction and mutual growth between the facility and the universities, further promoting the development of local education.

Governance

Compliance

We place great emphasis on building a solid legal compliance system. In pursuit of this objective, we have established a set of internal control policies and carried out a structured division of responsibilities based on the unique characteristics of each business sector and the expertise of legal professionals. We establish clear codes of conduct and compliance guidelines for employees, managers, and business partners and guide them to abide by business ethics and compliance requirements. This in turn guarantees the long-term stable development of our Company. Through the continuous construction and continuous improvement of this system, we strengthen our compliance management framework, ensuring that all business operations are conducted in a standardized manner within the legal framework. This proactive approach reduces legal risks and supports our long-term, sustainable development.

PROPERTIES

Our headquarters is located in Beijing, China, with offices in Tangshan, Zhangjiakou, Fuxin, Panjin, Yantai, Hinggan League, Yangjiang and Shanghai. We own and lease properties both in China and overseas. As of the Latest Practicable Date, the carrying value of any individual property held or leased by us does not meet or exceed 15% of our total consolidated assets. Pursuant to Section 6(2) of the *Companies (Exempted Companies and Prospectus*

Exemptions) Notice, this document is exempt from the requirements under Section 342(1)(b) of the *Companies (Winding Up and Miscellaneous Provisions) Ordinance*, meaning it is not mandatory to include valuations for all land or building interests as stipulated in Paragraph 34(2) of Schedule 3 to the *Companies (Winding Up and Miscellaneous Provisions) Ordinance*.

Land Use Rights

As of the Latest Practicable Date, we held land use rights in respect of 73 parcels of land designated for production and operation purposes, with an aggregate site area of approximately 1,995,000 square meters. We have obtained land use right certificates for all such parcels of land.

Owned Sea Area Use Rights

As of the Latest Practicable Date, we had obtained seven real estate ownership certificates for sea area use rights in respect of an aggregate area of approximately 50 hectares located at the ports of Yantai, Shandong Province and Tangshan, Hebei Province. Such sea areas are for the construction of manufacturing facilities. We have obtained valid certificates for the sea area use rights and are entitled to use such sea areas.

Owned Properties

As of the Latest Practicable Date, we owned 17 properties designated for production and operation purposes, with an aggregate gross floor area of approximately 371,500 square meters. We have obtained real estate ownership certificates for all of such properties.

Leased Properties

As of the Latest Practicable Date, we leased seven properties in China designated for production and operation purposes, with an aggregate gross floor area of approximately 33,400 square meters.

Pursuant to the applicable PRC laws and regulations, property lease agreements must be registered with the local branch of the Ministry of Housing and Urban-Rural Development of the PRC. As of the Latest Practicable Date, one of our lease agreements in China had not been registered. Our PRC Legal Advisors are of the view that the non-registration of our lease agreements will not affect the validity of such lease agreements, but the relevant local housing administrative authorities may require us to complete registrations within a specified timeframe and we may be subject to a fine between RMB1,000 and RMB10,000 per lease for any delay in making these registrations, and we may be subject to an aggregate fine of up to RMB10,000 in total. We may be subject to the risks of fines if lease registration is not completed as required by the relevant local housing administrative authorities. During the Track Record Period and up to the Latest Practicable Date, we were not subject to any penalties arising from the non-registration of the lease agreements. For some of our leased properties in the PRC, the lessors may not be able to provide documents evidencing the authorization or consent from the property owners for subleasing. In such case, our rights in relation to such properties might not be entirely protected. For details, see “Risk Factors — Risks Relating to our Operation — Our owned and leased properties may be subject to non-compliances or challenges.”

BUSINESS

LICENSES, PERMITS, AND APPROVALS

We are required to obtain or maintain various licenses, permits and approvals in order to operate our business. During the Track Record Period and up to the Latest Practicable Date, we had obtained all material licenses, permits and approvals necessary in order to operate our business. We continually monitor our compliance with these requirements in order to ensure that we have all such approvals, licenses and permits as are necessary to operate our business.

We had not experienced any material difficulties in renewing our material licenses, permits or approvals during the Track Record Period and do not expect there to be any material difficulties in renewing them upon their expiry. As of the Latest Practicable Date, all of our material licenses, permits and approvals were valid and in full force, and we did not have any pending applications for new or renewed licenses, nor had any of our material licenses, permits or approvals been revoked, suspended or not renewed.

AWARDS AND RECOGNITIONS

The following table sets the major awards and recognitions we received during the Track Record Period and up to the Latest Practicable Date:

Year Granted	Award/Recognition	Granting Authority
2025	EcoVadis Silver Medal	Global Authoritative Sustainability Assessment Platform EcoVadis
2025	Science Based Targets initiative (SBTi) Certification	Science Based Targets initiative (SBTi)
2024	EcoVadis Bronze Medal	Global Authoritative Sustainability Assessment Platform EcoVadis
2024	Polaris Cup Wind Power Influential Technology Innovation Award	Polaris Power
2024	ESG Excellence in Practice Award	Huaxia Energy Network

LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time be subject to various legal or administrative proceedings arising in the ordinary course of business. Litigation or any other legal or administrative proceedings, regardless of their outcome, may result in substantial expenditure of our costs and diversion of resources including the time and effort of our management. For details, see “Risk Factors — Risks Relating to Our Operations — Our business may suffer as a result of adverse outcomes of current or future litigation and regulatory actions, including with respect to anti-competitive practices.”

In December 2025, a civil claim (the “**Claim**”) was filed by a plaintiff (the “**Plaintiff**”) against our wholly-owned subsidiary Zhangwu Xiliujiazi, two other subsidiaries of our Company and our Company (collectively, the “**Defendants**”). The Claim pertains to an EPC contract (the “**EPC Contract**”) entered into between the Plaintiff and Zhangwu Xiliujiazi in December 2021. Pursuant to the Claim, the Plaintiff alleges that certain payments under the EPC Contract and its related arrangements are due and payable by Zhangwu Xiliujiazi. The Plaintiff primarily seeks to hold the Defendants jointly and severally liable for the payment of outstanding amounts of approximately RMB572.6 million, together with overdue interest and

related legal costs. In connection with the Claim, the Plaintiff applied for and was granted a pre-judgment asset preservation order by the court. Pursuant to this order, certain bank deposits held by the Defendants and the equity interests held by the shareholder of Zhangwu Xiliujiazi were frozen. As of December 19, 2025, the aggregate value of the bank deposits subject to the preservation order was approximately RMB12.5 million. We have provided a corresponding bank guarantee, and accordingly, the court lifted the preservation measures on the above-mentioned bank deposits and equity interests in late April 2026. We are actively defending the claim and, in response, filed a lawsuit against the Plaintiff for breach of the EPC Contract in December 2025. As of the date of this prospectus, both proceedings are at a preliminary stage.

Having considered the opinions of the Company's PRC litigation counsel, the evidence of contract performance, the grounds of defense filed, and the separate litigation initiated by the Group, our Directors are of the view that: (i) the likelihood that the Plaintiff's claim of RMB572.6 million will be upheld in full by the court is considered low; and (ii) as of December 31, 2025, appropriate trade payables had been recorded in the consolidated statement of financial position of the Group in respect of this matter, which is broadly sufficient to cover the financial impact of the litigation on the Group. Our Directors further confirm that, the Claim in relation to the EPC Contract has no impact on, and is not otherwise related to, the Group's other existing contracts or agreements. Therefore, our Directors are of the view that, although there is uncertainty regarding the timing or ultimate results of the Claim, this Claim is not likely to have material impact on our business, results of operations and financial conditions. And nothing has come to the Joint Sponsors' attention that would cause them to cast doubt with the aforesaid Directors' view.

During the Track Record Period and up to the Latest Practicable Date, save as the legal proceedings disclosed above in this section, we have not been involved in any material litigation, claims or arbitrations. To the best of our Directors' knowledge, there are no pending or threatened litigation, claims or arbitrations against any member of our Group that could materially adversely affect our financial condition or operational performance.

During the Track Record Period and up to the Latest Practicable Date, we have not been involved in any material non-compliance incidents resulting in fines, enforcement actions or other penalties that could materially adversely impact our business, financial condition or operational performance.

RISK MANAGEMENT AND INTERNAL CONTROLS

We have engaged an independent internal control consultant to review our overall internal control procedures, including financial reporting, operations, compliance, and risk management. The consultant recommended remedial measures for identified deficiencies, and follow-up reviews after implementation revealed no material weaknesses.

We maintain internal guidelines, policies, and procedures to monitor and mitigate operational risks. These measures are critical to business sustainability, and their implementation and effectiveness are closely overseen by the Board and our management.

Our integrated risk management approach integrates risk controls into business operations, with real-time monitoring in procurement bidding, payment tracking, and inventory management. We emphasize proactive compliance, embedding risk identification and mitigation into daily operations through process reviews, legal consultations, due diligence, and other measures. In dispute resolution, we consistently uphold our rights in accordance with the law, strive to minimize economic losses, and firmly protect our legitimate rights and interests. Given the complexities of cross-border operations, we proactively engage external

legal resources by retaining third-party law firms for professional guidance and utilizing local counsel in overseas project jurisdictions for localized risk analysis. We maintain ongoing monitoring of legal environment changes and strengthen compliance management across domestic and international operations to ensure the effective implementation of risk control measures.

Business Ethics

We strictly comply with applicable laws and regulations, and have established business ethics policies, continuously improving our business ethics management system to clarify employee professional conduct standards, foster a culture of integrity, and establish systems including whistleblower protection.

We integrate integrity as a core value into our corporate culture and have built a business ethics management system covering the entire process from pre-event to post-event. The Audit and Supervision Center performs its duties at multiple stages, providing recommendations based on issues or potential risks identified during tendering or process execution, while continuously monitoring procurement processes, improving systems, investigating fraudulent activities, and rewarding whistleblowers.

For employees in sensitive positions and senior management, we have issued the *Code of Integrity for Management and Economically Sensitive Positions* to regulate conduct in areas involving human resources, finance, assets, production, supply, and sales during business operations or the exercise of authority. Regarding conflict-of-interest management, we strengthen supervision of relationships between employees and supplier relatives to effectively ensure business ethics development and compliant operations.

During tendering and contract execution, we require suppliers which participate and win the bidding to sign an Integrity Agreement, which clearly defines the integrity responsibilities of both parties and specifies consequences for violations.

Data Protection and Information Security

We are committed to ensuring data privacy and information security. In the ordinary course of our business, we collect, store, and process certain sensitive data, primarily comprising personal information relating to our customers, suppliers, and business partners that is required for operational purposes, as well as employee data for internal administrative management. Additionally, our business involves the handling of proprietary technical data, trade secrets, and other confidential information critical to our technology. We have established internal control management systems for cybersecurity, data security, and personal information protection, along with corresponding compliance measures.

To ensure the effective governance of our data security, we have established a hierarchical organizational structure. At the apex of this structure is our Information Security Committee, which is chaired by our general manager and serves as the ultimate decision-making and oversight authority for our information security management. Reporting directly to the chair of our Information Security Committee is the Information Security Officer, who is appointed by the Information Security Committee and acts as the principal person responsible for the day-to-day management of information security. The Information Security Officer leads and authorizes the Information Security Working Group, which is tasked with the execution of specific information security management initiatives. This entire framework is supported by our Information Management Department, which provides the necessary technical infrastructure and operational support to implement and maintain our security measures.

We have established an information security management system with reference to the international standard ISO 27001 and maintain a dedicated cybersecurity team to enhance information security safeguards. We also prioritize employee awareness of information security through ongoing training programs, ensuring strong information security management and strict professional ethics to fundamentally protect our information security and related rights. We have updated and strictly implemented the *Information Security Management Policy* and related documents, clarifying information security strategies that cover key areas such as data protection, access control, and network security. We ensure that full authorization and consent are obtained when collecting and processing personal information of employees, customers, etc. We adhere to the principle of minimum necessity for data storage periods, setting reasonable durations based on actual business needs. Data exceeding relevant storage periods will be deleted or anonymized; fields that can directly identify personal information are encrypted or desensitized, while other data is encrypted at the database level. Additionally, we implement access controls for database queries.

Our cross-border data transfer activities are strictly limited to basic operational data necessary for the coordination of our global business operations. Crucially, these transfers do not involve any personal information. In strict compliance with the Personal Information Protection Law of the PRC, we have implemented stringent controls to ensure that no personal information collected or generated within the PRC is transferred overseas. We have implemented a range of control measures to ensure that personal information within Chinese Mainland is not transferred overseas, primarily including the following: (i) *system access controls*: We strictly adhere to the principle of least privilege. The activation, modification and deactivation of user accounts and access rights are subject to formal approval procedures and periodic reviews. Role-based permissions are assigned according to job responsibilities, with data export rights granted only to designated personnel and all export activities fully logged. Field-level access controls are applied to sensitive personal information, restricting access to authorized personnel on a need-to-know basis only; (ii) *data localization*: All of our core data assets are stored within mainland China and accessible only from within the PRC. Cross-border synchronization and backup are prohibited. Access from overseas accounts to our business systems is strictly prohibited, with multi-factor authentication and comprehensive audit logging in place; (iii) *network and application-layer controls*: Our firewalls are configured with overseas IP blacklists to block outbound data transmissions to foreign IP addresses in real time. Our application-layer API gateways verify destination addresses and reject all non-PRC requests, with interception logs recorded accordingly; (iv) *audit and logging*: We retain logs relating to network access and permission changes for a minimum of six months to support traceability and audit; and (v) *institutional safeguards*: In accordance with our internal data security and information security management policies, we specifically identify and classify personal information at a confidential protection level, ensuring that no PRC personal information is transferred outside of mainland China when basic operational data is transmitted cross-border as necessary.

During the Track Record Period and up to the Latest Practicable Date, we (i) had not experienced any material incidents involving the theft, leakage, damage, illegal use, or illegal cross-border transfer of core data, critical data, or large volumes of personal information, (ii) had not been subject to any material investigations, inquiries, rectification orders, or penalties from relevant government authorities related to cybersecurity, data protection, or cybersecurity reviews, and (iii) were not subject to material lawsuits, arbitrations, penalties, or potential disputes or conflicts concerning cybersecurity and data protection.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

OVERVIEW

As of the Latest Practicable Date, our Controlling Shareholders, comprising Mr. Jin and Jinyin Energy, were collectively entitled to exercise the voting rights attached to approximately 40.15% of total issued share capital of our Company. Immediately following completion of the Global Offering (assuming (i) the Offer Size Adjustment Option and the Over-allotment Option are not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing Date), our Controlling Shareholders will be entitled to exercise the voting rights attached to approximately 35.33% of total issued share capital of our Company.

Jinyin Energy was an investment holding platform without substantial business operations as of the Latest Practicable Date.

COMPETITION

As of the Latest Practicable Date, none of the Controlling Shareholders and their respective close associates had any interest in any business that competes or is likely to compete, either directly or indirectly with our Group's business, which would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE OF OUR BUSINESS

We believe that we are capable of carrying on our business independently from the Controlling Shareholders and/or their respective close associates upon the Listing for the following reasons:

Management Independence

Our business is managed and conducted by our Board and senior management. Upon the Listing, our Board will consist of nine Directors comprising five executive Directors and four independent non-executive Directors. For the biographies of our Directors and senior management, see "Directors and Senior Management." Except for Mr. Jin serving as the sole director and chief executive of Jinyin Energy, none of our Directors or senior management members holds any position at our Jinyin Energy or its respective close associates.

Notwithstanding the roles of Mr. Jin as the chairman and an executive Director in our Board, our Directors believe that our Company is capable of maintaining management independence due to the following reasons:

- (1) our Directors are aware of their fiduciary duties as a director, which require, among other things, that they act for the benefits and in the interests of our Company and all our Shareholders as a whole and do not allow any conflict between their duties as a Director and their personal interests;
- (2) our daily management and operations are carried out by our Directors and senior management members, each of whom has substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Group;
- (3) our Board acts collectively by majority vote in accordance with our Articles of Association and applicable laws and regulations, and no single Director is able to make any decisions unless authorized by the Board;

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (4) our Board has a balanced composition of executive and independent non-executive Directors, which ensures the independence of the Board in making decisions affecting our Company. Our independent non-executive Directors account for over one-third of the Board. All of our four independent non-executive Directors are independent from our Controlling Shareholders and have extensive experience in their respective areas of expertise. All independent non-executive Directors are appointed in accordance with the requirements under the Listing Rules, and certain matters of our Company must always be referred to the independent non-executive Directors for review, ensuring the decisions of our Board are made only after the due consideration of independent and impartial opinions;
- (5) 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 Controlling Shareholders or their respective associates, the interested Director(s) is required to declare the nature of such interest before voting at the relevant Board meetings in respect of such transactions and will abstain from voting at the relevant meeting in accordance with the Listing Rules and our Articles of Association; and
- (6) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Controlling Shareholders which would support our independent management. Please see “— Corporate Governance Measures” in this section for further information.

Based on the above, our Directors believe that our Company has sufficient and effective control mechanisms to ensure that our Directors perform their respective duties properly and safeguard the interests of our Company and our Shareholders as a whole. Our Board together with our senior management team are able to perform the managerial role in our Group independently from our Controlling Shareholders.

Operational Independence

We possess all requisite technologies, qualifications and approvals for conducting our business. We are able to conduct our Group's business independently, with the independent right to make operational decisions and implement such decisions independently from our Controlling Shareholders.

More specifically, we have independent access to customers and suppliers and, therefore, are not dependent on our Controlling Shareholders for generating revenue, manufacturing, R&D, staffing or marketing and sales activities, and we have sufficient capital, equipment and employees to operate our business independently from our Controlling Shareholders. We have an established organizational structure comprising various separate departments, each in charge of specific responsibilities, such as staffing, administration, finance, internal audit, R&D, sales and marketing, or company secretarial functions. These departments have been in operation and are expected to continue to operate separately and independently from our Controlling Shareholders and their close associates. We also maintain a set of comprehensive internal control procedures to facilitate the effective operation of our business.

Based on the above, our Directors believe that we are able to operate independently from our Controlling Shareholders.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Financial Independence

Our Company has its own team of independent financial staff responsible for discharging treasury, accounting, reporting, group credit and internal control functions independently from our Controlling Shareholders and their respective close associates, as well as a sound and independent financial system, and makes independent financial decisions according to our own business needs. Our Company maintains bank accounts independently and does not share any bank account with our Controlling Shareholders. Our Company makes tax registration and pays tax independently with our own funds. As such, our Company's financial functions, such as cash and accounting management, invoices and bills, operate independently from our Controlling Shareholders and their respective close associates.

As of the Latest Practicable Date, there were no outstanding loans or guarantees provided by, or granted to, our Controlling Shareholders or their respective close associates.

Based on the above, our Directors believe that our Company is financially independent from, and does not place undue reliance on, our Controlling Shareholders and their respective close associates.

CORPORATE GOVERNANCE MEASURES

Our Company and our Directors are committed to upholding and implementing the highest standards of corporate governance and recognize the importance of protecting the rights and interests of all Shareholders, including the rights and interests of our minority Shareholders.

We have adopted the following measures to ensure good corporate governance standards and to avoid potential conflicts of interest between our Group and our Controlling Shareholders:

- (i) under the Articles of Association, where our Company has knowledge that any Shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution of our Company or restricted to vote only for or only against any particular resolution of our Company, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted;
- (ii) our Company has established internal control mechanisms to identify connected transactions. Upon the Listing, if our Company enters into connected transactions with our Controlling Shareholders or any of their associates, our Company will comply with the applicable Listing Rules;
- (iii) our Board will consist of a balanced composition with not less than one-third of independent non-executive Directors, to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors, individually and collectively, possess the requisite knowledge and experience. They are committed to providing experienced and professional advice to protect the interests of our minority Shareholders;
- (iv) our independent non-executive Directors will review, on an annual basis, whether there are any conflicts of interests between our Group and our Controlling Shareholders and provide impartial and professional advice to protect the interests of our minority Shareholders;

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (v) our Controlling Shareholders will provide our independent non-executive Directors with all relevant financial, operational and market and any other necessary information as required by the independent non-executive Directors for the purpose of their annual review;
- (vi) our Company will disclose decisions on matters reviewed by the independent non-executive Directors either in its interim and/or annual reports or by way of announcements as required by the Listing Rules;
- (vii) where our Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our Company's expense;
- (viii) we have appointed Altus Capital 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; and
- (ix) we have established the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee, with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest that may arise between our Group and our Controlling Shareholders, and to protect our minority Shareholders' interests after the Listing.

SHARE CAPITAL

BEFORE THE GLOBAL OFFERING

As of the Latest Practicable Date, the total issued share capital of our Company was RMB 637,749,349.00, comprising 637,749,349 A Shares of nominal value of RMB1.00 each, which are all listed on the main board of the Shenzhen Stock Exchange.

Description of Shares	Number of Shares	Percentage of total issued share capital of our Company
A Shares	637,749,349	100%
Total	637,749,349	100%

UPON COMPLETION OF THE GLOBAL OFFERING

Immediately following the completion of the Global Offering, assuming (i) the Offer Size Adjustment Option and the Over-allotment Option are not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing, the share capital of our Company will be as follows.

Description of Shares	Number of Shares	Percentage of total issued share capital of our Company
A Shares	637,749,349	88.00%
H Shares to be issued pursuant to the Global Offering	86,965,800	12.00%
Total	724,715,149	100%

Immediately following the Global Offering, assuming (i) the Offer Size Adjustment Option is exercised in full and the Over-allotment Option is not exercised and (ii) no changes are made to our issued share capital of our Company between the Latest Practicable Date and the Listing, the share capital of our Company will be as follows.

Description of Shares	Number of Shares	Percentage of the total issued share capital of our Company
A Shares	637,749,349	86.44%
H Shares to be issued pursuant to the Global Offering	100,010,600	13.56%
Total	737,759,949	100.0%

Immediately following the Global Offering, assuming (i) the Offer Size Adjustment Option is not exercised and the Over-allotment Option is exercised in full and (ii) no changes are made to our issued share capital between the Latest Practicable Date and the Listing, the share capital of our Company will be as follows.

Description of Shares	Number of Shares	Percentage of the total issued share capital of our Company
A Shares	637,749,349	86.44%
H Shares to be issued pursuant to the Global Offering	100,010,600	13.56%
Total	737,759,949	100.0%

SHARE CAPITAL

Immediately following the completion of the Global Offering, assuming (i) the Offer Size Adjustment Option and the Over-allotment Option are fully exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing, the share capital of our Company will be as follows.

Description of Shares	Number of Shares	Percentage of total issued share capital of our Company
A Shares	637,749,349	84.72%
H Shares to be issued pursuant to the Global Offering	115,012,100	15.28%
Total	752,761,449	100%

OUR SHARES

Our H Shares in issue upon completion of the Global Offering, and our A Shares, are ordinary Shares in our share capital and are considered as one class of Shares. Shenzhen-Hong Kong Stock Connect has established a stock connect mechanism between Chinese Mainland and Hong Kong. Our A Shares can be subscribed for and traded by mainland Chinese investors, qualified foreign institutional investors or qualified foreign strategic investors and must be traded in Renminbi. As our A Shares are eligible securities under the Northbound Trading Link, they can also be subscribed for and traded by Hong Kong and other overseas investors pursuant to the rules and limits of Shenzhen-Hong Kong Stock Connect. Our H Shares can be subscribed for or traded by Hong Kong and other overseas investors and qualified domestic institutional investors. If our H Shares are eligible securities under the Southbound Trading Link, they can also be subscribed for and traded by mainland Chinese investors in accordance with the rules and limits of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

RANKING

Our H Shares and our A Shares are regarded as one class of Shares under our Articles of Association and will rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this prospectus. All dividends in respect of our H Shares are to be paid by us in Hong Kong dollars whereas all dividends in respect of our A Shares are to be paid by us in Renminbi. In addition to cash, dividends may also be distributed in the form of Shares. Holders of our H Shares will receive share dividends in the form of H Shares, and holders of our A Shares will receive share dividends in the form of A Shares.

NO CONVERSION OF OUR A SHARES INTO H SHARES FOR LISTING AND TRADING ON THE HONG KONG STOCK EXCHANGE

Our A Shares and our H Shares are generally neither interchangeable nor fungible, and the market prices of our A Shares and our H Shares may be different after the Global Offering. The Guidelines on Application for “Full Circulation” of Domestic Unlisted Shares of H-share Companies (《H股公司境内未上市股份申请“全流通”业务指引》) announced by the CSRC are not applicable to companies dual listed in the PRC and on the Hong Kong Stock Exchange. As of the Latest Practicable Date, there were no relevant rules or guidelines from the CSRC providing that A Shareholders may convert A shares held by them into H shares for listing and trading on the Hong Kong Stock Exchange.

SHARE CAPITAL

APPROVAL FROM HOLDERS OF A SHARES REGARDING THE GLOBAL OFFERING

Approval from holders of A Shares is required for our Company to issue H Shares and seek the listing of H Shares on the Hong Kong Stock Exchange. Such approval was obtained by us at the Shareholders' general meeting of our Company held on July 11, 2025 and is subject to the following major conditions:

- (i) *Size of the offer.* The proposed number of H Shares to be offered shall not exceed 15% of the total issued share capital enlarged by the H Shares to be issued pursuant to the Global Offering (before the exercise of the Over-allotment Option). The number of H Shares to be issued pursuant to the full exercise of the Over-allotment Option shall not exceed 15% of the total number of H Shares to be offered initially under the Global Offering.
- (ii) *Method of offering.* The method of offering shall be by way of an international offering to institutional investors and a public offer for subscription in Hong Kong.
- (iii) *Target investors.* The H Shares shall be issued to public investors in Hong Kong under the Hong Kong Public Offering and international investors, qualified domestic institutional investors in Chinese Mainland and other investors who are approved by mainland Chinese regulatory bodies to invest abroad in International Offering.
- (iv) *Price determination basis.* The Offer Price of the H Shares will be determined by the Board and its authorized person with the authorization of the Shareholders' general meetings, together with the Overall Coordinators, after full consideration of the interests of existing Shareholders and the conditions of domestic and international capital markets conditions with reference to the international practices and through demands for orders and book-building process using a market-oriented pricing method.
- (v) *Validity period.* The issue and listing of H Shares on the Hong Kong Stock Exchange shall be completed within 24 months from the date on which such matters were approved at the Shareholders' meeting held on July 11, 2025.

There are no other approved offering plans for our Shares except the Global Offering.

SHAREHOLDERS' GENERAL MEETINGS

For details of circumstance under which our shareholders' general meeting is required, see "Summary of Principal Laws and Regulations — Shareholders' General Meetings" in Appendix IV to this prospectus.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following completion of the Global Offering and assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised and no other changes are made to the issued share capital of our Company from the Latest Practicable Date to the Listing, the following persons will have interests or short positions (if applicable) in the Shares or underlying Shares, which would be required to be disclosed to our Company and the Stock Exchange pursuant to the provisions in Divisions 2 and 3 of Part XV of the SFO, or be interested, directly or indirectly, in 10% or more of the nominal value of any class, or be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at Shareholders' general meetings of our Company:

Name of Shareholders	Nature of interest	Description of Shares	Number of Shares interested in under the SFO	Approximate % of the issued Shares of our Company as of the Latest Practicable Date	Immediately after the Global Offering	
					Approximate % of the A Shares of our Company	Approximate % of the issued Shares of our Company
Mr. Jin	Beneficial owner	A Shares	7,745,625	1.21%	1.21%	1.07%
	Interest in controlled corporation ⁽¹⁾	A Shares	248,300,500	38.93%	38.93%	34.26%
Jinyin Energy .	Beneficial owner	A Shares	248,300,500	38.93%	38.93%	34.26%

Note:

- (1) As of the Latest Practicable Date, Jinyin Energy was owned as to 100% by Mr. Jin and Mr. Jin was deemed to be interested in the Shares held by Jinyin Energy under the SFO.

For further information on any other person who will be, immediately following completion of the Global Offering, directly or indirectly, interested in 10% or more of the issued voting shares of our subsidiaries, see "Appendix VI — Statutory and General Information — Further Information about Our Directors and Substantial Shareholders — Interests of Substantial Shareholders — Interests in our Company's Subsidiaries."

CORNERSTONE INVESTORS

THE CORNERSTONE INVESTMENT

We have entered into cornerstone investment agreements (each a “**Cornerstone Investment Agreement**”, and collectively the “**Cornerstone Investment Agreements**”) with the cornerstone investors set out below (each a “**Cornerstone Investor**”, and collectively the “**Cornerstone Investors**”), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe, or cause their designated entities to subscribe, at the Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 100 H Shares) that may be purchased for an aggregate amount of approximately US\$357.99 million (or approximately HK\$2,803.27 million, calculated based on an exchange rate of US\$1.00 to HK\$7.83057) (exclusive of brokerage fee, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee) (the “**Cornerstone Investment**”).

Based on the maximum Offer Price of HK\$66.40 per Offer Share, the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 42,217,400 Offer Shares. The table below reflects the shareholding percentage immediately after the completion of the Global Offering.

Assuming the Offer Size Adjustment Option is not exercised				Assuming the Offer Size Adjustment Option is exercised in full			
Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full		Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
Approximate % of the Offer Shares	Approximate % of the total issued share capital	Approximate % of the Offer Shares	Approximate % of the total issued share capital	Approximate % of the Offer Shares	Approximate % of the total issued share capital	Approximate % of the Offer Shares	Approximate % of the total issued share capital
48.54%	5.83%	42.21%	5.72%	42.21%	5.72%	36.71%	5.61%

We believe that (i) the Cornerstone Investment will ensure a reasonable size of solid commitment at the beginning of the marketing period of the Global Offering and will provide confidence to the market; and (ii) the Cornerstone Investment demonstrates our Cornerstone Investors’ confidence in the Company and its business prospect and it will help raise the profile of the Company. We became acquainted with each Cornerstone Investor through the business network of the Group, the Overall Coordinators or the other Capital Market Intermediaries.

The Cornerstone Investment will form part of the International Offering, and save as otherwise obtained consent from the Stock Exchange, the Cornerstone Investors and their respective close associates will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreements). The Offer Shares to be subscribed for by the Cornerstone Investors will rank *pari passu* in all respects with the fully paid H Shares in issue following the Global Offering of the Company and will be counted towards the number of H Shares by the public at the time of Listing under Rule 19A.13A(2) of the Listing Rules. Immediately following completion of the Global Offering, the Cornerstone Investors or their close associates will not, by virtue of their cornerstone investments, have any Board representation in our Company; and none of the Cornerstone Investors and their close associates will become a substantial Shareholder of our Company. Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investors do not have any preferential rights under each of their respective Cornerstone Investment Agreements, as compared with other public Shareholders. There are no side arrangements between our Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Listing.

CORNERSTONE INVESTORS

Among the Cornerstone Investors, GIC, Taikang Life, Eastspring, Pinpoint, MWAL, Millennium and Fullgoal are existing minority Shareholders of our Company or their close associates, with each of such Cornerstone Investors (and/or their close associates) (in the cases of Millenium and MWAL, their respective existing interests in our Company are held through OTC swaps) respectively holding less than 1% of the total issued share capital of the Company as of the Latest Practicable Date. The Stock Exchange has granted a waiver from strict compliance with the requirements under Rule 10.04 and consent under Paragraph 1C(2) of Appendix F1 to the Listing Rules to permit H Shares in the International Offering to be placed to certain existing minority Shareholders. For further details, please refer to “Waivers — Allocation of H Shares to Existing Minority Shareholders and their Close Associates.”

Save as the aforesaid, to the best knowledge of our Company, (i) each of the Cornerstone Investors is an Independent Third Party; (ii) none of the Cornerstone Investors is accustomed to take instructions from our Company, our Directors, chief executive of our Company, Controlling Shareholders, substantial Shareholders or existing Shareholders or any of their subsidiaries or respective close associates in relation to the acquisition, disposal, voting, or other disposition of Shares registered in its name or otherwise held by it; (iii) none of the subscriptions of the relevant Offer Shares by any of the Cornerstone Investors is financed by our Company, Directors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their respective subsidiaries or respective close associates; (iv) each Cornerstone Investor (other than MWAL) will be utilizing its internal financial resources, financial resources of its shareholders or (in the case of Cornerstone Investors which are funds or investment managers) the assets managed for its investors as its source of funding for the subscription of the Offer Shares, and each Cornerstone Investor has sufficient funds to settle its respective investment under the Cornerstone Investment; and (v) each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Investment and that no specific approval from any stock exchange (if relevant) is required for the relevant Cornerstone Investment. Save for UBS AM Singapore, Eastspring, ICBC Wealth, MWAL, PSBC Wealth and Fullgoal, none of the Cornerstone Investors or their shareholder(s) are listed on any stock exchanges.

The Cornerstone Investors have agreed to pay for the relevant Offer Shares that they have subscribed for before dealings in the Company’s H Shares commence on the Stock Exchange. Save for CPE Juniper and UBS AM Singapore, other Cornerstone Investors have agreed that our Company, the Joint Sponsors and the Joint Sponsor-Overall Coordinators may in their sole discretion defer the delivery of all or part of the Offer Shares it will subscribe to on a date later than the Listing Date. Such delayed delivery arrangement is in place to facilitate the over-allocation in the International Offering. There will be no delayed delivery if there is no over-allocation in the International Offering. Where delayed delivery takes place, (i) there would be delayed delivery of Offer Shares to some of the Cornerstone Investors based on commercial negotiations with the Cornerstone Investors, (ii) the delayed delivery date should be no later than three business days following the last day on which the Over-allotment Option may be exercised, (iii) no extra payment will be made to the relevant Cornerstone Investors for the purpose of the delayed delivery arrangement, and (iv) each of the Cornerstone Investors has agreed that it shall nevertheless pay for the relevant Offer Shares in full before the Listing. As such, there will not be any deferred settlement in payment by the Cornerstone Investors.

The total number of Offer Shares to be subscribed by the Cornerstone Investors may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering, if the total demand for H shares in the Hong Kong Public Offering falls within the circumstance as set out in the section headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation.” Our Company and the Overall Coordinators

CORNERSTONE INVESTORS

have the absolute discretion, but not obliged, to deduct the number of Offer Shares to be subscribed by certain Cornerstone Investors in accordance with the terms of their respective Cornerstone Investment Agreements to satisfy any shortfall, after taking into account the requirements under Practice Note 18 and Appendix F1 to the Listing Rules as well as the discretion of Joint Sponsor-Overall Coordinators (for themselves and on behalf of the International Underwriters) to exercise the Offer Size Adjustment Option and/or Over-allotment Option. Further, certain Cornerstone Investors have agreed that in the event (1) that the requirements under Rule 8.08(3) of the Listing Rules, which stipulates that no more than 50% of the Shares in public hands can be beneficially owned by the three largest public shareholders of the Company, or (2) that the minimum allocation to investors in the placing tranche (other than Cornerstone Investors) under paragraph 3.2 of Practice Note 18 to the Listing Rules, may not be complied with on the Listing Date, the number of the H Shares to be subscribed for by the Cornerstone Investors may be adjusted to ensure compliance with such rules. Details of the actual number of Offer Shares to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement of our Company to be published on or around Thursday, June 4, 2026.

OUR CORNERSTONE INVESTORS

The tables below set forth details of the Cornerstone Investment, assuming the final Offer Price is fixed at the maximum Offer Price of HK\$66.40 per Offer Share.

Cornerstone Investor	Assuming the Offer Size Adjustment Option is not exercised						Assuming the Offer Size Adjustment Option is exercised in full			
	Subscription amount ⁽¹⁾	Number of Offer Shares ⁽²⁾	Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full		Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
			Approximate % of the Offer Shares	Approximate % of the issued share capital ⁽³⁾	Approximate % of the Offer Shares	Approximate % of the issued share capital ⁽³⁾	Approximate % of the Offer Shares	Approximate % of the issued share capital ⁽³⁾	Approximate % of the Offer Shares	Approximate % of the issued share capital ⁽³⁾
GIC	80.00	9,434,400	10.85%	1.30%	9.43%	1.28%	9.43%	1.28%	8.20%	1.25%
HHLRA and HIM										
HHLRA	25.00	2,948,200	3.39%	0.41%	2.95%	0.40%	2.95%	0.40%	2.56%	0.39%
HIM	25.00	2,948,200	3.39%	0.41%	2.95%	0.40%	2.95%	0.40%	2.56%	0.39%
CPE	39.99	4,716,000	5.42%	0.65%	4.72%	0.64%	4.72%	0.64%	4.10%	0.63%
UBS AM										
Singapore. . .	30.00	3,537,900	4.07%	0.49%	3.54%	0.48%	3.54%	0.48%	3.08%	0.47%
Taikang Life . .	30.00	3,537,900	4.07%	0.49%	3.54%	0.48%	3.54%	0.48%	3.08%	0.47%
Eastspring										
Eastspring										
Singapore. . .	10.00	1,179,300	1.36%	0.16%	1.18%	0.16%	1.18%	0.16%	1.03%	0.16%
Eastspring HK . .	6.00	707,500	0.81%	0.10%	0.71%	0.10%	0.71%	0.10%	0.62%	0.09%
Pinpoint	30.00	3,537,900	4.07%	0.49%	3.54%	0.48%	3.54%	0.48%	3.08%	0.47%
ICBC Wealth . .	20.00	2,358,600	2.71%	0.33%	2.36%	0.32%	2.36%	0.32%	2.05%	0.31%
MWAL	20.00	2,358,600	2.71%	0.33%	2.36%	0.32%	2.36%	0.32%	2.05%	0.31%
Millennium . . .	20.00	2,358,600	2.71%	0.33%	2.36%	0.32%	2.36%	0.32%	2.05%	0.31%
PSBC Wealth . .	12.00	1,415,100	1.63%	0.20%	1.41%	0.19%	1.41%	0.19%	1.23%	0.19%
Fullgoal										
Fullgoal HK . .	3.80	448,100	0.52%	0.06%	0.45%	0.06%	0.45%	0.06%	0.39%	0.06%
Fullgoal Fund. .	6.20	731,100	0.84%	0.10%	0.73%	0.10%	0.73%	0.10%	0.64%	0.10%
Total.	357.99	42,217,400	48.54%	5.83%	42.21%	5.72%	42.21%	5.72%	36.71%	5.61%

CORNERSTONE INVESTORS

Notes:

- (1) Exclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy. Calculated based on the exchange rate set out in the section headed “Information about this Prospectus and the Global Offering — Currency Translations” in this prospectus. The actual investment amount is denominated in Hong Kong dollars.
- (2) Rounded down to the nearest whole board lot of 100 H Shares. The exact number of H Shares to be subscribed for by the Cornerstone Investors will be subject to the exchange rate as prescribed in the relevant cornerstone investment agreement.
- (3) Assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the date of exercise of Over-allotment Option.

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Investment.

GIC

GIC Private Limited (“**GIC**”) is a leading global investment firm established in 1981 to secure Singapore’s financial future. As the manager of Singapore’s foreign reserves, it takes a long-term, disciplined approach to investing. Its asset allocation strategy spans three asset groups — equities, fixed income, and real assets. These include investments in developed and emerging market equities, nominal and inflation-linked bonds, private equity, real estate, alternatives, and infrastructure. It is headquartered in Singapore, with a global presence including a talent force of over 2,300 people in 11 key financial cities and investments in over 40 countries. GIC seeks to add meaningful value to its investments and be an investor of choice by leveraging its long-term approach, multi-asset capabilities, and global connectivity.

HHLRA and HIM

HHLR Advisors, Ltd. (“**HHLRA**”) is an exempted company incorporated in the Cayman Islands that acts as the investment manager of investment funds (collectively the “**HHLRA Funds**”), which are limited partnerships formed under the laws of the Cayman Islands. There is no individual limited partner investor who holds an economic interest of 30% or more in the HHLRA Funds. HHLRA intends to hold the Offer Shares through one of the HHLRA Funds, namely HACF, L.P.

HHLRA collaborates with industry-defining enterprises, aiming to establish alignment with sustainable, forward-thinking companies across industrial, consumer, healthcare and business services sectors. HHLRA manages capital for global institutions, including non-profit foundations, endowments, and pensions. HHLRA is entering the cornerstone investment agreement with the Company in its capacity as an investment manager and on behalf of the HHLRA Funds.

Hillhouse Investment Management, Ltd. (“**HIM**”) is an exempted company incorporated in the Cayman Islands that acts as the investment manager of investment funds (collectively the “**HIM Funds**”), which are limited partnerships formed under the laws of the Cayman Islands. There is no individual limited partner investor who holds an economic interest of 30% or more in the HIM Funds. HIM intends to hold the Offer Shares through an entity held by one of the HIM Funds, namely HH RSV-XVII Holdings Limited.

HIM is dedicated to partnering with high quality businesses for the long-term. It offers a range of investment strategies that span public equity, private equity (including buyout, venture capital and growth strategies) and real assets. HIM partners with exceptional entrepreneurs and management teams to create value, with a particular focus on innovation and sustainable growth across industrial, consumer, healthcare and business services sectors. HIM manages capital for global institutions, including non-profit foundations, endowments, and pensions. HIM is entering the cornerstone investment agreement with the Company in its capacity as an investment manager and on behalf of the HIM Funds.

CPE Juniper

CPE Juniper Investment Limited (“**CPE Juniper**”) is a business company incorporated under the laws of the BVI and its primary business activity is investment holding. It is a subsidiary of CPE Global Opportunities Fund II, L.P. (“**CPE GOF II**”), an exempted limited partnership formed under the laws of the Cayman Islands. Apart from CPE GOF II, no other shareholder holds more than 30% interest in CPE Juniper. The general partner of CPE GOF II is CPE GOF GP Limited, a company incorporated in the Cayman Islands with limited liability. CPE GOF GP Limited is directly and wholly owned by CPE Management International Limited, which is in turn wholly owned by CPE Management International II Limited, both of which are companies incorporated in the Cayman Islands with limited liability. CPE Management International II Limited is owned by a number of shareholders that are natural persons who are Independent Third Parties and none of whom holds 30% or more interest in CPE Management International II Limited. CPE GOF II’s investor base comprises both corporate and entrepreneurial investors, and none of the limited partners hold 30% or more interest in CPE GOF II.

UBS AM Singapore

UBS Asset Management (Singapore) Ltd. (“**UBS AM Singapore**”), a company incorporated in Singapore in December 1993, has entered into a cornerstone investment agreement with the Company and the Joint Sponsors, in its capacity as the investment manager for and on behalf of the following fund: (i) UBS (Lux) Equity Fund — Greater China (USD); (ii) UBS (Lux) Equity Fund — China Opportunity (USD); (iii) UBS (HK) Fund Series — China Opportunity Equity (USD); (iv) UBS (Lux) Equity SICAV — All China (USD); (v) UBS (CAY) China A Opportunity; and (vi) certain other segregated accounts and mandates. To the best of UBS AM Singapore’s knowledge, no single ultimate beneficial owner holds 30% or more interest in those funds.

UBS AM Singapore is a wholly owned subsidiary of UBS Asset Management AG, an investment management company, which is wholly ultimately owned by UBS Group AG, which is a company organized under Swiss law as a corporation that has issued shares of common stock to investors. UBS Group AG’s shares are listed on the SIX Swiss Exchange (stock code: UBSG) and the New York Stock Exchange (stock code: UBS).

Taikang Life

Taikang Life Insurance Co., Ltd (“**Taikang Life**”), a company incorporated in China, is a wholly owned subsidiary of Taikang Insurance Group Inc. There is no shareholder holding 30% or more in Taikang Insurance Group Inc. Taikang Life provides a full range of personal security and investment and wealth management products and services for individuals and families. The products on offer correspond to the different requirements of customers in terms of market segments such as the children and teenagers, females and high-income population groups. They also meet multidimensional demands regarding health care and accident cover, pensions and wealth management, among others. Taikang Insurance Group Inc. is an insurance and financial service conglomerate focused on insurance, asset management and health and elderly care as main businesses. The Beijing-headquartered company consists of several subsidiaries including Taikang Life, Taikang AMC, Taikang Pension, Taikang Healthcare, Taikang Health, and TK.CN. Its product offering covers life insurance, internet-based financial insurance, enterprise annuity, asset management, health and elderly care, health management and commercial real estate, among others.

Eastspring

Eastspring Investments (Singapore) Limited (“**Eastspring Singapore**”), established in 1994 and headquartered in Singapore, and Eastspring Investments (Hong Kong) Limited (“**Eastspring HK**”), established in 1994 (collectively, “**Eastspring**”), bring over 30 years of investment expertise in Asia. Eastspring is ultimately wholly owned by Prudential plc, a publicly listed company which has dual primary listings on the Stock Exchange of Hong Kong (HKEX: 2378) and the London Stock Exchange (LSE: PRU), a secondary listing on the Singapore Stock Exchange (SGX: K6S), and a listing on the New York Stock Exchange (NYSE: PUK) in the form of American Depositary Receipts. As of December 31, 2025, Eastspring managed US\$278 billion in assets. Eastspring offers a diverse range of investment strategies for both Asian and non-Asian institutions, working closely with its local offices to deliver tailored solutions to institutional clients.

Eastspring, acting as the discretionary investment manager for and on behalf of six discretionary funds established under various jurisdictions (collectively, the “**ESI Managed Funds**”), has agreed to participate in the Global Offering and for such ESI Managed Funds to invest as Cornerstone Investors. Specifically, the ESI Managed Funds comprise: (i) two funds managed by Eastspring Singapore, namely EASTSPRING INVESTMENTS — ASIA OPPORTUNITIES EQUITY FUND (an open-end mutual fund) and AHAPAG — ASIA PACIFIC ACTIVE GROWTH EQUITY PORTFOLIO (a segregated mandate), the sole ultimate beneficial owner of which is Prudential plc; and (ii) four funds managed by Eastspring HK, namely EASTSPRING INVESTMENTS — CHINA EQUITY FUND and EASTSPRING INVESTMENTS — GREATER CHINA EQUITY FUND (open-end mutual funds), and AHCEQF CHINA EQUITY FUND PORTFOLIO and NDGCEF_O RUPIAH INDONESIA GREATER CHINA EQUITY FUND_OFFSHORE PORTFOLIO (segregated mandates), which have multiple holders. To the best of Eastspring’s knowledge, EASTSPRING INVESTMENTS — CHINA EQUITY FUND has no ultimate beneficial owner who holds an interest of 30% or more. Each of EASTSPRING INVESTMENTS — GREATER CHINA EQUITY FUND, AHCEQF CHINA EQUITY FUND PORTFOLIO and NDGCEF_O RUPIAH INDONESIA GREATER CHINA EQUITY FUND_OFFSHORE PORTFOLIO has an ultimate beneficial owner holding an interest of 30% or more, which is Prudential plc. The holders of the ESI Managed Funds and their respective ultimate beneficial owners (including Prudential plc) are, to the best of the knowledge, information, and belief of the Company, Independent Third Parties.

Pinpoint

Pinpoint Asset Management Limited (“**Pinpoint**”) is the investment advisor of the funds under its management, which comprise solely of exempted companies incorporated in Cayman Islands, namely Pinpoint China Fund and Pinpoint Multi-Strategy Master Fund, both of which are discretionary investment funds. Pinpoint is a limited liability company incorporated in Hong Kong on June 4, 2010. It is an independent investment research and management company that provides active asset management services to institutional investors, pension funds, private banking, fund of funds, family offices and high net worth individuals. It is licensed to conduct asset management business (type 9 regulated activities as defined under the SFO) by the SFC. It is directly held by Pinpoint Capital Management Group as to 100%, and is ultimately held as to 84.1% by Mr. Wang Qiang, and as to 15.9% by Ms. Bao Jiarong, both of whom are Independent Third Parties. Apart from Mr. Wang Qiang who holds 30% or more of Pinpoint China Fund and Pinpoint Multi-Strategy Master Fund, no other ultimate beneficial owner holds 30% or more interest in Pinpoint China Fund or Pinpoint Multi-Strategy Master Fund.

ICBC Wealth

ICBC Wealth Management Co., Ltd. (“**ICBC Wealth**”) was established in May 2019 in Beijing, with a registered capital of RMB16 billion. It is a wholly-owned subsidiary of Industrial and Commercial Bank of China Limited, a company listed on the Shanghai Stock Exchange (stock code: 601398) and the Hong Kong Stock Exchange (stock code: 1398). The business scope of ICBC Wealth is public issuance of wealth management products to the general public, investment and management of entrusted assets for investors; non-public issuance of wealth management products to qualified investors, investment and management of entrusted assets for investors; wealth management advisory and consulting services; and other businesses as approved by the banking regulatory authority under the State Council.

As confirmed by ICBC Wealth, the subscription of the Offer Shares as a Cornerstone Investor will be made by ICBC Wealth in its capacity as the investment manager of certain wealth management products under its discretionary management, and no single ultimate beneficial owner holds 30% or more interests in such products.

MWAL

Marshall Wace Asia Limited (“**MWAL**”) is the delegated investment manager of, and manages on a fully discretionary basis, the MWIS Market Neutral TOPS Fund, MWIS Eureka Fund and MWIS TOPS Emerging Markets Absolute Return Fund, which are sub-trusts of Marshall Wace Investment Strategies, an umbrella unit trust established under the laws of Ireland, and the MWMF SPC Alpha Plus Fund, a fund of Marshall Wace Master Funds SPC, a Cayman Islands exempted company registered as a segregated portfolio company and as a regulated mutual fund with the Cayman Islands Monetary Authority (collectively, the “**MW Funds**”). No single ultimate beneficial owner holds 30% or more of the interests in the MW Funds.

MWAL is one of the investment management entities within the Marshall Wace group (MWAL, together with its affiliated entities, “**Marshall Wace**”). MWAL is a limited liability company established under the laws of Hong Kong. It is authorized and regulated by the Securities and Futures Commission of Hong Kong. A subsidiary of KKR & Co. Inc. (a company listed on the New York Stock Exchange (NYSE: KKR)) indirectly holds a 39.9% ownership interest in MWAL, and there are no other beneficial owners who hold a 25% or more direct or indirect ownership interest in MWAL. Marshall Wace is a global alternative investment management firm whose main activity is the provision of investment management services to collective investment schemes, pursuing a diverse range of investment strategies across asset classes and geographies.

MW Funds may obtain external financing to finance their subscription of the Offer Shares. The Offer Shares to be subscribed for by MW Funds will be held in a prime brokerage account in the name of the relevant MW Fund with UBS AG (or any of its respective affiliates), a prime broker who is not an underwriter (or its affiliates) of the Global Offering, and will be charged to that prime broker as security for the relevant MW Fund’s obligations to that prime broker. Under the terms of the prime brokerage relationship, upon the occurrence of certain customary events of default, the relevant MW Fund may be required to discharge its obligations to the prime broker, and the prime broker may therefore have the right to enforce its security interest by way of appropriation or foreclosure or by exercising a power of sale over the Offer Shares subject to such charge at any time upon the occurrence of such an event of default, save that MW Funds severally (and not jointly, nor jointly and severally) undertake to the Company, the Joint Sponsors, and the Overall Coordinators to procure that the relevant prime broker undertakes to the Company not to dispose of the relevant Offer Shares until after the date falling six months after the Listing Date.

CORNERSTONE INVESTORS

Millennium

Millennium Capital Management (Singapore) Pte. Ltd. (“**Millennium Capital**”) is the principal investment manager of Integrated Core Strategies (Asia) Pte. Ltd. (“**Millennium ICSA**”), the cornerstone investor. Millennium Capital is one of the investment management entities in the Millennium Group (Millennium Capital, together with its affiliated entities, are collectively referred to herein as “**Millennium**”). Millennium is a global, diversified alternative investment management firm and seeks to pursue a diverse range of investment strategies across industry sectors, asset classes and geographies. Millennium ICSA is incorporated in Singapore and Millennium Capital is licensed by the Monetary Authority of Singapore. No ultimate beneficial owner holds more than 30% interests in Millennium ICSA.

PSBC Wealth

PSBC Wealth Management Co., Ltd. (中郵理財有限責任公司) (“**PSBC Wealth**”) was established on December 18, 2019, with a registered capital of RMB8.0 billion, in which Postal Savings Bank of China Co., Ltd. (中國郵政儲蓄銀行股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1658), holds a 100% stake and is ultimately controlled by China Post Group Corporation Limited (中國郵政集團有限公司). Its business scope is public issuance of wealth management products to the general public, investment and management of entrusted assets for investors; non-public issuance of wealth management products to eligible investors, investment and management of entrusted assets for investors; financial advisory and consulting services, etc. PSBC Wealth remained firmly committed to balanced development of scale, quality and profitability, aimed at fostering core competitiveness, deepened investment analysis, marketing, internal control, operational reforms and digital transformation, and continued to improve the rule-based, specialized and market-oriented development of wealth management business.

Fullgoal

Fullgoal HK

Fullgoal Asset Management (HK) Limited (“**Fullgoal HK**”) will subscribe for and hold the relevant number of Offer Shares under the Cornerstone Investment Agreement both on full discretion investment basis and on behalf of its clients who are Independent Third Parties. None of the funds managed by Fullgoal HK that participate in the Cornerstone Investment has any single ultimate beneficial owner holding 30% or more of the interests therein. Established in 2012 in Hong Kong, Fullgoal HK is a wholly owned subsidiary of Fullgoal Fund Management Co., Ltd. (“**Fullgoal Fund**”, together with Fullgoal HK, “**Fullgoal**”). Fullgoal HK has Type 1 (Dealing in Securities), Type 4 (Advising on Securities) and Type 9 (Asset Management) licenses issued by the SFC.

Fullgoal Fund

Fullgoal Fund is a fund management company established in China in April 1999, and is one of the first ten fund management companies authorized by the CSRC and other regulatory authorities to obtain full licenses to provide asset management services in the PRC. Fullgoal Fund has a registered capital of RMB520 million and its main scope of business includes the provision of traditional fund management services, fund raising, fund sale and asset management solutions to both domestic and overseas clients. Fullgoal Fund is a QDII approved by the relevant PRC authority and is also the first fund management company with foreign equity participation among the first ten fund management companies in China. The relevant funds proposed to subscribe for the Offer Shares under the management of Fullgoal Fund are open-ended publicly raised securities investment funds registered with the CSRC.

CORNERSTONE INVESTORS

Fullgoal Fund will subscribe for and hold the relevant number of Offer Shares under the Cornerstone Investment Agreement on behalf of its clients who are Independent Third Parties. None of the funds managed by Fullgoal Fund that participate in the Cornerstone Investment has any single ultimate beneficial owner holding 30% or more of the interests therein.

The shareholders of Fullgoal Fund include (i) Guotai Haitong Securities Co., Ltd. (國泰海通證券股份有限公司) (stock codes: 601211.SH and 2611.HK) holding 27.775% in Fullgoal Fund; (ii) Shenwan Hongyuan Securities Co., Ltd. (申萬宏源證券股份有限公司) holding 27.775% in Fullgoal Fund; (iii) Bank of Montreal holding 27.775% in Fullgoal Fund, and (iv) Shandong Financial Asset Management Co., Ltd. (山東省金融資產管理股份有限公司), holding 16.675% in Fullgoal Fund.

CLOSING CONDITIONS

The obligation of each Cornerstone Investor to subscribe for the Offer Shares under the respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions (as the case may be):

- (i) the Underwriting Agreements for the Hong Kong Public Offering and the International Offering being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the Underwriting Agreements, and neither of the aforesaid Underwriting Agreements having been terminated;
- (ii) the Offer Price having been agreed upon between our Company and the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the underwriters of the Global Offering);
- (iii) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the H Shares (including the Offer Shares subscribed for by the Cornerstone Investors) as well as other applicable waivers and approvals, and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;
- (iv) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or in the respective Cornerstone Investment Agreements and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and
- (v) the respective acknowledgements, representations, warranties, undertakings and confirmations of the relevant Cornerstone Investor under the respective Cornerstone Investment Agreement are accurate and true in all material respects and not misleading and that there is no material breach of the Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from (and inclusive of) the Listing Date (the “**Lock-up Period**”), dispose of, in any way, any of the Offer Shares or any interest in any company or entity holding such Offer Shares that they have purchased pursuant to the relevant Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries that will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Our Board of Directors comprises nine Directors, including five executive Directors and four independent non-executive Directors. Pursuant to the Articles of Association, our non-employee representative Directors are elected by the Shareholders for a term of three years and are eligible for re-election upon expiry of their terms of office. According to the relevant PRC laws and regulations, an independent non-executive Director shall not serve for more than six consecutive years.

The following table sets forth the key information about our Directors.

Name	Age*	Positions	Time of joining our Group	Date of appointment as a Director	Roles and responsibilities
Mr. JIN Xin (金鑫)	59	Chairman of the Board and executive Director	September 22, 2003	September 22, 2003	Responsible for providing strategic guidance for the overall business development of our Group
Mr. SUN Xiaole (孫曉樂)	45	Executive Director and general manager	August 1, 2004	September 20, 2011	Responsible for the management of business operations of our Group, as well as the management of the domestic wind power equipment and shipbuilding businesses
Ms. LIU Aihua (劉愛花)	49	Executive Director, deputy general manager and chief financial officer	September 23, 2022	January 19, 2023	Responsible for the financial management of our Group
Mr. LI Xin (李新)	46	Executive Director and deputy general manager	January 4, 2019	July 11, 2025	Responsible for the management of the overseas business of our Group
Mr. JIANG Haitao (姜海濤)	46	Executive Director	August 31, 2023	June 24, 2025	Responsible for the execution management of export projects at offshore engineering base of our Group
Mr. CAI Meng (蔡萌)	59	Independent non-executive Director	March 4, 2022	March 4, 2022	Responsible for providing independent oversight and advisory services to our Board
Mr. QU Guangjie (曲光杰)	43	Independent non-executive Director	January 19, 2023	January 19, 2023	Responsible for providing independent oversight and advisory services to our Board
Ms. ZHANG Wei (張瑋)	48	Independent non-executive Director	January 19, 2023	January 19, 2023	Responsible for providing independent oversight and advisory services to our Board

DIRECTORS AND SENIOR MANAGEMENT

Name	Age*	Positions	Time of joining our Group	Date of appointment as a Director	Roles and responsibilities
Ms. LU Qiannan (陸倩南)	51	Independent non-executive Director	July 11, 2025	July 11, 2025	Responsible for providing independent oversight and advisory services to our Board

Note: Ages are calculated based on the year of birth.

Executive Directors

Mr. JIN Xin (金鑫), aged 59, is our founder, an executive Director and the chairman of our Board. He is primarily responsible for providing strategic guidance for the overall business development of our Group.

Mr. Jin is a seasoned entrepreneur with over two decades of experience in corporation management and possesses extensive experience in the offshore wind power industry. He founded our Group in September 2003 and has been serving as our Director and chairman of the Board since its inception. In July 2025, he was re-designated as an executive Director, with effect from the Listing Date. Mr. Jin previously served as the general manager of our Company from April 2017 to November 2017. He currently holds directorships across various subsidiaries of our Group, providing strategic leadership across our operations. Mr. Jin has been serving as the executive director and general manager of Jinyin Energy, our Controlling Shareholders, since July 2007.

Mr. Jin obtained his college diploma in economic management through correspondence from Liaoning Administration College (遼寧行政學院) in the PRC in June 1994.

Mr. SUN Xiaole (孫曉樂), aged 45, is an executive Director and the general manager of our Company. He is primarily responsible for the management of business operations of our Group, as well as the management of the domestic wind power equipment and shipbuilding businesses.

Mr. Sun joined our Company in August 2004 and has demonstrated progressive career advancement within our organization. He has been serving as a Director since September 2011 and the general manager of our Company since November 2017, respectively. In July 2025, he was re-designated as an executive Director, with effect from the Listing Date. He also holds directorships and senior management positions in several subsidiaries of our Group, providing operational oversight across our business units. He initially served as a staff member of the engineering department, and subsequently held position as deputy general manager of our Company from November 2006 to November 2017. During his tenure, he held multiple positions, including general manager of the marketing center, general manager of the Shandong Penglai Offshore Facility, and general manager of the procurement management center. Mr. Sun was appointed as the general manager of Liaoning Panjin Shipbuilding Facility in October 2024.

Mr. Sun obtained his college diploma in architectural engineering from Shenyang Jianzhu University (瀋陽建築大學) in the PRC in July 2004.

DIRECTORS AND SENIOR MANAGEMENT

Ms. LIU Aihua (劉愛花), aged 49, is an executive Director, deputy general manager and chief financial officer of our Company. She is primarily responsible for the financial management of our Group.

Ms. Liu joined our Group in September 2022 as a general manager of the finance management center. In January 2023, Ms. Liu was subsequently appointed as the chief financial officer of our Company and a Director. In addition, she served as a general manager of the new energy investment business department of our Company from October 2022 to April 2025, and a general manager of new energy production center from April 2025 to June 2025. In July 2025, she was re-designated as an executive Director, with effect from the Listing Date. Ms. Liu was further appointed as our deputy general manager in January 2026.

Ms. Liu is equipped with extensive experience in corporate financial management and auditing. Prior to joining our Group, she served as head of the group financial management department and chief financial officer of the new energy & wind power manufacturing division at Goldwind Science & Technology Co., Ltd. (金風科技股份有限公司), a company focused on the development and production of wind power generation equipment with its shares listed on the Stock Exchange (stock code: 02208) and the Shenzhen Stock Exchange (stock code: 002202), from April 2012 to August 2022. Before that, Ms. Liu (i) served as a senior consulting manager at China Financial Advisory Co., Ltd. (中華財務諮詢有限公司); (ii) worked at Beijing Tianjun Changyin Media Technology Co., Ltd. (北京天駿暢引傳媒科技有限公司); and (iii) served as the financial manager at Sichuan Fenshi Advertising Media Co., Ltd. (四川分時廣告傳媒有限公司).

Ms. Liu obtained her bachelor's degree in information management and information system from Beijing Wuzi College (北京物資學院) in July 2000 and master's degree in quantitative economics from North China University of Technology (北方工業大學) in the PRC in July 2003, respectively. She has been a member of the Chinese Institute of Certified Public Accountants (中國註冊會計師協會) since January 2004.

Mr. LI Xin (李新), aged 46, is an executive Director and the deputy general manager of our Company. He is primarily responsible for the management of the overseas business of our Group.

Mr. Li joined our Group as an assistant to the chairman on January 4, 2019 and was appointed as the deputy general manager in April 2025. He was further appointed as a Director in July 2025 with his role as an executive Director taking effect from the Listing Date. Currently, Mr. Li also serves as a general manager of the overseas business center since March 2022. In addition, he served as the marketing director (營銷總監) of overseas offshore engineering from January 2020 to August 2020, and a deputy general manager of the marketing center from August 2020 to March 2022. Prior to joining our Group, Mr. Li served at Vestas Beijing Co., Ltd. (維斯塔斯風力技術(中國)有限公司), and at ALSTOM Beijing Co., Ltd. (北重阿爾斯通(北京)電氣裝備有限公司), respectively.

Mr. Li obtained his bachelor's degree in metal material engineering from Dalian Railway College (大連鐵道學院) (currently known as Dalian Jiaotong University (大連交通大學)) in the PRC in July 2003.

Mr. JIANG Haitao (姜海濤), aged 46, is an executive Director primarily responsible for the execution management of export projects at offshore engineering base of our Group.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Jiang joined our Group in August 2023. He served as the deputy general manager at our Shandong Penglai Offshore Facility since August 2023 until July 2025. He has been serving as the executive deputy general manager at Hebei Tangshan Caofeidian Deep and Far-sea Offshore Facility since July 2025. Mr. Jiang was elected as an employee representative Director in June 2025, and was re-designated as an executive Director in July 2025, with effect from the Listing Date.

Mr. Jiang possesses over 20 years of experience in engineering and energy industry technical management. Prior to joining our Group, Mr. Jiang served as different roles in several companies, including, (i) an assistant engineer at China National Offshore Oil Corporation Nanhai West Co., Ltd. (中國海洋石油南海西部有限公司, previously known as China National Offshore Oil Corporation Nanhai West (中國海洋石油南海西部公司)), (ii) a project engineer and project manager at Shenzhen Chiwan Sembawang Engineering Co., Ltd. (深圳赤灣勝寶旺工程有限公司), (iii) a project manager at one of the subsidiaries of COSCO SHIPYARD Group Co., Ltd. (中遠船務工程集團有限公司), (iv) a project control manager at Energy Drilling Pte. Ltd; (v) a field representative at Husky Oil China Ltd. (哈斯基石油中國有限公司) and (vi) a project general manager of CNOOC Fulu Heavy Industry Co., Ltd (中海福陸重工有限公司).

Mr. Jiang obtained his bachelor's degree in aircraft propulsion engineering from Civil Aviation College of China (中國民用航空學院) (currently known as Civil Aviation University of China (中國民航大學)) in the PRC in July 2002.

Independent Non-executive Directors

Mr. CAI Meng (蔡萌), aged 59, is an independent non-executive Director of our Company. He is primarily responsible for providing independent oversight and advisory services to our Board. He joined our Group as an independent Director in March 2022 and was re-designated as an independent non-executive Director in July 2025, with effect from the Listing Date.

Mr. Cai has been serving as the chairman of the board of Beijing Hengcheng Zhiyuan Enterprise Consulting Group Co., Ltd. (北京恒成智遠企業顧問集團股份有限公司, previously known as Beijing Hejun Hengcheng Enterprise Consulting Group Co., Ltd. (北京和君恒成企業顧問集團股份有限公司)) since March 2016. In addition, he served as the general manager of Beijing Hengcheng Zhiyuan Enterprise Consulting Group Co., Ltd. (北京恒成智遠企業顧問集團股份有限公司,) from March 2016 to January 2018. Mr. Cai also served as an independent non-executive Director in Qinqin Foodstuffs Group (Cayman) Company Limited, the shares of which are listed on the Stock Exchange (stock code: 1583), from June 2016 to May 2024.

Mr. Cai obtained his bachelor's degree in ideological and political education and administrative management and his master's degree in educational management from Beihang University (北京航空航天大學) in the PRC in July 1990 and July 1997, respectively.

Mr. QU Guangjie (曲光杰), aged 43, is an independent non-executive Director of our Company. He is primarily responsible for providing independent oversight and advisory services to our Board. He joined our Group as an independent Director in January 2023 and was re-designated as an independent non-executive Director in July 2025, with effect from the Listing Date.

Mr. Qu has been working at Beijing Dacheng Law Offices (北京大成律師事務所) since July 2007 and currently serves as its senior partner. He has been serving as an internal review committee member of Huajin Securities Co., Ltd. (華金證券股份有限公司) since November 2022. He has also been serving as a director of Dalian Lvshunkou District State-owned Capital Investment and Operation Group Co., Ltd. (大連市旅順口區國有資本投資運營集團有限公司) since March 2020, and a director of Beijing Sino-science Gene Technology Co., Ltd. (北京中科基因技術股份有限公司) since January 2021, respectively.

DIRECTORS AND SENIOR MANAGEMENT

Previously, Mr. Qu served as the senior manager and internal review committee member in the investment banking department of Central China Securities Co., Ltd. (中原證券股份有限公司), the shares of which are listed on the Stock Exchange (stock code: 01375) and Shanghai Stock Exchange (stock code: 601375). He also served as a partner at Beijing Qianyu Law Firm (北京謙或律師事務所) and worked at Beijing Zhongzi Law Office (北京市中諮律師事務所).

Mr. Qu obtained his bachelor's degree in law from China University of Political Science and Law (中國政法大學) in the PRC in July 2006. He has achieved several professional qualifications including (i) the Securities Qualification Certificate (證券從業資格證) in September 2011; (ii) the Fund Qualification Certificate (基金從業資格證) in April 2016; (iii) the Independent Director Qualification Certificate (獨立董事資格證書) from Shenzhen Stock Exchange in June 2017; and (iv) the Board Secretary Qualification Certificate (董事會秘書資格證書) in October 2017.

Ms. ZHANG Wei (張瑋), aged 48, is an independent non-executive Director of our Company. She is primarily responsible for providing independent oversight and advisory services to our Board. She joined our Group as an independent Director in January 2023 and was re-designated as an independent non-executive Director in July 2025, with effect from the Listing Date.

Ms. Zhang served as an auditor, project manager and senior manager successively at WUYIGE Certified Public Accountants LLP (大信會計師事務所(特殊普通合夥)) starting at February 2008, where she currently serves as a senior manager and partner. She worked as an independent director of HES Technology Group Co., Ltd. (豪爾賽科技集團股份有限公司), the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002963), from January 2024 to December 2025.

Ms. Zhang graduated from Northeast Normal University (東北師範大學) in the PRC with a major in Chinese language and literature in June 2003. She has been a member of the Chinese Institute of Certified Public Accountants since October 2009.

In 2017, the Xinjiang Regulatory Bureau of the CSRC (“**Xinjiang CSRC Bureau**”) issued a decision letter to Ms. Zhang and another individual in connection with certain procedural audit deficiencies (the “**Audit Deficiencies**”) identified in their audit of a A-share listed company's annual report. The Audit Deficiencies related to the execution of risk assessment procedures, substantive audit procedures, and the organization of audit working papers only. Such deficiencies were procedural in nature and did not involve any fraudulent conduct, dishonesty, or integrity concerns. The Xinjiang CSRC Bureau required Ms. Zhang to attend a regulatory talk, and no penalty, public sanction, or disciplinary action was imposed. A rectification report in relation to the Audit Deficiencies was immediately submitted to the Xinjiang CSRC Bureau, and the matter has been fully concluded with no further regulatory action taken.

As advised by our PRC Legal Advisors, the decision letter does not constitute a major or severe administrative measure, nor does it amount to an administrative penalty or public censure under PRC securities laws or CSRC regulations. Given that (i) the Audit Deficiencies do not involve any fraudulent conduct, dishonesty, or integrity concerns and there is no suggestion of willful misconduct or personal wrongdoing by Ms. Zhang; (ii) all necessary remedial actions were completed by Ms. Zhang prior to her appointment as a Director; (iii) Ms. Zhang has demonstrated continuous professional development and has further strengthened her expertise in audit quality control and risk management; (iv) save as the regulatory talk, Ms. Zhang had not been subject to any other administrative measures, our Directors are of the view that the above incident does not impugn the integrity or suitability of Ms. Zhang to serve as a Director of our Company.

DIRECTORS AND SENIOR MANAGEMENT

Ms. LU Qiannan (陸倩南), aged 51, is an independent non-executive Director of our Company. She is primarily responsible for providing independent oversight and advisory services to our Board. She joined our Group as an independent Director in July 2025 and was re-designated as an independent non-executive Director in July 2025, with effect from the Listing Date.

Ms. Lu has been working at adidas Sourcing Limited since May 2024 with her current position as the senior director tax with corporate tax. She served as a tax partner of Ernst & Young Tax Services Limited from July 2020 to December 2023. She worked at Schneider Electric South East Asia (HQ) Pte Ltd from February 2012 to May 2020, with her last position as a vice president of tax, APAC. From July 2009 to February 2012, she served as Greater China senior tax director at Oracle (China) Software Systems Co., Ltd. (甲骨文(中國)軟件系統有限公司). She served at PricewaterhouseCoopers Consultants (Shenzhen) Limited, Beijing Branch (普華永道諮詢(深圳)有限公司北京分公司) from April 1997 to June 2009, with her last position as a director of the tax department.

Ms. Lu obtained her bachelor's degree in taxation from Central University of Finance and Economics (中央財經大學) in the PRC in July 1997. She has been a member of the China Certified Tax Agents Association (中國註冊稅務師協會) since May 2006, and a member of the Chinese Institute of Certified Public Accountants since September 2010, respectively.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The following table sets forth the key information about our senior management as of the Latest Practicable Date.

Name	Age*	Positions	Time of joining our Group	Date of appointment as a senior management	Roles and responsibilities
Mr. SUN Xiaole (孫曉樂)	45	Executive Director and general manager	August 1, 2004	November 8, 2006	Responsible for the management of business operations of our Group, as well as the management of the domestic wind power equipment and shipbuilding businesses
Ms. LIU Aihua (劉愛花)	49	Executive Director, deputy general manager and chief financial officer	September 23, 2022	January 19, 2023	Responsible for the financial management of our Group
Mr. LI Xin (李新)	46	Executive Director and deputy general manager	January 4, 2019	April 10, 2025	Responsible for the management of the overseas business of our Group
Ms. GE Xin (葛欣)	43	Secretary of the Board and deputy general manager	August 5, 2023	December 15, 2023	Responsible for overseeing the corporate governance practices, investor relations management and information disclosure of our Group

Note: Ages are calculated based on the year of birth.

DIRECTORS AND SENIOR MANAGEMENT

Mr. SUN Xiaole (孫曉樂), aged 45, is an executive Director and general manager of our Company. For his biography, see “— Board of Directors — Executive Directors” in this section.

Ms. LIU Aihua (劉愛花), aged 49, serves as an executive Director, deputy general manager and chief financial officer of our Company. For her biography, see “— Board of Directors — Executive Directors” in this section.

Mr. LI Xin (李新), aged 46, is an executive Director and deputy general manager of our Company. For his biography, see “— Board of Directors — Executive Directors” in this section.

Ms. GE Xin (葛欣), aged 43, is our secretary of the Board, deputy general manager and one of our joint company secretaries. She is mainly responsible for overseeing the corporate governance practices, investor relations management and information disclosure of our Group.

Ms. Ge joined our Company in August 2023 and has been serving as a secretary of the Board within our Group since December 2023 and was appointed as a joint company secretary in June 2025. Ms. Ge was further appointed as our deputy general manager in January 2026.

Prior to joining our Group, Ms. Ge accumulated extensive working experience and has served in various positions at several listed companies, including (i) serving as board secretary of Ningbo Ronbay New Energy Technology Co., Ltd. (寧波容百新能源科技股份有限公司) (stock code: 688005.SH) from June 2021 to August 2023; (ii) working at 5i5j Holding Group Co., Ltd. (我愛我家控股集團股份有限公司) (stock code: 000560.SZ) from November 2018 to June 2021, with her final position being director of the board office (董事會辦公室主任), head of investor relations and chairwoman of the supervisory committee; (iii) working at Hanhua Financial Holding Co., Ltd. (瀚華金控股份有限公司) (stock code: 03903.HK) from October 2017 to November 2018, with her final position being head of the fund management department of the capital group; and (iv) working at Beijing Dangsheng Material Technology Co., Ltd. (北京當升材料科技股份有限公司) (stock code: 300073.SZ) from April 2009 to May 2013, with her final position being director of the general manager's office. She also worked at Beijing Ronbay Investment Holdings Co., Ltd. (北京容百投資控股有限公司) from May 2013 to September 2017, with her final position being operations director.

Ms. Ge obtained her bachelor's degrees in pharmaceutical engineering and international economics and trade from Changchun University of Technology (長春工業大學) in the PRC in the July 2006 and received her master's degree in organic chemistry from the same university in June 2009. She has achieved several professional qualifications including (i) the Board Secretary Qualification Certificate of Shenzhen Stock Exchange (深交所董事會秘書資格證書) in December 2018; (ii) the SSE STAR Market Board Secretary Qualification Certificate (上交所科創板董秘資格證) in July 2021; (iii) the Securities Qualification Certificate in September 2019; and (iv) the Fund Qualification Certificate in April 2018.

OTHER INFORMATION IN RELATION TO OUR DIRECTORS AND SENIOR MANAGEMENT

Save as disclosed above, to the best knowledge, information and belief of the Directors having made all reasonable inquiries, there are no material matters relating to their appointment as a Director that need to be brought to the attention of our Shareholders and there is no other information in relation to his or her appointment which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules as of the Latest Practicable Date.

DIRECTORS AND SENIOR MANAGEMENT

Save as disclosed above, none of the Directors and senior management held any other directorships in any other company listed in Hong Kong or overseas during the three years immediately preceding the date of this prospectus.

None of our Directors and senior management is related to other Directors and senior management.

JOINT COMPANY SECRETARIES

Ms. GE Xin (葛欣), aged 43, was appointed as one of the joint company secretaries of our Company in June 2025. For details of her biography, see “— Senior Management” above.

Mr. LAU Kwok Yin (劉國賢), aged 41, was appointed as the joint company secretary of the Company in June 2025. Mr. Lau has more than 15 years of experience in corporate secretarial services, finance and banking operations. Mr. Lau has been serving as the company secretary or joint company secretary of several companies listed on the Stock Exchange. He is a vice president of SWCS Corporate Services Group (Hong Kong) Limited.

Mr. Lau obtained a bachelor's degree in business administration (accounting and finance) from the University of Hong Kong in 2007. He is a member of the Hong Kong Institute of Certified Public Accountants, a Chartered Financial Analyst Charter holder, and a fellow of each of The Chartered Governance Institute and the Hong Kong Chartered Governance Institute (previously known as The Hong Kong Institute of Chartered Secretaries).

BOARD COMMITTEES

Our Company has established four committees under the Board in accordance with the relevant laws and regulations in Chinese Mainland, the Articles and the code of corporate governance practices under the Listing Rules, including the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy and Sustainable Development Committee.

Audit Committee

We have established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to (i) review the Company's financial information and disclosure, (ii) supervise and evaluate external audit work, and propose the engagement or replacement of the accounting firm, (iii) supervise and evaluate internal audit work and coordinate internal and external audits, (iv) supervise and evaluate the Company's internal controls, and (v) exercise the power of the supervisory board as stipulated in the Company Law. The Audit Committee comprises three independent non-executive Directors, namely, Ms. ZHANG Wei, Mr. QU Guangjie and Mr. CAI Meng. Ms. ZHANG Wei is the chairwoman of the Audit Committee. She holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

Remuneration and Appraisal Committee

We have established a Remuneration and Appraisal Committee in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Remuneration and Appraisal Committee are to (i) formulate assessment criteria for Directors and senior management and conduct assessments, (ii) formulate and review remuneration policies and plans for Directors and senior management, and (iii) make recommendations to the Board on matters including the remuneration of Directors and senior management, the formulation or amendment of equity incentive plans and employee stock ownership plans and the satisfaction of conditions for incentive recipients to be granted and exercise rights. The Remuneration and Appraisal Committee comprises one executive Director and two independent non-executive Directors, namely, Mr. CAI Meng, Ms. LIU Aihua and Ms. LU Qiannan. Mr. CAI Meng is the chairman of the Remuneration and Appraisal Committee.

Nomination Committee

We have established a Nomination Committee in compliance with Rule 3.27A of the Listing Rules and the Code on Corporate Governance set out in Appendix C1 to the Listing Rules. The primary duties of the Nomination Committee are to (i) formulate selection criteria and procedures for Directors and senior management, (ii) select candidates for Directors and senior management and review their qualifications, and (iii) provide advice on the Board on the nomination, appointment or removal of Directors and the appointment or dismissal of senior management. The Nomination Committee comprises one executive Director and two independent non-executive Directors, namely, Mr. SUN Xiaole, Mr. QU Guangjie and Ms. ZHANG Wei. Mr. QU Guangjie is the chairman of the Nomination Committee.

Strategy and Sustainable Development Committee

We have established a Strategy and Sustainable Development Committee. The primary duties of the Strategy and Sustainable Development Committee are to (i) study and propose recommendations on the Company's long-term development strategies, major investment and financing plans, capital operations and asset management projects, and (ii) formulate and supervise the Company's sustainable development vision, mission and strategies. The Strategy and Sustainable Development Committee comprises two executive Directors and one independent non-executive Director, namely, Mr. JIN Xin, Mr. SUN Xiaole and Mr. QU Guangjie. Mr. JIN Xin is the chairman of the Strategy and Sustainable Development Committee.

CORPORATE GOVERNANCE CODE

We recognize the importance of incorporating elements of good corporate governance in our management structure and internal control procedures as to achieve effective accountability. We have adopted the code provisions stated in the Corporate Governance Code set out in Appendix C1 of the Listing Rules. We are committed to the view that the Board should include a balanced composition of executive Directors, and independent non-executive Directors so that there is a strong independent element on the Board that can effectively exercise independent judgment.

To accomplish the high standards of corporate governance, we will comply with the Corporate Governance Code set out in Appendix C1 to the Listing Rules and the associated Listing Rules after the Listing.

DIRECTORS AND SENIOR MANAGEMENT

MANAGEMENT PRESENCE

According to Rules 8.12 and 19A.15 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. Since the principal business operations of our Group are conducted in Chinese Mainland, members of our senior management are, and are expected to continue to be, based in Chinese Mainland. Further, as our executive Directors have a vital role in our Group's operations, it is crucial for them to remain in close proximity to our Group's management located in Chinese Mainland. Our Company does not and, for the foreseeable future, will not have a sufficient management presence in Hong Kong. We have applied for, and the Stock Exchange has granted, a waiver from compliance with Rules 8.12 and 19A.15 of the Listing Rules. For further details, see "Waivers — Management Presence in Hong Kong."

BOARD DIVERSITY POLICY

Our Board has adopted a board diversity policy which sets out the approach to achieve diversity on our Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in supporting the attainment of our Company's strategic objectives and sustainable development. Our Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to talent, skills, gender, age, cultural and educational background, ethnicity, professional experience, independence, knowledge and length of service. We will select potential Board candidates based on merit and their potential contribution to our Board while taking into consideration our own business model and specific needs from time to time. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of diversity on our Board.

Our Board has a balanced mix of knowledge, skills and experience. They completed studies in various majors including but without limitation to economic management, architectural engineering, information management and information system, quantitative economics, metal material engineering, aircraft propulsion engineering, education, administrative management, law, Chinese language and literature, taxation. We have four independent non-executive Directors who have different industry backgrounds. Furthermore, our Directors are of a wide range of age, from 43 to 59 years old. Taking into account our business model and specific needs as well as the presence of three female Director out of a total of nine Board members, we consider that the composition of our Board satisfies our board diversity policy.

We recognize the particular importance of gender diversity on our Board. We have taken, and will continue to take, steps to promote gender diversity at all levels of our Company, including but not limited to our Board and the senior management levels. Our board diversity policy provides that our Board shall take opportunities when selecting and making recommendations on suitable candidates for Board appointments with the aim of increasing the proportion of female members over time after Listing. In particular, taking into account the business needs of our Group and changing circumstances that may affect our business plans, we will actively identify and select several female individuals with a diverse range of skills, experience and knowledge in different fields from time to time, and maintain a list of such female individuals who possess qualities to become our Board members, which will be periodically reviewed by our Nomination Committee in order to develop a pipeline of potential successors to our Board and promote gender diversity. Additionally, female representatives of our investors are also considered as potential candidates for Board appointments. We will also ensure that there is gender diversity when recruiting staff at the mid- to senior- levels so that

DIRECTORS AND SENIOR MANAGEMENT

we have a pipeline of female senior management and potential successors to our Board going forward. We plan to offer well-rounded trainings to female employees whom we consider have the requisite experience, skills and knowledge of our operation and business, on topics including but not limited to business operation, management, accounting and finance, and legal compliance. We are of the view that such strategies will provide our Board with ample opportunities to identify capable female employees to be nominated as Directors in the future, fulfilling our aim to develop a pipeline of female candidates to achieve greater gender diversity in our Board in the long run. We believe that such a merit-based selection process with reference to our diversity policy and the nature of our business will be in the best interests of our Company and our Shareholders as a whole. It is our objective to maintain an appropriate balance of gender diversity with reference to the stakeholders' expectations and international and local recommended best practices.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After the Listing, our Nomination Committee will review our board diversity policy and its implementation annually to monitor its continued effectiveness and we will disclose the implementation of our board diversity policy, including any measurable objectives set for implementing the board diversity policy and the progress on achieving these objectives, in our corporate governance report on an annual basis.

COMPLIANCE ADVISOR

We have appointed Altus Capital Limited as our Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. Our Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, our Compliance Advisor will advise our Company in certain circumstances including:

- (i) before the publication of any regulatory announcement, circular, or financial report;
- (ii) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- (iii) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where the business activities, development or results of our Group deviate from any forecast, estimate or other information in this prospectus; and
- (iv) where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Advisor will, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules that are announced by the Stock Exchange. The Compliance Advisor will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the applicable requirements under the Listing Rules and laws and regulations.

The term of appointment of our Compliance Advisor shall commence on the Listing Date and is expected to end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing Date.

DIRECTORS AND SENIOR MANAGEMENT

REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The Directors and senior management members who receive remuneration from our Company are paid in forms of salaries, bonuses, pension scheme contributions and other benefits in kind. When reviewing and determining the specific remuneration packages for our Directors and members of the senior management of our Company, the Shareholders' meetings and the Board takes into account factors such as salaries paid by comparable companies, time commitment, level of responsibilities, employment elsewhere in our Group and desirability of performance-based remuneration. As required by the relevant PRC laws and regulations, our Company also participates in various defined contribution plans organized by relevant provincial and municipal government authorities and welfare schemes for employees of our Company, including medical insurance, injury insurance, unemployment insurance, pension insurance, maternity insurance and housing provident fund.

Under the arrangement currently in force, we estimate the total compensation before taxation to be accrued to our Directors for the year ending December 31, 2026 to be RMB11.3 million.

For the years ended December 31, 2023, 2024 and 2025, the total amount of remuneration (including fees, basic salaries, allowances, other benefits, performance-based bonus, contributions to retirement benefit schemes and share-based compensation) and other benefits in kind (if applicable) paid to our then Directors and supervisor were RMB5.5 million, RMB7.1 million and RMB10.2 million, respectively. For details on the remuneration of each Director during the Track Record Period, please refer to Note 15 to the Accountants' Report in Appendix I to this prospectus.

For the years ended December 31, 2023, 2024 and 2025, the total emoluments paid to the five highest paid individuals (including one, one and three Director(s)) by us amounted to RMB6.2 million, RMB8.0 million and RMB11.3 million, respectively. For details on the remuneration of the five highest-paid employees during the Track Record Period, please refer to Note 16 to the Accountants' Report in Appendix I to this prospectus.

During the Track Record Period, no remuneration was paid by our Company to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any of our subsidiaries.

During the Track Record Period, none of our Directors waived any remuneration. Save as disclosed above, during the Track Record Period, no other amounts shall be paid or payable by us or any of our subsidiaries to our Directors or the five highest paid individuals.

CONFIRMATIONS FROM OUR DIRECTORS

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on August 25, 2025, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he or she have no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date, and (iii) there are no other factors that may affect his or her independence at the time of his/her appointments.

Rule 8.10 of the Listing Rules

Each of our executive Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a 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.

FINANCIAL INFORMATION

You should read the following discussion and analysis in conjunction with our consolidated financial information, including the notes thereto, included in the Accountants' Report set out in Appendix I to this prospectus. Our consolidated financial information has been prepared in accordance with IFRS Accounting Standards.

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 assumptions and analysis made by us in light of our experience and perception of historical events, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors. We discuss factors that we believe could cause or contribute to these differences below and elsewhere in this document, including those set forth in "Risk Factors" and "Forward-Looking Statements" in this prospectus.

OVERVIEW

We are a globally leading provider of core offshore wind power equipment, deeply rooted in the wind power industry with nearly two decades of dedicated experience. We offer integrated solutions across production, transportation, and delivery of wind foundation to major offshore wind developers worldwide. With a strategically forward-looking approach to penetrate into the global deep-sea wind power sector, we focus on mainstream offshore wind markets characterized by high technical standards, rigorous quality requirements, and promising commercial potential. Our core operations span offshore wind foundation R&D and manufacturing, heavy marine transportation, ship design and construction, wind and photovoltaic power generation, and wind marshalling port operations.

In 2023, 2024 and 2025, our revenue amounted to RMB4,325.1 million, RMB3,779.7 million and RMB6,173.6 million, respectively, and our gross profit amounted to RMB1,001.0 million, RMB1,127.4 million and RMB1,919.2 million, respectively.

BASIS OF PREPARATION

Our historical financial information has been prepared in accordance with all applicable IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards and Interpretations issued by International Accounting Standards Board ("IASB"). The IASB has issued a number of new and revised IFRSs. For the purpose of preparing our historical financial information, we have consistently adopted all applicable new and revised IFRSs that are effective during the Track Record Period, except for any new standards or interpretations that are not yet effective for the Track Record Period. The revised and new accounting standards and interpretations issued but not yet effective for the Track Record Period are set out in note 3 to the Accountants' Report set out in Appendix I to this prospectus.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations are affected by general factors affecting the wind and photovoltaic power industries in China and globally, which include market acceptance and investments for wind and photovoltaic power, changes in technical advancements and customer requirements, changes in the regulatory, legal and public policy landscapes, and general economic and business conditions in China and globally.

FINANCIAL INFORMATION

Our results of operations are also affected by certain industry and company-specific factors, including:

Ability to capture opportunities in growing wind market globally

As a globally leading provider of core offshore wind power equipment, our results of operations depend on the continuous development wind power energy markets in China, Europe and globally. Driven by the global energy transition and carbon neutrality targets, wind power has become one of the most strategically significant segments of renewable energy. According to Frost & Sullivan, among wind power sector, the offshore wind power sector is experiencing significantly faster growth compared to the onshore wind power sector. For instance, in Europe, offshore wind awarded capacity, representing the capacity of wind power projects that have been granted development rights and/or long-term power offtake agreements through government or regulatory tenders and auctions, is projected to reach 34.7 GW in 2025, 23.2 GW in 2026, and 30.2 GW in 2027, reflecting a stepwise expansion. According to Frost & Sullivan, from 2024 to 2030, the newly installations of offshore wind power in Europe is expected to grow at a CAGR of 27.9%, far exceeding the expected CAGR of 11.6% for newly installations of onshore wind power over the same period.

We seize the opportunities presented by the continued expansion of the global wind market, focusing on core markets to establish a solid foundation for improving our operational performance. Among global regions, Europe stands as a pioneer in wind power infrastructure development and remains one of the largest regions for wind power installation and consumption. According to Frost & Sullivan, the market size of offshore wind foundation market in Europe, in terms of sales value, expanded from RMB8.1 billion in 2020 to RMB9.6 billion in 2024, representing a CAGR of 4.3%, and is projected to reach RMB41.7 billion in 2030, representing a CAGR of 27.7% from 2024 to 2030. Such increases are mainly driven by policy support as the key driver of market development, energy security accelerating demand for offshore wind, as well as scale procurement and cost optimization. Additionally, China has emphasized wind power development in recent years and has emerged as the largest single market in the world. We primarily focus our wind power equipment business in Europe and China, leveraging broad market opportunities while showcasing our leading production and delivery capabilities in the most mainstream markets. Given our leading market position, premium service quality, broad customer base, brand awareness, business model, and modern technologies, we believe we are resilient against changes in macroeconomic conditions, and are well positioned to capture the most attractive growth opportunities in the wind power equipment markets globally.

Ability to optimize business structure to enhance profit margin

During the Track Record Period, our overall gross profit margin was primarily affected by changes in our business structure, particularly the contribution from the overseas sales of wind power equipment and wind and photovoltaic power generation. The gross profit margin of wind power equipment was primarily influenced by the products tailored for different customers, including factors such as product complexity and the more comprehensive services we provided. In addition, the gross profit margin of wind and photovoltaic power generation was higher compared to manufacturing products, primarily due to relatively lower operating costs.

Historically, we strategically focused more on offshore orders in overseas market with higher profit margins. In overseas markets, particularly in Europe, the offshore wind market is mature and characterized by relatively high technical requirements for wind power equipment. We began expanding into the European market as early as 2019. Through years of collaboration

FINANCIAL INFORMATION

with overseas customers, enhanced products and services, recognized processes and certifications, and solid logistical support, we secured multiple overseas orders during the Track Record Period and established competitive barriers. In the Chinese market, we have prioritized orders with relatively high gross profit margins when evaluating potential orders. This strategic emphasis has resulted in historical fluctuations in our revenue and gross profit trends. Our gross profit and gross profit margin demonstrated an overall upward trend during the Track Record Period. In 2023, 2024 and 2025, our gross profit amounted to RMB1,001.0 million, RMB1,127.4 million and RMB1,919.2 million, respectively, and our overall gross profit margin was 23.1%, 29.8% and 31.1%, respectively. We remain confident that this approach will enable us to enhance our gross profit margin moving forward.

Ability to obtain customer orders and provide integrated solution

Our financial performance depends on our ability to obtain customer orders and deliver wind power equipment that meets our customers' requirements and schedule. We compete for orders primarily through our track record of delivering high-quality products, our established relationships with leading wind power site developers and wind turbine manufacturers, and our technological capabilities, particularly in developing structure for larger capacity wind turbines. Our competitiveness is further enhanced by our manufacturing capacity and capabilities to fulfill large-scale and complex orders and our rapid response time, as well as our established brand reputation in the wind power equipment industry.

Furthermore, our ability to deliver integrated solutions according to agreed requirements and schedules is crucial. For details of integrated solutions, see "Business — Our Products and Solutions — Wind Power Equipment — Case Study." This requires us to maintain efficient production planning and inventory management, ensure stable supply of key materials, parts and components, and optimize our manufacturing processes and quality control systems. We must also coordinate effectively with suppliers and logistics partners, efficiently optimize our inventory turnover efficiency, and maintain sufficient working capital to support procurement and production operations. The success of our delivery capabilities relies heavily on our sophisticated production scheduling system and our abilities to coordinate and develop comprehensive logistics services. During the Track Record Period, we strategically expanded our service offerings by adopting the DAP model in addition to the FOB model. This relieves our customers from arranging logistics for large components that require specialized technical handling, making them more inclined to choose us attributable to our professional and integrated services while also providing us with higher profitability and stronger bargaining power as a result of our unparalleled capabilities.

Our in-house logistics capabilities ensure seamless coordination from factory to installation site, encompassing specialized transportation, handling, and delivery solutions tailored to the unique requirements of wind power equipment. This integrated approach has enabled us to maintain strict quality control throughout the delivery process. Furthermore, we are strategically developing our shipbuilding capabilities. As of the Latest Practicable Date, we had built one self-designed extra-large heavy deck ship, with four additional ships under construction, which provide optimized logistics efficiency compared to other ships in the market. These enhanced capabilities strengthen our ability to provide integrated solutions to our customers, thereby strengthening our capacity to secure more demanding and higher-margin orders in our wind power equipment business, while also presenting an opportunity to develop a complementary revenue stream through specialized transportation services.

FINANCIAL INFORMATION

Ability to control raw material costs and operating costs

Our ability to achieve and maintain profitability partially depends on our ability to control our costs and expenses and enhance our operating efficiency. During the Track Record Period, our cost of sales primarily consisted of raw material costs. In 2023, 2024 and 2025, our cost of sales amounted to RMB3,324.1 million, RMB2,652.3 million and RMB4,254.3 million, respectively, representing 76.9%, 70.2% and 68.9% of our revenue for the respective period. The following table sets out a sensitivity analysis of raw material price, reflecting the impact that a hypothetical fluctuation of raw material price, with all other variables remain constant, would have on our net profit for the years indicated.

Raw Material Price Volatility	For the year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
% of total			
-10%	221,439	153,394	242,848
-5%	110,719	76,697	121,424
5%	(110,719)	(76,697)	(121,424)
10%	(221,439)	(153,394)	(242,848)

We have implemented various cost control measures across our operations. In our production operations, we conduct systematic cost-benefit analysis for all expenditures, including raw materials, transportation costs, direct labor, and manufacturing overhead, to identify and realize cost optimization opportunities. Our key raw materials primarily comprise steel plates, flanges, tower internal fittings and paints, with steel plates accounting for approximately 70% to 80% of our total raw material costs. During the Track Record Period, our purchases of steel plates amounted to RMB1,885.1 million, RMB1,304.1 million and RMB2,216.9 million in 2023, 2024 and 2025, accounting for 72.4%, 72.3% and 77.6% of our total raw material costs in each respective year, respectively. During the Track Record Period, changes in global supply and demand of steel did not materially and adversely affect our operations because we adopted a multi-faceted strategy, including (i) proactive procurement and inventory management. Our procurement department closely monitors raw material price trends and production needs and reasonably conducts raw material procurement and inventory management; (ii) strategic supplier relationships. We maintain strategic relationships with suppliers to secure favorable terms and stable supply channels. For example, we have signed long-term strategic cooperation framework agreements with leading domestic steel mills, which are accepted by our customers, to secure favorable commercial terms and ensure a stable supply chain; (iii) price adjustment mechanisms. Our agreements with overseas customers typically include price adjustment mechanisms that provide us with the flexibility to adjust prices in the event of significant fluctuations in the price of raw materials and foreign exchange rates; and (iv) operational and cost efficiency. We have also made strategic investments in modern technologies across our production processes. These technological adjustments have enabled us to optimize our cost structure while improving operational efficiency and maintaining rigorous safety standards, thereby establishing a strong foundation for sustainable growth.

In addition, our operating expenses include selling expenses, administrative expenses and research and development expenses. In 2023, 2024 and 2025, our operating expenses as a percentage of revenue amounted to 11.9%, 14.2% and 13.1%, respectively, mainly in relation to increased investment for our business expansion. Our ability to improve operational efficiency and maintain effective cost control will also affect our results of operations.

FINANCIAL INFORMATION

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of our consolidated financial information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future. We continually evaluate these estimates based on our own historical experience, knowledge and assessment of current business and other conditions, our expectations regarding the future based on available information and our best assumptions, which together form our basis for making judgments about matters that are not readily apparent from other sources. Since the use of estimates is an integral component of the financial reporting process, our actual results could differ from those estimates and expectations. Our critical accounting policies and estimates are set forth in detail in note 4 and note 5 to the Accountants' Report set out in Appendix I to this prospectus.

Revenue Recognition

Revenue is recognized to depict the transfer of goods and services to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods and services. Specifically, we use a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Revenue is recognized when, or as, obligations under the terms of a contract are satisfied, which occurs when control of the promised products or services is transferred to customers. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring products or services to a customer.

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.

FINANCIAL INFORMATION

Revenue is recognized either at a point in time or over time, when we satisfy performance obligations by transferring the promised goods or services to its customers.

A contract asset represents our right to consideration in exchange for goods or services that we have transferred to a customer that is not yet unconditional. In contrast, a receivable represents our unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents our obligation to transfer goods or services to a customer for which we have received consideration (or an amount of consideration is due) from the customer.

Further details of our revenue and other income recognition policies are as follows:

Revenue from Sale of Goods

Revenue from sales of goods were under four delivery models:

FOB, CIF and FAS	:	Revenue is recognized at point in time when the goods are shipped offshore, customs clearance procedures are completed, and both customs declarations and bills of lading are obtained.
DAP	:	Revenue is recognized at point in time when the goods are delivered to the contracted destination and receipt for goods signed off by the customer.

Revenue from wind and photovoltaic power generation is recognized at point in time when electricity generated has been transmitted to customers.

The credit period granted to customers by us is determined based on their credit risk characteristics. We do not expect the period between the transfer of the promised goods to the customer and payment by the customer exceed one year. As a consequence, there is no significant financing component.

Foreign Currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At the end of each period of the Track Record Period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Our historical financial information is presented in RMB, which is our Company's functional currency. Each entity in our Group determines its own functional currency and items included in the historical financial information of each entity are measured using that functional currency.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognized in profit or loss in the period in which they arise.

FINANCIAL INFORMATION

For the purposes of presenting the historical financial information, the assets and liabilities of our foreign operations are translated into the presentation currency of our Group (i.e. RMB) using exchange rates prevailing at the end of each period of the Track Record Period. Income and expenses items are translated at the average exchange rate for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity under the heading of exchange reserve.

Inventories

Inventories are carried at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses. Cost is determined using the weighted average basis, and in the case of work in progress and finished goods, comprise direct materials, direct labor and an appropriate proportion of overheads.

Estimation Uncertainty

Useful Lives and Estimated Impairment on Property, Plant and Equipment

We determine the estimated useful lives, residual values and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment, including construction in progress, of similar nature and functions. We will increase the depreciation charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

We regularly review whether there are any indications of impairment and recognizes an impairment loss if the carrying amount of an asset is lower than its recoverable amount. We test for impairment for property, plant and equipment whenever there is an indication that the asset may be impaired. The recoverable amounts have been determined based on the higher of value in use and fair value less costs of disposal. These calculations require the use of estimates, such as discount rates, future profitability and growth rates.

Provision of ECL for Financial Assets at Amortized Cost

We calculate ECL for trade and other receivables and contract assets under IFRS 9. The provision rates are based on our historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. Details of the key assumptions and inputs used are set out in note 48 to the Accountants' Report set out in Appendix I to this prospectus. Changes in these assumptions and estimation could materially affect the assessment and it may be necessary to make additional loss allowance in future periods.

FINANCIAL INFORMATION

Fair Value Measurements for Financial Assets/Liabilities at FVTPL

We have made various investments during the Track Record Periods as set out in note 25 to the Accountants' Report set out in Appendix I to this prospectus. We account for these financial instruments as financial assets/liabilities at FVTPL. For those investments with no quoted market prices in an active market, their fair values are estimated by using valuation techniques. These techniques include those further described in note 47 to the Accountants' Report set out in Appendix I to this prospectus. Valuation techniques are calibrated to ensure that outputs reflect market conditions. Valuation models established by management makes the maximum use of market inputs and rely as little as possible on our specific data. However, some inputs require management estimates and assumptions, which are reviewed periodically and adjusted if necessary. Should any of the estimates and assumptions be changed, it may lead to a change in the fair value of the financial assets/liabilities.

DESCRIPTION OF CERTAIN CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ITEMS

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the years indicated. Our historical results presented below are not necessarily indicative of the results that may be expected for any future period.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	% of revenue	RMB'000	% of revenue	RMB'000	% of revenue
Revenue	4,325,082	100.0%	3,779,651	100.0%	6,173,550	100.0%
Cost of sales.	(3,324,055)	(76.9%)	(2,652,258)	(70.2%)	(4,254,330)	(68.9%)
Gross profit	1,001,027	23.1%	1,127,393	29.8%	1,919,220	31.1%
Other income	67,011	1.5%	68,503	1.8%	102,666	1.7%
(Other losses)/gains, net	(50,384)	(1.2%)	(23,138)	(0.6%)	75,989	1.2%
(Impairment losses)/reversal of impairment losses.	(3,662)	(0.1%)	(114,582)	(3.0%)	9,038	0.1%
Selling expenses	(72,523)	(1.7%)	(98,081)	(2.6%)	(128,073)	(2.1%)
Administrative expenses	(187,299)	(4.3%)	(256,698)	(6.8%)	(392,643)	(6.4%)
Research and development expenses.	(255,606)	(5.9%)	(182,012)	(4.8%)	(288,178)	(4.7%)
Finance costs	(13,839)	(0.3%)	(5,633)	(0.1%)	(32,200)	(0.5%)
Profit before tax	484,725	11.2%	515,752	13.6%	1,265,819	20.5%
Income tax expenses	(59,568)	(1.4%)	(41,877)	(1.1%)	(162,522)	(2.6%)
Profit for the year	425,157	9.8%	473,875	12.5%	1,103,297	17.9%
Profit attributable to:						
Owners of the Company	425,157	9.8%	473,875	12.5%	1,103,297	17.9%
EBITDA (non-IFRS measure) .	565,054	13.1%	618,017	16.4%	1,385,115	22.4%

FINANCIAL INFORMATION

Non-IFRS Measures

To supplement our consolidated financial statements that are presented in accordance with IFRS, we also use EBITDA (non-IFRS measure), which is not required by, or presented in accordance with, IFRS. We define EBITDA (non-IFRS measure) as profit for the year plus (i) depreciation and amortization, which represents the depreciation of property, plant and equipment, right-of-use assets and investment property and the amortization of intangible assets, (ii) finance costs, which represent interest expenses from financing activities, and (iii) income tax expenses, minus interest income for the year.

We believe that this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company. We believe that this measure provides useful information to investors and others in understanding and evaluating our results of operations in the same manner as they help our management. However, our presentation of EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measure has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS. The following table sets forth a reconciliation of our EBITDA (non-IFRS measure) in accordance with IFRS for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Profit for the year	425,157	473,875	1,103,297
<i>Add:</i>			
Depreciation and amortization	103,291	146,563	173,362
Finance costs	13,839	5,633	32,200
Income tax expenses	59,568	41,877	162,522
<i>Less:</i>			
Interest income	36,801	49,931	86,266
EBITDA (non-IFRS measure)	565,054	618,017	1,385,115

Revenue

During the Track Record Period, we primarily focused on the R&D, manufacturing and sales of wind power equipment, including foundation structures such as monopiles and transition pieces, and other components such as towers. We have also developed in-house capabilities for a global logistics system to better control our costs and enhance our ability to provide an integrated solution for our customers and achieve higher revenue. Since 2023, we started to generate revenue from wind and photovoltaic power generation, and gradually increased our capacity of grid connection. We also generate revenue from other business, primarily including the sales of scrap steels and provision of terminal services in our ports and docks.

We have expanded our manufacturing capabilities to other foundation structures such as jackets and floating foundations. During the Track Record Period, we did not generate revenue from jacket products and floating foundations. As of the Latest Practicable Date, we were actively engaged in bidding processes for multiple overseas projects involving jacket products and floating foundations.

FINANCIAL INFORMATION

The following table sets forth the breakdown of our revenue by business lines, both in absolute amounts and as percentages of total revenue, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>
Manufacturing and sales of						
wind power equipment	4,146,031	95.9%	3,510,733	92.9%	5,865,638	95.0%
– Foundation structures ⁽¹⁾	1,339,546	31.0%	1,274,481	33.7%	3,338,198	54.1%
– Towers	2,806,485	64.9%	2,236,252	59.2%	2,527,440	40.9%
Wind and photovoltaic						
power generation	131,615	3.0%	215,782	5.7%	251,114	4.1%
Others	47,436	1.1%	53,136	1.4%	56,798	0.9%
Total	4,325,082	100.0%	3,779,651	100.0%	6,173,550	100.0%

Note:

(1) Mainly include monopiles and transition pieces.

During the Track Record Period, we generated revenue from both Chinese Mainland and overseas. In particular, our revenue from overseas markets increased significantly from RMB1,714.7 million in 2023 to RMB4,597.0 million in 2025, representing a CAGR of 63.7% from 2023 to 2025. We have continued to expand our operations into more overseas countries and regions, especially focusing on the European market. The European market has now become a significant pillar for our business. Denmark, Germany, the United Kingdom and France are the only four foreign countries that each accounted for more than 5% of our total revenue in any single year during the Track Record Period, which indicates that changes in the political and economic environment of any single foreign country would not have a material adverse effect on our business. The following table sets forth a breakdown of our revenue by geographical location at which the goods are delivered, both in absolute amounts and as percentages of total revenue, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>
Chinese Mainland	2,610,430	60.4%	2,046,617	54.1%	1,576,512	25.5%
Outside Chinese Mainland	1,714,652	39.6%	1,733,034	45.9%	4,597,038	74.5%
– Europe	1,201,202	27.8%	1,539,557	40.7%	4,248,152	68.8%
– Germany	–	–	–	–	2,522,917	40.9%
– Denmark	–	–	559,318	14.8%	872,290	14.1%
– United Kingdom	1,150,604	26.6%	231,758	6.1%	720,139	11.7%
– France	–	–	668,957	17.7%	–	–
– Others	50,598	1.2%	79,524	2.1%	132,806	2.1%
– Asia (excluding Chinese Mainland).	148,940	3.4%	106,905	2.8%	143,972	2.3%
– Others ⁽¹⁾	364,510	8.4%	86,572	2.3%	204,914	3.3%
Total	4,325,082	100.0%	3,779,651	100.0%	6,173,550	100.0%

Note:

(1) Mainly include Canada, New Zealand, Chile, Egypt, Argentina and Brazil.

FINANCIAL INFORMATION

During the Track Record Period, we strategically expanded our service offerings by adopting the DAP model in addition to the FOB model. The following table sets forth the breakdown of our revenue by delivery models, both in absolute amounts and as percentages of total revenue, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>
Chinese Mainland	2,610,430	60.4%	2,046,617	54.1%	1,576,512	25.5%
Outside Chinese Mainland . .	1,714,652	39.6%	1,733,034	45.9%	4,597,038	74.5%
– DAP	–	–	559,318	14.8%	3,658,789	59.3%
– FOB	1,714,652	39.6%	1,173,716	31.1%	938,249	15.2%
Total	<u>4,325,082</u>	<u>100.0%</u>	<u>3,779,651</u>	<u>100.0%</u>	<u>6,173,550</u>	<u>100.0%</u>

Cost of Sales

Our cost of sales mainly consists of (i) raw materials, primarily including steel plates, flanges, paints and tower internal fittings, (ii) transportation costs, primarily in relation to the sale of our products, (iii) production and operation expenses, primarily including direct labor, cost of production of our products, and depreciation and amortization associated with our manufacturing plant and equipment. The following table sets forth the breakdown of our cost of sales by nature, both in absolute amounts and as percentages of total cost of sales, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>
Raw materials	2,605,163	78.4%	1,804,630	68.0%	2,857,033	67.2%
Transportation costs	83,894	2.5%	227,332	8.6%	716,663	16.8%
Production and operation expenses	634,998	19.1%	620,296	23.4%	680,634	16.0%
Total	<u>3,324,055</u>	<u>100.0%</u>	<u>2,652,258</u>	<u>100.0%</u>	<u>4,254,330</u>	<u>100.0%</u>

Our raw materials costs fluctuated during the Track Record Period, largely in line with the changes in our project deliveries. In the second half of 2024, we strategically expanded our service offerings by adopting the DAP model, under which we are responsible for logistics services and have higher transportation costs associated with international delivery and logistics services we provided.

FINANCIAL INFORMATION

Gross Profit and Gross Profit Margin

The following table sets forth the breakdown of our gross profit and gross profit margin by types of goods or services for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	%	RMB'000	%	RMB'000	%
Manufacturing and sales of wind power equipment	848,010	20.5%	910,329	25.9%	1,699,325	29.0%
Wind and photovoltaic power generation	117,997	89.7%	169,317	78.5%	174,429	69.5%
Others	35,020	73.8%	47,747	89.9%	45,466	80.0%
Total gross profit/						
Overall gross profit						
margin	<u>1,001,027</u>	23.1%	<u>1,127,393</u>	29.8%	<u>1,919,220</u>	31.1%

In 2023, 2024 and 2025, our total gross profit amounted to RMB1,001.0 million, RMB1,127.4 million and RMB1,919.2 million, respectively, and our overall gross profit margin was 23.1%, 29.8% and 31.1%, respectively. The overall fluctuations in our gross profit margin have been largely driven by changes in the mix and performance of our different business lines and revenue sources.

Our gross profit margin for the manufacturing and sales of wind power equipment amounted to 20.5%, 25.9% and 29.0% in 2023, 2024 and 2025, respectively. The gross profit margin of wind power equipment was primarily influenced by the mix of products tailored for different customers, including factors such as product complexity and the more comprehensive services we provided. The overall upward trend in the gross profit margin was primarily because: (i) we have strategically focused on offshore orders in overseas markets, which typically have higher profit margins compared to those of our domestic orders, as the result of the more demanding technical specifications and significant market entry barriers in these markets. For example, as the proportion of our overseas sales has gradually increased since 2023, our gross profit margin in overseas markets amounted to 27.2%, 38.5% and 33.9% in 2023, 2024 and 2025, respectively; (ii) we secured more demanding and higher-margin orders leveraging our proven records and our capabilities to expand our service offerings by adopting the DAP model in addition to the FOB model since the second half of 2024. This relieves our customers from arranging logistics for large components that require specialized technical handling, making them more inclined to choose us due to our professional and integrated services; and (iii) we have implemented various cost control measures, such as upgrading our manufacturing processes to improve efficiency and reduce overheads, as well as continuously evaluating and onboarding qualified suppliers to optimize our supply chain and leverage competitive pricing.

Our wind and photovoltaic power generation business maintains relatively high gross profit margins due to their cost structure being primarily comprised of depreciation and amortization of initial capital investments rather than ongoing operational expenses.

FINANCIAL INFORMATION

The following table sets forth a breakdown of our gross profit and gross profit margin by geographical location at which the goods are delivered, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	%	RMB'000	%	RMB'000	%
Chinese Mainland	534,668	20.5%	460,450	22.5%	358,675	22.8%
Outside Chinese						
Mainland	466,359	27.2%	666,943	38.5%	1,560,545	33.9%
Total gross profit/ Overall gross profit margin	<u>1,001,027</u>	23.1%	<u>1,127,393</u>	29.8%	<u>1,919,220</u>	31.1%

During the Track Record Period, the difference in terms of gross profit margins between domestic and international sales was primarily attributable to the distinct market dynamics and business models of in these areas. In our domestic market, we experienced a comparatively lower gross profit margin, mainly due to the market's relatively lower barriers to entry, which has fostered a highly competitive landscape among local manufacturers. This environment often results in intense price competition, thereby exerting downward pressure on the profitability of products we sell domestically. Conversely, our products destined for overseas markets commanded higher gross profit margins, reflecting their higher manufacturing and certificate barriers and greater technical complexity. Furthermore, we secured more demanding and higher-margin orders leveraging our proven records and our capabilities to expand our service offerings by adopting the DAP model in addition to the FOB model since the second half of 2024.

Other Income

Our other income primarily consists of (i) interest income from bank deposits, (ii) government grants, primarily represented asset-related deferred income systematically released to profit or loss over the estimated useful lives of the related assets or the designated period, (iii) additional deduction for PRC input value added tax, (iv) interest income from deposit certificates, and (v) others, mainly including refund of individual income tax handling fee. The following table sets forth a breakdown of our other income for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	RMB'000		
Interest income from bank deposits	34,626	47,332	86,055
Government grants	21,782	9,574	11,906
Additional deduction for PRC input value added tax	8,159	8,756	4,198
Interest income from deposit certificates	2,175	2,599	211
Others	269	242	296
Total	<u>67,011</u>	<u>68,503</u>	<u>102,666</u>

FINANCIAL INFORMATION

Other (Losses)/Gains, Net

Our net other losses and gains primarily include (i) net foreign exchange loss or gain, (ii) gain from disposal of subsidiaries, (iii) changes in fair value of financial assets at FVTPL, mainly representing our structured deposits, (iv) loss on disposal of construction in progress, (v) handling fee for discounting of bills receivables at FVTOCI, (vi) net gain or loss on disposal of property, plant and equipment, (vii) gain on disposal of a land use right, and (viii) others, mainly including expenses in relation to breach of contracts between us and our suppliers/customers. The following table sets forth a breakdown of our net other losses and gains for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Net foreign exchange (losses)/gains . . .	(73,717)	(46,764)	57,990
Gain on disposal of subsidiaries	–	–	42,454
Changes in fair value of financial assets at FVTPL	22,309	10,685	(21,400)
Loss on disposal of construction in progress	–	–	(1,732)
Handling fee for discounting of bills receivables at FVTOCI	(6,874)	(1,812)	(1,673)
Loss on disposal of property, plant and equipment, net	(43)	(369)	(778)
Gain/(loss) on disposal of a land use right	–	6,898	(199)
Others	7,941	8,224	1,327
Total	<u>(50,384)</u>	<u>(23,138)</u>	<u>75,989</u>

We follow a prudent investment strategy with strict risk control, prioritizing low-risk investment products that offer principal protection and high liquidity. The authorized investment quota and the range of investment products that may be selected are required to be approved by the Board each year. Low-risk products issued by licensed financial institutions are carefully evaluated by our fund management department to ensure the capital recoverability and stable returns. Our approval specialists are adept at scrutinizing the complex structures and inherent risks of investment products from various issuers. They apply a rigorous due diligence framework to evaluate everything from product design to counterparty risk, ensuring every approved product meets our firm's high standards for quality and security. Upon Listing, we intend to continue our investments strictly in accordance with our internal policies and procedures, Articles of Association and compliance requirements under Chapter 14 of the Listing Rules.

FINANCIAL INFORMATION

The following table sets forth a sensitivity analysis of net profits to changes in the exchange rates of foreign currencies against US\$, EUR and PLN.

	For the year ended December 31,					
	2023		2024		2025	
	<i>Exchange Rate Increase (Decrease)</i>	<i>Net Profit Increase (Decrease)</i>	<i>Exchange Rate Increase (Decrease)</i>	<i>Net Profit Increase (Decrease)</i>	<i>Exchange Rate Increase (Decrease)</i>	<i>Net Profit Increase (Decrease)</i>
<i>RMB'000, except for percentage</i>						
RMB depreciates against US\$	5%	7,642	5%	35,088	5%	7,632
RMB appreciates against US\$	(5%)	(7,642)	(5%)	(35,088)	(5%)	(7,632)
RMB depreciates against US\$	10%	15,283	10%	70,176	10%	15,265
RMB appreciates against US\$	(10%)	(15,283)	(10%)	(70,176)	(10%)	(15,265)
RMB depreciates against EUR	5%	9,867	5%	41,939	5%	34,841
RMB appreciates against EUR	(5%)	(9,867)	(5%)	(41,939)	(5%)	(34,841)
RMB depreciates against EUR	10%	19,734	10%	83,878	10%	69,682
RMB appreciates against EUR	(10%)	(19,734)	(10%)	(83,878)	(10%)	(69,682)
RMB depreciates against PLN	5%	1	5%	(579)	5%	3,307
RMB appreciates against PLN	(5%)	(1)	(5%)	579	(5%)	(3,307)
RMB depreciates against PLN	10%	2	10%	(1,158)	10%	6,615
RMB appreciates against PLN	(10%)	(2)	(10%)	1,158	(10%)	(6,615)

During the Track Record Period, we managed our risks related to foreign exchange fluctuation through a structured strategy. We primarily match our foreign currency revenues against payment obligations to overseas suppliers denominated in the same currency, thereby minimizing our foreign exchange exposure. For our remaining foreign currency holdings, we monitor exchange rate trends and our own working capital needs to strategically convert funds into RMB via spot or forward contracts to support our daily operations. Finally, we may actively hedge any residual or idle foreign currency exposure through compliant derivative transactions. We manage our foreign exchange based on the principles of locking in exchange rates or interest rates, with the aim of effectively mitigating the impact of exchange rate and interest rate fluctuations on our operations. We do not engage in foreign exchange management solely for the purpose of profiting, and have implemented comprehensive risk control measures: (i) establishing a formal internal control policy governing approval authorities, operational procedures, and risk management; (ii) ensuring all foreign exchange management activities are conducted on a non-speculative basis, corresponding to our bona fide business needs; (iii) restricting transactions exclusively to pre-approved, qualified financial institutions to mitigate counterparty risk; (iv) conducting a rigorous review of all contract terms to mitigate potential legal risks; (v) continuous monitoring of risk exposure and fair value changes by our finance department, with regular reporting to management; and (vi) periodic supervision and review by our internal audit department to ensure compliance with all relevant policies.

FINANCIAL INFORMATION

During the Track Record Period, foreign exchange fluctuations did not have a material adverse effect on our financial condition or results of operations, primarily because (i) our foreign exchange management strategies we employed were effective. The actual exchange rates we secured for payments and receipts did not materially deviate from the exchange rates assumed at the time the underlying contracts were signed, thereby successfully protecting us from currency volatility; and (ii) we proactively managed our holdings of idle foreign currency, which incurred stable, positive returns, further mitigating our overall currency exposure.

(Impairment Losses)/Reversal of Impairment Losses

Our impairment losses or reversal of impairment losses primarily consist of impairment losses or reversal of impairment losses for movement in loss allowance for trade and bills receivables, other receivables and contract assets, as well as impairment losses on construction in progress as well as property, plant and equipment. We recorded impairment losses of RMB3.7 million and RMB114.6 million in 2023 and 2024, respectively, and recorded reversal of impairment losses of RMB9.0 million in 2025.

Selling Expenses

Our selling expenses primarily consist of (i) employee salaries and benefits expenses, primarily related to salaries and other benefits for our sales and marketing employees, (ii) consulting service fees, primarily for external consulting services in overseas markets, including technical consultations on supplier screening, product drawing review, quality inspection, and project support for our overseas bidding processes, (iii) project-related expenses, primarily including bidding service fees, project-related insurance expenses, and bank service fees, (iv) business development expenses, (v) travel and communication expenses, and (vi) others, primarily including advertisement expenses and miscellaneous expenses. The following table sets forth the breakdown of our selling expenses, in absolute amounts and as percentages of total selling expenses, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>
Employee salaries and benefits expenses	20,854	28.8%	32,459	33.1%	58,894	46.0%
Consulting service fees . .	21,693	29.9%	32,425	33.1%	37,137	29.0%
Project-related expenses .	18,871	26.0%	14,563	14.8%	12,081	9.4%
Business development expenses	4,277	5.9%	7,078	7.2%	6,292	4.9%
Travel and communication expenses	4,347	6.0%	5,621	5.7%	5,583	4.4%
Others	2,481	3.4%	5,935	6.1%	8,086	6.3%
Total	<u>72,523</u>	<u>100.0%</u>	<u>98,081</u>	<u>100.0%</u>	<u>128,073</u>	<u>100.0%</u>

FINANCIAL INFORMATION

Administrative Expenses

Our administrative expenses primarily consist of (i) employee salaries and benefits expenses, primarily related to salaries and other benefits for our administrative employees, (ii) taxes and surcharges, (iii) office and travel expenses, (iv) consulting service fees, mainly in relation to legal and audit consultation services, (v) depreciation and amortization for offices, equipment and other assets which were used for administrative purpose, (vi) listing expenses and (vii) others, primarily including bank processing expenses and miscellaneous expenses. The following table sets forth the breakdown of our administrative expenses, in absolute amounts and as percentages of total administrative expenses, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>
Employee salaries and benefits expenses	88,687	47.4%	144,120	56.1%	243,929	62.1%
Taxes and surcharges . . .	30,657	16.4%	29,191	11.4%	41,708	10.6%
Office and travel expenses	20,464	10.9%	22,222	8.7%	35,888	9.1%
Consulting service fees . .	11,601	6.2%	20,004	7.8%	28,727	7.3%
Depreciation and amortization	16,092	8.6%	16,517	6.4%	15,016	3.8%
Listing expenses	—	—	—	—	1,055	0.3%
Others	19,798	10.5%	24,644	9.6%	26,320	6.7%
Total	187,299	100.0%	256,698	100.0%	392,643	100.0%

Research and Development Expenses

Our research and development expenses primarily consist of (i) material cost in relation to our research and development activities, (ii) employee benefit expenses, primarily related to salaries and other benefits for our research and development employees, (iii) outsourced research and development expenses, and (iv) others, mainly including utilities expenses and depreciation and amortization expenses. The following table sets forth the breakdown of our research and development expenses, in absolute amounts and as percentages of total research and development expenses, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>	<i>RMB'000</i>	<i>% of total</i>
Material cost	231,168	90.4%	153,461	84.3%	241,249	83.7%
Employee benefit expenses	19,743	7.7%	25,185	13.8%	35,245	12.2%
Outsourced research and development expenses	—	—	—	—	8,991	3.1%
Others	4,695	1.9%	3,366	1.9%	2,693	0.9%
Total	255,606	100.0%	182,012	100.0%	288,178	100.0%

FINANCIAL INFORMATION

Finance Costs

Our finance costs primarily represent interest incurred on our borrowings and interest on lease liabilities.

	For the year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Interest expenses on borrowings	23,642	3,103	33,890
Interest expenses on lease liabilities . . .	7,807	9,183	11,053
	<u>31,449</u>	<u>12,286</u>	<u>44,943</u>
Less: interest capitalised	(17,610)	(6,653)	(12,743)
Total	<u>13,839</u>	<u>5,633</u>	<u>32,200</u>

Income Tax Expenses

Our income tax expense primarily consists of current income tax. During the Track Record Period, certain entities within our Group enjoyed preferential tax treatments. In 2023, 2024 and 2025, we recorded income tax expenses of RMB59.6 million, RMB41.9 million and RMB162.5 million, respectively. We are subject to varying tax rates in different jurisdictions. See note 14 to the Accountants' Report set out in Appendix I to this prospectus.

Under the EIT Law and Implementation Regulation of the EIT Law, the standard EIT rate of the PRC subsidiaries is 25%. For our Company and the PRC subsidiaries approved as “High and New Technology Enterprise” by the relevant government authorities, they are subject to a preferential rate of 15%. In addition, pursuant to the relevant laws and regulations in the PRC, three of our subsidiaries are qualified as a public infrastructure project company and enjoying a 6-year tax holiday (three years full exemption followed by three years half reduction) beginning from 2023 or 2025 (the first year generating assessable profit).

Our subsidiary incorporated in Hong Kong is subject to Hong Kong Profits Tax under the two-tiered profits tax rates regime. During the Track Record Period, the first HK\$2,000,000 of profits of qualifying corporations will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Taxation arising from other jurisdictions is calculated at the rate prevailing in the relevant jurisdictions.

During the Track Record Period and as of the Latest Practicable Date, we did not have any disputes or unresolved tax issues with the relevant tax authorities.

Profit for the Years

We recorded a profit of RMB425.2 million, RMB473.9 million and RMB1,103.3 million in 2023, 2024 and 2025, respectively.

FINANCIAL INFORMATION

YEAR TO YEAR COMPARISON OF RESULTS OF OPERATIONS

Year End December 31, 2025 Compared to Year End December 31, 2024

Revenue

Our revenue increased significantly by 63.3% from RMB3,779.7 million in 2024 to RMB6,173.6 million in 2025, primarily attributable to the increase in our revenue generated from manufacturing and sales of wind power equipment.

Specifically, our revenue generated from manufacturing and sales of wind power equipment increased by 67.1% from RMB3,510.7 million in 2024 to RMB5,865.6 million in 2025, primarily attributable to an increase in overseas project deliveries which result in the increase in order-based revenue. In addition, we started to adopt the DAP model for overseas sales in the second half of 2024, which generally has higher order value compared to the FOB model as we are responsible for international delivery and logistics as well and we also bear the associated transportation costs.

Our revenue generated from wind and photovoltaic power generation increased by 16.4% from RMB215.8 million in 2024 to RMB251.1 million in 2025, primarily because our Tangshan Shilihai 250MW Aquaculture-PV Complementary Project (唐山曹妃甸十里海250MW漁光互補新能源發電項目) achieved grid-connected power generation in May 2025.

Our revenue from other business increased from RMB53.1 million in 2024 to RMB56.8 million in 2025, primarily due to the increase in provision of terminal services in our ports and docks.

Cost of Sales

Our cost of sales increased by 60.4% from RMB2,652.3 million in 2024 to RMB4,254.3 million in 2025, primarily due to rising raw material and transportation costs, which were in line with our revenue growth.

Gross Profit and Gross Profit Margin

Our gross profit increased by 70.2% from RMB1,127.4 million in 2024 to RMB1,919.2 million in 2025, largely in line with our revenue growth.

Our overall gross profit margin increased from 29.8% in 2024 to 31.1% in 2025. Our gross profit margin for the manufacturing and sales of wind power equipment increased from 25.9% to 29.0% for the same period. The increase in gross profit margin for wind power equipment was mainly because: (i) we had higher portion of overseas project deliveries in this period, which have stricter technical requirements and therefore higher margins; (ii) we secured more demanding and higher-margin orders leveraging our proven records and our capabilities to expand our service offerings by adopting the DAP model in addition to the FOB model since the second half of 2024; and (iii) we have implemented various cost control measures by enhancing efficiency and optimising our supply chain. Such increase was partially offset by a decrease in our gross profit margin for wind and photovoltaic power generation services from 78.5% to 69.5% during the same period. The decrease was primarily attributable to the transition of certain projects under construction into property, plant and equipment and the corresponding recognition of depreciation expenses.

FINANCIAL INFORMATION

Other Income

Our other income increased by 49.9% from RMB68.5 million in 2024 to RMB102.7 million in 2025, primarily due to an increase of RMB38.7 million in interest income from bank deposits.

Other (Losses)/Gains, Net

We recorded net other gains of RMB76.0 million in 2025 compared to net other losses of RMB23.1 million in 2024, primarily because we recorded net foreign exchange gain of RMB58.0 million in 2025 compared to net foreign exchange loss of RMB46.8 million in 2024 as a result of the fluctuation of foreign exchange rate.

Selling Expenses

Our selling expenses increased by 30.6% from RMB98.1 million in 2024 to RMB128.1 million in 2025, primarily due to an increase of RMB26.4 million in employee salaries and benefits expenses attributable to the increased number of sales and marketing employees as well as the increased bonus to our sales and marketing employees for incentive purpose.

Administrative Expenses

Our administrative expenses increased by 52.9% from RMB256.7 million in 2024 to RMB392.6 million in 2025, primarily due to an increase of RMB99.8 million in employee salaries and benefits expenses attributable to the increased number of administrative staff as well as the increased bonus to our senior management and key employees for incentive purpose.

Research and Development Expenses

Our research and development expenses increased by 58.4% from RMB182.0 million in 2024 to RMB288.2 million in 2025, primarily due to an increase of RMB87.8 million in material cost as a result of our increased demands for consumables used in our research and development activities to support our ongoing product upgrade and business expansion.

(Impairment Losses)/Reversal of Impairment Losses

We recorded impairment losses of RMB114.6 million in 2024 and reversal of impairment losses of RMB9.0 million in 2025, primarily due to reversal of provision for impairment loss on trade and bills receivables as we reassessed our expected credit losses based on customer credit status and repayment performance.

Finance Costs

Our finance costs increased from RMB5.6 million in 2024 to RMB32.2 million in 2025, primarily due to an increase of RMB30.8 million in interest expenses on borrowings as we had more borrowings in 2025.

Income Tax Expenses

Our income tax expense increased from RMB41.9 million in 2024 to RMB162.5 million in 2025, primarily due to an increase in our taxable income.

FINANCIAL INFORMATION

Profit for the Year

For the foregoing reasons, we recorded total profits of RMB473.9 million and RMB1,103.3 million in 2024 and 2025, respectively.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our revenue decreased by 12.6% from RMB4,325.1 million in 2023 to RMB3,779.7 million in 2024, primarily attributable to the decrease in our revenue generated from manufacturing and sales of wind power equipment.

Our revenue generated from manufacturing and sales of wind power equipment decreased by 15.3% from RMB4,146.0 million in 2023 to RMB3,510.7 million in 2024, mainly attributable to the decline in revenue in Chinese Mainland. Such decrease were primarily because we adjusted our strategic focus to prioritize projects with higher profit margins.

Our revenue generated from wind and photovoltaic power generation increased by 64.0% from RMB131.6 million in 2023 to RMB215.8 million in 2024. This growth was primarily driven by the full-year contribution of our 250MW Liaoning Fuxin Zhangwu Xiliujiazi Onshore Wind Power Project (遼寧阜新彰武西六家子250MW風電場項目) in 2024, which achieved grid-connected power generation in April 2023.

Our revenue from other business increased by 12.0% from RMB47.4 million in 2023 to RMB53.1 million in 2024, primarily due to the increase in provision of terminal services in our ports and docks.

Cost of Sales

Our cost of sales decreased by 20.2% from RMB3,324.1 million in 2023 to RMB2,652.3 million in 2024, primarily due to the decrease in costs of raw materials and production and operation expenses.

Gross Profit and Gross Profit Margin

Despite the decrease in our revenue in 2024, we have secured more orders with higher gross profit margins. Additionally, we have continuously adopted measures to control our costs. As a result, our gross profit increased by 12.6% from RMB1,001.0 million in 2023 to RMB1,127.4 million in 2024.

Our overall gross profit margin increased from 23.1% in 2023 to 29.8% in 2024. This is primarily because (i) our gross profit margin on manufacturing and sales of wind power equipment increased from 20.5% in 2023 to 25.9% in 2024, primarily because we adjusted our key focus to prioritize projects with higher profit margins, as well as our continuous efforts to control costs. In addition, we secured more demanding and higher-margin orders leveraging our proven records and our capabilities to expand our service offerings by adopting the DAP model in addition to the FOB model since the second half of 2024, and (ii) we generated a larger portion of gross profit from our wind and photovoltaic power generation business in 2024, which generally had a relatively higher gross profit margin. This was enabled by the full-year operation at our 250MW Liaoning Fuxin Zhangwu Xiliujiazi Onshore Wind Power Project (遼寧阜新彰武西六家子250MW風電場項目) in 2024, which achieved grid-connected power generation in April 2023.

FINANCIAL INFORMATION

Other Income

Our other income remained relatively stable at RMB67.0 million in 2023 and RMB68.5 million in 2024.

Other (Losses)/Gains, Net

We recorded net other losses of RMB50.4 million in 2023 compared to RMB23.1 million in 2024, primarily due to a decrease of RMB27.0 million in net foreign exchange loss as a result of the fluctuation in the exchange rates in 2024.

Selling Expenses

Our selling expenses increased by 35.3% from RMB72.5 million in 2023 to RMB98.1 million in 2024, primarily due to (i) an increase of RMB11.6 million in employee salaries and benefits expenses attributable to the increased number of sales and marketing employees to support our business growth; and (ii) an increase of RMB10.7 million in consulting service fees primarily to support our sales activities.

Administrative Expenses

Our administrative expenses increased by 37.1% from RMB187.3 million in 2023 to RMB256.7 million in 2024, primarily due to an increase of RMB55.4 million in employee salaries and benefits expenses attributable to the increased number of administrative staff and the increased salaries to our administrative staffs to support our business expansion.

Research and Development Expenses

Our research and development expenses decreased by 28.8% from RMB255.6 million in 2023 to RMB182.0 million in 2024, primarily due to a decrease of RMB77.7 million in material cost, as we had completed certain R&D projects in recent years in advance of our expansion and upgrade of our product portfolio.

(Impairment Losses)/Reversal of Impairment Losses

Our impairment losses increased from RMB3.7 million in 2023 to RMB114.6 million in 2024, primarily due to (i) an increase of RMB70.5 million in impairment losses on trade and bills receivables. This was caused by delays in the acceptance and payment process for our domestic sales of wind power products, which are generally contingent upon the successful trial operation of the entire wind farm. In 2024, the commissioning of certain large wind turbines by our downstream customers was prolonged due to issues and disputes with components from other suppliers, which are factors beyond our control, and (ii) an increase of RMB34.9 million in impairment losses on construction in progress. As part of our strategic shift towards the higher-margin overseas offshore wind market, we scaled back production of domestic onshore products with relatively lower gross profit margins. Consequently, we terminated an upgrade project of one of our domestic facilities and recognized impairment on the corresponding construction in progress.

FINANCIAL INFORMATION

Finance Costs

Our finance costs decreased by 59.4% from RMB13.8 million in 2023 to RMB5.6 million in 2024, primarily due to a decrease of RMB20.5 million in interest expenses on borrowings as we had less borrowings in this period, partially offset by a decrease of RMB11.0 million in interest capitalized.

Income Tax Expense

Our income tax expense decreased by 29.7% from RMB59.6 million in 2023 to RMB41.9 million in 2024, primarily due to the increase in deferred tax assets.

Profit for the Year

For the foregoing reasons, our profit increased by 11.5% from RMB425.2 million in 2023 to RMB473.9 million in 2024.

DISCUSSION OF CERTAIN KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	As of December 31,		
	2023	2024	2025
	RMB'000		
Non-current Assets			
Property, plant and equipment	1,564,757	2,309,267	3,132,344
Construction in progress	836,938	707,936	1,562,413
Intangible assets	4,947	3,696	5,252
Right-of-use assets	389,984	524,737	628,295
Prepayments and other receivables	113,965	206,453	537,091
Deferred tax assets	20,849	74,601	145,654
Total non-current assets	2,931,440	3,826,690	6,011,049
Current Assets			
Inventories	1,545,530	2,084,479	2,174,567
Trade and bills receivables	1,669,625	1,369,210	1,101,086
Contract assets	307,716	278,735	209,297
Prepayments and other receivables	516,542	879,646	1,127,102
Financial assets at fair value through other comprehensive income ("FVOCI")	289,715	254,167	361,882
Financial assets at fair value through profit and loss ("FVTPL")	1,003,673	–	550,278
Pledged deposits	58,944	32,569	99,516
Cash and bank balances	1,901,629	2,836,454	2,855,774
Total current assets	7,293,374	7,735,260	8,479,502
Total assets	10,224,814	11,561,950	14,490,551

FINANCIAL INFORMATION

	As of December 31,		
	2023	2024	2025
	RMB'000		
Current Liabilities			
Trade and bills payables	1,398,445	1,554,167	1,503,188
Contract liabilities	588,996	1,388,936	1,608,629
Other payables and accruals	414,880	455,737	554,997
Financial liabilities at FVTPL –			
Derivative financial instruments	21,482	–	–
Borrowings	472,180	83,433	610,779
Lease liabilities	30,779	4,190	33,627
Deferred income	4,640	3,604	6,531
Tax payable	3,380	41,955	61,333
Total current liabilities	2,934,782	3,532,022	4,379,084
Net current assets	4,358,592	4,203,238	4,100,418
Total assets less current liabilities	7,290,032	8,029,928	10,111,467
Non-current liabilities			
Other payables and accruals	108,681	161,361	145,227
Borrowings	–	264,968	1,282,133
Lease liabilities	88,093	203,085	198,332
Deferred income	174,883	123,221	199,240
Deferred tax liabilities	4,209	5,284	6,245
Total non-current liabilities	375,866	757,919	1,831,177
Net assets	6,914,166	7,272,009	8,280,290

Property, Plant and Equipment

Our property, plant and equipment mainly consisted of machinery, properties and plants, port facilities and auxiliary facilities, transportation equipment, and others. The following table sets forth a breakdown of our property, plant and equipment as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	RMB'000		
Machinery	769,349	1,259,919	1,949,296
Properties and plants	470,550	707,904	847,707
Port facilities and auxiliary facilities	288,891	291,577	285,718
Transportation equipment	8,921	9,871	9,277
Others	27,046	39,996	40,346
Total	1,564,757	2,309,267	3,132,344

Our property, plant and equipment increased from RMB1,564.8 million as of December 31, 2023 to RMB2,309.3 million as of December 31, 2024, primarily because (i) our 250MW Liaoning Fuxin Zhangwu Xiliujiazi Onshore Wind Power Project (遼寧阜新彰武西六家子 250MW風電場項目) achieved grid-connected power generation in April 2023, and expenses associated with certain equipment was transferred to machinery; and (ii) we made ongoing investments and upgrade of our production facilities, especially the technical upgrade in our Shandong Penglai Offshore Facility (山東蓬萊海工基地) and the construction of the Liaoning

FINANCIAL INFORMATION

Panjin Shipbuilding Facility (遼寧盤錦造船基地). Our property, plant and equipment increased from RMB2,309.3 million as of December 31, 2024 to RMB3,132.3 million as of December 31, 2025, primarily because (i) our Tangshan Shilihai 250MW Aquaculture-PV Complementary Project (唐山曹妃甸十里海250MW漁光互補新能源發電項目) achieved grid-connected power generation in May 2025 and expenses associated with certain PV equipment was transferred to machinery; and (ii) our Hebei Tangshan Caofeidian Offshore Facility commenced production of its first offshore engineering project for export in December 2025, and expenses associated with the factory and certain equipment was transferred to property, plant and equipment.

Right-of-use Assets

During the Track Record Period, our right-of-use assets primarily consist of (i) land use rights, (ii) right of use other properties leased for own use, (iii) land leased for wind and photovoltaic power generation business, and (iv) sea area use rights. Our right-of-use assets increased from RMB390.0 million as of December 31, 2023 to RMB524.7 million as of December 31, 2024, primarily due to a net increase in right-of-use assets of land leased for wind and photovoltaic power generation business in relation to the construction of our Tangshan Shilihai 250MW Aquaculture-PV Complementary Project (唐山曹妃甸十里海250MW漁光互補新能源發電項目). Our right-of-use assets increased from RMB524.7 million as of December 31, 2024 to RMB628.3 million as of December 31, 2025, primarily due to the increases in land use rights and sea area use rights for operational expansion.

Inventories

Our inventories primarily consist of raw materials, work in progress, finished goods, and goods in transits. The following table sets forth details of our inventories as of the date indicated.

	As of/for the year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Raw materials	342,366	390,509	343,400
Work in progress	703,022	788,114	602,562
Finished goods	500,142	743,403	735,714
Goods in transits	—	162,453	498,826
Less: provision for impairment of inventories	—	—	(5,935)
Total	<u>1,545,530</u>	<u>2,084,479</u>	<u>2,174,567</u>

Our inventories increased from RMB1,545.5 million as of December 31, 2023 to RMB2,084.5 million as of December 31, 2024, primarily attributable to the extended production and delivery cycles, as (i) we had more offshore orders in overseas market which generally had higher technical requirements, and (ii) we started to adopt the DAP model in the second half of 2024 under which we are responsible for transportation logistics. Our inventories further increased to RMB2,174.6 million as of December 31, 2025, primarily due to more goods in transits as we adopted the DAP model which led to extended delivery cycles because we are responsible for transportation logistics.

FINANCIAL INFORMATION

We manage our inventory levels based principally on expected demand, production schedules and volume of sales orders. We periodically assess impairment of inventories and typically recognize write-down of inventories when their carrying amount exceeds their net realizable value. We believe we have a comprehensive and adequate system in place for identifying and accounting for inventory risks and impairment provisions. Our provision for impairment loss for our inventories was nil, nil and RMB5.9 million in 2023, 2024 and 2025, respectively.

The following is an aging analysis of our inventories as of the date indicated.

	As of December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Within 1 year	1,398,457	1,956,598	2,026,379
Over 1 year	147,073	127,881	148,188
Total	<u>1,545,530</u>	<u>2,084,479</u>	<u>2,174,567</u>

Our inventory turnover days, calculated as the average of the beginning and ending balance of inventories for the year divided by the cost of sales for that year and multiplied by 365 days, amounted to 180 days, 250 days and 183 days in 2023, 2024 and 2025, respectively. Our inventory turnover days increased from 2023 to 2024 primarily due to a growing proportion of overseas sales which typically required longer production and delivery periods than domestic orders. However, our risk of obsolete inventory remains minimal since all of our products are customized to specific customer requirements. Our inventory turnover days decreased to 183 days in 2025, primarily as a result of our improved inventory management benefiting from enhanced operational efficiency through supply chain optimization and process upgrades. According to Frost & Sullivan, our inventory turnover days were generally consistent with the industry level during the Track Record Period.

As of March 31, 2026, we have utilized approximately RMB1,116.2 million, or 51.3% of our inventories as of December 31, 2025. The utilization rate is relatively low because, under the inherent production cycle of our products, a three-month period is insufficient for completion, and we have adopted the DAP arrangement for product delivery since the second half of 2024. Under DAP terms, we are responsible for international transportation, which extended the overall delivery cycle, resulting in a longer period during which the products remains classified as our inventory. Consequently, the recognition of this inventory as costs is deferred until final delivery is completed.

Trade and Bills Receivables

Our trade and bills receivables represent outstanding amounts due from our customers. We generally require our customers to pay a portion of the contract payments upfront, before the delivery of our products. Pursuant to the contract terms, our customers are then required to make subsequent payments in batches, at predefined milestones. For example, according to our contracts with domestic customers, we generally collect 50% to 85% of the contract amount after the delivery of our products and approximately 90% to 95% of the contract amount after the acceptance process of wind power products by customers. The remaining amount is included in “contract assets” as our entitlement to this final payment is conditional on our satisfactory work until the end of retention period. While according to our contracts with international customers with respect to foundation products, we generally collect over 90% of the contract amount after the delivery of our products and the remaining after the acceptance process of wind power products by customers.

FINANCIAL INFORMATION

We generally granted different credit periods to our customers depending on the product type during the Track Record Period. For example, we generally granted a credit period of between 30 to 60 days for foundation products, between 30 to 180 days for towers, commencing from the contractually agreed payment milestones. We recognize trade and bills receivables upon the fulfillment of certain contractual obligations, which generally occurs prior to the commencement of the credit period. The following table sets forth details of our trade and bills receivables as of the date indicated.

	As of December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Trade receivables – third parties	1,742,710	1,490,679	1,192,811
Bills receivables	41,219	63,576	46,318
Total trade and bills receivables	1,783,929	1,554,255	1,239,129
Less: allowance for impairment			
– Trade receivables	(113,273)	(181,057)	(135,495)
– Bills receivables	(1,031)	(3,988)	(2,548)
Total allowance for impairment for trade and bills receivables	(114,304)	(185,045)	(138,043)
Total trade and bills receivables, net	1,669,625	1,369,210	1,101,086

Our trade and bills receivables decreased from RMB1,669.6 million as of December 31, 2023 to RMB1,369.2 million as of December 31, 2024, and further to RMB1,101.1 million as of December 31, 2025, primarily attributable to (i) our enhanced collection efforts for domestic orders towards the end of the respective periods, which accelerated the receipt of payments from our domestic customers prior to each period end, and (ii) better payment terms in relation to our overseas orders. In addition, we recorded more allowance for impairment for trade and bills receivables in 2024, which was caused by delays in the acceptance and payment process for our domestic sales of wind power products, as the commissioning of larger wind turbines by customers took longer than originally planned.

The following is an aging analysis of our trade and bills receivables based on the date of revenue recognition as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Within 1 year	1,149,484	820,095	933,229
1 to 2 years	577,029	339,941	67,049
2 to 3 years	47,090	367,601	92,423
Over 3 years	10,326	26,618	146,428
	1,783,929	1,554,255	1,239,129
Less: loss allowance for trade and bills receivables	(114,304)	(185,045)	(138,043)
Total	1,669,625	1,369,210	1,101,086

FINANCIAL INFORMATION

As certain customers made payment to their suppliers, including us, in alignment with the overall acceptance and payment progress of the whole wind farms, it took more than one year to complete the actual settlement from those customers.

Our trade and bills receivables turnover days, calculated as the average of the beginning and ending balance of trade and bills receivables for the year divided by the revenue for that year and multiplied by 365 days, amounted to 155 days, 161 days and 83 days in 2023, 2024 and 2025, respectively. Our trade and bills receivables turnover days increased from 2023 to 2024, primarily due to extended collection cycles in our domestic sales of wind power equipment, as payment collection is closely tied to overall wind farm acceptance and payment process. The increasing proportion of larger turbine units sold, driven by customer demand aligned with market trends, has resulted in extended customer acceptance and payment process, which in turn impacted our receivables collection schedule. Our trade and bills receivables turnover days decreased to 83 days in 2025, primarily attributable to (i) our enhanced collection efforts for domestic orders, which accelerated the receipt of payments from our domestic customers, and (ii) the increased contribution of revenue from products delivered to overseas markets, which typically features better payment terms.

As of March 31, 2026, RMB590.2 million, or 47.6% of our trade and bills receivables as of December 31, 2025 had been settled.

The subsequent settlement period for certain of our trade and bills receivables as of December 31, 2025 exceeded 60 days, primarily because a portion of the trade and bills receivables outstanding as of December 31, 2025 had not yet reached the contractual payment trigger point or the credit period for such receivables had not yet commenced or completed as of March 31, 2026, and as a result, no payment obligation had arisen on the part of the relevant customers. Our Directors believe that there is no material recoverability issue for our trade receivables, and based on our subsequent settlement status, sufficient provision has been made at the end of each of the period during the Track Record Period.

Contract Assets

Our contract assets are primarily arise from manufacturing and sales of wind power equipment. Contract assets represent the rights to receive considerations for the transfer of goods to customers that are not yet unconditional. We allow domestic customers to retain a certain percentage of the contract value in retention period. This amount is included in “contract assets” as our entitlement to this final payment is conditional on our satisfactory work until the end of retention period. The retention period we granted to our domestic customers generally ranged from one year to six years. Our contract assets remained relatively stable at RMB307.7 million and RMB278.7 million as of December 31, 2023 and 2024, respectively. Our contract assets then decreased to RMB209.3 million as of December 31, 2025 primarily because due to the fulfillment of retention period for certain projects.

Our contract assets and trade and bills receivables turnover days, calculated as the average of the beginning and ending balance of contract assets and trade and bills receivables for the year divided by the revenue for that year and multiplied by 365 days, amounted to 177 days, 191 days and 98 days in 2023, 2024 and 2025, respectively.

As of March 31, 2026, RMB11.9 million, or 5.0% of our contract assets as of December 31, 2025 had been transferred to our trade and bills receivables.

FINANCIAL INFORMATION

Prepayments and Other Receivables

Our prepayments and other receivables primarily consist of (i) prepayment on construction and equipment, (ii) certificate of deposits purchased, (iii) other tax receivables, (iv) prepayments, mainly representing the amount paid to suppliers of inventories to secure the inventory supply. These advance payments are expected to be realized within twelve months from the end of the Track Record Period, (v) deposits paid, (vi) listing expenses to be deducted from equity, (vii) prepaid corporate income tax, (viii) consideration receivables from disposal of subsidiaries, and (ix) interest receivables. The following table sets forth the details of our prepayments and other receivables as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Non-Current			
Prepayments on construction and equipment	1,790	196,453	527,091
Certificate of deposits purchased	112,175	10,000	10,000
	<u>113,965</u>	<u>206,453</u>	<u>537,091</u>
Current			
Other tax receivables	201,205	237,261	602,782
Prepayments	291,472	558,202	440,469
Deposits paid	12,214	34,219	44,913
Listing expenses to be deducted from equity	—	—	15,952
Certificate of deposits purchased	—	50,000	10,000
Prepaid corporate income tax	3,132	818	8,551
Consideration receivables from disposal of subsidiaries	12,801	—	4,500
Interest receivables	—	2,758	632
Less: expected credit loss allowance	(4,282)	(3,612)	(697)
	<u>516,542</u>	<u>879,646</u>	<u>1,127,102</u>
Total	<u>630,507</u>	<u>1,086,099</u>	<u>1,664,193</u>

Our current portion of prepayments and other receivables increased from RMB516.5 million as of December 31, 2023 to RMB879.6 million as of December 31, 2024. The fluctuations were primarily attributable to the changes in raw material procurement volumes. See also “— Inventories.” Our current portion of prepayments and other receivables increased from RMB879.6 million as of December 31, 2024 to RMB1,127.1 million as of December 31, 2025 mainly due to an increase of RMB365.5 million in other tax receivables as we had more value-added input tax receivables.

Our non-current portion of prepayments and other receivables increased from RMB114.0 million as of December 31, 2023 to RMB206.5 million as of December 31, 2024, and further to RMB537.1 million as of December 31, 2025, primarily attributable to the increased prepayments for equipment procurement and related expenditures resulting from our shipbuilding activities and construction of production facilities.

As of March 31, 2026, RMB743.4 million, or 44.7% of our prepayments and other receivables as of December 31, 2025 had been settled.

FINANCIAL INFORMATION

The following is an aging analysis of our trade and bills payables on the date of occurrence of payables as of dates indicated.

	As of December 31,		
	2023	2024	2025
		<i>RMB'000</i>	
Within 1 year	1,351,436	1,485,594	1,466,133
1 to 2 years	40,063	39,843	20,847
2 to 3 years	1,031	22,061	10,604
Over 3 years	5,915	6,669	5,604
Total	<u>1,398,445</u>	<u>1,554,167</u>	<u>1,503,188</u>

Our trade and bills payables turnover days, calculated as the average of the beginning and ending balance of trade and bills payables for the year divided by the cost of sales for that year and multiplied by 365 days, amounted to 194 days, 203 days and 131 days in 2023, 2024 and 2025, respectively. Our trade and bills payables turnover days increased from 194 days in 2023 to 203 days in 2024, mainly attributable to (i) extended payment terms granted by certain suppliers, and (ii) the strategic use of payment terms to optimize our cash flow management. Subsequently, our trade and bills payables turnover days decreased to 131 days in 2025, primarily due to shifts in our cost structure. This reduction was largely driven by an increased proportion of costs related to and advance payments for transportation logistics services and steel plates — key components under our DAP model and manufacturing activities — which, as prepaid items, did not give rise to corresponding trade and bills payables.

As of March 31, 2026, RMB670.4 million, or 44.6% of our trade and bills payables as of December 31, 2025 had been settled.

Contract Liabilities

Our contract liabilities represent the obligation to transfer goods to customers in consideration of payments received or receivable from customers. Contract liabilities are incurred when the payment schedule agreed under the contract is ahead of the performance of contract obligations. Our contract liabilities increased from RMB589.0 million as of December 31, 2023 to RMB1,388.9 million as of December 31, 2024, and further to RMB1,608.6 million as of December 31, 2025, mainly due to the increase in advance payments received as a results of our ongoing overseas business expansion.

As of March 31, 2026, RMB1,063.7 million, or 66.1%, of our contract liabilities as of December 31, 2025 were subsequently recognized as revenue.

FINANCIAL INFORMATION

Other Payables and Accruals

Our other payables and accruals mainly represent (i) other payables, representing such as deposits from our customers to secure our production capacity, (ii) construction and equipment payables, (iii) employee benefits payables, (iv) retention money payable, mainly representing deposits paid by our suppliers for project tendering deposits, (v) other taxes payable, and (vi) others, mainly representing payables for staff reimbursement and other miscellaneous fees. The following table sets forth details of our other payables and accruals as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Non-current			
Other payables	108,681	161,361	145,227
Current			
Construction and equipment payables . .	333,173	340,330	358,848
Employee benefits payables	11,025	30,821	100,291
Retention money payable	28,263	35,345	58,425
Other taxes payable	42,280	48,842	37,433
Others	139	399	—
	414,880	455,737	554,997
Total	523,561	617,098	700,224

Our other payables and accruals increased from RMB523.6 million as of December 31, 2023 to RMB617.1 million as of December 31, 2024, primarily because of (i) an increase of RMB52.7 million in other payables primarily including deposits from an overseas customer to secure our production capacity within the timeline specified in the agreement; and (ii) an increase of RMB19.8 million in employee benefits payables due to the increase in our employees, especially high-level management team. Our other payables and accruals further increased to RMB700.2 million as of December 31, 2025, primarily due to (i) an increase of RMB69.5 million in employee benefits payables due to increased headcounts for talents to support our business as well as increased bonus to our employees for incentive purpose; and (ii) an increase of RMB23.1 million in retention money payable in line with the increase in our procurement.

As of March 31, 2026, RMB255.5 million, or 36.5% of our other payables and accruals as of December 31, 2025 had been settled.

Derivative Financial Instruments

Our derivative financial instruments mainly represent foreign exchange forward contracts with banks. During the Track Record Period, we used these derivative financial instruments to manage our foreign currency exposure related to EUR against RMB. We have implemented stringent risk control measures regarding foreign exchange management. For details, see “—Description of Certain Consolidated Statements of Profit or Loss and Other Comprehensive Income Items — Other (Losses)/Gains, Net.” We did not record derivative financial instruments as financial liabilities at FVTPL as of December 31, 2024 and 2025, and we recorded derivative financial instruments as financial liabilities at FVTPL of RMB21.5 million as of December 31, 2023, while recorded derivative financial instruments as financial assets at FVTPL of RMB12.1 million as of March 31, 2026.

FINANCIAL INFORMATION

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash during the Track Record Period were to fund our operation, capital expenditure and general working capital needs. Historically, we have financed our operations and other capital requirements primarily through cash generated from our business operations, net proceeds from our offering of A shares and borrowings. Our anticipated cash needs primarily include costs associated with the research and development of our products and business expansion. We expect to fund our future working capital and other cash requirements with cash generated from our operations, the net proceeds from Global Offering and, when necessary, bank and other borrowings.

As of December 31, 2025, we had cash and cash equivalent of RMB2,855.8 million. Considering our internal resources, our cash flow from operations and the estimated net proceeds from the Global Offering, our Directors confirm that the working capital available to us is sufficient at present and for at least the next 12 months from the date of this prospectus.

Net Current Assets

The following table sets forth a summary of our current assets and liabilities as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000			(Unaudited)
Current assets				
Inventories	1,545,530	2,084,479	2,174,567	1,863,310
Trade and bills receivables . .	1,669,625	1,369,210	1,101,086	1,130,888
Contract assets	307,716	278,735	209,297	211,394
Prepayments and other receivables	516,542	879,646	1,127,102	1,232,138
Financial assets at FVOCI . . .	289,715	254,167	361,882	211,521
Financial assets at FVTPL . . .	1,003,673	—	550,278	662,611
Pledged deposits	58,944	32,569	99,516	117,173
Cash and bank balances	1,901,629	2,836,454	2,855,774	1,665,035
Total current assets	7,293,374	7,735,260	8,479,502	7,094,070
Current liabilities				
Trade and bills payables	1,398,445	1,554,167	1,503,188	1,461,391
Contract liabilities	588,996	1,388,936	1,608,629	1,305,006
Other payables and accruals .	414,880	455,737	554,997	541,155
Financial liabilities at FVTPL – Derivative financial instruments	21,482	—	—	—
Borrowings	472,180	83,433	610,779	132,461
Lease liabilities	30,779	4,190	33,627	6,624
Deferred income	4,640	3,604	6,531	6,531
Tax payable	3,380	41,955	61,333	96,668
Total current liabilities	2,934,782	3,532,022	4,379,084	3,549,836
Net current assets	4,358,592	4,203,238	4,100,418	3,544,234

FINANCIAL INFORMATION

We had net current assets of RMB4,358.6 million, RMB4,203.2 million, RMB4,100.4 million and RMB3,544.2 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively.

Our net current assets decreased from RMB4,358.6 million as of December 31, 2023 to RMB4,203.2 million as of December 31, 2024, primarily attributable to an increase in current liabilities, mainly including (i) an increase of RMB799.9 million in contract liabilities, and (ii) an increase of RMB155.7 million in trade and bills payables; this increase was partially offset by a decrease of RMB388.7 million in borrowings, as well as an increase in current assets, mainly including (i) an increase of RMB538.9 million in inventories, and (ii) an increase of RMB363.1 million in prepayments and other receivables.

Our net current assets decreased from RMB4,203.2 million as of December 31, 2024 to RMB4,100.4 million as of December 31, 2025, primarily attributable to an increase in current liabilities, mainly including (i) an increase of RMB527.3 million in borrowings, (ii) an increase of RMB219.7 million in contract liabilities, and (iii) an increase of RMB99.3 million in other payables and accruals; this decrease was partially offset by an increase in current assets, mainly including an increase of RMB247.5 million prepayment and other receivables.

Our net current assets decreased from RMB4,100.4 million as of December 31, 2025 to RMB3,544.2 million as of March 31, 2026, primarily attributable to (i) a decrease in current assets, mainly including a decrease of RMB1,190.7 million in cash and bank balances and (ii) a decrease of RMB311.3 million in inventories; this decrease was partially offset by an increase of RMB105.0 million in current portion of prepayments and other receivables and a decrease in current liabilities, mainly including (i) a decrease of RMB478.3 million in borrowings, and (ii) a decrease of RMB303.6 million in contract liabilities.

Summary of Consolidated Statements of Cash Flow

The following table sets forth a summary of our consolidated cash flow statements for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Net cash generated from operating activities	774,074	1,035,337	1,144,333
Net cash (used in)/generated from investing activities	(1,381,057)	265,984	(2,580,300)
Net cash (used in)/generated from financing activities	(1,010,572)	(323,702)	1,401,593
Net (decrease)/increase in cash and cash equivalents	(1,617,555)	977,619	(34,374)
Cash and cash equivalents at beginning of the year	3,575,800	1,901,629	2,836,454
Effect of foreign exchange differences on translation on foreign operations . .	(56,616)	(42,794)	53,694
Cash and cash equivalents at the end of the year	<u>1,901,629</u>	<u>2,836,454</u>	<u>2,855,774</u>

FINANCIAL INFORMATION

Operating Activities

In 2025, we had net cash generated from operating activities of RMB1,144.3 million, primarily attributable to profit before taxation of RMB1,265.8 million, adjusted by certain non-cash and working capital items, including: (i) positive adjustments, which primarily included an increase in trade and other payables of RMB318.1 million, an increase in contract liabilities of RMB219.7 million, and the depreciation of property, plant and equipment of RMB138.2 million; and (ii) negative adjustments, which primarily included an increase in trade and other receivables and prepayments of RMB293.9 million, an increase in inventories of RMB96.0 million and the foreign exchange differences of RMB42.9 million.

In 2024, we had net cash generated from operating activities of RMB1,035.3 million, primarily attributable to profit before taxation of RMB515.8 million, adjusted by certain non-cash and working capital items, including: (i) positive adjustments, which primarily included the increase in contract liabilities of RMB799.9 million, the depreciation of property, plant and equipment of RMB115.0 million, and the increase in trade and other payables of RMB63.4 million; and (ii) negative adjustments, which primarily included the increase in inventories of RMB538.9 million, the increase in trade and other receivables and prepayments of RMB72.5 million, and the interest income of RMB49.9 million.

In 2023, we had net cash generated from operating activities of RMB774.1 million, primarily attributable to profit before taxation of RMB484.7 million, adjusted by certain non-cash and working capital items, including: (i) positive adjustments, which primarily included the decrease in pledged deposits of RMB417.7 million, decrease in trade and other receivables and prepayments of RMB381.4 million, and decrease in inventories of RMB186.9 million; and (ii) negative adjustments, which primarily included the decrease in trade and other payables of RMB600.0 million, increase in contract assets of RMB121.1 million, and increase in contract liabilities of RMB105.4 million.

Investing Activities

In 2025, we had net cash used in investing activities of RMB2,580.3 million, primarily attributable to (i) the payment for construction in progress of RMB2,026.2 million; (ii) the purchase of structured deposits at FVTPL of RMB886.1 million; and (iii) the payment for purchase of sea area use right of RMB67.3 million, partially offset by (i) the redemption of structured deposits at FVTPL of RMB335.0 million; and (ii) the certificate of deposits redeemed of RMB50.0 million.

In 2024, we had net cash generated from investing activities of RMB266.0 million, primarily attributable to: (i) the redemption of structured deposits at FVTPL of RMB4,930.0 million and (ii) the interest received of RMB63.9 million, partially offset by: (i) the purchase of structured deposits at FVTPL of RMB3,950.0 million, and (ii) the payment for construction in progress of RMB729.8 million.

In 2023, we had net cash used in investing activities of RMB1,381.1 million, primarily attributable to: (i) the purchase of structured deposits at FVTPL of RMB6,392.0 million, and (ii) the payment for construction in progress of RMB382.1 million, partially offset by the redemption of structured deposits at FVTPL of RMB5,412.0 million.

Financing Activities

In 2025, we had net cash generated from financing activities of RMB1,401.6 million, primarily attributable to the proceeds from bank and other borrowings of RMB1,853.1 million, partially offset by the repayment of bank and other borrowings of RMB282.2 million.

FINANCIAL INFORMATION

In 2024, we had net cash used in financing activities of RMB323.7 million, primarily attributable to: (i) the repayment of bank and other borrowings of RMB470.4 million, and (ii) the dividend paid of RMB116.1 million, partially offset by proceeds from bank and other borrowings of RMB354.4 million.

In 2023, we had net cash used in financing activities of RMB1,010.6 million, primarily attributable to: (i) the repayment of bank and other borrowings of RMB975.0 million, and (ii) the interest paid for bank and other borrowings of RMB21.7 million.

INDEBTEDNESS

As of December 31, 2023, 2024 and 2025, and March 31, 2026, the most recent practicable date for determining our indebtedness, except as disclosed in the table below, we did not have any material indebtedness.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB'000)			(Unaudited)
Current				
Borrowings	472,180	83,433	610,779	132,461
Lease liabilities	30,779	4,190	33,627	6,624
	502,959	87,623	644,406	139,085
Non-current				
Borrowings	–	264,968	1,282,133	1,095,282
Lease liabilities	88,093	203,085	198,332	146,514
	88,093	468,053	1,480,465	1,241,796
Total	591,052	555,676	2,124,871	1,380,881

Borrowings

During the Track Record Period, our borrowings mainly included bank borrowings, a majority of which were secured. As of December 31, 2023, 2024 and 2025 and March 31, 2026, we had total borrowings of RMB472.2 million, RMB348.4 million, RMB1,892.9 million and RMB1,227.7 million, respectively. During the Track Record Period, our borrowings were obtained from commercial banks and financial institutions, with the effective interest rates ranging from 2.62%-5.54% per annum.

As of March 31, 2026, we had total borrowings of RMB1,227.7 million, which had an effective interest rate of 2.62% to 2.85%. Our interest-bearing borrowings as of March 31, 2026 were expected to become mature in January 2041. As of the same date, we had RMB13,843.8 million of unutilized banking facilities.

Our bank borrowings agreements contain standard terms, conditions and covenants that are customary for commercial bank loans. Our Directors confirm that there has not been any material default on our part in the payment of borrowings, or breaches of covenants during the Track Record Period and up to the date of this prospectus. During the same period, we have not experienced any difficulties in obtaining bank loans and others borrowings.

FINANCIAL INFORMATION

Lease Liabilities

During the Track Record Period, our lease liabilities were primarily in relation to our lease of land use rights and buildings used in our operations. As of December 31, 2023, 2024 and 2025 and March 31, 2026, our total lease liabilities amounted to RMB118.9 million, RMB207.3 million, RMB232.0 million and RMB153.1 million, respectively.

Save as disclosed above, we did not have any bank and other borrowing, liabilities under acceptance or acceptance credits, debentures, mortgages, charges, hire purchases, or finance lease commitments, guarantees or other material indebtedness or contingent liabilities during the Track Record Period and up to the Latest Practicable Date. There has been no material change in our indebtedness since March 31, 2026, being the most recent practicable date for determining our indebtedness, and up to the date of this prospectus.

CAPITAL EXPENDITURE

Our capital expenditure during the Track Record Period primarily related to machinery, properties and plants, transportation equipment, port facilities and auxiliary facilities. The details of our capital expenditure during the Track Record Period are summarized as follows.

	For the year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>		
Machinery	2,967	1,242	13,862
Properties and plants	608	29,315	1,706
Transportation equipment	1,361	2,859	848
Port facilities and auxiliary facilities . . .	–	8,858	324
Others	2,673	15,800	6,378
Total	<u>7,609</u>	<u>58,074</u>	<u>23,118</u>

CAPITAL COMMITMENTS

Our capital commitments at the end of each year during the Track Record Period primarily related to contracted but not provided commitments for construction in progress. As of December 31, 2023, 2024 and 2025, our capital commitments amounted to RMB32.3 million, RMB627.9 million and RMB2,981.1 million, respectively.

CONTINGENT LIABILITIES

In December 2025, a civil claim was filed by a plaintiff against our wholly-owned subsidiary Zhangwu Xiliujiazi, two other subsidiaries of our Company and our Company. For details, see “Business — Legal Proceedings and Compliance.” No provision has been made in the financial statements in respect of this litigation. See also note 36 to the Accountants’ Report as set out in Appendix I to this prospectus.

As of December 31, 2023, 2024 and 2025 and March 31, 2026, except for the civil litigation explicated above which is still ongoing and no provision was made, we did not have any material contingent liabilities. Our Directors confirm that there has been no material change in our contingent liabilities since March 31, 2026 to the date of this prospectus.

FINANCIAL INFORMATION

RELATED PARTY TRANSACTIONS

Except for compensation to key management personnel, we had no material related party transactions during the Track Record Period, and no material balances with related parties existed at the end of each year during the Track Record Period. See also note 45 to the Accountants' Report as set out in Appendix I to this prospectus. Our Directors are of the view that each of the related party transactions during the Track Record Period was conducted in the ordinary course of business on an arm's length basis and on normal commercial terms between the relevant parties. Our Directors are of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

KEY FINANCIAL RATIOS

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

	As of/for the year ended December 31,		
	2023	2024	2025
Gross profit margin ⁽¹⁾	23.1%	29.8%	31.1%
Net profit margin ⁽²⁾	9.8%	12.5%	17.9%
Return of equity (ROE) ⁽³⁾	6.3%	6.7%	14.2%
Current ratio ⁽⁴⁾	2.5	2.2	1.9
Asset-liability ratio ⁽⁵⁾	32.4%	37.1%	42.9%

Notes:

- (1) Gross profit margin is calculated as gross profit divided by revenue for the respective year.
- (2) Net profit margin is calculated as profit for the year divided by revenue for the respective year.
- (3) ROE is calculated as profit for the year divided by average of the opening and closing balances of total equity for the respective year.
- (4) Current ratio is calculated as current assets divided by current liabilities as of the relevant date.
- (5) Asset-liability ratio is calculated as total liabilities divided by total assets as of the relevant date.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are exposed to a variety of market risks, such as foreign currency risk, price risk and credit risk as set out below. We manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner. For further details, including relevant sensitivity analysis, see note 48 in the Accountants' Report set out in Appendix I to this prospectus.

FINANCIAL INFORMATION

Foreign Currency Risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. We are exposed to currency risks primarily through sales and purchases which give rise to receivables, payables, interest-bearing borrowings and bank balances that are denominated in a foreign currency, i.e., a currency other than the functional currency of the entities to which the transactions relate. The foreign currencies giving rise to this risk are primarily EUR and USD. Foreign currency risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the respective functional currency of our subsidiaries. To ensure the currency risk exposure of us is kept to an acceptable level and seeks to minimize the gap between assets and liabilities in the same currency. Foreign exchange risk contracts are usually used to manage foreign currency risk associated with foreign currency-denominated assets and liabilities.

Price Risk

Interest Rate Risk

We are exposed to fair value interest rate risk in relation to restricted bank deposits, certificates of deposits purchased, fixed rate bank borrowings and lease liabilities. Our cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances. The Directors consider that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant, therefore no sensitivity analysis on such risk has been prepared.

Credit Risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to our Group. Our exposure to credit risk mainly arises from granting credit to customers in the ordinary course of its operations and from our investing activities.

Our maximum exposure to credit risk is represented by the carrying amount of each financial asset measured at amortized cost and bills receivables measured at FVTOCI as disclosed in note 25(b) in the Accountants' Report set out in Appendix I to this prospectus.

As of December 31, 2023, 2024 and 2025, other than financial assets whose carrying amounts best represent the maximum exposure to credit risk, our maximum exposure to credit risk which will cause a financial loss to our Group arising from financial guarantees provided by our Group to our related companies and third parties as disclosed in note 40 in the Accountants' Report set out in Appendix I to this prospectus.

DIVIDENDS

During the Track Record Period, we have declared cash dividends. We declared and approved the final dividends of RMB116.1 million, RMB51.0 million, and RMB55.5 million, respectively, in 2023, 2024 and 2025. See note 18 in the Accountants' Report set out in Appendix I to this prospectus. As of the Latest Practicable Date, we had paid these dividends in full.

After the completion of the Global Offering, we may distribute dividends in the form of cash or by other means permitted by our Articles of Association. A decision to declare or to pay dividends in the future and the amount of dividends will be at the discretion of our

FINANCIAL INFORMATION

Shareholders' meeting and will depend on a number of factors, including our results of operations, cash flows, financial condition, payments by our subsidiaries of cash dividends to us, business prospects, statutory, regulatory restrictions on our declaration and payment of dividends and other factors that our Board may consider important. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the relevant laws. Our Shareholders may approve any declaration of dividends.

According to applicable laws in Chinese Mainland and our Articles of Association, we may distribute dividends out of our profit after tax to the extent that we were profitable for the relevant year and after deducting statutory and surplus reserves. Our cumulative profits distributed in cash over the past three years shall be no less than 30% of the average annual distributable profits achieved in the past three years. Apart from above, we currently do not have a formal dividend policy or set other payout ratio target.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we had RMB499.7 million of retained profits available for distribution to our shareholders.

LISTING EXPENSES

Listing expenses to be borne by us are estimated to be approximately HK\$157.8 million (equivalent to approximately RMB137.8 million) (assuming an Offer Price of HK\$66.40 per Share), representing approximately 2.8% of the estimated net proceeds from the Global Offering assuming no Shares are issued pursuant to the Offer Size Adjustment Option and the Over-allotment Option. The listing expenses consist of (i) underwriting-related expenses, including underwriting commission, of approximately HK\$115.5 million, and (ii) non-underwriting-related expenses of approximately HK\$42.4 million, comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK\$24.0 million, and (b) other fees and expenses of approximately HK\$18.3 million. During the Track Record Period, we incurred listing expenses of HK\$1.2 million (equivalent to approximately RMB1.1 million). After the Track Record Period, approximately HK\$7.9 million is expected to be charged to our consolidated statements of profit or loss, and approximately HK\$148.7 million is expected to be accounted for as a deduction from equity upon the Listing. We do not believe any of the above fees or expenses are material or are unusually high for our Group. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The unaudited pro forma statement of our Group's adjusted net tangible assets prepared in accordance with Rule 4.29 of the Listing Rules is to illustrate the effect of the Global Offering on our consolidated net tangible assets attributable to equity Shareholders of our Company as of December 31, 2025 as if the Global Offering had taken place on that date.

The unaudited pro forma statement of our adjusted net tangible assets has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not provide a true picture of our financial position had the Global Offering been completed as of December 31, 2025 or on any future date. For details, see "Appendix II — Unaudited Pro Forma Financial Information" to this prospectus.

FINANCIAL INFORMATION

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, the Directors confirm that, up to the date of this prospectus, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025.

Unaudited Financial Information for the Three Months Ended March 31, 2026

Our revenue increased by 67.2% from RMB1,140.7 million for the three months ended March 31, 2025 to RMB1,907.0 million for the same period of 2026, primarily driven by an increase in revenue from sales of wind power equipment. Revenue from sales of wind power equipment increased by 71.1% from RMB1,068.8 million for the three months ended March 31, 2025 to RMB1,828.8 million for the same period of 2026, primarily due to sustained growth in deliveries for overseas projects during the period.

Our cost of sales increased by 47.2% from RMB787.6 million for the three months ended March 31, 2025 to RMB1,159.6 million for the same period of 2026, which was primarily in line with our revenue growth.

Our gross profit increased by 111.6% from RMB353.1 million for the three months ended March 31, 2025 to RMB747.3 million for the same period of 2026. Our gross profit margin increased from 31.0% for the three months ended March 31, 2025 to 39.2% for the same period of 2026, primarily driven by higher gross profit margin for overseas projects, which contributed a higher portion of revenue and gross profit during the period.

Our profit for the period increased by 88.2% from RMB231.0 million for the three months ended March 31, 2025 to RMB434.6 million for the same period of 2026. Our net profit margin increased from 20.2% for the three months ended March 31, 2025 to 22.8% for the three months ended March 31, 2026, representing a continuous growth of our margin profile.

Our total assets decreased from RMB14,490.6 million as of December 31, 2025 to RMB13,844.7 million as of March 31, 2026, primarily due to (i) a decrease in cash and cash equivalents of RMB1,190.7 million as a result of cash payments for the purchase and construction of fixed assets and repayment of bank borrowings, (ii) a decrease in financial assets at FVTOCI of RMB150.4 million attributable to a reduction in bank acceptance bills, and (iii) a decrease in right-of-use assets of RMB94.0 million as a result of the reduction in leased assets.

Our total liabilities decreased from RMB6,210.3 million as of December 31, 2025 to RMB5,138.4 million as of March 31, 2026, primarily due to the repayment of bank borrowings upon maturity.

Our net assets increased from RMB8,280.3 million as of December 31, 2025 to RMB8,706.3 million as of March 31, 2026, primarily attributable to the profit of RMB434.6 million recorded for the three months ended March 31, 2026.

For the three months ended March 31, 2026, we had net cash generated from operating activities of RMB437.6 million, primarily attributable to profit before taxation of RMB525.4 million, adjusted by certain non-cash and working capital items, including: (i) positive adjustments, which primarily included a decrease in inventories of RMB311.3 million, an increase in bills receivables at FVTOCI of RMB150.4 million and an increase in trade and

FINANCIAL INFORMATION

other payables of RMB99.3 million; and (ii) negative adjustments, which primarily included an increase in trade and other receivables and prepayments of RMB321.7 million, and an increase in contract liabilities of RMB303.6 million.

Our unaudited condensed consolidated interim financial information for the three months ended March 31, 2026 has been reviewed by our Reporting Accountant in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the International Auditing and Assurance Standards Board. For details, see Appendix IA to this prospectus.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors have confirmed that, as of the Latest Practicable Date, they were not aware of any circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS AND PROSPECTS

See “Business — Our Growth Strategies” for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK\$5,616.7 million, after deducting underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, and assuming an Offer Price of HK\$66.40 per Share, assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised.

We currently intend to apply these net proceeds for the following purposes:

- Approximately 55.0% or HK\$3,089.2 million will be used to fund the enhancement of our integrated deep-sea solutions.

According to Frost & Sullivan, global new installations of offshore wind capacity is expected to reach 36.7 GW by 2030, with a CAGR of 28.9% from 2024 to 2030. The development of offshore wind power is gradually shifting from shallow waters to deep-sea locations, while floating wind power, capable of adapting to various water depths and seabed conditions, will become the next generation focus of future offshore wind foundation structures. The period from 2026 to 2030 is anticipated to be a critical window for the commercialization of floating wind power. Europe, as the world’s leading market for floating offshore wind power technology, its cumulative new installations of floating offshore wind is expected to reach 931.3 MW between 2025 and 2030, with a CAGR of 67.2% from 2024 to 2030. Currently, floating wind foundation remains in the pre-commercialization phase, with full commercialization expected by 2030. The commercial deployment of floating foundations in deep and far-sea faces several key challenges such as high costs resulted from limited industrialization, high freight rates and low transport efficiency due to scarcity of suitable ships, and complex coordination requirements across multiple operational segments.

Our existing production bases, which are primarily configured for the manufacture of fixed-bottom foundation structures, have been operating at relatively high utilization rates, demonstrating robust and sustained demand for our products. In 2023, 2024 and 2025, our capacity utilization rates for foundation structures were approximately 73.2%, 76.3% and 81.7%, respectively. For details, see “Business — Manufacturing — Manufacturing Facilities.” More critically, our existing capacity is not technically optimized for the distinct manufacturing technologies and requirements of larger, more complex floating foundations. Therefore, to capitalize on this paradigm shift in offshore wind technology and address the market’s clear supply deficit, the construction of new, specialized capacity is not merely an opportunity, but a strategic imperative for maintaining our growth trajectory and market leadership. Leveraging our leading position and extensive project delivery experience in global mainstream offshore wind markets, we have developed key capabilities to address the industrialization challenges of floating foundations. We plan to capture long-term growth opportunities in the global deep-sea offshore wind market by enhancing our comprehensive deep-sea solutions, which will not only strengthen our market leadership but also elevate our position in the industry value chain.

FUTURE PLANS AND USE OF PROCEEDS

Therefore, we plan to invest in establishing the production line for extra-large floating foundations, develop product structures suitable for various marine environments, and enhance adaptability of our products in the globe and reliability of delivery. Our Hebei Tangshan Caofeidian Deep and Far-sea Offshore Facility currently deploys a flexible line configuration to manufacture monopiles pending large-scale commercialization of floating foundations. The new production line will be purpose-designed around floating-foundation processes while retaining flexible, downward-compatible capability to produce monopiles and jackets. Our production line for floating foundations is designed to have an annual production capacity of approximately 100 sets. Based on our comprehensive assessment of the current market needs, we expect to commence construction of the production line as early as 2026 and anticipate the commencement of trial production in 2028. In parallel, we are advancing cost-reduction and efficiency initiatives at our existing bases for floating products, focusing on process optimization to lower unit production costs and improve throughput. Meanwhile, focusing on the niche segment of transportation and installation of large-scale floating foundation structures, we intend to allocate funds to form a specialized service team, optimize fleet structure and equipment configuration, develop in-house installation capabilities, and establish a service network covering major global offshore markets.

Specifically, the funds will be allocated for (i) approximately HK\$1,136.8 million for foundational production capacity and facility upgrades, including optimization of offshore production capacity, construction and upgrading of specialized production lines for extra-large floating foundations, and improvement of port and transshipment ancillary facilities, which are expected to be implemented in phases from 2026 to 2028; (ii) approximately HK\$1,384.0 million for core equipment procurement and optimization, including the procurement and optimization of automated welding equipment, automated logistics and hoisting systems, and inspection and testing equipment, the specific plans of which will be implemented in accordance with the progress requirements under (i) above; and (iii) approximately HK\$568.4 million for other expenditures, including talent recruitment, software procurement and upgrades, as well as development of service systems and supporting technologies, which primarily comprise expenditures relating to the establishment of specialized teams for floating foundation transportation and installation, software procurement and upgrades, and the development of a global logistics network, and are expected to be implemented in phases from 2026 to 2027.

- Approximately 20.0% or HK\$1,123.3 million will be used for the investment and construction of our assembly base in Europe.

According to Frost & Sullivan, the market size of offshore wind foundation structures in Europe is expected to grow significantly from 2024 to 2030, with a CAGR of 27.7%. In addition, from a mid- to long-term perspective, close to 80% of the world's offshore wind resource potential is in deep-sea areas. In recent years, the European Union has been implementing increasingly stringent localization requirements for manufacturing. However, we do not face European measures that would materially adversely affect our operations. Our exports to Europe comprise (i) offshore wind foundations, which are not currently subject to EU anti-dumping or customs duties, and (ii) towers, which are subject to a 7.2% EU anti-dumping duty (not applicable in the UK). Given severe local capacity constraints for foundations, we maintain a strong competitive position and do not plan to scale the tower business materially; accordingly, the relevant duties are not expected to affect our

FUTURE PLANS AND USE OF PROCEEDS

core competitiveness. On policy, European policy does not target offshore wind with restrictive localization requirements. The UK has removed import tariffs on wind power equipment. Localization thresholds linked to development rights are generally satisfied through turbine, installation and O&M commitments, and our steel structures are not a principal focus. On the other hand, European manufacturers face multiple constraints, including limited land and port resources, shortages of skilled labor, and elevated costs, resulting in persistent capacity shortages.

In response, we plan to invest and establish a European assembly base focused on mainstream offshore wind foundation products, including monopiles, jackets, and floating foundations. This base will primarily serve customers in Europe while also extending coverage to markets outside China and Europe, thereby building our local supply capabilities in the European market. We currently conduct post-delivery assembly on a project-specific, temporary basis, utilizing leased quays and ad hoc laydown areas to meet particular project needs. For details, see “Business — Our Products and Solutions — Wind Power Equipment.” By contrast, our planned European assembly base is a core component of our integrated deep-water offshore solution strategy and is intended to operate as a long-term, comprehensive marshalling platform. Its planned functions include, among others, (i) assembly of monopiles and installation of ancillary components, (ii) segment joining and final assembly of floating foundations, and (iii) serving as a critical European hub within our end-to-end deep-water solution covering fabrication, transportation and installation. This initiative will allow us to better address local supply gaps and strengthen our ability to secure and fulfill European orders. We are currently actively conducting site selection and evaluation for the European base. The process involves a comprehensive assessment of factors such as local port conditions, policy environment, investment costs, industrial chain support, and regional influence to ensure optimal operational efficiency. Our site selection process is guided by a comprehensive set of criteria, including but not limited to, (i) the capacity of the port to handle and store ultra-large offshore engineering equipment and accommodate specialized vessels; (ii) close proximity to major offshore wind project clusters in Europe; (iii) availability of core supporting industries in the surrounding area such as steel processing and coating facilities, with strong logistics synergies; and (iv) a sufficient reserve of offshore engineering technicians and engineering management talent. The potential locations under consideration include countries or areas that are the main offshore wind markets in Europe, such as Germany, Denmark and France. We expect to finalize the site selection and complete the necessary preparatory work, including securing permits, by 2026. Construction is scheduled to commence in 2026, with the commencement of trial production planned for early 2028. The final assembly base is planned to have an annual assembly capacity of approximately 80 sets of floating foundations, primarily targeting customer groups in the European Union and the United Kingdom.

FUTURE PLANS AND USE OF PROCEEDS

The following table sets forth a summary of comparison of our proposed production line for extra-large floating foundations and assembly base in Europe.

	Production Line for Extra-large Floating Foundations	European Assembly Base
Location	Caofeidian, Tangshan, China	Europe; specific site(s) still under evaluation
Core Functions . . .	Full-cycle manufacturing of steel structures including monopiles, jackets floating foundations (covering the entire process from steel plate cutting, rolling, welding to painting)	Post-delivery assembly and integration (including final assembly of floating foundation segments and installation of secondary structural attachments on monopiles), doubling as a marshalling port
Scale	Large-scale manufacturing base with a flexible production line design capable of accommodating multiple product types	Assembly and logistics marshalling platform, centered on quayside berths and associated backland
Strategic Role . . .	The core hub of our global manufacturing capabilities, underpinning the manufacturing component of the Group's deep-sea strategy	A critical node for our integrated deep-sea solutions in Europe, covering transportation and installation, thereby reducing delivery distances and response times for European projects

To ensure successful localized operations, we anticipate recruiting no less than 280 local employees between 2026 and 2028. This workforce will comprise management and administrative staff, production and R&D personnel, as well as engineering and technical staff. We intend to offer competitive compensation packages to our local employees in line with prevailing local wage standards. Our past business operations in Europe have, in all material respects, complied with applicable local laws, regulations, and regulatory requirements. In relation to this planned project, based on our preliminary due diligence, we have not identified any insurmountable legal impediments to obtaining the requisite business permits and licenses or to commencing operations. We will apply for the relevant licenses and/or approvals in accordance with its construction progress.

Specifically, the funds will be allocated for (i) land leasing of HK\$211.2 million; (ii) factory and production line construction of HK\$526.8 million; (iii) procurement of production equipment of HK\$337.0 million; and (iv) initial operation expenses of HK\$48.3 million.

- Approximately 10.0% or HK\$561.7 million will be used for our wholly owned global center for R&D.

Global offshore wind development is progressively moving from shallow waters to deep-sea regions, and larger-scale and intelligent solutions have become key industry drivers, while comprehensive cost management throughout the supply chain has become increasingly critical. We plan to develop a globally coordinated R&D system linking China and Europe, develop our global R&D team, and engage in extensive international technology collaboration. Our research and development activities progress in tandem with our business expansion and are sequenced by business line. Our collaboration with research institutes dates back many years.

FUTURE PLANS AND USE OF PROCEEDS

Since 2021, we have conducted joint R&D with several universities on manufacturing processes such as monopile welding. Leveraging these R&D outcomes, we plan to upgrade and systematize these previously decentralized, point-to-point collaborations into a global R&D center.

We are dedicated to developing deep-sea foundation structures with both technical and cost advantages, establishing integrated service solutions that include more efficient process technologies, production equipment, transport vessels, and logistics planning, enhancing both the cost-effectiveness and reliability of product delivery. Specifically, our R&D will focus on: (i) the design and development of self-floating foundations; (ii) the R&D of efficient and low-cost manufacturing technologies for deep and far sea foundation structures; (iii) the R&D of intelligent production and process technologies; and (iv) the R&D of specialized transportation vessels and transportation solutions. Given the characteristics of our industry, R&D investment will be directed primarily to plant-level trials and process validation to achieve optimal manufacturing quality and efficiency. Outcomes from our R&D collaborations are expected to be embodied mainly in practice-oriented experience and non-proprietary know-how rather than invention or utility-model patents. These results are applied directly to our production operations and contribute to our process-level competitive barriers.

We aim to complete the fundamental research, prototype development, and testing and validation for these products by 2027, and we plan to begin securing commercial project orders and achieving mass product delivery for these new products starting from 2028. To support these initiatives, our global R&D center is expected to recruit no less than 150 R&D professionals between 2026 and 2028, primarily in fields such as deep and far-sea structural engineering, vessel design and transportation solutions, and intelligent processing technologies. We plan to offer competitive compensation packages in line with prevailing local salary levels for R&D professionals in Europe and China.

Our research and development expenses are RMB255.6 million, RMB182.0 million and RMB288.2 million in 2023, 2024 and 2025, respectively, representing a relatively stable percentage of our revenue. This reflects our consistent commitment to technical innovation. With the continued expansion of our overseas operations and steadily increasing demand for customization, we plan to further increase our investment in deep-sea and floating-foundation products and strengthen our strategic deployment in these areas going forward. Specifically, the funds will be allocated for (i) recruitment of R&D talents of HK\$280.8 million; (ii) procurement of equipment and software of HK\$174.7 million; (iii) R&D testing and inspection of HK\$74.7 million; and (iv) other expenditures including technical collaboration and consulting services of HK\$31.5 million. Our total spending in this connection will depend on, among other things, our research and development schedule, in the event that the actual amount of net proceeds available for these plans is insufficient to cover our total spending, the shortfall will be met by our internal funds and/or funds to be obtained from other financing activities, as appropriate.

FUTURE PLANS AND USE OF PROCEEDS

- Approximately 5.0% or HK\$280.8 million will be used for expansion into new overseas markets.

According to Frost & Sullivan, the new installations of offshore wind capacity in Europe between 2025 and 2030 is expected to be 47.3 GW. Meanwhile, emerging markets such as Japan, South Korea, Australia, and Southeast Asia have also successively announced offshore wind installation plans. Building on our proven track record in the European offshore wind market, we will continue to strengthen our presence in Europe while expanding into these emerging markets, and primarily invest in establishing local subsidiaries, building sales networks, recruiting professional talents, participating in industry exhibitions, conducting policy and market research, and obtaining necessary certifications. We believe that these initiatives will enable us to increase our market share in global market and capture growth opportunities. Based on our analysis of offshore wind installation plans across major global regions, local content requirement and competitive landscape, we intend to expand into new markets in accordance with the following priorities and plans: (i) Europe will be our primary target market, where we will continue to secure orders from local customers and maintain our lead in market share, considering the following factors: (a) Europe is the birthplace and most mature offshore wind market, with projects concentrated in the North Sea and Baltic Sea and supported by clear roadmaps and a substantial pipeline. According to Frost & Sullivan, fewer than ten mainstream global developers dominate, with core portfolios centered in Europe, (b) Europe faces a significant capacity shortfall in foundation manufacturing, driven by limited quay frontage, back-of-port land and related infrastructure for ultra-large steel structures, and a shortage of experienced welding and fabrication labor, (c) Europe's drive for energy independence — intensified by the Russia-Ukraine conflict and Middle East tensions — is accelerating offshore wind deployment, expanding our addressable market, and (d) we have established extensive cooperation with leading offshore wind developers and received high recognition from industry participants, positioning us to further broaden our customer base; and (ii) we plan to commence preliminary market research efforts in other potential markets such as Japan, South Korea and Australia, and expect to begin obtaining customers and orders starting in 2026. According to Frost & Sullivan, there are fewer than ten mainstream offshore wind developers globally, and these developers are active not only in Europe but also in other major markets. For example, several large projects in Japan have awarded development rights to leading European developers. We have built deep relationships and a strong delivery track record with these counterparties, which gives us a natural customer-relationship advantage as we follow them into emerging offshore wind markets such as Japan, South Korea and Australia.

Specifically, the funds will be allocated for (i) establishment of subsidiaries of HK\$67.4 million, (ii) sales team expansion of HK\$112.3 million; (iii) marketing activities of HK\$73.0 million; and (iv) regulatory compliance, qualification and certification work of HK\$28.1 million.

- Approximately 10.0% or HK\$561.7 million will be used for general working capital and corporate purposes.

FUTURE PLANS AND USE OF PROCEEDS

To carry out our business plans described above, we intend to use the net proceeds from the Global Offering, our cash resources on hand and future operating cash flow. The following table sets forth a breakdown of the net proceeds from the Global Offering and the timeframe for implementing our major business plans.

	Percentage of total net proceeds	Net proceeds to be used in			
		2026	2027	2028	Total
		(HK\$ in million)			
Enhancement of our integrated deep- sea solutions	55.0%	1,391.4	1,413.6	284.2	3,089.2
Investment and construction of our assembly base in Europe	20.0%	21.1	716.7	385.5	1,123.3
Global center for R&D	10.0%	232.8	280.2	48.7	561.7
Expansion into new overseas markets	5.0%	97.7	133.1	50.0	280.8
General working capital and corporate purposes	10.0%	561.7	—	—	561.7

If the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, the net proceeds that we will receive will be approximately HK\$7,441.5 million, assuming an Offer Price of HK\$66.40 per Share. In the event that the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, we intend to apply the additional net proceeds to the above purposes in the proportions stated above.

To the extent that the net proceeds from the Global Offering are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, they will be placed in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions).

We will issue an appropriate announcement if there is any material change to the above proposed use of proceeds.

UNDERWRITING

HONG KONG UNDERWRITERS

Huatai Financial Holdings (Hong Kong) Limited
China Merchants Securities (HK) Co., Limited
China International Capital Corporation Hong Kong Securities Limited
Ping An Securities (Hong Kong) Company Limited
CCB International Capital 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 on the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement. If, for any reason, the Offer Price is not agreed between the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, the Global Offering will not proceed and will lapse.

The Global Offering comprises the Hong Kong Public Offering of initially 8,696,600 Hong Kong Offer Shares and the International Offering of initially 78,269,200 International Offer Shares, subject to, in each case, reallocation on the basis as described in the section headed “Structure of the Global Offering” in this prospectus as well as to the Offer Size Adjustment Option and the Over-allotment Option in the case of the International Offering.

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, we are offering initially 8,696,600 Hong Kong Offer Shares (subject to reallocation) for subscription by way of a Hong Kong Public Offering at the Offer Price on and subject to the terms and conditions of this prospectus.

Subject to (i) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the H Shares (including additional H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) as mentioned herein, and such listing and permission not having been subsequently revoked prior to the commencement of trading of our H Shares on the Main Board of the Stock Exchange and (ii) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally, but not jointly, to subscribe or procure subscribers for their respective applicable proportions of the Hong Kong Offer Shares now being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions of this prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional upon and subject to, amongst other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

UNDERWRITING

Grounds for termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination, if at any time prior to 8:00 a.m. on the Listing Date:

- (a) there develops, occurs, exists or comes into effect:
 - (a) any event or series of events resulting in or representing a change or development involving a prospective change, in local, national, regional or international financial, political, military, industrial, legal, regulatory, currency, credit, economic, fiscal, exchange control or market conditions or sentiments (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, investment and credit markets and inter-bank markets) in or affecting Hong Kong, Singapore, the PRC, the United States, the United Kingdom and the European Union (or any member thereof), or any other jurisdiction relevant to any member of the Group (collectively the “**Relevant Jurisdictions**”); or
 - (b) any new law or regulation or any change or development or announcement or publication involving a prospective change or any event or circumstance likely to result in a change or a development or announcement or publication involving a prospective change in any existing law or regulation, or any change or development involving a prospective change in the interpretation or application thereof by any court or other competent governmental authority in or affecting any of the Relevant Jurisdictions; or
 - (c) any event or series of events in the nature of force majeure (including, without limitation, any acts of government, declaration of a local, regional, national or international emergency or war, calamity, crisis, epidemic, pandemic, large scale outbreaks of diseases or its escalation, mutation or aggravation of diseases, comprehensive sanctions, strikes, labor disputes, lock-outs, other industrial actions, fire, explosion, flooding, earthquake, tsunami, volcanic eruption, civil commotion, riots, rebellion, public disorder, acts of war, acts of God, acts of terrorism (whether or not responsibility has been claimed), paralysis in government operations, interruptions or delay in transportation) in or affecting any of the Relevant Jurisdictions; or
 - (d) any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), or other state of emergency or calamity or crisis in or affecting any of the Relevant Jurisdictions; or
 - (e) the imposition or declaration of (A) any moratorium, suspension, restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) or limitation on trading in shares or securities generally on the Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the Tokyo Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, or the London Stock Exchange, the Singapore Stock Exchange or the stock exchange in any other member of the European Union or (B) any moratorium on, or disruption in, banking activities (commercial or otherwise) or foreign exchange trading or securities settlement or clearing services in or affecting any of the Relevant Jurisdictions; or

UNDERWRITING

- (f) any change or development involving a change or prospective change or amendment in or affecting taxation or equity securities or exchange controls (or the implementation of any exchange control) or currency exchange rates or foreign investment regulations in or affecting any of the Relevant Jurisdictions (including without limitation any fluctuation in the Hong Kong dollars, United States dollar or Renminbi against any foreign 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
- (g) the commencement by any governmental authority or other regulatory or political body or law enforcement agency or organization of any action or investigation against a Director or members of senior management or any member of the Group or an announcement by any governmental authority or regulatory or political body or law enforcement agency or organization that it intends to take any such action; or
- (h) any imposition of comprehensive sanction under any sanctions laws or regulations in, or withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, the U.S. or the European Union (or any member thereof) on any of the Relevant Jurisdictions; or
- (i) any change in the system under which the value of the Hong Kong dollar is linked to that of the U.S. dollar or the value of the RMB is determined by reference to a basket of world currencies or a material devaluation of Hong Kong dollars, or the Renminbi against any foreign currency; or
- (j) any change or any development involving a prospective material adverse change in, or a materialization of any of, any of the risks set out in the section headed “Risk Factors” in this prospectus; or
- (k) a demand by any creditor for repayment or payment of any indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity; or
- (l) 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 or any aspect of the Global Offering with the Listing Rules or any other applicable laws; or
- (m) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of the Group or any Controlling Shareholder or any Director or senior management members as named in this prospectus; or
- (n) any order or petition is presented for the winding-up or liquidation of any member of the Group or any member of the 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 the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto occurs in respect of any member of the Group; or

UNDERWRITING

- (o) any contravention by any member of the Group or any Director of the Listing Rules or applicable laws or regulations; or
- (p) that any of the Directors of the Company as set out in the section headed “Directors and Senior Management” in this prospectus being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management of a company; or the chairman or chief executive officer of the Company vacating his office; or
- (q) other than with the prior written consent of the Joint Sponsor-Overall Coordinators, the withdrawal of this prospectus, or the issue or requirement to issue by the Company of a supplemental prospectus or amendment to this prospectus, the preliminary offering circular, the final offering circular 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,

and which, in any such case (whether individually or in the aggregate) and in the sole and absolute opinion of the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters): (A) has or will or may have a material adverse effect on the assets, liabilities, business, general affairs, management, shareholder’s equity, profit, losses, earnings, results of operations or financial or trading position or condition, prospects or otherwise of the Group as a whole or any present or prospective shareholder of the Company in its capacity as such; or (B) has or will or may have a material adverse effect on the success or marketability of the Global Offering or the level of Offer Shares being applied for or accepted or the distribution of the Offer Share under the Hong Kong Public Offering or the level of interest under the International Offering or (C) makes or will or may make it impracticable, inadvisable, inexpedient, incapable (i) to proceed with any part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering and/or the Global Offering or (ii) for the delivery of Shares on the terms and in the manner contemplated by this prospectus or (iii) for any part of the Hong Kong Underwriting Agreement or the Global Offering to be performed or implemented as envisaged; 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

- (b) there has come to the notice of the Overall Coordinators after the date of the Hong Kong Underwriting Agreement or it has reasonable cause to believe:
 - (i) that any statement contained in offering documents, the operative documents, the preliminary offering circular, and/or any notices, announcements, advertisements, communications with the Stock Exchange, the SFC or CSRC or other documents (including any announcement, circular, document or other communication pursuant to the Hong Kong Underwriting Agreement) issued or used by or on behalf of the Company in connection with the Global Offering (including any supplement or amendment thereto (the “**Offer-Related Documents**”)) was or has become untrue or incorrect or incomplete in any material respect or misleading in any respect, or that any estimate, forecast, expression of opinion, intention or expectation contained in any of such documents is not fair and honest and based on reasonable assumptions with reference to the facts and circumstances then subsisting; or

UNDERWRITING

- (ii) 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 from, or misstatement in, any of the Offer-Related Documents; or
- (iii) 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 the Company or the Controlling Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or
- (iv) any matter, event, act or omission which gives or is likely to give rise to any liability on the part of the Company out of or in connection with any material breach, inaccuracy and/or incorrectness of the representations, warranties, and undertakings, or that any of the representations or warranties is misleading and/or the indemnities given by the Company, or any of them under the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement (or would if repeated at that time); or
- (v) any breach of any of the obligations or undertakings of the Company under the Hong Kong Underwriting Agreement, the International Underwriting Agreement or any other Offer-Related Documents as determined by the Joint Sponsor-Overall Coordinators in their sole and absolute opinion; or
- (vi) a prohibition on the Company for whatever reason from allotting or issuing the Offer Shares (including the H Shares to be allotted and issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) pursuant to the terms of the Global Offering; or
- (vii) approval by the Listing Committee for the listing of, and permission to deal in, the H Shares to be issued or sold and the additional H Shares which may be issued upon the exercise of the Offer Size Adjustment Option and the Over-allotment Option) under the Global Offering is refused or not granted, other than subject to customary conditions, on or before the date of approval of the Listing, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or
- (viii) (A) the notice of acceptance of the CSRC filings issued by the CSRC and/or the results of the CSRC filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Joint Sponsor-Overall Coordinators, the issue or requirement to issue by the Company of a supplement or amendment to the CSRC filings pursuant to the CSRC rules or upon any requirement or request of the CSRC; or (C) any non-compliance of the CSRC filings with the CSRC rules or any other applicable laws; or
- (ix) any person, has withdrawn or is subject to withdrawing its consent to the issue of this prospectus with the inclusion of its reports, letters, summaries of valuations 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
- (x) a significant portion of the orders in the bookbuilding process at the time the International Underwriting Agreement is entered into, or the investment commitments by any corporate or cornerstone investors after signing of agreements with such corporate or cornerstone investors, have been withdrawn, terminated or canceled or if any corporate or cornerstone investors is unlikely to fulfill its obligation under the respective agreement; or

UNDERWRITING

- (xi) there is any change or any development or likely to be any prospective change or development that has or will or may have a material adverse effect.

Undertakings to the Stock Exchange Pursuant to the Listing Rules

Undertakings by our Company

We have undertaken to the Stock Exchange that within six months from the Listing Date, except in certain circumstances prescribed by Rule 10.08 of the Listing Rules or pursuant to the Global Offering and the Over-allotment Option, we will not, without the prior consent of the Stock Exchange and unless in compliance with the requirements of the Listing Rules, allot, issue, sell or transfer out of treasury, or agree to allot, issue, sell or transfer out of treasury, any Shares or other securities convertible into equity securities of us (including warrants or other convertible securities, and whether or not such allotment, issuance, sale or transfer out of treasury will be completed within six months from the Listing Date), whether or not of a class already listed.

Undertakings by our Controlling Shareholders

Pursuant to Rule 10.07 of the Listing Rules, our Controlling Shareholders have undertaken to the Stock Exchange and us that, except pursuant to the Global Offering (including the exercise of the Offer Size Adjustment Option and the Over-allotment Option), they will not (and will procure that any other registered holder (if any) of the Shares in which any of them has a beneficial interest will not) without the prior written consent of the Stock Exchange or unless otherwise in compliance with the Listing Rules (i) in the period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date, dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which any of them is shown by this prospectus to be the beneficial owner (the “**Relevant Shares**”); and (ii) in the period of six months commencing on the date on which the period referred to in paragraph (i) above expires, dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, the Relevant Shares if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, they would cease to be our Controlling Shareholders for the purpose of the Listing Rules.

Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, our Controlling Shareholders have further undertaken to each of the Stock Exchange and us that, within the period commencing on the date of this prospectus and ending on the date which is 12 months from the Listing Date, they will (i) when they pledge or charge any Shares or other securities of ours beneficially owned by them in favour of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) relying on Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform us of such pledge or charge together with the number of securities so pledged or charged; and (ii) when they receive indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged Shares or such other securities of ours will be disposed of, immediately inform us of such indications.

Our Company will inform the Stock Exchange as soon as we have been informed of the matters referred to in paragraph (i) and (ii) above (if any) by our Controlling Shareholders and subject to the then applicable requirements of the Listing Rules disclose such matters by way of an announcement.

UNDERWRITING

Undertakings to the Hong Kong Underwriters pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company

Pursuant to the Hong Kong Underwriting Agreement, we have undertaken to each of the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Hong Kong Underwriters that except for the issue, offer or sale of the Offer Shares pursuant to the Global Offering (including pursuant to the exercise of the Offer Size Adjustment Option and the Over-Allotment Option), not to, and to procure each other member of our Group not to, without the prior written consent of the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the Listing Rules, at any time during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including, the date that is six months after the Listing Date (the “**First Six-Month Period**”):

- (a) 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 (as defined in the Hong Kong Underwriting Agreement) over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in any Shares or other securities of the 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 Shares or other securities of the Company, as applicable, or any interest in any of the foregoing) or deposit any Shares or any other securities of the Company, as applicable, with a depositary in connection with the issue of depositary receipts, except where such transaction is made solely among members of the Group; or
- (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of subscription or ownership (legal or beneficial) of any Shares or other securities of the Company or any shares or other securities of such other member of our Group, as applicable, 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 Shares or other securities of the Company or any shares or other securities of such other member of our Group, as applicable, or any interest in any of the foregoing); or
- (c) enter into any transaction with the same economic effect as any transaction described in (a) or (b) above; or
- (d) offer or agree or contract to effect any transaction set out in (a), (b) or (c) above or publicly announce any intention to do so,

in each case, whether any of the transactions above is to be settled by delivery of Shares or other securities of such other member of the Group, as applicable, or in cash or otherwise (whether or not the issue of such Shares or securities will be completed within the First Six-Month Period).

UNDERWRITING

We have further agreed that, in the event that during the six-month period commencing on the date on which the First Six-Month Period expires (the “**Second Six-Month Period**”), we shall not enter into any of the transactions specified in (a), (b), (c) and/or (d) above such that the Controlling Shareholders, directly or indirectly, would cease to be a controlling shareholder (within the meaning defined in the Listing Rules) of the Company without first having obtained the prior written consent of the Joint Sponsor-OCs and unless in compliance with the requirements of the Listing Rules. In the event that during the Second Six-Month Period, we enter into any of the transactions specified in (a), (b), (c) or (d) above, we shall take all reasonable steps to ensure such transaction will not create a disorderly or false market in the Shares or other securities of us .

We further agreed and undertook that we will not effect any purchase of Shares, or agree to do so, which may reduce the holdings of Shares held by the public (as defined in Rule 8.24 of the Listing Rules) below the minimum public float requirements specified in Rule 19A.13C of the Listing Rules on or before the date falling six months after the Listing Date without first having obtained the prior written consent of the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters).

Indemnity

We have agreed to indemnify, hold harmless and keep each of the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Hong Kong Underwriters for certain losses which they may suffer, including losses incurred arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by our Company of the Hong Kong Underwriting Agreement.

The International Offering

In connection with the International Offering, it is expected that we will enter into the International Underwriting Agreement with the International Underwriters, among others. 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 the International Offer Shares, failing which they agree to subscribe for or purchase their respective proportions of the International Offer Shares which are not taken up under the International Offering.

The Offer Size Adjustment Option is exercisable by the Joint Sponsor-Overall Coordinators on or before the second Business Day prior to the Listing Date and will lapse immediately thereafter, pursuant to which the Company may allot and issue up to an aggregate of 13,044,800 additional Offer Shares, representing approximately 15.0% of the Offer Shares initially being offered under the Global Offering at the Offer Price to cover any excess demand in the International Offering. The Offer Size Adjustment Option provides flexibility to increase the number of Offer Shares available for purchase under the International Offering to cover additional market demand in the International Offering. See “Structure of the Global Offering — Offer Size Adjustment Option” for further details.

We are expected to grant to the International Underwriters the Over-allotment Option, exercisable by the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the International Underwriters) at any time from the date of the International Underwriting Agreement until Wednesday, July 1, 2026, being the 30th day from the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to issue and allot up to an aggregate of 13,044,800 additional Offer Shares, representing 15.0% of the initial Offer Shares (assuming the Offer Size Adjustment Option is not exercised at all), or up to

UNDERWRITING

aggregate of 15,001,500 additional Offer Shares, representing 15.0% of the Offer Shares (assuming the Offer Size Adjustment Option is exercised in full), at the Offer Price under the International Offering to cover, among other things, over allocations (if any) in the International Offering.

It is expected the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors shall be reminded that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed.

Underwriting Commission and Expenses

The Underwriters will receive an underwriting commission of 1.2% of the aggregate Offer Price of all the Offer Shares (including any Offer Shares to be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) (the “**Underwriting Commission**”), out of which they will pay any sub-underwriting commission and other fees. For unsubscribed Hong Kong Offer Shares reallocated to the International Offering, our Company will pay an underwriting commission to the relevant International Underwriters (but not the Hong Kong Underwriters). As of the date of this prospectus, the allocation of a portion of the Underwriting Commission have been fixed (“**Fixed Fees**”) and the allocation of the unfixed portion of the Underwriting Commission remains subject to the Company’s discretion. Accordingly, the unallocated portion of the Underwriting Commission will be regarded as discretionary fees for the purpose of the Listing Rules. We may also in its sole discretion pay the Underwriters an additional incentive fee of up to 0.8% of the aggregate Offer Price of all the Offer Shares (including any Offer Shares to be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) (such incentive fee, together with the unallocated portion of the Fixed Fees, collectively, the “**Discretionary Fees**”). Assuming that all of the Discretionary Fees will be paid in full to the Underwriters, the aggregate amount of fees payable by us to all syndicate members will be 2.0% of the gross proceeds from the Global Offering. The ratio of the Fixed Fees and the Discretionary Fees (if paid in) payable to all Underwriters is expected to be approximately 41.4:58.6 (assuming (i) the Offer Price of HK\$66.40, being the maximum Offer Price; (ii) the Offer Size Adjustment Option and Over-allotment Option will not be exercised; and (iii) the Discretionary Fees will be paid in full).

Based on the maximum Offer Price of HK\$66.40 per Offer Share, the aggregate commissions and fees (assuming the full payment of Discretionary Fees and no exercise of the Offer Size Adjustment Option and the Over-allotment Option), together with listing fees, SFC transaction levy, AFRC transaction levy, Stock Exchange trading fee, legal and other professional fees and printing and other expenses, payable by our Company relating to the Global Offering are estimated to be approximately HK\$157.8 million in total.

HONG KONG UNDERWRITERS’ INTERESTS IN THE COMPANY

Save for its obligations under the Hong Kong Underwriting Agreement or otherwise disclosed in this prospectus, none of the Hong Kong Underwriters has any shareholding interests in our Company or the right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for securities in our Company.

Following the completion of the Global Offering, the Underwriters and their affiliated companies may hold a certain portion of the H Shares as a result of fulfilling their obligations under the Underwriting Agreements.

UNDERWRITING

JOINT SPONSORS' INDEPENDENCE

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the “**Syndicate Members**”) and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilising process.

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 account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments our Company and/or persons and entities with relationships with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with our Group's loans and other debt.

In relation to the H Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the H Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the H Shares (which financing may be secured by the H Shares) in the Global Offering, proprietary trading in the H Shares, and 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 as their underlying assets, assets including the H Shares. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the H Shares, which may have a negative impact on the trading price of the H Shares. All such activities 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 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 relevant 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.

All such activities may occur both during and after the end of the stabilising period described in “Structure of the Global Offering” in this prospectus. Such 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.

UNDERWRITING

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

- (a) the Syndicate Members (other than the Stabilising Manager or any person acting for it) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares) whether in the open market or otherwise, with a view to stabilising or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and
- (b) the Syndicate Members 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.

Certain of the Syndicate Members or their respective affiliates expect to provide in the future, investment banking and other services to our Company and its affiliates for which such Syndicate Members or their respective affiliates will receive customary fees and commissions. In addition, the Syndicate Members or their respective affiliates may provide financing to investors to finance their subscriptions of Offer Shares in the Global Offering.

STRUCTURE OF THE GLOBAL OFFERING

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:

- (a) the Hong Kong Public Offering of initially 8,696,600 H Shares (subject to reallocation as mentioned below) in Hong Kong as described in the paragraph headed “— The Hong Kong Public Offering” below; and
- (b) the International Offering of initially 78,269,200 H Shares (subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option as mentioned below) to be offered only outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, as described in the paragraph headed “— The International Offering” below.

Investors may apply for Offer Shares under the Hong Kong Public Offering or apply for or indicate an interest for Offer Shares under the International Offering, but may not do both.

The Offer Shares will represent approximately 12.0% of the enlarged registered share capital of our Company immediately after completion of the Global Offering without taking into account the exercise of the Offer Size Adjustment Option and the Over-allotment Option, if any. If the Over-allotment Option is exercised in full, the additional International Offer Shares will represent approximately 1.8% of the enlarged registered share capital of our Company (assuming the Offer Size Adjustment Option is not exercised at all) or approximately 2.0% of the enlarged registered share capital of our Company (assuming the Offer Size Adjustment Option is exercised in full) immediately after completion of the Global Offering and the exercise of the Over-allotment Option as set out in the paragraph headed “— Over-allotment Option.”

References in this prospectus to applications, application monies or the 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 8,696,600 H Shares for subscription by the public in Hong Kong at the Offer Price, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering. The number of Offer Shares initially offered under the Hong Kong Public Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, and assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised, will represent approximately 1.2% of the total Shares in issue immediately following the completion of the Global Offering.

Allocation

The allocation of Offer Shares to investors under the Hong Kong Public Offering will be based solely 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

STRUCTURE OF THE GLOBAL OFFERING

applied for by applicants. Such allocation could, where appropriate, consist of balloting, which could 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 Hong Kong Offer Shares available under the Hong Kong Public Offering (after taking into account any reallocation referred to below) will be divided equally into two pools: pool A and pool B (with any odd board lots being allocated to pool A). The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, 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 Hong Kong Offer Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value in pool B.

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer Shares in one (but not both) of the pools are unsubscribed, such unsubscribed Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of the immediately preceding paragraph only, the “price” for Hong Kong 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 and not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 4,348,300 Hong Kong Offer Shares (being 50% of the Offer Shares initially available under the Hong Kong Public Offering assuming the Offer Size Adjustment Option is not exercised) is liable to be rejected.

Reallocation

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Joint Sponsor-Overall Coordinators. Subject to the allocation cap described in the subsequent paragraph, the Joint Sponsor-Overall Coordinators may in their discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering in accordance with the guidance in Chapter 4.14 of the Listing Guide. In addition, if the Hong Kong Public Offering is not fully subscribed, the Joint Sponsor-Overall Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as they deem appropriate.

If: (i) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times; or (ii) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, up to 4,348,200 Offer Shares may be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of the Offer Shares available under the Hong Kong Public Offering following such reallocation will be increased to 13,044,800 Offer Shares, representing approximately 15.0% of the number of the Offer Shares initially available under the Global Offering (before exercise of the Offer Size Adjustment Option and the Over-allotment Option).

STRUCTURE OF THE GLOBAL OFFERING

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows the Mechanism B set out under paragraph 2 of Chapter 4.14 of the Listing Guide and the provision of Paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Details of any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the results announcement of the Global Offering expected to be published on Thursday, June 4, 2026.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him/her/it that he/she/it and any person(s) for whose benefit he/she/it is making the application has 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 International Offer Shares under the International Offering. Such applicant's application under the International Offering is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be).

THE INTERNATIONAL OFFERING

Number of Offer Shares Initially Offered

The number of Offer Shares initially offered under the International Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will consist of an initial offering of 78,269,200 H Shares, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering (assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

Allocation

The International Offering will involve private placements of the Offer Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for our International Offer Shares. 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. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the “book-building” process described in the paragraph headed “Pricing and Allocation” below and 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 H Shares and/or hold or sell its H Shares after the Listing. Such allocation is intended to result in a distribution of the H Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Group and our Shareholders as a whole.

The Overall Coordinators (for themselves on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the

STRUCTURE OF THE GLOBAL OFFERING

Overall Coordinators so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any allocation of Offer Shares under the International Offering.

Reallocation

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of the reallocation arrangement described in the paragraph headed “— The Hong Kong Public Offering — Reallocation” above or the exercise of the Offer Size Adjustment Option and the Over-allotment Option in whole or in part.

OFFER SIZE ADJUSTMENT OPTION

In order to provide flexibility to increase the number of Offer Shares available for purchase under the International Offering to cover additional market demand in the International Offering, the Company is expected to grant an Offer Size Adjustment Option to the International Underwriters, which is exercisable by the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the International Underwriters) on or before the second Business Day prior to the Listing Date and will lapse immediately thereafter, pursuant to which the Company may allot and issue up to an aggregate of 13,044,800 additional Offer Shares (representing approximately 15.0% of the Offer Shares initially being offered under the Global Offering) at the Offer Price to cover any excess demand in the International Offering.

If the Offer Size Adjustment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 1.8% of our issued share capital immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised) and the full exercise of the Offer Size Adjustment Option.

In considering whether to exercise the Offer Size Adjustment Option, the Company and the Joint Sponsor-Overall Coordinators will take into account a number of factors, including, among other things:

- (i) whether the level of interest expressed by prospective professional and institutional investors during the book-building process under the International Offering is sufficient to cover:
 - (a) the total number of Offer Shares, which represents the aggregate of the Offer Shares initially available under the Global Offering and the additional Offer Shares upon any exercise of the Offer Size Adjustment Option; and
 - (b) the corresponding number of Shares under the Over-allotment Option;
- (ii) the prices at which prospective professional and institutional investors have indicated they would be prepared to acquire the Offer Shares in the course of the book-building process;
- (iii) the quality of investors, with a view to establishing a solid professional institutional and investor shareholder base to the benefit of the Company and its Shareholders as a whole; and
- (iv) general market conditions.

STRUCTURE OF THE GLOBAL OFFERING

The dilution effect of the Offer Size Adjustment Option (assuming the Over-allotment Option is not exercised) is set out below:

Number of H Shares issued under the Global Offering before the exercise of the Offer Size Adjustment Option (the “Original Subscribers”)	Approximate percentage of total issued share capital held by the Original Subscribers before the exercise of the Offer Size Adjustment Option	Number of H Shares issued under the Global Offering after the full exercise of the Offer Size Adjustment Option	Approximate percentage of total issued share capital held by the Original Subscribers after the full exercise of the Offer Size Adjustment Option
86,965,800	12.0%	100,010,600	11.8%

The Offer Size Adjustment Option will not be used for price stabilization purposes and will not be subject to the provisions of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). The Offer Size Adjustment Option will be in addition to the Over-allotment Option.

If the Offer Size Adjustment Option is exercised in full, the additional net proceeds received from the placing of the additional Shares allotted and issued will be allocated in accordance with the allocations as disclosed in the section headed “Future Plans and Use of Proceeds” in this prospectus, on a pro rata basis.

The Company will disclose in its allotment results announcement if and to what extent the Offer Size Adjustment Option has been exercised, or will confirm that if the Offer Size Adjustment Option has not been exercised by the second Business Day prior to the Listing Date, it will lapse and cannot be exercised at any future date.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, we are expected to grant the Over-allotment Option to the International Underwriters, exercisable by the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the International Underwriters).

Pursuant to the Over-allotment Option, the International Underwriters will have the right, exercisable by the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, to require us to issue up to an aggregate of 13,044,800 additional Offer Shares, representing not more than approximately 15.0% of the total number of Offer Shares under the Global Offering (assuming the Offer Size Adjustment Option is not exercised at all), or up to an aggregate of 15,001,500 additional Offer Shares, representing not more than approximately 15.0% of the total number of Offer Shares under the Global Offering (assuming the Offer Size Adjustment Option is exercised in full), at the Offer Price under the International Offering to cover over-allocations in the International Offering, if any.

If the Offer Size Adjustment Option is not exercised and the Over-allotment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 1.8% of the total Shares in issue immediately following the completion of the Global Offering and the exercise of the Over-allotment Option. If the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, the additional Offer Shares to be

STRUCTURE OF THE GLOBAL OFFERING

issued pursuant to the Over-allotment Option will represent approximately 2.0% of the total Shares in issue immediately following the completion of the Global Offering and the exercise of the Over-allotment Option. If the Over-allotment Option is exercised, an announcement will be made.

STABILISATION

Stabilisation is a practise used by underwriters in some markets to facilitate the distribution of securities. To stabilise, the underwriters may bid for, or purchase, the securities in the secondary market during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilisation is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilization Manager (or any person acting for it), on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilising or supporting the market price of our H Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilization Manager (or any person acting for it) to conduct any such stabilising action. Such stabilising action, if taken, (a) will be conducted at the absolute discretion of the Stabilization Manager (or any person acting for it) and in what the Stabilization Manager reasonably regards as our best interest, (b) may be discontinued at any time and (c) is required to be brought to an end within 30 days from the last day for lodging applications under the Hong Kong Public Offering.

Stabilisation actions permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules of the SFO include (a) over-allocating for the purpose of preventing or minimising any reduction in the market price of our H Shares, (b) selling or agreeing to sell our H Shares so as to establish a short position in them for the purpose of preventing or minimising any reduction in the market price of our H Shares, (c) purchasing, or agreeing to purchase, our H Shares pursuant to the Over-allotment Option in order to close out any position established under paragraph (a) or (b) above, (d) purchasing, or agreeing to purchase, any of our H Shares for the sole purpose of preventing or minimising any reduction in the market price of our H Shares, (e) selling or agreeing to sell any H Shares in order to liquidate any position established as a result of those purchases and (f) offering or attempting to do anything as described in paragraph (b), (c), (d) or (e) above.

Specifically, prospective applicants for and investors in our Offer Shares should note that:

- (a) the Stabilization Manager (or any person acting for it) may, in connection with the stabilising action, maintain a long position in our H Shares;
- (b) there is no certainty as to the extent to which and the time or period for which the Stabilization Manager (or any person acting for it) will maintain such a long position;
- (c) liquidation of any such long position by the Stabilization Manager (or any person acting for it) and selling in the open market may have an adverse impact on the market price of our H Shares;

STRUCTURE OF THE GLOBAL OFFERING

- (d) no stabilising action can be taken to support the price of our H Shares for longer than the stabilisation period, which will begin on the Listing Date, and is expected to expire on the 30th day after the last day for lodging applications under the Hong Kong Public Offering. After this date, when no further stabilising action may be taken, demand for our H Shares, and therefore the price of the H Shares, could fall;
- (e) the price of our H Shares cannot be assured to stay at or above the Offer Price by the taking of any stabilising action; and
- (f) stabilising bids or transactions effected in the course of the stabilising action may be made at any price at or below the Offer Price and can, therefore, be done at a price at or below the price paid by applicants for, or investors in, the Offer Shares.

In order to effect stabilisation actions, the Stabilization Manager may arrange cover of up to an aggregate of 13,044,800 Offer Shares, representing up to approximately 15.0% of the total number of our Offer Shares under the Global Offering (assuming the Offer Size Adjustment Option is not exercised at all), or up to an aggregate of 15,001,500 Offer Shares, representing up to 15.0% of the total number of our Offer Shares under the Global Offering (assuming the Offer Size Adjustment Option is exercised in full), through delayed delivery arrangements with investors who have been allocated Offer Shares in the International Offering. The delayed delivery arrangements (if specifically agreed to by an investor) relate only to the delay in the delivery of our Offer Shares to such investor and the Offer Price for the Offer Shares allocated to such investor will be fully paid prior to Listing, accordingly there will be no delayed settlement of payment of our Offer Shares. Both the size of such cover and the extent to which the Over-allotment Option can be exercised will depend on whether arrangements can be made with investors such that a sufficient number of Offer Shares can be delivered on a delayed basis. If no investor in the International Offering agrees to the delayed delivery arrangements, no stabilising actions will be undertaken by the Stabilization Manager and the Over-allotment Option will not be exercised.

We will make an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules of the SFO will be made within seven days of the expiration of the stabilisation period.

PRICING AND ALLOCATION

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be fixed on the Price Determination Date, which is expected to be on or about Wednesday, June 3, 2026 and, in any event, no later than 12:00 noon on Wednesday, June 3, 2026 by agreement between the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building,” is expected to continue up to, and to cease on or about, the last day for lodging applications under the Hong Kong Public Offering.

A Shares on the Shenzhen Stock Exchange on the last trading day on or before the Price Determination Date (which is accessible to the Shareholders and potential investors at <https://www.szse.cn/English/siteMarketData/siteMarketDatas/lookup/index.html?code=002487>),

STRUCTURE OF THE GLOBAL OFFERING

and the Offer Price will not be more than HK\$66.40. Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK\$66.40 per Offer Share plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%, amounting to a total of HK\$6,706.97 for one board lot of 100 Shares.

The historical prices of our A Shares and trading volume on Shenzhen Stock Exchange are set out below.

Period	High	Low	ADTV ⁽¹⁾
	(RMB)	(RMB)	
Year ended December 31, 2023 . . .	49.32	22.72	16.9 million
Year ended December 31, 2024 . . .	26.59	16.32	13.6 million
Year ended December 31, 2025 . . .	60.95	18.69	16.3 million
Year of 2026 (up to the Latest Practicable Date)	94.18	48.77	19.4 million

Note:

- (1) Average daily trading volume (“ADTV”) represents daily average number of our A Shares traded over the relevant period.

The Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may, where it deems appropriate, based on the level of interest expressed by prospective investors during the book-building process in respect of the International Offering, and with the consent of our Company, reduce the number of Offer Shares offered stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, we 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, cause to be published on our website at www.dajin.cn and the Stock Exchange at www.hkexnews.hk, respectively, an announcement, cancel the Global Offering and relaunch the Global Offering at the revised number of Offer Shares and the requirements under Rule 11.13 of the Listing Rules (which include the issue of a supplemental prospectus or a new prospectus (as appropriate)). Upon issue of such announcement or supplemental prospectus (as appropriate), the number of Offer Shares offered in the Global Offering will be final and conclusive. The Global Offering must first be cancelled 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 announcement of a reduction in the number of Offer Shares may not be made until the last day for lodging applications under the Hong Kong Public Offering. In the absence of any such announcement so published, the number of Offer Shares will not be reduced.

In the event of a reduction in the number of Offer Shares, the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may, at their discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Offering. The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Offering may, in certain circumstances, be reallocated between these offerings at the discretion of the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters).

STRUCTURE OF THE GLOBAL OFFERING

ANNOUNCEMENT OF FINAL OFFER PRICE

The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, the basis of allocations of the Hong Kong Offer Shares and the results of allocations in the Hong Kong Public Offering are expected to be announced on Thursday, June 4, 2026 on the website of our Company at www.dajin.cn and the website of the Stock Exchange at www.hkexnews.hk.

UNDERWRITING AGREEMENTS

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement and is subject to the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and us agreeing on the Offer Price. We expect to enter into the International Underwriting Agreement relating to the International Offering on the Price Determination Date.

These underwriting arrangements, including the Underwriting Agreements, are summarised in the section headed “Underwriting” of this prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares will be conditional on:

- (a) the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares to be offered pursuant to the Global Offering (including any additional H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), 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 Offer Price having been agreed between the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and us;
- (c) the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and
- (d) the obligations of the Underwriters under the Hong Kong Underwriting Agreement and the International Underwriting Agreement becoming and remaining 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 respective Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times).

If, for any reason, the Offer Price is not agreed between the Joint Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company at or before 12:00 noon on Wednesday, June 3, 2026, the Global Offering will not proceed and will lapse.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon the other offering becoming unconditional and not having been terminated in accordance with its terms.

STRUCTURE OF THE GLOBAL OFFERING

If the above conditions are not fulfilled or waived prior to the dates and times 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 on our website at www.dajin.cn and the Stock Exchange at www.hkexnews.hk, respectively, on the next day following such lapse. In such a situation, all application monies will be returned (subject to application channels), without interest, on the terms set out in the section headed “How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies.”

H Share certificates for the Offer Shares will only become valid at 8:00 a.m. on Friday, June 5, 2026 provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination as described in the section headed “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination” in this prospectus has not been exercised.

DEALINGS ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, June 5, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Friday, June 5, 2026. The H Shares will be traded in board lots of 100 Shares each and the stock code of our Shares will be 1081.

HOW TO APPLY FOR HONG KONG OFFER SHARES

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 Offer 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 www.dajin.cn.

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;
- have a Hong Kong address (*for the **HK eIPO White Form** service only*); and
- are outside the United States (within the meaning of Regulation S), and are a person described in paragraph (h)(3) of Rule 902 of Regulation S.

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 or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offer period will begin at 9:00 a.m. on Thursday, May 28, 2026 and end at 12:00 noon on Tuesday, June 2, 2026 (Hong Kong time).

HOW TO APPLY FOR HONG KONG OFFER SHARES

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	<u>www.hkeipo.hk</u>	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.	From 9:00 a.m. on Thursday, May 28, 2026 to 11:30 a.m. on Tuesday, June 2, 2026, Hong Kong time. The latest time for completing full payment of Application monies will be 12:00 noon on Tuesday, June 2, 2026, Hong Kong time.
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.	Investors who would <u>not</u> 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 authorised 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 payment reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

HOW TO APPLY FOR HONG KONG OFFER SHARES

If you apply through the **HK eIPO White Form** service, you are deemed to have authorised 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 authorised 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 Offer.

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 Applicants	For Corporate Applicants
• Full name(s)² as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority i. HKID card; or ii. National identification document; or iii. Passport; and • Identity document number	• Full name(s)² as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority: i. LEI registration document; or ii. Certificate of incorporation; or iii. Business registration certificate; or iv. Other equivalent document; and • 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.

HOW TO APPLY FOR HONG KONG OFFER SHARES

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 shares in a public offer. 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 account holders on FINI is capped at four in accordance with market practise.
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 registered 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 Overall Coordinators, as our agents, 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 maximum Offer Price is HK\$66.40 per Offer Share.

HOW TO APPLY FOR HONG KONG OFFER SHARES

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 authorised HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the final 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 maximum amount payable on application in full upon application for Hong Kong Offer Shares.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable ⁽²⁾ on application/ successful allotment
	HK\$		HK\$		HK\$		HK\$
100	6,706.97	2,500	167,674.11	30,000	2,012,089.32	600,000	40,241,786.40
200	13,413.93	3,000	201,208.93	40,000	2,682,785.75	700,000	46,948,750.80
300	20,120.90	3,500	234,743.75	50,000	3,353,482.20	800,000	53,655,715.20
400	26,827.86	4,000	268,278.58	60,000	4,024,178.65	900,000	60,362,679.60
500	33,534.83	4,500	301,813.40	70,000	4,694,875.08	1,000,000	67,069,644.00
600	40,241.79	5,000	335,348.22	80,000	5,365,571.52	2,000,000	134,139,288.00
700	46,948.75	6,000	402,417.87	90,000	6,036,267.95	3,000,000	201,208,932.00
800	53,655.71	7,000	469,487.51	100,000	6,706,964.40	4,348,300 ⁽¹⁾	291,638,933.00
900	60,362.68	8,000	536,557.15	200,000	13,413,928.80		
1,000	67,069.64	9,000	603,626.80	300,000	20,120,893.20		
1,500	100,604.47	10,000	670,696.45	400,000	26,827,857.60		
2,000	134,139.29	20,000	1,341,392.88	500,000	33,534,822.00		

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

HOW TO APPLY FOR HONG KONG OFFER SHARES

- (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 further for any 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 Practise Note on Treatment of Multiple/Suspected Multiple Applications (“**Best Practise 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 Overall Coordinators, 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;

HOW 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, 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 — 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 us, any of our Directors, chief executives, substantial shareholder(s) or existing Shareholder(s) or any of our subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from us, any of our Directors, chief executives,

HOW TO APPLY FOR HONG KONG OFFER SHARES

substantial shareholder(s) or existing Shareholder(s) or any of our 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;

- (xiv) warrant that the information you have provided is true and accurate;
- (xv) confirm that you understand that we and the Overall Coordinators 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 application channel of 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 to HKSCC or the **HK eIPO White Form** Service Provider 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 services 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 Thursday, June 4, 2026 to 12:00 midnight on Wednesday, June 10, 2026 (Hong Kong time).

HOW TO APPLY FOR HONG KONG OFFER SHARES

Platform

Date/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.dajin.cn which will provide links to the abovementioned websites of the H Share Registrar.

No later than 11:00 p.m. on Thursday, June 4, 2026 (Hong Kong 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., from Friday, June 5, 2026 to Wednesday, June 10, 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 Tuesday, June 2, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Tuesday, June 2, 2026 (Hong Kong time) 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 results of the final Offer Price, the level of indications of interest in the Global Offering, the level of applications in the Hong Kong Public Offer 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.dajin.cn by no later than 11:00 p.m. on Thursday, June 4, 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.

HOW TO APPLY FOR HONG KONG OFFER SHARES

2. If we or our agents exercise our discretion to reject your application:

We, the Overall Coordinators, 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 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 Overall Coordinators 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 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 Bank will collect the portion of these funds required to settle each HKSCC Participant's actual allotment of Hong Kong Offer Shares 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 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 Global 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.

HOW TO APPLY FOR HONG KONG OFFER SHARES

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 at 8:00 a.m. on Friday, June 5, 2026 (Hong Kong time), 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 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:

	<u>HK eIPO White Form service</u>	<u>HKSCC EIPO channel</u>
Despatch/collection of H Share certificate		
For application of 1,000,000 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	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
	Time: from 9:00 a.m. to 1:00 p.m. on Friday, June 5, 2026 (Hong Kong time)	No action by you is required
	If you are an individual, you must not authorise any other person to collect for you. If you are a corporate applicant, your authorised representative must bear a letter of authorisation from your corporation stamped with your corporation’s chop	
	Both individuals and authorised representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar	

HOW TO APPLY FOR HONG KONG OFFER SHARES

Note:

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 Thursday, June 4, 2026 rendering it impossible for the relevant H Share certificates to be dispatched to HKSCC in a timely manner, we 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. Severe Weather Arrangements” in this section.

	<u>HK eIPO White Form service</u>	<u>HKSCC EIPO channel</u>
	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	
For application of less than 1,000,000 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: Thursday, June 4, 2026		
Refund mechanism for surplus application monies paid by you		
Date	Friday, June 5, 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	

HOW TO APPLY FOR HONG KONG OFFER SHARES

E. SEVERE WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Tuesday, June 2, 2026 if, there is:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- Extreme Conditions

(collectively, “**Severe Weather Signals**”),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Tuesday, June 2, 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 **Severe 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.dajin.cn of the revised timetable.

If a **Severe Weather Signal** is hoisted on Thursday, June 4, 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 Friday, June 5, 2026.

If a **Severe Weather Signal** is hoisted on Thursday, June 4, 2026, for application of less than 1,000,000 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 **Severe Weather Signal** is lowered or cancelled (e.g. in the afternoon of Thursday, June 4, 2026 or on Friday, June 5, 2026).

If a **Severe Weather Signal** is hoisted on Friday, June 5, 2026, for application of 1,000,000 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 **Severe Weather Signal** is lowered or cancelled (e.g. in the afternoon of Friday, June 5, 2026 or on Monday, June 8, 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.

HOW TO APPLY FOR HONG KONG OFFER SHARES

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 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 us, the H Share Registrar, the Receiving Bank 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 us 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 us or our 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 us 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 us and the H Share Registrar immediately of any inaccuracies in the personal data supplied.

HOW TO APPLY FOR HONG KONG OFFER SHARES

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 Shares including, where applicable, HKSCC Nominees;
- maintaining or updating our register of members;
- verifying identities of applicants for and holders of the Shares and identifying any duplicate applications for the Shares;
- facilitating the balloting of Hong Kong Offer Shares;
- establishing benefit entitlements of holders of the Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from us and our 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 us and the H Share Registrar to discharge our and 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 us and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but we 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:

- our appointed agents such as financial advisers, Receiving Bank 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);

HOW TO APPLY FOR HONG KONG OFFER SHARES

- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to us 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

We 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 we or the H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. We 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 us 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 our secretary, or the H Share Registrar for the attention of the privacy compliance officer.

The following is the text of a report set out on pages I-1 to I-68, received from the Company's reporting accountants, BDO Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus. It is prepared and addressed to the directors of the Company and to the Joint Sponsors pursuant to the requirements of Hong Kong Standard on Investment Circular Reporting Engagements 200, "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.



ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF DAJIN HEAVY INDUSTRY CO., LTD. AND HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED AND CHINA MERCHANTS SECURITIES (HK) CO., LIMITED

Introduction

We report on the historical financial information of Dajin Heavy Industry Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-3 to I-68, which comprises the consolidated statements of financial position of the Group as at 31 December 2023, 2024 and 2025, the statements of financial position of the Company as at 31 December 2023, 2024 and 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended 31 December 2023, 2024 and 2025 (the "Track Record Period") 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-68 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 28 May 2026 (the "Prospectus") in connection with the initial listing of H 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 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200, "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants ("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 Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 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 Company's financial position as at 31 December 2023, 2024 and 2025, the Group's financial position as at 31 December 2023, 2024 and 2025, and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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 18 to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Track Record Period.

BDO Limited*Certified Public Accountants*

Choi Kit Ying

Practising Certificate no. P07387

Hong Kong

28 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 consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards issued by International Accounting Standards Board (the "IASB") and were audited by BDO Limited in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board ("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 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Revenue	6	4,325,082	3,779,651	6,173,550
Cost of sales		(3,324,055)	(2,652,258)	(4,254,330)
Gross profit		1,001,027	1,127,393	1,919,220
Other income	8	67,011	68,503	102,666
(Other losses)/gains, net	9	(50,384)	(23,138)	75,989
(Impairment losses)/reversal of impairment losses	11	(3,662)	(114,582)	9,038
Selling expenses		(72,523)	(98,081)	(128,073)
Administrative expenses		(187,299)	(256,698)	(392,643)
Research and development expenses . .	10	(255,606)	(182,012)	(288,178)
Finance costs	12	(13,839)	(5,633)	(32,200)
Profit before tax	13	484,725	515,752	1,265,819
Income tax expenses	14	(59,568)	(41,877)	(162,522)
Profit for the year		425,157	473,875	1,103,297
Other comprehensive income for the year, net of tax				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences arising from translation of foreign operations. . .		(420)	38	10,850
Other comprehensive income for the year, net of tax		(420)	38	10,850
Total comprehensive income for the year		424,737	473,913	1,114,147
Profit for the year attributable to:				
Owners of the Company		425,157	473,875	1,103,297
Total comprehensive income attributable to:				
Owners of the Company		424,737	473,913	1,114,147
Earnings per share attributable to ordinary equity holders of the Company				
Basic (RMB)	17	0.67	0.74	1.73
Diluted (RMB)	17	0.67	0.74	1.73

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December		
		2023	2024	2025
		RMB'000	RMB'000	RMB'000
Non-current assets				
Property, plant and equipment	20	1,564,757	2,309,267	3,132,344
Construction in progress	21	836,938	707,936	1,562,413
Intangible assets	22	4,947	3,696	5,252
Right-of-use assets	23	389,984	524,737	628,295
Prepayments and other receivables . . .	28	113,965	206,453	537,091
Deferred tax assets	24	20,849	74,601	145,654
Total non-current assets		<u>2,931,440</u>	<u>3,826,690</u>	<u>6,011,049</u>
Current assets				
Inventories	26	1,545,530	2,084,479	2,174,567
Trade and bills receivables	27	1,669,625	1,369,210	1,101,086
Contract assets	31(a)	307,716	278,735	209,297
Prepayments and other receivables . . .	28	516,542	879,646	1,127,102
Financial assets at Fair Value Through Other Comprehensive Income ("FVTOCI")	25(b)	289,715	254,167	361,882
Financial assets at Fair Value Through Profit or Loss ("FVTPL")	25(a)	1,003,673	–	550,278
Pledged deposits	29	58,944	32,569	99,516
Cash and bank balances	29	1,901,629	2,836,454	2,855,774
Total current assets		<u>7,293,374</u>	<u>7,735,260</u>	<u>8,479,502</u>
Total assets		<u>10,224,814</u>	<u>11,561,950</u>	<u>14,490,551</u>
Current liabilities				
Trade and bills payables	30	1,398,445	1,554,167	1,503,188
Contract liabilities	31(b)	588,996	1,388,936	1,608,629
Other payables and accruals	32	414,880	455,737	554,997
Financial liabilities at FVTPL – Derivative financial instruments	25(c)	21,482	–	–
Borrowings	33	472,180	83,433	610,779
Lease liabilities	34	30,779	4,190	33,627
Deferred income	35	4,640	3,604	6,531
Tax payable		3,380	41,955	61,333
Total current liabilities		<u>2,934,782</u>	<u>3,532,022</u>	<u>4,379,084</u>
Net current assets		<u>4,358,592</u>	<u>4,203,238</u>	<u>4,100,418</u>
Total assets less current liabilities . . .		<u>7,290,032</u>	<u>8,029,928</u>	<u>10,111,467</u>
Non-current liabilities				
Other payables and accruals	32	108,681	161,361	145,227
Borrowings	33	–	264,968	1,282,133
Lease liabilities	34	88,093	203,085	198,332
Deferred income	35	174,883	123,221	199,240
Deferred tax liabilities	24	4,209	5,284	6,245
Total non-current liabilities		<u>375,866</u>	<u>757,919</u>	<u>1,831,177</u>
NET ASSETS		<u>6,914,166</u>	<u>7,272,009</u>	<u>8,280,290</u>
Capital and reserves				
Equity attributable to owners of the Company				
Share capital	37	637,749	637,749	637,749
Reserves		6,276,417	6,634,260	7,642,541
TOTAL EQUITY		<u>6,914,166</u>	<u>7,272,009</u>	<u>8,280,290</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company							
	Share capital (Note 37(a))	Share premium (Note 38(i))	Treasury shares (Note 37(b))	PRC statutory reserve (Note 38(iii))	Exchange reserve (Note 38(iv))	Other reserve (Note 38(v))	Retained earnings (Note 38(vi))	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at								
1 January 2023 . . .	<u>637,749</u>	<u>3,804,181</u>	<u>(843)</u>	<u>90,580</u>	<u>(474)</u>	<u>2,429</u>	<u>1,973,403</u>	<u>6,507,025</u>
Profit for the year . . .	–	–	–	–	–	–	425,157	425,157
Exchange differences arising from translation of foreign operations	–	–	–	–	(420)	–	–	(420)
Total comprehensive income for the year .	–	–	–	–	(420)	–	425,157	424,737
Share-based payment expenses	–	–	–	–	–	163	–	163
PRC tax effect on share-based payment .	–	868	–	–	–	(1,613)	–	(745)
Vesting of restricted shares	–	979	–	–	–	(979)	–	–
Derecognition of repurchase liabilities upon vesting of restrict shares	–	–	843	–	–	–	–	843
Profit appropriation . .	–	–	–	3,842	–	–	(3,842)	–
2022 final dividend paid	–	–	–	–	–	–	(17,857)	(17,857)
Balance as at								
31 December 2023 .	<u>637,749</u>	<u>3,806,028</u>	<u>–</u>	<u>94,422</u>	<u>(894)</u>	<u>–</u>	<u>2,376,861</u>	<u>6,914,166</u>

	Attributable to owners of the Company					
	Share capital (Note 37(a))	Share premium (Note 38(i))	PRC statutory reserve (Note 38(iii))	Exchange reserve (Note 38(iv))	Retained earnings (Note 38(vi))	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2024	<u>637,749</u>	<u>3,806,028</u>	<u>94,422</u>	<u>(894)</u>	<u>2,376,861</u>	<u>6,914,166</u>
Profit for the year	–	–	–	–	473,875	473,875
Exchange differences arising from translation of foreign operations . . .	–	–	–	38	–	38
Total comprehensive income for the year	–	–	–	38	473,875	473,913
Profit appropriation	–	–	3,891	–	(3,891)	–
2023 final dividend paid.	–	–	–	–	(116,070)	(116,070)
Balance as at						
31 December 2024	<u>637,749</u>	<u>3,806,028</u>	<u>98,313</u>	<u>(856)</u>	<u>2,730,775</u>	<u>7,272,009</u>

	Attributable to owners of the Company					Total
	Share capital (Note 37(a))	Share premium (Note 38(i))	PRC statutory reserve (Note 38(iii))	Exchange reserve (Note 38(iv))	Retained earnings (Note 38(vi))	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2025	<u>637,749</u>	<u>3,806,028</u>	<u>98,313</u>	<u>(856)</u>	<u>2,730,775</u>	<u>7,272,009</u>
Profit for the year	–	–	–	–	1,103,297	1,103,297
Exchange differences arising from translation of foreign operations . . .	<u>–</u>	<u>–</u>	<u>–</u>	<u>10,850</u>	<u>–</u>	<u>10,850</u>
Total comprehensive income for the year	<u>–</u>	<u>–</u>	<u>–</u>	<u>10,850</u>	<u>1,103,297</u>	<u>1,114,147</u>
2024 final dividend paid	–	–	–	–	(51,020)	(51,020)
2025 interim dividend paid	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(54,846)</u>	<u>(54,846)</u>
Balance as at 31 December 2025	<u>637,749</u>	<u>3,806,028</u>	<u>98,313</u>	<u>9,994</u>	<u>3,728,206</u>	<u>8,280,290</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Operating activities			
Profit before taxation	484,725	515,752	1,265,819
Adjustment for:			
Interest income	(36,801)	(49,931)	(86,266)
Net changes in fair value of financial instruments at FVTPL	(22,309)	(10,685)	21,400
Net losses on disposal of property, plant and equipment	43	369	778
Net loss on disposal of construction in process	—	—	1,732
Net (gains)/losses on disposal of right-of-use assets	—	(6,898)	199
Gain on disposal of subsidiaries	—	—	(42,454)
Share-based payment expenses	163	—	—
Depreciation of property, plant and equipment	76,882	115,013	138,199
Depreciation of right-of-use assets	25,096	30,188	33,498
Amortisation of intangible assets	1,313	1,362	1,665
Finance costs	13,839	5,633	32,200
Provision/(reversal) of impairment losses on:			
– property, plant and equipment	—	—	34,327
– trade and bills receivables	277	70,741	(47,002)
– other receivables	785	(670)	(2,781)
– contract assets	2,600	9,644	5,867
– prepayments	—	—	551
– construction in progress	—	34,867	—
– inventories	—	—	5,935
Write-down of inventories	4,316	—	—
Foreign exchange differences	56,422	42,831	(42,881)
Operating profit before changes in working capital	607,351	758,216	1,320,786
Decrease/(increase) in inventories	186,918	(538,949)	(96,023)
Decrease/(increase) in pledged deposits	417,726	26,375	(66,947)
(Increase)/decrease in contract assets	(121,066)	19,338	63,571
Decrease/(increase) in trade and other receivables and prepayments	381,396	(72,537)	(293,873)
Decrease/(increase) in bills receivables at FVTOCI	85,583	35,548	(107,715)
(Decrease)/increase in contract liabilities	(105,392)	799,940	219,693
(Decrease)/increase in trade and other payables	(599,995)	63,385	318,077
Cash generated from operations	852,521	1,091,316	1,357,569
PRC income tax paid	(78,447)	(55,979)	(213,236)
Net cash generated from operating activities	774,074	1,035,337	1,144,333

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Investing activities			
Interest received	54,519	63,884	88,040
Net cash inflows from disposal of subsidiaries (<i>Note 42</i>)	67,725	11,300	40,737
Certificate of deposits (purchased)/ redeemed	(110,000)	50,000	50,000
Redemption of structured deposits at FVTPL	5,411,961	4,930,000	335,000
Purchase of structured deposits at FVTPL .	(6,391,961)	(3,950,000)	(886,103)
Proceeds from disposal of exchange rate options	—	—	1,399
Payments for settlement of exchange rate options	—	—	(23,711)
Payment for construction in progress	(382,108)	(729,764)	(2,026,208)
Payment for purchase of property, plant and equipment	(8,572)	(62,938)	(38,672)
Payment for purchase of intangible assets .	(102)	(125)	(3,221)
Payment for purchase of land use right . .	(22,581)	(14,389)	(63,369)
Payment for purchase of sea area use right	—	(37,676)	(67,327)
Proceeds from disposal of a land use right.	—	5,640	—
Proceeds from disposal of property, plant and equipment	62	52	13,135
Net cash (used in)/generated from investing activities	(1,381,057)	265,984	(2,580,300)
Financing activities			
Proceeds from bank and other borrowings .	9,762	354,401	1,853,127
Repayment of bank and other borrowings .	(974,982)	(470,429)	(282,156)
Interest paid for bank and other borrowings	(21,677)	(4,317)	(31,771)
Capital and interest element of lease rentals paid	(5,818)	(87,287)	(14,734)
Dividend paid	(17,857)	(116,070)	(105,866)
Listing fee paid	—	—	(17,007)
Net cash (used in)/generated from financing activities	(1,010,572)	(323,702)	1,401,593
Net (decrease)/increase in cash and cash equivalents	(1,617,555)	977,619	(34,374)
Cash and cash equivalents at 1 January . .	3,575,800	1,901,629	2,836,454
Effect of foreign exchange rate changes . .	(56,616)	(42,794)	53,694
Cash and cash equivalents at 31 December	1,901,629	2,836,454	2,855,774

STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	<i>Notes</i>	As at 31 December		
		2023	2024	2025
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current assets				
Property, plant and equipment	20	88,627	80,632	62,283
Construction in progress	21	40,638	7,034	7,034
Intangible assets	22	3,535	2,565	1,711
Right-of-use assets	23	56,644	52,613	53,053
Prepayment and other receivables	28	112,175	10,000	–
Investments in subsidiaries	19	1,119,622	1,364,070	1,587,278
Deferred tax assets	24	4,302	9,301	10,020
Total non-current assets		<u>1,425,543</u>	<u>1,526,215</u>	<u>1,721,379</u>
Current assets				
Inventories	26	323,204	233,375	86,250
Trade and bills receivables	27	954,231	692,353	220,917
Contract assets	31(a)	20,941	73,050	39,885
Prepayments and other receivables . . .	28	1,556,730	3,240,813	3,405,662
Financial assets at FVTOCI	25(b)	110,392	103,242	130,790
Financial assets at FVTPL	25(a)	982,191	–	550,278
Pledged deposits	29	42,828	28,832	7,430
Cash and bank balances	29	1,094,093	221,655	610,424
Total current assets		<u>5,084,610</u>	<u>4,593,320</u>	<u>5,051,636</u>
Total assets		<u>6,510,153</u>	<u>6,119,535</u>	<u>6,773,015</u>
Current liabilities				
Trade and bills payables	30	963,643	643,878	228,592
Contract liabilities	31(b)	72,647	69,730	29,990
Other payables and accruals	32	50,642	95,336	1,159,543
Borrowings	33	67,989	34,031	183,324
Lease liabilities	34	2,692	2,579	2,356
Tax payable		–	695	–
Total current liabilities		<u>1,157,613</u>	<u>846,249</u>	<u>1,603,805</u>
Net current assets		<u>3,926,997</u>	<u>3,747,071</u>	<u>3,447,831</u>
Total assets less current liabilities . . .		<u>5,352,540</u>	<u>5,273,286</u>	<u>5,169,210</u>
Non-current liabilities				
Other payables and accruals	32	108,681	108,681	108,681
Borrowings	33	–	–	16,960
Lease liabilities	34	2,097	–	1,808
Total non-current liabilities		<u>110,778</u>	<u>108,681</u>	<u>127,449</u>
NET ASSETS		<u>5,241,762</u>	<u>5,164,605</u>	<u>5,041,761</u>
Equity attributable to owners of the Company				
Share capital	37	637,749	637,749	637,749
Reserves		4,604,013	4,526,856	4,404,012
TOTAL EQUITY		<u>5,241,762</u>	<u>5,164,605</u>	<u>5,041,761</u>

II. NOTES TO HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was a limited liability company incorporated in the People's Republic of China (the "PRC") on 22 September 2003 and changed to a joint stock limited company on 28 October 2009. The Company's A shares were listed on Shenzhen Stock Exchange on 7 October 2010. The address of the Company's registered office and its principal place of business is No. 155, Xinqiu Main Road, Xinqiu District, Fuxin City, Liaoning Province, the PRC.

The Group and the Company is principally engaged in manufacturing and sales of wind power equipment and wind and photovoltaic power generation during the Track Record Period.

Mr. JIN Xin is the largest shareholder of the Company.

2. BASIS OF PREPARATION OF HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared in accordance with all applicable IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards and Interpretations issued by International Accounting Standards Board ("IASB"). Further details of the material accounting policy information adopted are set out in Note 4.

The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing this Historical Financial Information, the Group has consistently adopted all applicable new and revised IFRS Accounting Standards that are effective during the Track Record Period, except for any new standards or interpretations that are not yet effective for the Track Record Period. The revised and new accounting standards and interpretations issued but not yet effective for the Track Record Period are set out in Note 3.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The accounting policies set out in Note 4 have been applied consistently to all periods presented in the Historical Financial Information.

3. APPLICATION OF NEW AND REVISED IFRSs

The Group plans to adopt these new standards, amendments to standards and annual improvements when they become effective:

New and amendments to IFRS Accounting Standards issued but not yet effective

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 Accounting Standards	Annual Improvements to IFRS Accounting Standards ¹
IFRS 18	Presentation and Disclosure in Financial Statements ²
IFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures ²
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 ²

1 Effective for annual periods beginning on or after January 1, 2026.

2 Effective for annual periods beginning on or after January 1, 2027.

3 The amendments shall be applied prospectively to sale or contribution of assets occurring in annual periods beginning on or after a date to be determined.

The Group is in the process of making an assessment of the impact of these new and amended standards upon initial application, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. The new requirements are expected to impact the Group's presentation of the statement of profit or loss and disclosures of the Group's financial performance. So far, the Group considers that the new and amended standards are unlikely to have a significant impact on the Group's results of operations and financial position.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The Historical Financial Information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability. The principal accounting policies are set out below.

The material accounting policy information is set out below:

(a) Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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 listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(b) Investments in subsidiaries

Investments in subsidiaries are stated at cost less any identified impairment loss on the statements of financial position of the Company.

(c) Revenue recognition

Revenue is recognised to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognised when, or as, obligations under the terms of a contract are satisfied, which occurs when control of the promised products or services is transferred to customers. Revenue is measured as the amount of consideration the Group expects to receive in exchange for transferring products or services to a customer ("transaction price").

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.

Revenue is recognised either at a point in time or over time, when the Group satisfies performance obligations by transferring the promised goods or services to its customers.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which Group has received consideration (or an amount of consideration is due) from the customer.

Further details of the Group's revenue and other income recognition policies are as follows:

Revenue from sales of goods

Revenue from sales of goods were under four delivery models:

FOB, CIF and FAS:	Revenue is recognised at point in time when the goods are shipped offshore, customs clearance procedures are completed, and both customs declarations and bills of lading are obtained.

DAP:	Revenue is recognised at point in time when the goods are delivered to the contracted destination and receipt for goods signed off by the customer.

Revenue from wind and photovoltaic power generation is recognised at point in time when electricity generated has been transmitted to customers.

The credit period granted to customers by the Group is determined based on their credit risk characteristics. The Group does not expect the period between the transfer of the promised goods to the customer and payment by the customer exceed one year. As a consequence, there is no significant financing component.

(d) Leases

Definition of 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.

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as lessee

All leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the consolidated statements of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for leases for which at the commencement date have a lease term less than 12 months and leases of low-value assets. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

The Group also applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

The Group presents right-of-use assets and lease liabilities separately in the consolidated statements of financial position.

Right-of-use asset

The right-of-use asset is recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability; (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use asset at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

The right-of-use asset is subsequently depreciated using the straight-line method from the date of initial application over the shorter of the remaining lease term or the useful life of the underlying asset. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the substance fixed lease payments or a change in assessment to purchase the underlying asset.

(e) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The Historical Financial Information is 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 Historical Financial Information of each entity are measured using that functional currency.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the Historical Financial Information, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve.

(f) Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(g) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire property, plant and equipment are recognised as deferred revenue in the consolidated statements of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

(h) Retirement benefit costs

Payments to defined contribution retirement plans are charged as an expense when employees have rendered service.

Pension scheme

Retirement benefits to employees are provided through defined contribution plans. The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. This subsidiary is required to contribute a certain percentage of its payroll costs to the central pension scheme. Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

Housing funds, medical insurances and other social insurances

Employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each year. Contributions to the housing funds, medical insurances and other social insurances are expensed as incurred.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

(i) Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees render the services. All short-term employee benefits are recognised as an expense unless another IFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

(j) Share-based payment transactions

Equity-settled share-based payments to employees (including directors of the Company) are measured at the fair value of the equity instruments at the grant date. The cost of equity-settled transactions with employees for grants is measured by reference to the fair value at the date at which they are granted.

The cost of equity-settled transactions is recognised in 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 the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding restricted shares is reflected as additional share dilution in the computation of earnings per share.

(k) Taxation

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries or associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(l) Property, plant and equipment and construction in progress

Property, plant and equipment are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the period in which they are incurred.

Property, plant and equipment are depreciated so as to write off their cost or valuation net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Property and plant	20-30 years
Machinery	12-25 years
Transportation equipment	6 years
Port facilities and auxiliary facilities	50 years
Others	5 years

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised.

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.

(m) Right-of-use assets

Accounting policies of right-of-use assets (other than prepaid lease payments) are set out in "Leases" above.

Prepaid lease payments (which meet the definition of right-of-use assets) represent the upfront payment for long-term land lease in which the payment can be reliably measured. It is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a straight-line basis over the term of the lease/right-of-use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

(n) Intangible assets (other than goodwill)

Intangible assets acquired separately are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. The amortisation expense is recognised in profit or loss. Amortisation is provided on a straight-line basis over their useful lives as follows.

Computer software	3 to 5 years
Patent	5-10 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(o) Research and development costs

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold;
- adequate resources are available to complete the development;
- there is an intention to complete and sell the product;
- the Group is able to sell the product; and
- sale of the product will generate future economic benefits; and expenditure on the project can be measured reliably.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in profit or loss as incurred.

(p) Impairment losses on tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of value in use and fair value less costs of disposal. In assessing value in use, the estimated future cash flows of the asset (or the cash-generating unit) 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 (or the cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or the cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

(q) Inventories

Inventories are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses. Cost is determined using the weighted average basis, and in the case of work in progress and finished goods, comprise direct materials, direct labour and an appropriate proportion of overheads.

(r) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant periods. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

FVTPL: Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model, whereby changes in fair value, interest income calculated using the effective interest rate method and foreign exchange gains and losses are recognised in profit or loss. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVTOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

FVTOCI: Financial assets at FVTOCI, include bills receivable measured at FVTOCI. Subsequent changes in the carrying amounts for bills receivable classified as at FVTOCI as a result of interest income calculated using the effective interest method are recognised in profit or loss. All other changes in the carrying amount of these receivables are recognised in other comprehensive income and accumulated under the heading of FVTOCI reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts of these receivables. When these receivables are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividend and interest income are recognised in profit or loss.

Impairment loss on financial assets and contract assets

The Group recognises a loss allowance for expected credit loss ("ECL") on financial assets and contract assets which are subject to impairment under IFRS 9 "Financial Instruments". The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group has elected to measure loss allowances for trade receivables and contract assets using IFRS 9 simplified approach and always recognises lifetime ECL for trade receivables and contract assets. The ECL on these financial assets are assessed collectively using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For other financial instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in the credit risk since initial recognition or evidence that a financial asset is credit-impaired, then the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, 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. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate obtained from economic expert reports, financial analysts and governmental bodies, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, or the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument (e.g. bills receivable measured at FVTOCI) has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default to have occurred when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the relevant weighting.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis to cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade receivables, other receivables are each assessed as a separate group. Note receivables are assessed for ECL on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(ii) Financial liabilities and equity instruments*Classification as debt or equity*

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 a financial liability and an equity instrument.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss. Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

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. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(s) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, demand deposits with banks and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank balances subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash.

(t) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which is probable that the Group will be required to settle such obligation, and will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(u) Share capital

Share capital are classified as equity. Share capital is recognised at the amount of consideration of shares issued, after deducting any transaction costs associated with the issue of shares (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

(v) Treasury shares

Own equity instruments which held by the Company or the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the consolidated statements of profit or loss and other comprehensive income on the purchase, sale, issue or cancellation of the Group's own equity instruments.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below:

Key sources of estimation uncertainty*Useful lives and estimated impairment on property, plant and equipment*

The Group determines the estimated useful lives, residual values and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment, including construction in progress, of similar nature and functions. The Group will increase the depreciation charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

The Group regularly reviews whether there are any indications of impairment and recognises an impairment loss if the carrying amount of an asset is lower than its recoverable amount. The Group tests for impairment for property, plant and equipment whenever there is an indication that the asset may be impaired. The recoverable amounts have been determined based on the higher of value in use and fair value less costs of disposal. These calculations require the use of estimates, such as discount rates, future profitability and growth rates.

Provision of ECL for financial assets at amortised cost

The Group calculates ECL for trade and other receivables and contract assets under IFRS 9. The provision rates are based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. Details of the key assumptions and inputs used are set out in Note 48. Changes in these assumptions and estimation could materially affect the assessment and it may be necessary to make additional loss allowance in future periods.

Fair value measurements for financial assets/liabilities at FVTPL

The Group has made various investments during the Track Record Period as set out in Note 25. The Group accounts for these financial instruments as financial assets/liabilities at FVTPL. For those investments with no quoted market prices in an active market, their fair values are estimated by using valuation techniques. These techniques include those further described in Note 47. Valuation techniques are calibrated to ensure that outputs reflect market conditions. Valuation models established by management makes the maximum use of market inputs and rely as little as possible on the Group's specific data. However, some inputs require management estimates and assumptions, which are reviewed periodically and adjusted if necessary. Should any of the estimates and assumptions be changed, it may lead to a change in the fair value of the financial assets/liabilities.

Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. In addition, these estimates could change significantly as a result of change in customer preference, environmental goals and competitor actions in response to industry cycles. Management measures these estimates at the end of each reporting period.

6. REVENUE

The Group's revenue streams are categorised as follows:

- Manufacturing and sales of wind power equipment;
- Wind and photovoltaic power generation; and
- Others (*Note*)

An analysis of the Group's revenue is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Manufacturing and sales of wind power equipment	4,146,031	3,510,733	5,865,638
Wind and photovoltaic power generation	131,615	215,782	251,114
Others	47,436	53,136	56,798
Total	<u>4,325,082</u>	<u>3,779,651</u>	<u>6,173,550</u>

Revenue from contracts with customers:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
By timing of revenue recognition:			
Point in time	4,325,082	3,779,651	6,173,550
Total	<u>4,325,082</u>	<u>3,779,651</u>	<u>6,173,550</u>
Type of goods:			
Wind power equipment	4,146,031	3,510,733	5,865,638
Wind and photovoltaic power generation	131,615	215,782	251,114
Others	47,436	53,136	56,798
Total	<u>4,325,082</u>	<u>3,779,651</u>	<u>6,173,550</u>
Geographical markets:			
Chinese Mainland	2,610,430	2,046,617	1,576,512
Outside Chinese Mainland	1,714,652	1,733,034	4,597,038
Total	<u>4,325,082</u>	<u>3,779,651</u>	<u>6,173,550</u>

Note: Others mainly refer to revenue generated from sales of scrap steels.

The aggregate amounts of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) were approximately RMB588,996,000, RMB1,388,936,000 and RMB1,608,629,000 as at 31 December 2023, 2024 and 2025, respectively. The unsatisfied transaction price mainly related to manufacturing and sales of wind power equipment. Management of the Group expects the majority of the transaction price allocated to the unsatisfied contracts as of the end of each reporting period during the Track Record Period will be recognised within 1 year from the end of each reporting period.

All other contracts are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

During the years ended 31 December 2023, 2024 and 2025, certain customers made payment to their suppliers, including us, in alignment with the overall acceptance and payment progress of the whole wind farms, which took more than one year to complete the actual settlement from those customers. We did not expect, at contracts inception, that the periods between when the goods transferred to these customers and when these customers make payments would exceed one year. Hence, as a practical expedient under HKFRS 15, we did not adjust the promised amounts of consideration for the effects of significant financing components.

7. SEGMENT INFORMATION

The operating segment is reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (the “CODM”). Management focus on the overall results and the financial position of the Group and review the performance of the Group as a single operating segment based on the internal organisation structure, management requirements and internal reporting system. No separate analysis of the segment results by reportable segment is necessary.

Geographical information

An analysis of the Group's revenue from customers, based on location at which the goods are delivered and analysed by region, is presented below:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Revenue from customers			
– Chinese Mainland	2,610,430	2,046,617	1,576,512
– Outside Chinese Mainland	1,714,652	1,733,034	4,597,038
	<u>4,325,082</u>	<u>3,779,651</u>	<u>6,173,550</u>

Information about the Group's non-current assets excluding prepayments and deferred tax assets by geographical location of the assets are presented below:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Non-current assets excluding, prepayment and deferred tax assets			
– Chinese Mainland	2,796,609	3,545,634	5,328,088
– Outside Chinese Mainland	17	2	216
	<u>2,796,626</u>	<u>3,545,636</u>	<u>5,328,304</u>

Information about major customer

Revenue from customer contributing over 10% of the total revenue of the Group are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company A	N/A	559,318	3,031,699
Company B	N/A	N/A	662,104
Company C	N/A	N/A	363,508
Company D	444,106	N/A	547,769
Company E	975,377	N/A	N/A
Company F	N/A	N/A	281,370
Company G	N/A	657,549	N/A

8. OTHER INCOME

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Interest income from bank deposits	34,626	47,332	86,055
Interest income from certificate of deposits	2,175	2,599	211
Government grants (<i>Note</i>)	21,782	9,574	11,906
Additional deduction for PRC input value added tax	8,159	8,756	4,198
Others	269	242	296
	<u>67,011</u>	<u>68,503</u>	<u>102,666</u>

Note: Asset-related deferred income systematically released to profit or loss over the estimated useful lives of the related assets or the designated period. For the year end 31 December 2023, 2024 and 2025, the amount of government grants recognised from asset-related deferred income (*Note 35*) was approximately RMB4,640,000, RMB3,604,000 and RMB3,604,000, respectively.

9. (OTHER LOSSES)/GAINS, NET

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
(Net foreign exchange losses)/gains	(73,717)	(46,764)	57,990
Loss on disposal of property, plant and equipment, net.	(43)	(369)	(778)
Loss on disposal of construction in progress.	—	—	(1,732)
Gain/(loss) on disposal of land use rights	—	6,898	(199)
Changes in fair value of financial assets at FVTPL	22,309	10,685	(21,400)
Handling fee for discounting of bills receivables at FVTOCI	(6,874)	(1,812)	(1,673)
Gain on disposal of subsidiaries	—	—	42,454
Others	7,941	8,224	1,327
	<u>(50,384)</u>	<u>(23,138)</u>	<u>75,989</u>

10. RESEARCH AND DEVELOPMENT EXPENSES

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Employee benefit expenses	19,743	25,185	35,245
Material cost	231,168	153,461	241,249
Outsourced research and development expenses.	—	—	8,991
Others	4,695	3,366	2,693
	<u>255,606</u>	<u>182,012</u>	<u>288,178</u>

11. IMPAIRMENT LOSSES/(REVERSAL OF IMPAIRMENT LOSSES)

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Impairment losses/(reversal of impairment losses) under ECL model, net of reversal			
Trade and bills receivables (<i>Note 27</i>)	277	70,741	(47,002)
Other receivables (<i>Note 28</i>)	785	(670)	(2,781)
Contract assets	2,600	9,644	5,867
	<u>3,662</u>	<u>79,715</u>	<u>(43,916)</u>

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Other impairment losses			
Construction in progress (<i>Note 21</i>)	–	34,867	–
Property, plant and equipment (<i>Note 20</i>)	–	–	34,327
Non-current prepayment	–	–	551
	<u>–</u>	<u>34,867</u>	<u>34,878</u>
Total	<u>3,662</u>	<u>114,582</u>	<u>(9,038)</u>

12. FINANCE COSTS

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Interest expenses on borrowings	23,642	3,103	33,890
Interest expenses on lease liabilities	7,807	9,183	11,053
	<u>31,449</u>	<u>12,286</u>	<u>44,943</u>
Less: interest capitalised	<u>(17,610)</u>	<u>(6,653)</u>	<u>(12,743)</u>
	<u>13,839</u>	<u>5,633</u>	<u>32,200</u>

13. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Cost of inventories	3,137,562	2,378,810	3,887,991
Write-down on inventories (<i>Note (i)</i>)	4,316	–	–
Impairment of inventories	–	–	5,935
Depreciation of property, plant and equipment (<i>Note 20</i>)	76,882	115,013	138,199
Amortisation of intangible assets (<i>Note 22</i>)	1,313	1,362	1,665
Depreciation of right-of-use assets (<i>Note 23</i>)	25,096	30,188	33,498
Staff costs (including directors' emoluments):			
– Salaries and other benefits	189,048	305,506	456,032
– Retirement benefits scheme contributions	15,368	20,884	36,152
– Share-based payment expenses	163	–	–
Auditors' remuneration	943	943	943
Listing expenses	–	–	1,055
	<u>–</u>	<u>–</u>	<u>1,055</u>

Note:

- (i) This represents write-down for inventories with carrying amounts exceeding their estimated selling prices due to market conditions.

14. INCOME TAX EXPENSES

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current tax			
– PRC Enterprise Income Tax ("EIT")	73,184	94,554	232,614
Deferred tax (<i>Note 24</i>)	<u>(13,616)</u>	<u>(52,677)</u>	<u>(70,092)</u>
Total income tax expenses	<u>59,568</u>	<u>41,877</u>	<u>162,522</u>

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the standard EIT rate of the PRC subsidiaries is 25%. The Company and following subsidiaries were entitled to preferential PRC income tax rates as follows:

- (1) The Company was accredited as a High and New Technology Enterprise (“HNTE”) in September 2021 with 3-year validity period and renewed in November 2024 with additional 3-year validity period will expire in November 2027 and subject to next renewal review. The Company was entitled to a preferential income tax rate of 15% for the year ended 31 December 2023.

As the directors of the Company expected the Company is not likely to meet the continuously requirement to maintain the HNTE status since the year ended 31 December 2024 and reported the tax liabilities with PRC corporate income tax rate of 25% for the year ended 31 December 2024 and 2025.

- (2) One of the subsidiaries, Penglai Dajin Offshore Heavy Industry Co., Ltd. (“PL Dajin”), was accredited as a HNTE in December 2022 with 3-year validity period and renewed in December 2025 with additional 3-year validity period will expire in December 2028 and subject to next renewal review. PL Dajin was entitled to a preferential income tax rate of 15% since year ended 31 December 2022.
- (3) One of the subsidiaries, Hinggan League Dajin Heavy Industry Co., Ltd. (“HL Dajin”), was accredited as a HNTE in December 2021 with 3-year validity period and renewed in December 2024 with additional 3-year validity period will expire in December 2027 and subject to next renewal review. HL Dajin was entitled to a preferential income tax rate of 15% since year ended 31 December 2021.
- (4) One of the subsidiaries, Yangjiang Dajin Wind Power Offshore Engineering Technology Co., Ltd. (“YJ Dajin”), was accredited as a HNTE in November 2024 with 3-year validity period will expire in November 2027 and subject to next renewal review. YJ Dajin was entitled to a preferential income tax rate of 15% since year ended 31 December 2024.
- (5) One of the subsidiaries, Zhangjiakou Dajin Wind Power Equipment Co., Ltd. (“ZJK Dajin”), was accredited as a HNTE in October 2022 with 3-year validity period and renewed in October 2025 with additional 3-year validity period will expire in October 2028 and subject to next renewal review. ZJK Dajin was entitled to a preferential income tax rate of 15% since year ended 31 December 2022.
- (6) One of the subsidiaries, Changwu Xiliujiazi Electric Power New Energy Co., Ltd. (“CWX Electricity”) is qualified as a public infrastructure project company and enjoying a 6-year tax holiday (three years full exemption followed by three years half reduction) beginning from 2023 (the first year generating assessable profit). The income tax rate for CWX Electricity was 0% for the years ended 31 December 2023, 2024 and 2025, and 12.5% for the years ended 31 December 2026, 2027 and 2028.
- (7) Two of the subsidiaries, Tangshan Caofeidian District Jinrui Energy Co., Ltd. (“JR Energy”) and Tangshan Caofeidian District Jinhong Energy Co., Ltd. (“JH Energy”) are qualified as public infrastructure project companies and enjoying a 6-year tax holiday (three years full exemption followed by three years half reduction) beginning from 2025 (the first year generating assessable profit). The income tax rates for JR Energy and JH Energy were 0% for the years ended 31 December 2025, 2026 and 2027, and 12.5% for the years ended 31 December 2028, 2029 and 2030.

The Group entities incorporated in Hong Kong is subject to Hong Kong Profits Tax under the two-tiered profits tax rates regime. During the Track Record Period, the first HK\$2,000,000 of profits of qualifying corporations will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Taxation arising from other jurisdictions is calculated at the rate prevailing in the relevant jurisdictions.

The income tax expenses for the Track Record Period can be reconciled to the profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Profit before tax	484,725	515,752	1,265,819
Tax at the applicable tax rates	72,709	128,938	316,455
Different tax rate enacted by local authorities in Chinese Mainland	(16,764)	(95,784)	(178,684)
Under provision of current tax in prior year	315	1,071	4,337
Effect of non taxable revenue	(39)	(56)	(77)
Tax effect of expenses not deductible for tax purpose	1,288	6,670	7,742

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Utilisation of tax losses previously not recognised	(288)	—	(1,679)
Effect of deductible temporary differences and tax losses not recognised as deferred tax asset	3,013	1,579	22,047
Effect of additional deduction for research and development expenses	(2,773)	(3,028)	(11,379)
Others	2,107	2,487	3,760
Income tax expenses	<u>59,568</u>	<u>41,877</u>	<u>162,522</u>

15. DIRECTORS' AND SUPERVISORS' EMOLUMENTS

Details of the emoluments paid or payable to the directors and supervisors of the Company for the services provided to the Group during the Track Record Period are as follows:

Year ended 31 December 2023

	Director Fees	Basic salaries, allowances and other benefits	Performance-based Bonus	Contributions to retirement benefit schemes	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
Mr. JIN Xin	—	723	—	57	780
Mr. SUN Xiaole	—	907	—	53	960
Ms. LIU Aihua (<i>Note (i)</i>)	—	1,058	660	63	1,781
Mr. TIAN Mingjun (<i>Note (ii)</i>)	—	755	—	36	791
Mr. JIANG Wei (<i>Note (ix)</i>)	—	—	—	—	—
Mr. ZHAO Yueqiang (<i>Note (xiii)</i>)	—	46	—	28	74
Independent non-executive directors					
Mr. CAI Meng	98	—	—	—	98
Mr. QU Guangjie (<i>Note (iii)</i>)	95	—	—	—	95
Ms. ZHANG Wei (<i>Note (iv)</i>)	95	—	—	—	95
Mr. XU Feng (<i>Note (x)</i>)	3	—	—	—	3
Ms. LI Shengnan (<i>Note (xi)</i>)	3	—	—	—	3
Supervisors					
Ms. YANG Qi (<i>Note (v)</i>)	—	370	45	39	454
Ms. JI Xiuli	—	128	25	13	166
Mr. LI Haizhe	—	123	14	17	154
Mr. FU Haibin (<i>Note (xii)</i>)	—	21	—	—	21
Total	<u>294</u>	<u>4,131</u>	<u>744</u>	<u>306</u>	<u>5,475</u>

Year ended 31 December 2024

	Director Fees	Basic salaries, allowances and other benefits	Performance- based Bonus	Contributions to retirement benefit schemes	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
Mr. JIN Xin	–	1,443	–	66	1,509
Mr. SUN Xiaole	–	945	660	66	1,671
Ms. LIU Aihua	–	1,116	660	66	1,842
Mr. TIAN Mingjun	–	761	144	42	947
Independent non- executive directors					
Mr. QU Guangjie	100	–	–	–	100
Mr. CAI Meng	100	–	–	–	100
Ms. ZHANG Wei	100	–	–	–	100
Supervisors					
Ms. YANG Qi	–	369	99	–	468
Ms. JI Xiuli	–	144	24	18	186
Mr. LI Haizhe	–	121	5	18	144
Total	<u>300</u>	<u>4,899</u>	<u>1,592</u>	<u>276</u>	<u>7,067</u>

Year ended 31 December 2025

	Director Fees	Basic salaries, allowances and other benefits	Performance- based Bonus	Contributions to retirement benefit schemes	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors					
Mr. JIN Xin	–	1,246	960	68	2,274
Mr. SUN Xiaole	–	1,142	1,010	68	2,220
Ms. LIU Aihua	–	1,105	1,024	68	2,197
Mr. LI Xin (<i>Note vi</i>)	–	524	590	34	1,148
Mr. JIANG Haitao (<i>Note vii</i>)	–	190	192	29	411
Mr. TIAN Mingjun (<i>Note ii</i>)	–	516	475	21	1,012
Independent non- executive directors					
Mr. QU Guangjie	100	–	–	–	100
Mr. CAI Meng	100	–	–	–	100
Ms. ZHANG Wei	100	–	–	–	100
Ms. LU Qiannan (<i>Note viii</i>)	47	–	–	–	47
Supervisors					
Ms. YANG Qi (<i>Note xiv</i>)	–	213	130	24	367
Ms. JI Xiuli (<i>Note xv</i>)	–	75	20	12	107
Mr. LI Haizhe (<i>Note xvi</i>)	–	66	10	10	86
Total	<u>347</u>	<u>5,077</u>	<u>4,411</u>	<u>334</u>	<u>10,169</u>

Notes:

- (i) Ms. LIU Aihua was appointed as executive director of the Company on 19 January 2023.
- (ii) Mr. TIAN Mingjun was appointed as executive director of the Company on 19 January 2023, and resigned on 24 June 2025.
- (iii) Mr. QU Guangjie was appointed as independent non-executive director of the Company on 19 January 2023.

- (iv) Ms. ZHANG Wei was appointed as independent non-executive director of the Company on 19 January 2023.
- (v) Ms. YANG QI was appointed as supervisor of the Company on 27 April 2023.
- (vi) Mr. LI Xin was appointed as executive director of the Company on 11 July 2025.
- (vii) Mr. JIANG Haitao was appointed as executive director of the Company on 11 July 2025.
- (viii) Ms. LU Qiannan was appointed as independent non-executive director of the Company on 11 July 2025.
- (ix) Mr. JIANG Wei resigned as executive director of the Company on 18 January 2023.
- (x) Mr. XU Feng resigned as independent non-executive director of the Company on 18 January 2023.
- (xi) Ms. LI Shengnan resigned as independent non-executive director of the Company on 18 January 2023.
- (xii) Mr. FU Haibin resigned as supervisor of the Company on 27 April 2023.
- (xiii) Mr. ZHAO Yueqiang resigned as executive director of the Company on 18 January 2023.
- (xiv) Ms. YANG Qi resigned as supervisor of the Company on 11 July 2025.
- (xv) Ms. JI Xiuli resigned as supervisor of the Company on 11 July 2025.
- (xvi) Mr. Li Haizhe resigned as supervisor of the Company on 11 July 2025.

16. FIVE HIGHEST PAID INDIVIDUALS

During the year ended 31 December 2023, 2024 and 2025, the five individuals with the highest emoluments in the Group include 1, 3, and 3 directors of the Company, details of whose remuneration are set out in Note 15 above. The emoluments of the five highest paid individuals during the Track Record Period were as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Salaries and other benefits	5,902	7,665	10,960
Retirement benefits scheme contributions	316	332	341
	<u>6,218</u>	<u>7,997</u>	<u>11,301</u>

The number of non-director highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended 31 December		
	2023	2024	2025
HKD1,000,000 to HKD1,500,000	4	1	1
HKD1,500,000 to HKD2,000,000	—	1	—
HKD2,000,000 to HKD2,500,000	—	—	1
	<u>4</u>	<u>2</u>	<u>2</u>

During the Track Record Period, no emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company have waived any emoluments during the Track Record Period.

17. EARNINGS PER SHARE

(a) Basic earnings per share ("EPS")

Basic EPS is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the Track Record Period, excluding treasury shares held for share schemes as these shares are not considered outstanding for EPS calculation purposes.

The calculation of the basic earnings per share attribute to owners of the Company is based on the following data:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Earnings for the purpose of calculating basic earnings per share	425,157	473,875	1,103,297

Number of shares:

	Year ended 31 December		
	2023	2024	2025
Weighted average number of ordinary shares in issue, excluding treasury shares held for restricted share scheme as these shares are not considered outstanding for the purpose of calculating basic earnings per share	637,749,349	637,749,349	637,749,349
Basic EPS (RMB)	0.67	0.74	1.73

(b) Diluted earnings per share

The diluted earnings per share for the years ended 31 December 2023, 2024 and 2025 are the same as the basic earnings per share as there are no dilutive potential ordinary shares during the Track Record Period.

18. DIVIDENDS

During the Track Record Period, the board of directors declared the final dividends as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Dividends attributable to the year			
Interim dividend proposed and paid during the years	—	—	54,846
Interim dividend per share in RMB	—	—	0.0860
Final dividend proposed after 31 December	116,070	51,020	55,484
Final dividend per share in RMB	0.1820	0.0800	0.0870

The final dividends of RMB0.1820 and RMB0.0800 per ordinary share (tax inclusive) in respect of the years ended 31 December 2023 and 2024 were approved in 2024 and 2025 Annual General Meeting of the Group, respectively.

The final dividends for the years ended 31 December 2022, 2023 and 2024 were declared and recognised as a liability at declaration date and were paid during the years ended 31 December 2023, 2024 and 2025, respectively. The final dividends for the years ended 31 December 2022, 2023 and 2024 were paid on 12 July 2023, 12 June 2024 and 23 June 2025, respectively.

The interim dividend of RMB0.0860 per ordinary share in respect of the six months period ended 30 June 2025 was declared and recognised as a liability at declaration date. The interim dividend for the six months period ended 30 June 2025 was paid on 28 October 2025.

The final dividend for the year ended 31 December 2025 of RMB0.0870 was proposed after 31 December 2025 and has not been recognised as a liability at the end of the Track Record Period.

19. INVESTMENTS IN SUBSIDIARIES

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
The Company			
Investment in subsidiaries			
– Unlisted shares, at cost	1,119,622	1,364,070	1,587,278

The amounts due to subsidiaries were unsecured, repayable on demand and interest-free.

The Company had direct and indirect equity interests in the following principal subsidiaries during the Track Record Period:

Name of subsidiaries	Date of incorporation/ establishment and place of incorporation/ establishment	Authorised shares/capital/ registered capital	As at 31 December						Principal activities
			2023		2024		2025		
			Direct	Indirect	Direct	Indirect	Direct	Indirect	
			%	%	%	%	%	%	
蓬萊大金海洋重工有限公司 Penglai Dajin Offshore Heavy Industry Co., Ltd.	12/14/2009, PRC	RMB130,000,000	100.00	–	100.00	–	100.00	–	Manufacturing of Specialised Equipment
興安盟大金重工有限公司 Xing'an League Dajin Heavy Industry Co., Ltd.	9/29/2019, PRC	RMB50,000,000	100.00	–	100.00	–	100.00	–	Manufacturing of Specialised Equipment
張家口大金風電裝備有限公司 Zhangjiakou Dajin Wind Power Equipment Co., Ltd.	3/18/2020, PRC	RMB50,000,000	100.00	–	100.00	–	100.00	–	Manufacturing of Specialised Equipment
錫林郭勒盟金盛風電裝備有限公司 Xilingol League Jinsheng Wind Power Equipment Co., Ltd.	5/22/2024, PRC	RMB500,000	N/A	N/A	–	100.00	N/A	N/A	Manufacturing of Specialised Equipment
大同大金風電裝備有限公司 Datong Dajin Wind Power Equipment Co., Ltd.	6/16/2023, PRC	RMB1,000,000	–	100.00	–	100.00	–	100.00	Manufacturing of Specialised Equipment
大金重工(煙台)風電有限公司 Daikin Heavy Industries (Yantai) Wind Power Co., Ltd.	1/28/2021, PRC	RMB50,000,000	100.00	–	100.00	–	N/A	N/A	Manufacturing of Specialised Equipment
陽江大金風電海洋工程科技有限公 司 Yangjiang Dajin Wind Power Offshore Engineering Technology Co., Ltd.	3/7/2022, PRC	RMB50,000,000	100.00	–	100.00	–	100.00	–	Manufacturing of Specialised Equipment
張家口大金風電葉片有限公司 Zhangjiakou Dajin Wind Power Blade Co., Ltd.	5/10/2022, PRC	RMB100,000,000	100.00	–	100.00	–	100.00	–	Manufacturing of Specialised Equipment
大金重工歐洲有限責任公司 Dajin Heavy Industry Europe GmbH	1/24/2020, Germany	EUR750,000	100.00	–	100.00	–	100.00	–	Sales of Specialised Equipment
大金重工波蘭有限責任公司 Dajin Heavy Industry Poland SP. Z O O.	11/10/2021, Poland	PLN220,000	–	100.00	–	100.00	–	100.00	Sales of Specialised Equipment
北京金胤資本管理有限公司 Beijing Jinyin Capital Management Co., Ltd.	11/19/2012, PRC	RMB200,000,000	100.00	–	100.00	–	100.00	–	Business Services
彰武金胤電力新能源有限公司 Changwu Jinyin Electric Power New Energy Co., Ltd.	3/3/2020, PRC	RMB141,950,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply
彰武西六家子電力新能源有限公司 Changwu Xiliujiazi Electric Power New Energy Co., Ltd.	3/25/2020, PRC	RMB158,900,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply
張家口金綿新能源科技有限公司 Zhangjiakou Jinmian New Energy Technology Co., Ltd.	12/5/2023, PRC	RMB10,000,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply

APPENDIX I

ACCOUNTANTS' REPORT

Name of subsidiaries	Date of incorporation/ establishment and place of incorporation/ establishment	Authorised shares/capital/ registered capital	As at 31 December						Principal activities
			2023		2024		2025		
			Direct	Indirect	Direct	Indirect	Direct	Indirect	
			%	%	%	%	%	%	
尚義縣金奕能源有限公司 Shangyi County Jinyi Energy Co., Ltd.	12/6/2023, PRC	RMB5,000,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply
張家口金帛新能源有限公司 Zhangjiakou Jinbo New Energy Co., Ltd.	4/1/2021, PRC	RMB10,000,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply
尚義金鏢新能源有限公司 Shangyi Jinshuo New Energy Co., Ltd.	4/8/2021, PRC	RMB5,000,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply
唐山金靖新能源科技有限公司 Tangshan Jinjing New Energy Technology Co., Ltd.	12/5/2023, PRC	RMB10,000,000	–	100.00	–	100.00	–	100.00	Technology Promotion and Application Services
唐山曹妃甸區金啟能源有限公司 Tangshan Caofeidian District Jinqi Energy Co., Ltd.	12/6/2023, PRC	RMB5,000,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply
唐山金永新能源科技有限公司 Tangshan Jinyong New Energy Technology Co., Ltd.	12/5/2023, PRC	RMB10,000,000	–	100.00	–	100.00	–	100.00	Technology Promotion and Application Services
唐山曹妃甸區金載能源有限公司 Tangshan Caofeidian District Jinzai Energy Co., Ltd.	12/6/2023, PRC	RMB5,000,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply
唐山誠跡新能源科技有限公司 Tangshan Chengji New Energy Technology Co., Ltd.	7/16/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	–	100.00	Technology Promotion and Application Services
唐山豐南區盈璟新能源有限公司 Tangshan Fengnan Yingjing New Energy Co., Ltd.	7/17/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	–	100.00	Technology Promotion and Application Services
唐山誠煦新能源科技有限公司 Tangshan Chengxu New Energy Technology Co., Ltd.	5/8/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	–	100.00	Technology Promotion and Application Services
唐山曹妃甸區祥凌能源有限公司 Tangshan Caofeidian Xiangling Energy Co., Ltd.	5/10/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	–	100.00	Electricity, Heat Production and Supply
唐山誠朔新能源科技有限公司 Tangshan Chengshuo New Energy Technology Co., Ltd.	5/8/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	–	100.00	Technology Promotion and Application Services
唐山曹妃甸區祥鴻能源有限公司 Tangshan Caofeidian Xianghong Energy Co., Ltd.	5/10/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	–	100.00	Electricity, Heat Production and Supply
唐山誠馳新能源科技有限公司 Tangshan Chengchi New Energy Technology Co., Ltd.	5/8/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	N/A	N/A	Electricity, Heat Production and Supply
唐山曹妃甸區祥琛能源有限公司 Tangshan Caofeidian Xiangchen Energy Co., Ltd.	5/10/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	N/A	N/A	Electricity, Heat Production and Supply

APPENDIX I

ACCOUNTANTS' REPORT

Name of subsidiaries	Date of incorporation/ establishment and place of incorporation/ establishment	Authorised shares/capital/ registered capital	As at 31 December						Principal activities
			2023		2024		2025		
			Direct	Indirect	Direct	Indirect	Direct	Indirect	
			%	%	%	%	%	%	
唐山誠澈新能源科技有限公司 Tangshan Chengche New Energy Technology Co., Ltd.	5/9/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	–	100.00	Technology Promotion and Application Services
唐山曹妃甸區祥迪能源有限公司 Tangshan Caofeidian Xiangdi Energy Co., Ltd.	5/11/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	–	100.00	Electricity, Heat Production and Supply
唐山金胤新能源科技有限公司 Tangshan Jinyin New Energy Technology Co., Ltd.	11/30/2022, PRC	RMB50,000,000	–	100.00	–	100.00	–	100.00	Technology Promotion and Application Services
唐山曹妃甸區金瑞能源有限公司 Tangshan Caofeidian District Jinrui Energy Co., Ltd.	6/7/2023, PRC	RMB5,000,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply
北京金瓊新能源科技有限公司 Beijing Jinyu New Energy Technology Co., Ltd.	11/16/2022, PRC	RMB5,000,000	–	100.00	–	100.00	–	100.00	Technology Promotion and Application Services
山西省文水縣金胤新能源有限公司 Wenshui County Jinyin New Energy Co., Ltd.	6/13/2023, PRC	RMB5,000,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply
山西省金呂新能源有限公司 Shanxi Jinlu New Energy Co., Ltd.	3/28/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	N/A	N/A	Electricity, Heat Production and Supply
山西省交城縣金吉新能源有限公司 Jinji New Energy Co., Ltd. In Jiaocheng County, Shanxi Province	3/29/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	N/A	N/A	Electricity, Heat Production and Supply
交城縣金能新能源有限公司 Jiaocheng Jinneng New Energy Co., Ltd.	12/3/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	N/A	N/A	Solar Power Generation
山西省金晉新能源有限公司 Shanxi Jinjin New Energy Co., Ltd.	3/27/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	N/A	N/A	Electricity, Heat Production and Supply
山西省平遙縣金晶新能源有限公司 Shanxi Pingyao Jinjing New Energy Co., Ltd.	4/7/2024, PRC	RMB5,000,000	N/A	N/A	–	100.00	N/A	N/A	Electricity, Heat Production and Supply
唐山金鐸新能源科技有限公司 Tangshan Jinduo New Energy Technology Co., Ltd.	7/24/2023, PRC	RMB50,000,000	–	100.00	–	100.00	–	100.00	Technology Promotion and Application Services
唐山曹妃甸區金弘能源有限公司 Tangshan Caofeidian District Jinhong Energy Co., Ltd.	8/2/2023, PRC	RMB5,000,000	–	100.00	–	100.00	–	100.00	Electricity, Heat Production and Supply
大金(天津)航運有限公司 Dajin (Tianjin) Shipping Co., Ltd.	7/3/2023, PRC	RMB20,000,000	100.00	–	100.00	–	100.00	–	Water Transport Services
天津金航航運租賃有限公司 Tianjin Jinhang Shipping Leasing Co., Ltd.	7/7/2023, PRC	RMB20,000,000	–	100.00	–	100.00	–	100.00	Leasing Services
天津金航船舶租賃有限公司 Tianjin Jinhang Ship Leasing Co., Ltd.	7/14/2023, PRC	RMB15,000,000	–	100.00	–	100.00	–	100.00	Leasing Services
天津金帆航運租賃有限公司 Tianjin Jinfan Shipping Leasing Co., Ltd.	7/19/2024, PRC	RMB20,000,000	N/A	N/A	–	100.00	–	100.00	Leasing Services

APPENDIX I

ACCOUNTANTS' REPORT

			As at 31 December						
Name of subsidiaries	Date of incorporation/ establishment and place of incorporation/ establishment	Authorised shares/capital/ registered capital	2023		2024		2025		Principal activities
			Direct	Indirect	Direct	Indirect	Direct	Indirect	
			%	%	%	%	%	%	
天津金達船舶租賃有限公司 Tianjin Jinda Ship Leasing Co., Ltd.	7/23/2024, PRC	RMB20,000,000	N/A	N/A	–	100.00	–	100.00	Leasing Services
天津金胤重工有限公司 Tianjin Jinyin Heavy Industry Co., Ltd.	5/7/2024, PRC	RMB5,000,000	N/A	N/A	100.00	–	100.00	–	Manufacturing of Specialised Equipment
阜新大金風電葉片有限責任公司 Fuxin Dajin Wind Power Blade Co., Ltd.	6/4/2020, PRC	RMB5,000,000	100.00	–	100.00	–	N/A	N/A	Manufacturing of Specialised Equipment
大金新能源重裝(乳山)有限公司 Dajin New Energy Heavy Equipment (Rushan) Co., Ltd.	12/13/2021, PRC	RMB1,000,000	100.00	–	100.00	–	100.00	–	Manufacturing of Specialised Equipment
盤錦大金海洋工程有限公司 Panjin Dajin Ocean Engineering Co., Ltd.	12/29/2022, PRC	RMB50,000,000	100.00	–	100.00	–	100.00	–	Manufacturing of Specialised Equipment
寧波金胤重工科技有限公司 Ningbo Jinyin Heavy Industry Technology Co., Ltd.	3/23/2023, PRC	RMB50,000,000	100.00	–	100.00	–	100.00	–	Manufacturing of Specialised Equipment
唐山大金海洋工程裝備製造有限公司 Tangshan Dajin Ocean Engineering Equipment Manufacturing Co., Ltd.	4/11/2023, PRC	RMB450,000,000	–	100.00	–	100.00	–	100.00	Manufacturing of Specialised Equipment
唐山大金物流有限公司 Tangshan Dajin Logistics Co., Ltd.	9/8/2023, PRC	RMB50,000,000	–	100.00	–	100.00	–	100.00	Transport Agency Services
大金重工香港有限公司 Dajin Heavy Industry Hong Kong Limited	11/6/2024, Hong Kong	USD1,000,000	N/A	N/A	100.00	–	100.00	–	Trade and Consultancy Services
金胤(上海)航運有限公司 Jinyin (Shanghai) Shipping Co., Ltd.	4/29/2025, PRC	RMB5,000,000	N/A	N/A	N/A	N/A	100.00	–	Freight Transport Services
大金風電控股(香港)有限公司 Dajin Offshore Wind Holdings (HK) Limited	9/11/2025, Hong Kong	USD1	N/A	N/A	N/A	N/A	100.00	–	Investment Holdings
大金國際航運有限公司 Dajin Global Shipping Limited	10/6/2025, Hong Kong	USD5,000,000	N/A	N/A	N/A	N/A	100.00	–	International Maritime Freight Transport and Agency Services
大金國際控股(香港)有限公司 Dajin International Holdings (HK) Limited	9/4/2025, Hong Kong	USD1	N/A	N/A	N/A	N/A	100.00	–	Investment Holdings
大金航運控股(香港)有限公司 Dajin Shipping Holdings (HK) Limited	9/11/2025, Hong Kong	USD1	N/A	N/A	N/A	N/A	100.00	–	Investment Holdings
大金聯合航運有限公司 Dajin Union Shipping Limited	9/22/2025, British Virgin Islands	USD500,000	N/A	N/A	N/A	N/A	100.00	–	Investment Holdings
天津金泰船舶租賃有限公司 Tianjin Jintai Chuanbo Lease Co., Ltd.	9/5/2025, PRC	RMB20,000,000	N/A	N/A	N/A	N/A	–	100.00	Leasing Services
天津金祥船舶租賃有限公司 Tianjin Jinxiang Chuanbo Lease Co., Ltd.	9/5/2025, PRC	RMB20,000,000	N/A	N/A	N/A	N/A	–	100.00	Leasing Services
彰武大金風電設備製造有限責任公司 Changwu Dajin Wind Power Equipment Manufacturing Co., Ltd.	6/5/2020, PRC	RMB100,000,000	100.00	–	N/A	N/A	N/A	N/A	Sales of Specialised Equipment
營口大金海洋工程有限公司 Yingkou Dajin Ocean Engineering Co., Ltd.	9/12/2023, PRC	RMB10,000,000	100.00	–	N/A	N/A	N/A	N/A	Manufacturing of Specialised Equipment
大金重工(煙台)海上風電有限公司 Daikin Heavy Industries (Yantai) Offshore Wind Power Co., Ltd.	1/28/2021, PRC	RMB20,000,000	–	100.00	N/A	N/A	N/A	N/A	Manufacturing of Specialised Equipment

Name of subsidiaries	Date of incorporation/ establishment and place of incorporation/ establishment	Authorised shares/capital/ registered capital	As at 31 December						Principal activities
			2023		2024		2025		
			Direct	Indirect	Direct	Indirect	Direct	Indirect	
			%	%	%	%	%	%	
彰武金科電力新能源有限公司 Zhangwu Jinke Electric New Energy Co., Ltd.	2/27/2020, PRC	RMB100,000,000	–	100.00	N/A	N/A	N/A	N/A	Wind Power Generation
彰武平安電力新能源有限公司 Changwu Ping'an Electric New Energy Co., Ltd.	4/16/2021, PRC	RMB10,000,000	–	100.00	N/A	N/A	N/A	N/A	Electricity, Heat Production and Supply
彰武金智電力新能源有限公司 Zhangwu Jinzhi Electric New Energy Co., Ltd.	2/27/2020, PRC	RMB100,000,000	–	100.00	N/A	N/A	N/A	N/A	Wind Power Generation
彰武葦子溝電力新能源有限公司 Zhangwu Weizigou Electric Power New Energy Co., Ltd. . .	4/1/2020, PRC	RMB10,000,000	–	100.00	N/A	N/A	N/A	N/A	Hydropower Generation
煙台金胤新能源有限公司 Yantai Jinyin New Energy Co., Ltd. . .	6/15/2021, PRC	RMB10,000,000	–	100.00	N/A	N/A	N/A	N/A	Technology Promotion and Application Services
大連大金卓遠重工有限公司 Dalian Dajin Zhuoyuan Heavy Industry Co., Ltd.	12/1/2017, PRC	RMB9,810,000	–	51.00	0.10	–	0.10	–	Manufacturing of Metal Structures

Notes:

- i. The English names of the subsidiaries registered in the Chinese Mainland of the PRC represent the best efforts made by management of the Company to translate their Chinese names as they do not have official English names.
- ii. All of the subsidiaries adopted 31 December as their financial year end date.
- * The statutory financial statements of certain subsidiaries in the Chinese Mainland of the PRC for the years ended 31 December 2023, 2024 and 2025 were prepared in accordance with relevant accounting principles and financial regulations applicable in the PRC and were audited by BDO China Shu Lun Pan Certified Public Accountants LLP.

20. PROPERTY, PLANT AND EQUIPMENT

	Properties and plants	Machinery	Transportation equipment	Port facilities and auxiliary facilities	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Group Cost						
As at 1 January 2023	422,182	566,380	17,251	299,723	33,803	1,339,339
Additions	608	2,967	1,361	–	2,673	7,609
Transferred from construction in progress	169,926	400,158	2,473	10,896	9,652	593,105
Disposals and written off . . .	–	–	(165)	–	(580)	(745)
As at 31 December 2023 and 1 January 2024	592,716	969,505	20,920	310,619	45,548	1,939,308
Additions	29,315	1,242	2,859	8,858	15,800	58,074
Transferred from construction in progress	236,091	554,576	–	–	13,231	803,898
Disposals and written off . . .	(482)	(6,824)	(1,301)	–	(734)	(9,341)
As at 31 December 2024 and 1 January 2025	857,640	1,518,499	22,478	319,477	73,845	2,791,939
Additions	1,706	13,862	848	324	6,378	23,118
Transferred from construction in progress	171,619	786,318	–	–	15,073	973,010
Disposals and written off . . .	(75)	(247)	(464)	–	(109)	(895)
As at 31 December 2025. . . .	1,030,890	2,318,432	22,862	319,801	95,187	3,787,172

	Properties and plants	Machinery	Transportation equipment	Port facilities and auxiliary facilities	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Accumulated depreciation and impairment						
As at 1 January 2023	100,510	158,044	10,444	15,931	13,380	298,309
Provided for the year	21,656	42,112	1,643	5,797	5,674	76,882
Write back on disposal	—	—	(88)	—	(552)	(640)
As at 31 December 2023 and 1 January 2024	122,166	200,156	11,999	21,728	18,502	374,551
Provided for the year	27,570	63,912	1,738	6,172	15,621	115,013
Write back on disposal	—	(5,488)	(1,130)	—	(274)	(6,892)
As at 31 December 2024 and 1 January 2025	149,736	258,580	12,607	27,900	33,849	482,672
Provided for the year	33,469	85,917	566	6,183	12,064	138,199
Write back on disposal	(22)	(57)	(193)	—	(98)	(370)
Impairment	—	24,696	605	—	9,026	34,327
As at 31 December 2025	183,183	369,136	13,585	34,083	54,841	654,828
Net book value						
As at 31 December 2023	470,550	769,349	8,921	288,891	27,046	1,564,757
As at 31 December 2024	707,904	1,259,919	9,871	291,577	39,996	2,309,267
As at 31 December 2025	847,707	1,949,296	9,277	285,718	40,346	3,132,344

Impairment of Property, Plant and Equipment

During the year ended 31 December 2025, the Group and the Company recognised impairment losses of RMB34,327,000 and RMB8,516,000, respectively, in respect of certain property, plant and equipment. This loss was identified following a significant reduction in production of domestic onshore wind power equipment, which led to the permanent idling of specific production assets with no plans for reactivation.

As these assets are no longer in use and there is no intention to return them to service, the impairment assessment was performed at the individual asset level. Given the absence of future cash flows from continued use, the value in use was considered nil, and the recoverable amounts of these assets was determined based on their fair value less costs of disposal.

The fair value measurement of the impaired property, plant and equipment, for the purpose of determining fair value less costs of disposal, is categorised within Level 3 of the fair value hierarchy (as defined in Note 47). This classification is due to the use of significant unobservable inputs which require significant judgement, primarily in assessing the appropriate comparable second-hand market prices or scrap values for similar assets, and in estimating costs to sell.

As a result of the impairment assessment, impairment losses of RMB34,327,000 and RMB8,516,000 were recognised in the Group and the Company's profit or loss within 'impairment losses' to write down the carrying amounts of respective impaired assets to their recoverable amounts of RMB17,212,000 and RMB8,516,000, respectively.

	Properties and plants	Machinery	Transportation equipment	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Company Cost					
As at 1 January 2023	101,734	77,949	9,850	1,237	190,770
Additions	55	230	56	35	376
As at 31 December 2023 and 1 January 2024	101,789	78,179	9,906	1,272	191,146
Additions	57	121	—	101	279
Disposals and written off.	—	(5,111)	(597)	—	(5,708)
As at 31 December 2024 and 1 January 2025	101,846	73,189	9,309	1,373	185,717
Additions	—	9	—	—	9
Disposals and written off.	—	(5,706)	(1,681)	(670)	(8,057)
As at 31 December 2025	101,846	67,492	7,628	703	177,669

	Properties and plants	Machinery	Transportation equipment	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Accumulated depreciation and impairment					
As at 1 January 2023	38,481	49,611	5,467	1,021	94,580
Provided for the year	4,165	3,014	666	94	7,939
As at 31 December 2023 and 1 January 2024	42,646	52,625	6,133	1,115	102,519
Provided for the year	4,157	2,976	640	87	7,860
Disposals and written off.	—	(4,776)	(518)	—	(5,294)
As at 31 December 2024 and 1 January 2025	46,803	50,825	6,255	1,202	105,085
Provided for the year	4,008	2,886	591	64	7,549
Disposals and written off.	—	(3,616)	(1,510)	(638)	(5,764)
Impairment	—	7,911	605	—	8,516
As at 31 December 2025	50,811	58,006	5,941	628	115,386
Net book value					
As at 31 December 2023	59,143	25,554	3,773	157	88,627
As at 31 December 2024	55,043	22,364	3,054	171	80,632
As at 31 December 2025	51,035	9,486	1,687	75	62,283

The Group has pledged certain property, plant and equipment with the following carrying amounts to secure borrowings granted to the Group. Details of the Group's assets pledged for the Group's borrowings are disclosed in Note 41 to the Historical Financial Information.

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Properties and plants	74,442	—	—

21. CONSTRUCTION IN PROGRESS

	Total
	RMB'000
Group	
Cost	
As at 1 January 2023	902,948
Additions	527,095
Transfer to property, plant and equipment	(593,105)
As at 31 December 2023 and 1 January 2024	836,938
Additions	709,763
Transfer to property, plant and equipment	(803,898)
As at 31 December 2024 and 1 January 2025	742,803
Additions	1,829,219
Transfer to property, plant and equipment	(973,010)
Disposal	(1,732)
As at 31 December 2025	1,597,280
Accumulated impairment	
As at 1 January 2023, 31 December 2023 and 1 January 2024	—
Impairment	34,867
As at 31 December 2024, 1 January 2025 and 31 December 2025	34,867
Net book value	
As at 31 December 2023	836,938
As at 31 December 2024	707,936
As at 31 December 2025	1,562,413

	Total
	<i>RMB'000</i>
Company	
Cost	
As at 1 January 2023	39,416
Additions	1,222
As at 31 December 2023 and 1 January 2024	40,638
Additions	1,263
As at 31 December 2024, 1 January 2025 and 31 December 2025	41,901
Accumulated impairment	
As at 1 January 2023, 31 December 2023 and 1 January 2024	–
Impairment	34,867
As at 31 December 2024, 1 January 2025 and 31 December 2025	34,867
Net book value	
As at 31 December 2023	40,638
As at 31 December 2024	7,034
As at 31 December 2025	7,034

Construction in progress comprises construction of port facilities projects, wind and photovoltaic power generation projects and ships construction projects.

As at 31 December 2024, management determined that the carrying amount of the construction in progress related to a manufacturing plants construction project (the “Construction Project”) exceeded its recoverable amount. This impairment was identified as a result of management’s strategic decision to cease development of the project due to the perceived limited profitability. Consequently, construction activities on the Construction Project were halted. The carrying amounts of the construction in progress of the Construction Project were fully impaired for during the year ended 31 December 2024.

22. INTANGIBLE ASSETS

	Patent	Computer software	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Group			
Cost			
As at 1 January 2023	13,163	1,709	14,872
Additions	65	569	634
As at 31 December 2023 and 1 January 2024	13,228	2,278	15,506
Additions	–	111	111
As at 31 December 2024 and 1 January 2025	13,228	2,389	15,617
Additions	–	3,221	3,221
As at 31 December 2025	13,228	5,610	18,838
Accumulated amortisation			
As at 1 January 2023	8,134	1,112	9,246
Provided for the year	1,126	187	1,313
As at 31 December 2023 and 1 January 2024	9,260	1,299	10,559
Provided for the year	1,057	305	1,362
As at 31 December 2024 and 1 January 2025	10,317	1,604	11,921
Provided for the year	938	727	1,665
As at 31 December 2025	11,255	2,331	13,586
Net book value			
As at 31 December 2023	3,968	979	4,947
As at 31 December 2024	2,911	785	3,696
As at 31 December 2025	1,973	3,279	5,252

	Patent	Computer software	Total
	RMB'000	RMB'000	RMB'000
Company			
Cost			
As at 1 January 2023, 31 December 2023, 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	12,100	370	12,470
Amortisation			
As at 1 January 2023	7,676	214	7,890
Provided for the year	1,019	26	1,045
As at 31 December 2023 and 1 January 2024	8,695	240	8,935
Provided for the year	944	26	970
As at 31 December 2024 and 1 January 2025	9,639	266	9,905
Provided for the year	828	26	854
As at 31 December 2025	10,467	292	10,759
Net book value			
As at 31 December 2023	3,405	130	3,535
As at 31 December 2024	2,461	104	2,565
As at 31 December 2025	1,633	78	1,711

23. RIGHT-OF-USE ASSETS

Details of the right-of-use assets recognised and movements during the years:

Group

	Land use rights	Sea area use rights	Land leased for wind and photovoltaic power generation	Right of use of other properties leased for own use	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cost:					
As at 1 January 2023	209,104	39,010	–	65,826	313,940
Acquisition of land use rights	52,545	–	–	–	52,545
Additions through entering of new lease contracts	–	–	–	89,707	89,707
Derecognition upon expiry of lease contracts	–	–	–	(301)	(301)
At 31 December 2023 and 1 January 2024	261,649	39,010	–	155,232	455,891
Disposal of land use rights	(77,118)	–	–	–	(77,118)
Acquisition of land use rights	33,514	–	–	–	33,514
Acquisition of sea area use rights	–	37,676	–	–	37,676
Additions through entering of new lease contracts	–	–	162,610	3,897	166,507
At 31 December 2024 and 1 January 2025	218,045	76,686	162,610	159,129	616,470
Derecognition upon expiry of lease contracts	–	–	–	(8,174)	(8,174)
Disposal of land use rights	(30,486)	–	–	–	(30,486)
Acquisition of land use rights	71,617	–	–	–	71,617
Acquisition of sea area use rights	–	65,782	–	–	65,782
Additions through entering of new lease contracts	–	–	11,226	17,139	28,365
Reclassification due to change of use	36,306	(37,276)	–	–	(970)
At 31 December 2025	295,482	105,192	173,836	168,094	742,604

	Land use rights	Sea area use rights	Land leased for wind and photovoltaic power generation	Right of use of other properties leased for own use	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Accumulated depreciation and impairment:					
As at 1 January 2023	19,848	8,849	—	12,415	41,112
Derecognition upon expiry of lease contracts	—	—	—	(301)	(301)
Charge for the year	6,056	806	—	18,234	25,096
As at 31 December 2023 and 1 January 2024	25,904	9,655	—	30,348	65,907
Disposals	(4,362)	—	—	—	(4,362)
Charge for the year	6,130	1,406	5,224	17,428	30,188
As at 31 December 2024 and 1 January 2025	27,672	11,061	5,224	47,776	91,733
Disposals	(1,778)	—	—	—	(1,778)
Charge for the year	6,008	1,985	7,658	17,847	33,498
Derecognition upon expiry of lease contracts	—	—	—	(8,174)	(8,174)
Derecognition upon reclassification of sea area use rights	—	(970)	—	—	(970)
As at 31 December 2025	31,902	12,076	12,882	57,449	114,309
Net book value:					
As at 31 December 2023	235,745	29,355	—	124,884	389,984
As at 31 December 2024	190,373	65,625	157,386	111,353	524,737
As at 31 December 2025	263,580	93,116	160,954	110,645	628,295

During the year ended 31 December 2025, certain sea area use rights with gross amounts of RMB37,276,000 and accumulated depreciation of RMB970,000 was reclassified to land use rights with initial gross amounts recognised of RMB36,306,000.

This reclassification resulted from a change in the substance of the underlying right. The Group completed land reclamation activities on the specified sea area and subsequently applied for and was granted a land use right for the newly formed land parcel. Consequently, the original right to use the sea area was effectively replaced by a new right to use the land.

Company

	Land use rights	Right of use of other properties leased for own use	Total
	RMB'000	RMB'000	RMB'000
Cost:			
As at 1 January 2023, 31 December 2023, 1 January 2024, 31 December 2024, 1 January 2025	65,088	8,175	73,263
Additions through entering of new lease contracts	—	4,281	4,281
Derecognition upon expiry of lease contracts	—	(8,174)	(8,174)
As at 31 December 2025	65,088	4,282	69,370
Accumulated depreciation and impairment:			
As at 1 January 2023	12,361	227	12,588
Charge for the year	1,306	2,725	4,031
As at 31 December 2023 and 1 January 2024	13,667	2,952	16,619
Charge for the year	1,306	2,725	4,031
As at 31 December 2024 and 1 January 2025	14,973	5,677	20,650
Derecognition upon expiry of lease contracts	—	(8,174)	(8,174)
Charge for the year	1,306	2,535	3,841
As at 31 December 2025	16,279	38	16,317

	Land use rights	Right of use of other properties leased for own use	Total
	RMB'000	RMB'000	RMB'000
Net book value:			
As at 31 December 2023.	51,421	5,223	56,644
As at 31 December 2024.	50,115	2,498	52,613
As at 31 December 2025.	48,809	4,244	53,053

For the years ended 31 December 2023, 2024 and 2025, the Group leases various office premises, land use rights and sea area use rights for its operations. Lease contracts are entered into for fixed term of more than 1 year to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable year, the Group applies the definition of a contract and determines the year for which the contract is enforceable. The land use rights of the Group and the Company are located in the Chinese Mainland of the PRC on the lease of 50 years. The leased land for wind and photovoltaic power generation are located in Chinese Mainland of the PRC on the lease of 26 years.

Restrictions or covenants on lease

Lease liabilities of approximately RMB89,707,000, RMB166,507,000 and RMB28,365,000 are recognised with related right-of-use assets of approximately RMB89,707,000, RMB166,507,000 and RMB28,365,000 as at 31 December 2023, 2024 and 2025, respectively. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases committed

As at 31 December 2023, 2024 and 2025, the Group did not enter into any new leases for leased buildings and machinery and equipment that have not yet commenced.

24. DEFERRED TAXATION

Group

The following is a summary of the deferred tax balances of the Group for financial reporting purposes:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Deferred tax assets	20,849	74,601	145,654
Deferred tax liabilities	(4,209)	(5,284)	(6,245)
	16,640	69,317	139,409

The followings are the major deferred tax assets and liabilities recognised and movements during the Track Record Period:

	Depreciation allowance	Right-of-use assets	Fair value adjustments of financial assets at FVTPL	Impairment allowance	Unused tax losses	Lease liabilities	Unrealised profit on intra-group transactions	Share-based payments	Deferred income	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2023	(19,614)	(3,887)	–	20,104	2,223	4,076	–	1,735	–	4,637
Credited/(charged) to profit or loss. . .	2,656	(25,296)	(329)	(278)	13,599	23,386	–	(122)	–	13,616
Charged to other reserve	–	–	–	–	–	–	–	(1,613)	–	(1,613)
As at 31 December 2023 and 1 January 2024 . .	(16,958)	(29,183)	(329)	19,826	15,822	27,462	–	–	–	16,640
Credited/(charged) to profit or loss. . .	1,919	(16,743)	329	12,063	34,295	19,036	1,778	–	–	52,677

	Depreciation allowance	Right-of-use assets	Fair value adjustments of financial assets at FVTPL	Impairment allowance	Unused tax losses	Lease liabilities	Unrealised profit on intra-group transactions	Share-based payments	Deferred income	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2024 and 1 January 2025 . . .	(15,039)	(45,926)	—	31,889	50,117	46,498	1,778	—	—	69,317
Credited/(charged) to profit or loss . . .	449	(1,208)	(70)	(116)	25,674	(3,219)	28,819	—	19,763	70,092
As at 31 December 2025	(14,590)	(47,134)	(70)	31,773	75,791	43,279	30,597	—	19,763	139,409

Note:

Deferred tax assets not recognised

Deferred tax assets should be recognised when it is probable that taxable profits or taxable temporary differences will be available against which the deferred tax asset can be utilised. Temporary differences will not be recognised as deferred tax assets if management estimates that they will not be recovered from taxable profits generated from continuing operations in the foreseeable future.

As at 31 December 2023, 2024 and 2025, the Group has unused tax losses of RMB20,087,000, RMB11,033,000 and RMB38,393,000, and deductible temporary difference of RMBNil, RMB34,867,000 and RMB69,195,000, respectively, available for offset against future profits. No deferred tax asset has been recognised for these tax losses and deductible temporary difference due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of RMB20,087,000, RMB11,033,000 and RMB38,393,000, respectively, will expire in 5 years from the respective dates of incurrence.

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Tax losses, if unused, will expire in			
– 2025	293	—	—
– 2026	777	—	—
– 2027	2,682	71	66
– 2028	16,335	4,647	300
– 2029	—	6,315	11,527
– 2030	—	—	26,500
	<u>20,087</u>	<u>11,033</u>	<u>38,393</u>

Company

The following is a summary of the deferred tax balances of the Company for financial reporting purposes:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Deferred tax assets	<u>4,302</u>	<u>9,301</u>	<u>10,020</u>

The followings are the major deferred tax assets and liabilities recognised and movements during the Track Record Period:

	Depreciation allowance	Right-of-use assets	Fair value adjustments of financial assets at FVTPL	Impairment allowance	Lease liabilities	Share-based payments	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2023	(4,138)	(1,192)	–	8,669	1,081	1,735	6,155
Credited/(charged) to profit or loss	477	409	(329)	(312)	(363)	(122)	(240)
Charged to other reserve	–	–	–	–	–	(1,613)	(1,613)
As at 31 December 2023 and 1 January 2024	(3,661)	(783)	(329)	8,357	718	–	4,302
Credited/(charged) to profit or loss	551	409	329	4,042	(332)	–	4,999
As at 31 December 2024 and 1 January 2025	(3,110)	(374)	–	12,399	386	–	9,301
Credited/(charged) to profit or loss	(927)	(686)	(70)	1,747	655	–	719
As at 31 December 2025	(4,037)	(1,060)	(70)	14,146	1,041	–	10,020

25. FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE

(a) Financial assets at FVTPL

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Financial assets at FVTPL – current			
– Structured deposits (<i>Note (i)</i>)	982,191	–	550,278
– Derivative financial instruments (<i>Note (ii)</i>)	21,482	–	–
	<u>1,003,673</u>	<u>–</u>	<u>550,278</u>
Company			
Financial assets at FVTPL – current			
– Structured deposits (<i>Note (i)</i>)	982,191	–	550,278
	<u>982,191</u>	<u>–</u>	<u>550,278</u>

Notes:

(i) Structured deposits

The Group and the Company entered into series of structured contracts with banks and other financial institutions in the PRC. The investments are yield enhancement deposits with expected but not guaranteed rates of return. The expected rates of return ranged from 1.42% to 2.55%, 1.42% to 2.55% and 1.00% to 2.03%, per annum for the years ended 31 December 2023, 2024 and 2025, respectively, which were determined by reference to the returns of the underlying investments. The directors of the Company considered the structured deposits shall be classified as financial assets at FVTPL and the amount paid for the structured deposits approximates its fair value at the end of each reporting period.

(ii) Derivative financial instruments

The Group also entered into several foreign exchange forward contracts with banks in order to manage the Group's foreign currency exposure in relation to EUR against RMB and did not elect to adopt hedge accounting for those contracts. There was no such instruments as at 31 December 2024 and 2025. The major terms of these contracts as at 31 December 2023 as follows:

Group

	Outstanding foreign currency forward contracts	Average strike rate	Foreign currency	Notional value	Assets at fair value
			EUR'000	RMB'000	RMB'000
As at 31 December 2023	Buy EUR				
	Less than 3 months	7.35:1	48,000	331,526	21,482

Please also refer to Note 25(c) for details.

(b) Financial assets at FVTOCI

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Financial assets at FVTOCI – current			
Bills receivable measured at FVTOCI			
(Note (i))	289,715	254,167	361,882
	<u> </u>	<u> </u>	<u> </u>
	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Financial assets at FVTOCI – current			
Bills receivable measured at FVTOCI			
(Note (i))	110,392	103,242	130,790
	<u> </u>	<u> </u>	<u> </u>

Note:

- (i) Certain bills held by the Group and the Company for the practice of discounting/endorsing to financial institutions/suppliers before the bills maturity date were classified as “bills receivable measured at FVTOCI” under financial assets at FVTOCI in the consolidated statements of financial position. At the end of each reporting period, all the bills are with a maturity period of less than 12 months. The Group and the Company consider the credit risk is limited because counterparties are financial institutions with good credit standing and are highly likely to be paid, and the ECL are considered as insignificant.

Transfer of all derecognised financial assets

During the Track Record Period, the Group and the Company (i) endorsed certain bills receivable for the settlement of trade and other payables; and (ii) discounted certain bills receivable to banks for raising of cash. In the opinion of the directors, the Group and the Company have transferred the significant risks and rewards relating to these bills receivable, and the Group's and the Company's obligations to the corresponding counterparties were discharged in accordance with the commercial practice in the PRC and the risk of default in payment of the endorsed and discounted bills receivable is low because all endorsed and discounted bills receivable are issued and guaranteed by the reputable PRC banks. As a result, the relevant assets and liabilities were not recognised in the Historical Financial Information.

The maximum exposure to the Group that may result from the default of these endorsed and discounted bills receivable at the end of each reporting period are RMB795,763,000, RMB861,415,000 and RMB994,345,000, respectively.

The maximum exposure to the Company that may result from the default of these endorsed and discounted bills receivable at the end of each reporting period are RMB222,211,000, RMB296,597,000 and RMB274,466,000, respectively.

(c) Financial liabilities at FVTPL

The Group's derivative financial instruments are measured at fair value and are summarised below:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Derivative financial instruments	21,482	—	—
	<u> </u>	<u> </u>	<u> </u>

Note:

The Group also entered into several foreign exchange forward contracts with banks in order to manage the Group's foreign currency exposure in related to EUR against RMB and did not elect to adopt hedge accounting for those contracts. There was no such instruments as at 31 December 2024 and 2025. The major terms of these contracts as at 31 December 2023 as follows:

Group

	Outstanding foreign currency forward contracts	Average strike rate	Foreign currency	Notional value	Liabilities at fair value
			EUR'000	RMB'000	RMB'000
As at 31 December 2023	Sell EUR				
	Less than 3 months	7.35:1	48,000	331,526	(21,482)

The Group uses foreign exchange risk contracts to manage its exposure to foreign exchange rate fluctuations, mainly to mitigate the currency risk of cash and cash equivalents that denominated in foreign currency.

26. INVENTORIES

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Raw materials	342,366	390,509	343,400
Work in progress	703,022	788,114	602,562
Finished goods	500,142	743,403	735,714
Goods in transits	–	162,453	498,826
Less: provision for inventory impairment	–	–	(5,935)
Total	<u>1,545,530</u>	<u>2,084,479</u>	<u>2,174,567</u>
	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Raw materials	63,562	87,908	30,719
Work in progress	93,727	39,473	–
Finished goods	165,915	105,994	61,466
Less: provision for inventory impairment.	–	–	(5,935)
Total	<u>323,204</u>	<u>233,375</u>	<u>86,250</u>

27. TRADE AND BILLS RECEIVABLES

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Trade receivables			
– Third parties	1,742,710	1,490,679	1,192,811
Bills receivables	41,219	63,576	46,318
Total trade and bills receivables	<u>1,783,929</u>	<u>1,554,255</u>	<u>1,239,129</u>
Less: allowance for impairment			
– Trade receivables	(113,273)	(181,057)	(135,495)
– Bills receivable	(1,031)	(3,988)	(2,548)
Total allowance for impairment for trade and bills receivables.	<u>(114,304)</u>	<u>(185,045)</u>	<u>(138,043)</u>
Total trade and bills receivables, net	<u>1,669,625</u>	<u>1,369,210</u>	<u>1,101,086</u>

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Trade receivables			
– Third parties	726,107	619,231	174,980
– Related parties (<i>note</i>)	280,617	111,000	90,638
	1,006,724	730,231	265,618
Bills receivable	–	36,993	2,400
Total trade and bills receivables	1,006,724	767,224	268,018
Less: allowance for impairment			
– Trade receivables	(52,493)	(71,709)	(45,901)
– Bills receivable	–	(3,162)	(1,200)
Total allowance for impairment for trade and bills receivables	(52,493)	(74,871)	(47,101)
Total trade and bills receivables, net	954,231	692,353	220,917

Note: All the trade receivables from related parties were receivables from the subsidiaries of the Company.

Certain trade and bills receivables are pledged as security for the Group's borrowings, details are disclosed in Note 41 to the Historical Financial Information.

The Group generally allows a credit period of generally 30-180 days to its customers. The following is aging analysis of trade and bills receivables (net of allowance for impairment losses), presented based on the dates of revenue recognition, at the end of each financial period during the Track Record Period:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Within 1 year	1,149,484	820,095	933,229
1 to 2 years	577,029	339,941	67,049
2 to 3 years	47,090	367,601	92,423
Over 3 years	10,326	26,618	146,428
	1,783,929	1,554,255	1,239,129
Less: loss allowance for trade and bills receivables	(114,304)	(185,045)	(138,043)
	1,669,625	1,369,210	1,101,086

Movements in lifetime ECL that have been recognised for trade and bills receivables in accordance with the simplified approach set out in IFRS 9 for the years ended 31 December 2023, 2024 and 2025:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
At the beginning of year	(114,027)	(114,304)	(185,045)
(Provision)/reversal for the year	(277)	(70,741)	47,002
At the end of year	(114,304)	(185,045)	(138,043)

The Company generally allows a credit period of generally 30-180 days to its customers. The following is aging analysis of trade and bills receivables (net of allowance for impairment losses), presented based on the dates of revenue recognition, at the end of each financial period during the Track Record Period:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Within 1 year	747,846	442,560	158,895
1 to 2 years	234,267	187,930	9,929
2 to 3 years	14,941	132,120	46,808
Over 3 years	9,670	4,614	52,386
	<u>1,006,724</u>	<u>767,224</u>	<u>268,018</u>
Less: loss allowance for trade and bills receivables	<u>(52,493)</u>	<u>(74,871)</u>	<u>(47,101)</u>
	<u>954,231</u>	<u>692,353</u>	<u>220,917</u>

Movement in lifetime ECL that has been recognised for trade and bills receivables of the Company in accordance with the simplified approach set out in IFRS 9 for the years ended 31 December 2023, 2024 and 2025:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
At the beginning of year	(46,833)	(52,493)	(74,871)
(Provision)/reversal for the year	<u>(5,660)</u>	<u>(22,378)</u>	<u>27,770</u>
At the end of year	<u>(52,493)</u>	<u>(74,871)</u>	<u>(47,101)</u>

28. PREPAYMENTS AND OTHER RECEIVABLES

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Non-current			
Prepayment on construction and equipment	1,790	196,453	527,091
Certificate of deposits purchased	112,175	10,000	10,000
	<u>113,965</u>	<u>206,453</u>	<u>537,091</u>
Current			
Prepayments (Note (i))	291,472	558,202	440,469
Deposits paid	12,214	34,219	44,913
Consideration receivables from disposal of subsidiaries	12,801	—	4,500
Interest receivables	—	2,758	632
Certificate of deposits purchased	—	50,000	10,000
Listing expenses to be deducted from equity . . .	—	—	15,952
Prepaid corporate income tax	3,132	818	8,551
Other tax receivables (Note (ii))	201,205	237,261	602,782
Less: ECL allowance	<u>(4,282)</u>	<u>(3,612)</u>	<u>(697)</u>
	<u>516,542</u>	<u>879,646</u>	<u>1,127,102</u>
Total	<u>630,507</u>	<u>1,086,099</u>	<u>1,664,193</u>

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Non-current			
Certificate of deposits purchased	112,175	10,000	–
Current			
Prepayments (<i>Note (i)</i>)	32,464	40,857	7,154
Other receivables	–	–	2,189
Amounts due from subsidiaries	1,485,871	3,112,165	3,347,945
Deposits paid	9,040	30,462	13,422
Interest receivables	–	2,758	632
Certificate of deposits purchased	–	50,000	10,000
Listing expenses to be deducted from equity	–	–	15,952
Prepaid corporate income tax	1,206	–	7,178
Other tax receivables (<i>Note (ii)</i>)	30,193	7,347	1,242
Less: ECL allowance	(2,044)	(2,776)	(52)
	1,556,730	3,240,813	3,405,662
Total	1,668,905	3,250,813	3,405,662

Notes:

- (i) Prepayments mainly represent the amount paid to suppliers of inventories to secure the inventory supply. These advance payments are expected to be realised within twelve months from the end of the reporting period.
- (ii) The amounts represent prepaid tax and surcharges levied.

The movements on the ECL allowance of deposits and other receivables are as follows:

	Stage 1	Stage 2	Stage 3
	RMB'000	RMB'000	RMB'000
Group			
As at 1 January 2023	(3,300)	–	(197)
Provision for the year	(785)	–	–
As at 31 December 2023 and 1 January 2024	(4,085)	–	(197)
Reversal for the year	670	–	–
As at 31 December 2024 and 1 January 2025	(3,415)	–	(197)
Reversal for the year	2,718	–	63
Written off	–	–	134
As at 31 December 2025	(697)	–	–
	Stage 1	Stage 2	Stage 3
	RMB'000	RMB'000	RMB'000
The Company			
As at 1 January 2023	(1,393)	–	–
Provision for the year	(651)	–	–
As at 31 December 2023 and 1 January 2024	(2,044)	–	–
Provision for the year	(732)	–	–
As at 31 December 2024 and 1 January 2025	(2,776)	–	–
Reversal for the year	2,724	–	–
As at 31 December 2025	(52)	–	–

29. CASH AND BANK BALANCES AND RESTRICTED CASH

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Current assets			
Pledged deposits (<i>Note (ii)</i>)	58,944	32,569	99,516
Cash and bank balances (<i>Note (i)</i>)	1,901,629	2,836,454	2,855,774
	<u>1,960,573</u>	<u>2,869,023</u>	<u>2,955,290</u>

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Current assets			
Pledged deposits (<i>Note (ii)</i>)	42,828	28,832	7,430
Cash and bank balances (<i>Note (i)</i>)	1,094,093	221,655	610,424
	<u>1,136,921</u>	<u>250,487</u>	<u>617,854</u>

Notes:

- (i) At the end of each reporting period, cash and bank balances of the Group comprised of bank balances and cash held. Bank balances carried interest at prevailing market rates which are 0.75%, 0.05% and 0.05% per annum as at 31 December 2023, 2024 and 2025, respectively.
- (ii) Certain restricted cash is pledged as security for the Group's borrowings, details are disclosed in Note 41 to the Historical Financial Information.

30. TRADE AND BILLS PAYABLES

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Trade payables			
– Third parties	345,159	414,577	463,672
Bills payables	1,053,286	1,139,590	1,039,516
	<u>1,398,445</u>	<u>1,554,167</u>	<u>1,503,188</u>

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Trade payables			
– Third parties	558,729	487,773	140,296
Bills payables	404,914	156,105	88,296
	<u>963,643</u>	<u>643,878</u>	<u>228,592</u>

The credit period granted by suppliers is generally within 90 days. The following is an aging analysis of our trade and bills payables on the date of incurrence of payables as of dates indicated.

	As of December 31		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	1,351,436	1,485,594	1,466,133
1 to 2 years	40,063	39,843	20,847
2 to 3 years	1,031	22,061	10,604
Over 3 years	5,915	6,669	5,604
Total	1,398,445	1,554,167	1,503,188

31. CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Contract assets	320,277	300,940	237,369
Less: ECL allowance	(12,561)	(22,205)	(28,072)
Total	307,716	278,735	209,297

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Contract assets	22,118	78,065	43,382
Less: ECL allowance	(1,177)	(5,015)	(3,497)
Total	20,941	73,050	39,885

Contract assets are primarily arise from manufacturing and sales of wind power equipment. Contract assets represent the rights to receive considerations for the transfer of goods to customers that are not yet unconditional.

The Group allows customers to retain a certain percentage of the contract value in retention period. This amount is included in “contract assets” as the Group’s entitlement to this final payment is conditional on the Group’s satisfactory work until the end of retention period.

The expected timing of recovery or settlement for contract assets as at the end of the Track Record Period are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Within one year	175,602	119,730	99,684
After one year	144,675	181,210	137,685
Total	320,277	300,940	237,369

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Within one year	9,286	38,945	14,524
After one year	12,832	39,120	28,858
Total	22,118	78,065	43,382

Details of the impairment assessment of contract assets are set out in Note 48.

(b) Contract liabilities

Contract liabilities represent the obligation to transfer goods to customers in consideration of payments received or receivable from customers. Contract liabilities are incurred when the payment schedule agreed under the contract is ahead of the performance of contract obligations.

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Contract liabilities			
– Third parties	588,996	1,388,936	1,608,629

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Contract liabilities			
– Third parties	72,647	69,730	29,990

Changes in contract liabilities primarily relate to the Group's and the Company's performance of services under the contracts. It is classified as current because the Group and the Company expected to settle them in its normal operating cycle. Revenue of RMB621,229,000, RMB482,019,000 and RMB1,278,438,000 of the Group were recognised for the years ended 31 December 2023, 2024 and 2025 that were included in the contract liabilities at the beginning of the relevant years, respectively. Revenue of RMB112,512,000, RMB30,896,000 and RMB64,537,000 of the Company were recognised for the years ended 31 December 2023, 2024 and 2025 that were included in the contract liabilities at the beginning of the relevant years, respectively.

32. OTHER PAYABLES AND ACCRUALS

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Group			
Non-current			
Other payables	108,681	161,361	145,227
Current			
Construction and equipment payables	333,173	340,330	358,848
Employee benefits payables	11,025	30,821	100,291
Other taxes payable	42,280	48,842	37,433
Retention money payable	28,263	35,345	58,425
Others	139	399	–
	414,880	455,737	554,997

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Company			
Non-current			
Other payables	108,681	108,681	108,681
Current			
Construction and equipment payables	5,999	5,252	2,082
Employee benefits payables	2,124	1,814	3,926
Other taxes payable	11,840	11,340	6,283
Retention money	8,679	10,918	5,920
Amounts due to subsidiaries	22,000	66,012	1,141,332
	50,642	95,336	1,159,543

33. BORROWINGS

Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current portion			
Bank borrowings, secured (<i>Note (i)</i>)	462,410	83,433	142,137
Bank borrowings, unsecured (<i>Note (ii)</i>)	9,770	—	468,642
	472,180	83,433	610,779
Non-current portion			
Bank borrowings, secured (<i>Note (i)</i>)	—	264,968	1,265,173
Bank borrowings, unsecured (<i>Note (ii)</i>)	—	—	16,960
	—	264,968	1,282,133
Total borrowings	472,180	348,401	1,892,912

Total current and non-current borrowings were scheduled to repay as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
On demand or within one year	472,180	83,433	610,779
More than one year, but not exceeding two years	—	60,693	172,466
More than two years, but not exceeding five years	—	141,722	494,519
Over five years	—	62,553	615,148
	472,180	348,401	1,892,912

The Group's banking facilities do not contain any financial covenants. Accordingly, there are no covenant compliance requirements or associated breach risks that would accelerate repayment of the loans classified as non-current liabilities.

Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current			
Bank borrowings, secured (<i>Note (i)</i>)	67,989	34,031	–
Bank borrowings, unsecured (<i>Note (ii)</i>)	–	–	183,324
	<u>67,989</u>	<u>34,031</u>	<u>183,324</u>
Non-current			
Bank borrowings, unsecured (<i>Note (ii)</i>)	–	–	16,960
Total borrowings	<u>67,989</u>	<u>34,031</u>	<u>200,284</u>

Total current and non-current borrowings were scheduled to repay as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
On demand or within one year	67,989	34,031	183,324
More than one year, but not exceeding two years.	–	–	16,960
	<u>67,989</u>	<u>34,031</u>	<u>200,284</u>

The carrying amounts of the Group's and the Company's current interest-bearing bank borrowing approximate to their fair values.

Notes:

- (i) The Group has pledged certain collateral, including property, plant and equipment, right-of-use assets, construction in progress, trade and bills receivables, bills receivables at FVTOCI, restricted cash and future electricity tariff collection rights, to aggregate banking facilities acquired from the bankers (refer to Note 41), of which RMB462,410,000, RMB348,401,000 and RMB1,407,310,000 were utilised as at 31 December 2023, 2024 and 2025 respectively.
- (ii) At 31 December 2023, 2024 and 2025, the Group had banking facilities with no security to the extent of RMB9,770,000, RMB Nil and RMB485,602,000, respectively. The aforesaid bank loans outstanding as at 31 December 2023, 2024 and 2025 were RMB9,770,000, RMBNil and RMB485,602,000, respectively.

34. LEASE LIABILITIES

Group	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Total minimum lease payment			
Within 1 year	34,703	4,944	37,570
After 1 year but within 5 years	74,577	81,117	93,811
After 5 years	31,423	211,619	187,281
	<u>140,703</u>	<u>297,680</u>	<u>318,662</u>
Less: Future interest expenses on lease liabilities.	(21,831)	(90,405)	(86,703)
Present value of lease liabilities	<u>118,872</u>	<u>207,275</u>	<u>231,959</u>

Company	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Total minimum lease payment			
Within 1 year	2,892	2,651	2,467
After 1 year but within 5 years	2,169	–	1,850
	5,061	2,651	4,317
Less: Future interest expenses on lease liabilities.	(272)	(72)	(153)
Present value of lease liabilities	4,789	2,579	4,164

The following table shows the remaining contractual maturities of the Group's and the Company's lease liabilities at the end of each reporting period:

Group	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Present value of minimum lease payments:			
Within 1 year	30,779	4,190	33,627
After 1 year but within 5 years	61,671	50,196	84,238
After 5 years	26,422	152,889	114,094
	118,872	207,275	231,959
Less: portion due within one year included under current liabilities	(30,779)	(4,190)	(33,627)
Portion due after one year included under non-current liabilities	88,093	203,085	198,332

Company	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Present value of minimum lease payments:			
Within 1 year	2,692	2,579	2,356
After 1 year but within 5 years	2,097	–	1,808
	4,789	2,579	4,164
Less: portion due within one year included under current liabilities	(2,692)	(2,579)	(2,356)
Portion due after one year included under non-current liabilities	2,097	–	1,808

The total cash outflows for the leases including short-term leases for the years ended 31 December 2023, 2024 and 2025 were RMB5,818,000, RMB87,287,000 and RMB25,516,000, respectively.

35. DEFERRED INCOME

Group

	Assets Related
	RMB'000
Non-current	
At 1 January 2023	179,523
Reclassified to current portion	(4,640)
At 31 December 2023 and 1 January 2024	174,883
Reclassified to current portion	(3,604)
Released upon termination of a government subsidy plan (<i>Note (ii)</i>)	(48,058)
At 31 December 2024 and 1 January 2025	123,221
Addition	79,623
Reclassified to current portion	(3,604)
At 31 December 2025	199,240

	Assets Related
	RMB'000
Current	
At 1 January 2023.	4,640
Reclassified from non-current portion.	4,640
Release to profit or loss	(4,640)
At 31 December 2023 and 1 January 2024.	4,640
Reclassified from non-current portion.	3,604
Release to profit or loss	(3,604)
Released upon termination of a government subsidy plan (<i>Note (ii)</i>)	(1,036)
At 31 December 2024 and 1 January 2025.	3,604
Addition.	2,927
Reclassified from non-current portion.	3,604
Release to profit or loss	(3,604)
At 31 December 2025	6,531

Notes:

- (i) The amounts primarily consist of incentives provided by local authorities. These funds are recognised as deferred income and systematically released to profit or loss over the estimated useful lives of the related property, plant and equipment or the designated period. For grants related to expense, the amounts received are recognised in profit or loss over the periods necessary to match them with the related costs they are intended to compensate.
- (ii) In 2021, a subsidiary of the Company acquired a land use right for the Construction Project, with cumulative payments of RMB77,118,000. In the same year, the subsidiary received government grants totaling RMB51,250,000 related to the Construction Project. The government grants were initially recognised as deferred income and amortised to profit or loss over the useful life of the land use right.

During the year ended 31 December 2024, urban rebuilding plan, PRC government repurchased the land use right with net carrying amounts of RMB72,756,000 with total consideration of RMB30,560,000 and discharged the Group's obligation to the deferred income with unamortised balance of RMB49,094,000. As a result, the Group recognised a gain on disposal of land use right of RMB6,898,000.

36. PROVISIONS AND CONTINGENCIES

The Group provides standard warranties on products sold, assuring compliance with agreed specifications. No material provision for warranty or after-sale service costs has been recognised as of the reporting dates, as estimated settlement amounts are immaterial to the Historical Financial Information.

Litigation with China Gezhouba Group Electric Power Co., Ltd. ("GZB")

In December 2025, GZB initiated a lawsuit against the Group's subsidiary, CWX Electricity, in the Liaoning Fuxin Intermediate Court. GZB claimed outstanding contract payments of RMB496.4 million and contract variation charges of RMB76.2 million, plus interest, related to a contract for a wind farm project. GZB also applied for property preservation, resulting in the freezing of certain bank deposits and equity interests held by the Group's subsidiaries.

Subsequently, in December 2025, CWX Electricity filed a counterclaim against GZB, seeking compensation of approximately RMB128.7 million for alleged breaches of contract, unresolved engineering defects, and failure to complete required project certifications, which have prevented the final completion settlement.

The first court hearing was held in January 2026. The Group, based on internal assessment and legal advice, contends that a significant portion of the settlement amount claimed by GZB relates to works not performed by GZB and the supporting documentation for the variation claims lacks credibility. The Group is actively defending its position and pursuing its counterclaim.

As at 31 December 2025, and up to the date these accountant's report were authorised for issue, the court has not issued a verdict. Considering the strong grounds for dispute, the existence of the counterclaim, and the preliminary stage of the legal proceedings, the Group concludes that it is not probable that an outflow of economic benefits will be required to settle this matter. Accordingly, no provision has been made in the financial statements in respect of this litigation.

37. SHARE CAPITAL AND TREASURY SHARES

(a) Share Capital

	Number of ordinary shares	Authorised shares	Issued and paid shares
		RMB'000	RMB'000
Group and Company			
Ordinary shares of RMB1.00 each			
As at 31 December 2023, 2024 and 2025	637,749,349	637,749	637,749

(b) Treasury Shares

Group and Company

	Year ended 31 December					
	2023		2024		2025	
	Number of shares	RMB'000	Number of shares	RMB'000	Number of shares	RMB'000
Balance brought forward	300,000	843	–	–	–	–
Reversal upon fulfillment of vesting conditions	(300,000)	(843)	–	–	–	–
Balance carried forward	–	–	–	–	–	–

38. RESERVES

Reserve movement of the Company:

	Share capital	Share premium	Treasury shares	PRC statutory reserve	Other reserve	Retained earnings	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at							
1 January 2023	637,749	3,804,181	(843)	90,580	2,429	686,843	5,220,939
Profit for the year	–	–	–	–	–	38,419	38,419
Total comprehensive income for the year	–	–	–	–	–	38,419	38,419
Share-based payment expenses	–	–	–	–	163	–	163
PRC tax effect on share-based payment	–	868	–	–	(1,613)	–	(745)
Vesting of restricted shares	–	979	–	–	(979)	–	–
Derecognition of repurchase liabilities upon vesting of restrict shares	–	–	843	–	–	–	843
Profit appropriation	–	–	–	3,842	–	(3,842)	–
2022 final dividend paid	–	–	–	–	–	(17,857)	(17,857)
Balance as at							
31 December 2023	637,749	3,806,028	–	94,422	–	703,563	5,241,762

APPENDIX I

ACCOUNTANTS' REPORT

	Share capital	Share premium	PRC statutory reserve	Retained earnings	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2024	637,749	3,806,028	94,422	703,563	5,241,762
Profit for the year	—	—	—	38,913	38,913
Total comprehensive income for the year	—	—	—	38,913	38,913
Profit appropriation	—	—	3,891	(3,891)	—
2023 final dividend paid	—	—	—	(116,070)	(116,070)
Balance as at 31 December 2024	637,749	3,806,028	98,313	622,515	5,164,605

	Share capital	Share premium	PRC statutory reserve	Retained earnings	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2025	637,749	3,806,028	98,313	622,515	5,164,605
Profit for the year	—	—	—	(16,978)	(16,978)
Total comprehensive income for the year	—	—	—	(16,978)	(16,978)
2024 final dividend paid	—	—	—	(51,020)	(51,020)
2025 interim dividend paid	—	—	—	(54,846)	(54,846)
Balance as at 31 December 2025	637,749	3,806,028	98,313	499,671	5,041,761

Notes:

(i) Share premium:

The amount represents capital contribution in excess of nominal value of share capital.

(ii) Treasury shares:

It represents the shares bought back by the Company which reduce the number of outstanding shares on the open market.

(iii) PRC statutory reserve:

The amount represents the statutory reserve of the Company in the PRC. Pursuant to applicable PRC regulations, PRC entity is required to appropriate 10% of its profit after tax (after offsetting prior year losses) to the statutory reserve until such reserve reaches 50% of its registered capital. Transfers to this reserve must be made before distribution of dividends to shareholders. Upon approval by relevant authorities, the statutory reserve can be utilised to offset the accumulated losses or to increase the paid-up capital of the relevant entity.

(iv) Exchange reserve:

The amount represents gains/losses arising from retranslating the net assets of foreign operations into the presentation currency of the Group.

(v) Other reserve:

The amount represents the cumulative tax effect arising from temporary differences associated with share-based payment transactions.

The PRC corporate income tax allows the tax deduction at vesting date for the difference between the fair value per share at vesting date and the exercise price of the share awarded. The temporary difference arising from the exceed of the above deductible amount over the intrinsic value of the share awarded are recognised directly in other reserve. Other reserve does not constitute distributable profits.

(vi) Retained earnings:

The amount represents cumulative net gains and losses recognised in profit or loss.

39. SHARE-BASED PAYMENT**Restricted Share Scheme**

The Company adopted the restricted share scheme for the primary purpose of attracting, retaining and motivating the directors and employees of the Group.

2020 Restricted Share Incentive Plan

The Group adopted the 2020 Restricted Share Incentive Plan ("2020 Plan"), approved by shareholders on 1 July 2020, to further align employee incentives with long-term performance objectives. An initial grant of 1.00 million shares was awarded on 1 July 2020, at an exercise price of RMB2.81 per share. The 2020 Plan contains vesting conditions, and vested in 3 tranches of 40%, 30% and 30% over fulfillment of 12, 24 and 36 months service period, and also contains performance conditions based on compound annual growth in net profit attributable to shareholders. All tranches under the 2020 Plan were fully vested on 27 September 2023. The forfeited unvested shares due to employees failure to meet the performance conditions were repurchased and cancelled.

Set out below are details of the movements of the restricted shares granted under the 2017 Plan and 2020 Plan during the Track Record Period:

	Year ended 31 December		
	2023	2024	2025
	Number	Number	Number
At beginning of the year	300,000	—	—
Vested during the year	(300,000)	—	—
Forfeited during the year	—	—	—
At end of the year	—	—	—

The fair value of the awarded shares at grant date was calculated based on the market price of the Company's shares at the respective grant date deducted by the respective exercise price.

During the year ended 31 December 2023, 2024 and 2025, the Company recognised expenses for the services rendered during the vesting period under the Restricted Share Scheme of approximately RMB163,000, RMBNil and RMBNil, respectively.

40. FINANCIAL GUARANTEE CONTRACT

The Group has not provided any financial guarantees to third parties as of the reporting dates.

41. PLEDGED ASSETS

At the end of each reporting period, the Group's certain assets have been pledged to secure bills payables, borrowings and banking facilities granted to the Group. The carrying amounts of the pledged assets of the Group at the end of each reporting period are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Property, plant and equipment	74,442	—	—
Right-of-use assets	42,660	—	—
Trade and bills receivables	—	31,592	—
Bills receivables at FVTOCI	46,232	58,728	49,499
Restricted cash	58,944	32,569	99,516
Others (Note).	—	264,968	717,136
	<u>222,278</u>	<u>387,857</u>	<u>866,151</u>

Note: The Group pledged a portion of its future electricity tariff collection rights of its wind farms as collateral to provide security for certain bank loans. The subject matter of the pledge is the future trade receivables generated under the power purchase and sale contract. As at 31 December 2023, 2024 and 2025, the amounts of pledged future electricity tariff collection rights are RMB Nil, RMB264,968,000 and RMB717,136,000, respectively.

42. DISPOSAL OF SUBSIDIARIES

On 16 July 2025, the Group, through Beijing Jinyin Capital Management Co., Ltd. which is a wholly-owned subsidiary of the Company, entered into a sales and purchase agreement with an independent third party to dispose 100% equity interest in Tangshan Chengchi New Energy Technology Co., Ltd. ("TS Chengchi") in consideration (net of tax) of approximately RMB45,510,000. TS Chengchi holds an 100% owned subsidiary which is in the process of application of solar energy power generation license. The transaction was completed on 23 July 2025 when the Group lost its control on the group of subsidiaries being disposed.

An analysis of the financial information of the disposed company as at the date of disposal is as follows:

	<i>RMB'000</i>
Net assets disposed of:	
Construction in progress	201
Other receivables	35
Cash and cash equivalents	273
Sub-total	509
Add: Tax payable arising from the disposal	2,547
Add: Gain on disposal	42,454
Total consideration	45,510
Satisfied by:	
Cash	41,010
Consideration receivable	4,500

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of the subsidiaries during current and prior years is as follows:

	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Net cash inflows from collection of consideration receivables in respect of disposal of subsidiaries in prior years			
Consideration received during the year	67,725	11,300	–
Net cash inflows from disposal of subsidiaries during the year ended 31 December 2025			
Cash and cash equivalents disposed of	–	–	(273)
Consideration received	–	–	41,010
Net outflows of cash and cash equivalents included in cash flows from investing activities	67,725	11,300	40,737

43. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities for the Track Record Period is as follows:

	Borrowings	Lease liabilities
	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2023	1,389,138	27,176
Cash flows movements		
Proceeds from bank and other borrowings	9,762	–
Repayment of bank and other borrowings	(974,982)	–
Interest paid for bank and other borrowings	(21,677)	–
Capital and interest element of lease rentals paid	–	(5,818)
	(986,897)	(5,818)
Non-cash flows movements		
Finance cost	9,683	4,156
Finance cost capitalised in construction in progress	13,959	3,651
Entering of new lease contracts	–	89,707
Settlement of construction fee payable with borrowings	46,297	–
	69,939	97,514
As at 31 December 2023 and 1 January 2024	472,180	118,872

	Borrowings	Lease liabilities
	RMB'000	RMB'000
Cash flows movements		
Proceeds from bank and other borrowings	354,401	–
Repayment of bank and other borrowings	(470,429)	–
Interest paid for bank and other borrowings	(4,317)	–
Capital and interest element of lease rentals paid	–	(87,287)
	<u>(120,345)</u>	<u>(87,287)</u>
Non-cash flows movements		
Finance cost	1,291	4,342
Finance cost capitalised in construction in progress	1,812	4,841
Entering of new lease contracts	–	166,507
Derecognition of borrowings and respective bills receivables discounted to the bank upon maturity (Note 43(b))	(6,537)	–
	<u>(3,434)</u>	<u>175,690</u>
As at 31 December 2024 and 1 January 2025	<u>348,401</u>	<u>207,275</u>
Cash flows movements		
Proceeds from bank and other borrowings	1,853,127	–
Repayment of bank and other borrowings	(282,156)	–
Interest paid for bank and other borrowings	(31,771)	–
Capital and interest element of lease rentals paid	–	(14,734)
	<u>1,539,200</u>	<u>(14,734)</u>
Non-cash flows movements		
Finance cost	26,957	5,243
Finance cost capitalised in construction in progress	6,933	5,810
Entering of new lease contracts	–	28,365
Derecognition of borrowings and respective bills receivables discounted to the bank upon maturity (Note 43(b))	(28,579)	–
	<u>5,311</u>	<u>39,418</u>
As at 31 December 2025	<u>1,892,912</u>	<u>231,959</u>

(b) Non-cash transactions

In addition to non-cash transactions disclosed in other notes to the Historical Financial Information, the Group has following material non-cash transactions during the track record period:

Settlement of construction fee payable with borrowings

During the years ended 31 December 2023, certain construction fee amounting to RMB46,297,000, which were related to construction of wind power equipments on CWX Dajin wind farm, were settled through finance arrangements.

Derecognition of borrowings and respective bills receivables discounted to the bank upon maturity

Certain bills receivables held by the Group and the Company were discounted to financial institutions before maturity dates for raising of cash. Those bills receivables discounted did not fulfil the derecognition criteria, and continue to be recognised as bills receivable of the Group. The amounts of cash raised from discounting of those bills receivables were recognised as borrowings of the Group. Those borrowings and respective bills discounted were derecognised simultaneously at maturity of the bills receivables when the financial institutions get payment from the issuers of the bills.

During the years ended 31 December 2023, 2024 and 2025, certain borrowings amounting to RMBNil, RMB6,537,000 and RMB28,579,000, respectively, resulted from above bills discounting were derecognised with same amounts of bills receivables at maturity date.

44. COMMITMENTS

(a) Capital commitments

At the end of each reporting period, capital commitments contracted but not provided for in the Historical Financial Information are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Contracted, but not provided for, net of deposit/investment paid:			
Construction in progress	32,329	627,914	2,981,089

45. RELATED PARTY TRANSACTIONS AND BALANCES

Except for compensation to key management personnel, the Group had no material related party transactions during the reporting periods, and no material balances with related parties existed at the end of the reporting dates.

Compensation of key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

The remuneration of the directors of the Company and other members of key management of the Group during the Track Record Period were as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Directors' fee, salaries and other benefits	5,169	6,791	9,835
Retirement benefit scheme contributions	306	276	334
	5,475	7,067	10,169

The remuneration of key management is determined with reference to the performance of the individuals and market trends.

46. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each financial instrument at the end of each reporting period are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Financial assets			
Financial assets at amortised costs			
– trade and bills receivables	1,669,625	1,369,210	1,101,086
– deposit and other receivables	33,653	96,600	64,689
– bank balances, deposit and cash	1,960,573	2,869,023	2,955,290
Financial assets at FVTPL			
– structured deposits	982,191	–	550,278
Financial assets at FVTOCI			
– bills receivables at FVTOCI	289,715	254,167	361,882
Derivative financial instruments	21,482	–	–
	4,957,239	4,589,000	5,033,225

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Financial liabilities			
Financial liabilities at amortised costs			
– trade and bills payables	1,398,445	1,554,167	1,503,188
– other payables and accruals	361,575	376,074	417,273
– borrowings	472,180	348,401	1,892,912
– lease liabilities	118,872	207,275	231,959
Derivative financial instruments	21,482	–	–
	<u>2,372,554</u>	<u>2,485,917</u>	<u>4,045,332</u>

47. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Financial assets and liabilities measured at fair value in the consolidated statements of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability and significance of inputs to the measurements, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and not using significant unobservable inputs.

Level 3: significant unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

Fair value hierarchy

As at 31 December 2023, 2024 and 2025, the financial assets and liabilities measured at fair value on a recurring basis by the above three levels are analysed below:

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2023				
<u>Financial assets at FVTPL</u>				
Derivative financial instruments . . .	–	21,482	–	21,482
Structured deposits	–	982,191	–	982,191
<u>Financial assets at FVTOCI</u>				
Bills receivables measured at				
FVTOCI	–	289,715	–	289,715
	–	<u>1,293,388</u>	–	<u>1,293,388</u>
	–	–	–	–
<u>Financial liabilities at FVTPL</u>				
Derivative financial instruments . . .	–	21,482	–	21,482
	–	<u>–</u>	–	<u>–</u>
	–	–	–	–
At 31 December 2024				
<u>Financial assets at FVTOCI</u>				
Bills receivables measured at				
FVTOCI	–	254,167	–	254,167
	–	<u>–</u>	–	<u>–</u>
	–	–	–	–
At 31 December 2025				
<u>Financial assets at FVTPL</u>				
Structured deposits	–	550,278	–	550,278
<u>Financial assets at FVTOCI</u>				
Bills receivables measured at				
FVTOCI	–	361,882	–	361,882
	–	<u>912,160</u>	–	<u>912,160</u>
	–	–	–	–

During the Track Record Period, there was no transfer between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

Valuation technique used to determine fair value

Assets subject to Level 2 fair value measurement were mainly included structured deposits and bills receivable measured at FVTOCI are evaluated by market approach. With observable inputs from active market transaction prices and adjusted by factors such as remaining maturity, credit quality and liquidity premium.

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The principal financial instruments of the Group comprise cash and cash equivalents and restricted cash, the main purpose of which is to support for the operations of the Group. 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 risks of the Group's financial instruments are mainly arising from foreign currency risk, price risk, interest rate risk, credit risk and liquidity risk. The Group has entered into certain foreign exchange risk contracts and commodity price risk contracts as set out in Note 25 to mitigate part of its foreign exchange exposure. The directors review and agree policies for managing each of these risks and they are summarised below.

Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to currency risks primarily through sales and purchases which give rise to receivables, payables, interest-bearing borrowings and bank balances that are denominated in a foreign currency, i.e., a currency other than the functional currency of the entities to which the transactions relate. The foreign currencies giving rise to this risk are primarily Euro ("EUR") and United States dollars ("USD").

Foreign currency risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the respective functional currency of the Group's subsidiaries. To ensure the currency risk exposure of the Group is kept to an acceptable level and seeks to minimise the gap between assets and liabilities in the same currency, foreign exchange risk contracts are usually used to manage foreign currency risk associated with foreign currency-denominated assets and liabilities.

As at 31 December 2023, 2024 and 2025, for the Group's subsidiaries with RMB as the functional currency, major monetary assets and liabilities exposed to foreign currency risk are listed below:

	USD	EUR	Other currencies	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2023				
Cash and cash equivalents	91,443	145,449	24	236,916
Trade receivables	88,359	93,365	–	181,724
Trade payables	–	(6,650)	–	(6,650)
As at 31 December 2024				
Cash and cash equivalents	817,115	968,638	418	1,786,171
Trade receivables	8,489	94,507	–	102,996
Trade payables	–	(23,662)	(13,624)	(37,286)
Other payables	–	(52,680)	–	(52,680)
As at 31 December 2025				
Cash and cash equivalents	36,430	727,683	7,851	771,964
Trade receivables	142,989	160,720	–	303,709
Trade payables	(517)	(32,073)	–	(32,590)
Other payables	–	(36,546)	–	(36,546)

The Group uses derivative financial instruments, mentioned in Note 25 to the Historical Financial Information, to economically hedge against part of the potential foreign currency risk of the above items.

Sensitivity Analysis

As at 31 December 2023, 2024 and 2025, for the above various EUR financial assets and liabilities, if the RMB appreciates or depreciates by 5% against the EUR and other factors remain unchanged, the Group will decrease or increase its profit before income tax by RMB12 million, RMB49 million and RMB41 million, respectively.

As at 31 December 2023, 2024 and 2025, for the above various USD financial assets and liabilities, if the RMB appreciates or depreciates by 5% against the USD and other factors remain unchanged, the Group will decrease or increase its profit before income tax by RMB9 million, RMB41 million and RMB9 million, respectively.

Other changes in foreign exchange rates have no significant impact on foreign currency risk.

Interest rate risk

The Group and the Company are exposed to fair value interest rate risk in relation to restricted bank deposits, certificates of deposits purchased, fixed rate bank borrowings and lease liabilities. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances. The directors of the Company consider that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant, therefore no sensitivity analysis on such risk has been prepared.

Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The Group's exposure to credit risk mainly arises from granting credit to customers in the ordinary course of its operations and from its investing activities.

The Group's maximum exposure to credit risk is represented by the carrying amount of each financial asset measured at amortised cost and bills receivables measured at FVTOCI as disclosed in Note 25(b) to the Historical Financial Information.

As at 31 December 2023, 2024 and 2025, other than financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from financial guarantees provided by the Group to its related companies and third parties, if any as disclosed in Note 40 to the Historical Financial Information.

Trade and bills receivables and contract assets

The Group's policy is to deal only with credit worthy counterparties. Credit terms are granted to new customers after a credit worthiness assessment by the credit control department. When considered appropriate, customers may be requested to provide proof as to their financial position. Where available at reasonable cost, external credit ratings and/or reports on customers are obtained and used. Customers who are not considered creditworthy are required to pay in advance or on delivery of goods. Payment record of customers is closely monitored. It is not the Group's policy to request collateral from its customers.

The Group has applied the IFRS 9 simplified approach to measuring ECL which uses a lifetime ECL for all trade and bills receivables and contract assets. The Group measures loss allowances for trade and bills receivables and contract assets at an amount equal to lifetime ECL, which is assessed individually or based on provision matrix, as appropriate, and the expected loss rates are based on the historical settlement experience as well as the corresponding historical credit losses.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

A default on trade and bills receivables and contract assets is when the counterparty fails to make contractual payments when they fall due.

Trade and bills receivables and contract assets are written off when there is no reasonable expectation of recovery.

On that basis, the ECL allowance as at 31 December 2023, 2024 and 2025 was determined as follows for both trade and bills receivables and contract assets:

	Trade receivables		
	Gross carrying amount	ECL Allowance	Expected loss rate
	RMB'000	RMB'000	%
As at 31 December 2023			
Low-risk credit portfolio	19,995	—	0.00%
Within 1 year or not past due	1,088,271	32,591	2.99%
1 to 2 years past due	577,029	57,703	10.00%
2 to 3 years past due	47,090	14,127	30.00%
3 to 4 years past due	2,947	1,474	50.02%
4 to 5 years past due	—	—	N/A
More than 5 year past due	4,538	4,538	100.00%
Assessed based on grouping	1,739,870	110,433	6.35%
Assessed individual	2,840	2,840	100.00%
	<u>1,742,710</u>	<u>113,273</u>	

Trade receivables			
	Gross carrying amount	ECL Allowance	Expected loss rate
	RMB'000	RMB'000	%
As at 31 December 2024			
Low-risk credit portfolio	19,407	—	0.00%
Within 1 year or not past due	737,112	21,034	2.85%
1 to 2 years past due	339,941	33,994	10.00%
2 to 3 years past due	367,601	110,280	30.00%
3 to 4 years past due	21,562	10,781	50.00%
4 to 5 years past due	442	354	80.09%
More than 5 year past due	4,538	4,538	100.00%
Assessed based on grouping	1,490,603	180,981	12.14%
Assessed individual	76	76	100.00%
	<u>1,490,679</u>	<u>181,057</u>	
As at 31 December 2025			
Low-risk credit portfolio	29,307	—	0.00%
Within 1 year or not past due	857,604	23,275	2.71%
1 to 2 years past due	67,049	6,705	10.00%
2 to 3 years past due	92,423	27,727	30.00%
3 to 4 years past due	134,369	67,185	50.00%
4 to 5 years past due	7,280	5,824	80.00%
More than 5 year past due	4,703	4,703	100.00%
Assessed based on grouping	1,192,735	135,419	11.35%
Assessed individual	76	76	100.00%
	<u>1,192,811</u>	<u>135,495</u>	
Bills receivables			
	Gross carrying amount	ECL Allowance	Expected loss rate
	RMB'000	RMB'000	%
As at 31 December 2023			
Within 1 year or not past due	<u>41,219</u>	<u>1,031</u>	2.50%
As at 31 December 2024			
Within 1 year or not past due	<u>63,576</u>	<u>3,988</u>	6.27%
As at 31 December 2025			
Within 1 year or not past due	<u>46,318</u>	<u>2,548</u>	5.50%
Contract assets			
	Gross carrying amount	ECL Allowance	Expected loss rate
	RMB'000	RMB'000	%
As at 31 December 2023			
Within 1 year or not past due	314,960	12,029	3.82%
1 to 2 years past due	5,317	532	10.01%
	<u>320,277</u>	<u>12,561</u>	3.92%
As at 31 December 2024			
Within 1 year or not past due	128,821	3,930	3.05%
1 to 2 years past due	166,802	16,680	10.00%
2 to 3 years past due	5,317	1,595	30.00%
	<u>300,940</u>	<u>22,205</u>	7.38%
As at 31 December 2025			
Within 1 year or not past due	99,683	3,489	3.50%
1 to 2 years past due	83,617	8,362	10.00%
2 to 3 years past due	54,069	16,221	30.00%
	<u>237,369</u>	<u>28,072</u>	11.83%

Other receivables

Over the term of other receivables, the Group accounts for its credit risk by appropriately providing for ECL on a timely basis. To assess whether there is a significant increase in credit risk in other receivables, the Group compares the risk of a default occurring on the financial assets at the end of each reporting period with the risk of default at the date of initial recognition. It considers available, reasonable, supportive forward-looking information. Especially, the following indicators are incorporated:

- external credit rating of the counterparty (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- actual or expected significant changes in the operating results of the counterparty; and
- significant expected changes in the performance and behaviour of the counterparty, including changes in the payment status of the counterparty.

Based on historical experiences and consideration of forward-looking information, other receivables from related parties were settled within 12 months after upon maturity hence the ECL is minimal.

As stated in Note 4 to the Historical Financial Information, impairment on other receivables accounted as amortised cost is measured as either 12-month ECL or lifetime ECL. On such basis, the following table sets forth the ECL allowance for other receivables as at 31 December 2023, 2024 and 2025:

	12-month ECLs	Lifetime ECLs		Total
	Stage 1	Stage 2	Stage 3	
	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2023				
Expected loss rate	16.46%	N/A	100.00%	
Gross carrying amount	24,818	—	197	25,015
ECL allowance	4,085	—	197	4,282
At 31 December 2024				
Expected loss rate	10.04%	N/A	100.00%	
Gross carrying amount	34,022	—	197	34,219
ECL allowance	3,415	—	197	3,612
At 31 December 2025				
Expected loss rate	1.27%	N/A	N/A	
Gross carrying amount	54,753	—	—	54,753
ECL allowance	697	—	—	697

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost include bank balances, pledged deposits and cash.

Credit risk for bank balances, pledged deposits and cash is considered to be immaterial, as the counterparts are banks/financial institutions with high credit ratings by international credit rating agencies.

Liquidity risk

The Group aims to maintain sufficient cash and cash equivalents. Due to the dynamic nature of the underlying businesses, the Group maintains flexibility in funding by maintaining adequate balances of such. The table below analyses the Group's financial liabilities by relevant maturity groupings based on the remaining period since the end of each reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows or the carrying amount of the financial liabilities to be delivered.

	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2023						
Trade and bills payables	1,398,445	1,398,445	1,398,445	—	—	—
Other payables and accruals . .	361,575	361,575	361,575	—	—	—
Borrowings	472,180	472,180	472,180	—	—	—
Lease liabilities	118,872	140,703	35,185	4,944	69,151	31,423
Derivative financial instruments	21,482	21,482	21,482	—	—	—
	<u>2,372,554</u>	<u>2,394,385</u>	<u>2,288,867</u>	<u>4,944</u>	<u>69,151</u>	<u>31,423</u>

	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2024						
Trade and bills payables	1,554,167	1,554,167	1,554,167	—	—	—
Other payables and accruals . .	376,074	376,074	376,074	—	—	—
Borrowings	348,401	367,061	83,433	67,256	152,009	64,363
Lease liabilities	207,275	297,680	4,944	33,211	47,906	211,619
	<u>2,485,917</u>	<u>2,594,982</u>	<u>2,018,618</u>	<u>100,467</u>	<u>199,915</u>	<u>275,982</u>
As at 31 December 2025						
Trade and bills payables	1,503,188	1,503,188	1,503,188	—	—	—
Other payables and accruals . .	417,273	417,273	417,273	—	—	—
Borrowings	1,892,912	2,075,912	610,779	198,466	572,519	694,148
Lease liabilities	231,959	318,663	37,571	6,954	35,104	239,034
	<u>4,045,332</u>	<u>4,315,036</u>	<u>2,568,811</u>	<u>205,420</u>	<u>607,623</u>	<u>933,182</u>

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern by pricing services commensurately with the level of risk so that it can continue to provide returns and benefits to the shareholders and other stakeholders.

The Group sets the amount of capital in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the subject assets. In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to the shareholders or return capital to the shareholders. The Group is not subject to any external capital requirements. During the Track Record Period, there are no changes in capital management objectives, policies or procedures.

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Total assets	10,224,814	11,561,950	14,490,551
Total liabilities	<u>3,310,648</u>	<u>4,289,941</u>	<u>6,210,261</u>
Asset-liability ratio	<u>32.4%</u>	<u>37.1%</u>	<u>42.9%</u>

49. SUBSEQUENT EVENTS

Between April and May 2026, after the reporting date, the Group entered into shipbuilding contracts with three customers in Norway, Greece and Netherlands, pursuant to which the Group will design, construct and deliver a total of ten 211,000 DWT bulk carriers and two 25,000 DWT heavy lift ships, with an aggregate contract values of approximately RMB6,171 million. The above-mentioned ships are expected to be delivered during 2028 and 2029. As above events arose after the reporting date, no adjustments have been made to the current period financial statements.

Except above, there are no material subsequent events undertaken by the Group after 31 December 2025 and up to the date of this report.

III. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements of the Group, the Company or any of its subsidiaries have been prepared in respect of any period subsequent to 31 December 2025.

The following is the text of a report set out on pages IA-1 to IA-28, received from the Company's reporting accountants, BDO Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus. The information set out below is the unaudited interim condensed consolidated financial information of the Group for the three months ended 31 March 2026 and does not form part of the Accountants' Report from the reporting accountants, BDO Limited, Certified Public Accountants, Hong Kong, as set out in Appendix I to this prospectus, and is included herein for information purpose only.



REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF DAJIN HEAVY INDUSTRY CO., LTD.

(Incorporated in the People's Republic of China with limited liability)

Introduction

We have reviewed the interim condensed consolidated financial information set out on pages IA-3 to IA-28, which comprise the interim condensed consolidated statement of financial position of Dajin Heavy Industry Co. Ltd. (“大金重工股份有限公司”) (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as of 31 March 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the three-month period then ended, and notes to the interim condensed consolidated financial information, including material accounting policy information (the “Interim Financial Information”). The Interim Financial Information has been prepared by the directors of the Company solely for the purpose of inclusion in the prospectus of the Company dated 28 May 2026 (the “Prospectus”) in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

The directors of the Company are responsible for the preparation and presentation of the Interim Financial Information in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board. Our responsibility is to express a conclusion on the Interim Financial Information based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of the interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Interim Financial Information is not prepared, in all material respects, in accordance with IAS 34.

Other Matter

The comparative information for the interim condensed consolidated statement of financial position is based on the audited financial statements as of 28 May 2026. The comparative information for the interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows, and related explanatory notes, for the 3 months ended 31 March 2025 has not been audited or reviewed.

BDO Limited

Certified Public Accountants

Hong Kong

28 May 2026

Choi Kit Ying

Practising Certificate Number: P07387

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Three months ended 31 March	
		2026	2025
		RMB'000 (Unaudited)	RMB'000 (Unaudited)
Revenue	4	1,906,952	1,140,712
Cost of sales		(1,159,610)	(787,620)
Gross profit		747,342	353,092
Other income	6	5,560	24,525
Other (losses)/gains, net	7	(14,285)	43,597
Reversal/(provision) of impairment losses	9	13,427	(13,911)
Selling expenses		(44,905)	(25,108)
Administrative expenses		(114,207)	(84,273)
Research and development expenses	8	(63,058)	(15,718)
Finance costs	10	(4,474)	(3,986)
Profit before tax	11	525,400	278,218
Income tax expenses	12	(90,762)	(47,264)
Profit for the period		434,638	230,954
Other comprehensive income for the period, net of tax			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising from translation of foreign operations		(8,626)	(262)
Other comprehensive income for the period, net of tax		(8,626)	(262)
Total comprehensive income for the period		426,012	230,692
Profit for the period attributable to:			
Owners of the Company		434,638	230,954
Total comprehensive income attributable to:			
Owners of the Company		426,012	230,692
Earnings per share attributable to ordinary equity holders of the Company			
Basic (RMB)	13	0.68	0.36
Diluted (RMB)	13	0.68	0.36

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 March	As at 31 December
	Notes	2026	2025
		RMB'000	RMB'000
		(Unaudited)	
Non-current assets			
Property, plant and equipment	15	3,700,163	3,132,344
Construction in progress	16	1,617,129	1,562,413
Intangible assets	17	4,895	5,252
Right-of-use assets	18	534,308	628,295
Prepayments and other receivables	23	750,251	537,091
Deferred tax assets	19	143,880	145,654
Total non-current assets		<u>6,750,626</u>	<u>6,011,049</u>
Current assets			
Inventories	21	1,863,310	2,174,567
Trade and bills receivables	22	1,130,888	1,101,086
Contract assets	26(a)	211,394	209,297
Prepayments and other receivables	23	1,232,138	1,127,102
Financial assets at Fair Value Through Other Comprehensive Income (“FVTOCI”)	20	211,521	361,882
Financial assets at Fair Value Through Profit or Loss (“FVTPL”)	20	662,611	550,278
Pledged deposits	24	117,173	99,516
Cash and bank balances	24	1,665,035	2,855,774
Total current assets		<u>7,094,070</u>	<u>8,479,502</u>
Total assets		<u>13,844,696</u>	<u>14,490,551</u>
Current liabilities			
Trade and bills payables	25	1,461,391	1,503,188
Contract liabilities	26(b)	1,305,006	1,608,629
Other payables and accruals	27	541,155	554,997
Borrowings	28	132,461	610,779
Lease liabilities	29	6,624	33,627
Deferred income	30	6,531	6,531
Tax payable		96,668	61,333
Total current liabilities		<u>3,549,836</u>	<u>4,379,084</u>
Net current assets		<u>3,544,234</u>	<u>4,100,418</u>
Total assets less current liabilities		<u>10,294,860</u>	<u>10,111,467</u>

		As at 31 March	As at 31 December
	Notes	2026	2025
		RMB'000 (Unaudited)	RMB'000
Non-current liabilities			
Other payables and accruals	27	143,872	145,227
Borrowings	28	1,095,282	1,282,133
Lease liabilities	29	146,514	198,332
Deferred income	30	197,608	199,240
Deferred tax liabilities	19	5,282	6,245
Total non-current liabilities		<u>1,588,558</u>	<u>1,831,177</u>
NET ASSETS		<u>8,706,302</u>	<u>8,280,290</u>
Capital and reserves			
Equity attributable to owners of the Company			
Share capital	32	637,749	637,749
Reserves	33	8,068,553	7,642,541
TOTAL EQUITY		<u>8,706,302</u>	<u>8,280,290</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company					
	Share capital	Share premium	PRC statutory reserve	Exchange reserve	Retained earnings	Total
	(Note 32)	(Note 33(i))	(Note 33(ii))	(Note 33(iii))	(Note 33(iv))	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2026 . .	<u>637,749</u>	<u>3,806,028</u>	<u>98,313</u>	<u>9,994</u>	<u>3,728,206</u>	<u>8,280,290</u>
Profit for the period	–	–	–	–	434,638	434,638
Exchange differences arising from translation of foreign operations	–	–	–	(8,626)	–	(8,626)
Total comprehensive income for the period	<u>–</u>	<u>–</u>	<u>–</u>	<u>(8,626)</u>	<u>434,638</u>	<u>426,012</u>
Balance as at 31 March 2026 (Unaudited)	<u>637,749</u>	<u>3,806,028</u>	<u>98,313</u>	<u>1,368</u>	<u>4,162,844</u>	<u>8,706,302</u>
Balance as at 1 January 2025 . .	<u>637,749</u>	<u>3,806,028</u>	<u>98,313</u>	<u>(856)</u>	<u>2,730,775</u>	<u>7,272,009</u>
Profit for the period	–	–	–	–	230,954	230,954
Exchange differences arising from translation of foreign operations	–	–	–	(262)	–	(262)
Total comprehensive income for the period	<u>–</u>	<u>–</u>	<u>–</u>	<u>(262)</u>	<u>230,954</u>	<u>230,692</u>
Balance as at 31 March 2025 (Unaudited)	<u>637,749</u>	<u>3,806,028</u>	<u>98,313</u>	<u>(1,118)</u>	<u>2,961,729</u>	<u>7,502,701</u>

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Operating activities		
Profit before taxation	525,400	278,218
Adjustment for:		
Interest income	(3,572)	(20,335)
Net changes in fair value of financial instruments at FVTPL	(2,001)	22,284
Net (gains)/losses on disposal of property, plant and equipment	(53)	123
Net gain on disposal of right-of-use assets	(6,413)	–
Depreciation of property, plant and equipment	48,023	28,821
Depreciation of right-of-use assets	7,739	7,969
Amortisation of intangible assets	357	330
Finance costs	4,474	3,986
(Reversal)/provision of impairment losses on:		
– trade and bills receivables	(12,158)	926
– other receivables and prepayment	26	910
– contract assets	(1,295)	12,075
Foreign exchange differences	14,580	(35,734)
Operating profit before changes in working capital	575,107	299,573
Decrease in inventories	311,257	66,499
(Increase)/decrease in pledged deposits	(17,657)	28,802
Increase in contract assets	(802)	(39,529)
Increase in trade and other receivables and prepayments	(321,653)	(493,444)
Decrease/(increase) in bills receivables at FVTOCI	150,361	(175,651)
(Decrease)/increase in contract liabilities	(303,623)	100,262
Increase/(decrease) in trade and other payables	99,274	(61,599)
Cash generated from/(used in) operations	492,264	(275,087)
PRC income tax paid	(54,616)	(20,388)
Net cash generated from/(used in) operating activities	437,648	(295,475)
Investing activities		
Interest received	5,587	19,949
Certificate of deposits redeemed	–	50,000
Redemption of structured deposits at FVTPL	880,000	15,000
Purchase of structured deposits at FVTPL	(980,000)	(15,000)
Proceeds from sales of exchange rate options	–	1,399
Payment for settlement of exchange rate options	–	(23,711)
Payment for construction in progress	(830,357)	(388,819)
Payment for purchase of property, plant and equipment	(4,057)	(442)
Payment for purchase of sea area use right	–	(22,341)
Proceeds from disposal of property, plant and equipment	566	603
Net cash used in investing activities	(928,261)	(363,362)

	Three months ended 31 March	
	2026	2025
	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i> <i>(Unaudited)</i>
Financing activities		
Proceeds from bank and other borrowings	189,945	1,045,064
Repayment of bank and other borrowings	(853,851)	(55,693)
Interest paid for bank and other borrowings	(9,706)	(4,427)
Capital and interest element of lease rentals paid . .	(2,044)	(2,755)
Listing fee paid	(1,004)	—
Net cash (used in)/generated from financing activities	(676,660)	982,189
Net (decrease)/increase in cash and cash equivalents.	(1,167,273)	323,352
Cash and cash equivalents at 1 January	2,855,774	2,836,454
Effect of foreign exchange rate changes	(23,466)	35,472
Cash and cash equivalents at 31 March	1,665,035	3,195,278

II NOTES TO THE INTERIM FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was a limited liability company incorporated in the People's Republic of China (the "PRC") on 22 September 2003 and changed to a joint stock limited company on 28 October 2009. The Company's A shares are listed on Shenzhen Stock Exchange on 7 October 2010. The address of the Company's registered office and its principal place of business is No. 155, Xinqiu Main Road, Xinqiu District, Fuxin City, Liaoning Province, the PRC.

The Group and the Company is principally engaged in manufacturing of wind power equipment and wind and photovoltaic power generation during the Track Record Periods.

2. BASIS OF PREPARATION

The Interim Financial Information has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board.

The Interim Financial Information has been prepared in accordance with the same accounting policies and critical accounting estimates and judgments adopted in the historical financial information for the years ended 31 December 2023, 2024 and 2025 (the "Historical Financial Information") as disclosed in Appendix I to the prospectus issued by the Company.

The Interim Financial Information does not include all of the information and disclosures required for a full set of financial statements prepared in accordance with IFRS Accounting Standards. Accordingly, this Interim Financial Information should be read in conjunction with the Historical Financial Information.

3. APPLICATION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

Amended IFRS Accounting Standards that are effective for annual periods beginning on 1 January 2025

The adoption of amended IFRS Accounting Standards as described below:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards Volume 11

The adoption had no material impact on the Interim Financial Information.

New and amendments to IFRS Accounting Standards issued but not yet effective

At the date of this report, new standards and amendments to IFRS Accounting Standards that have been issued but are not effective and have not been early adopted by the Group:

IFRS 18	Presentation and Disclosure in Financial Statements ¹
IFRS 19	Subsidiaries without Public Accountability: Disclosures ¹
Amendments to IFRS 19	Subsidiaries without Public Accountability: Disclosures (catch-up) amendments ¹
Amendments to IAS 21	Lack of Exchangeability: Translation to a Hyperinflationary Presentation Currency ¹
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²

¹ Effective for annual periods beginning on or after 1 January 2027.

² The amendments shall be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined.

The Group is assessing the impact of the amendments to IFRS 9 and IFRS 7, which clarify the “own-use” exception and hedge accounting requirements for contracts referencing nature-dependent electricity. The own-use amendments are applied retrospectively without mandatory restatement of prior periods, while the hedge accounting amendments are applied prospectively. The Group does not expect these amendments to have a significant impact on its results of operations or financial position.

4. REVENUE

An analysis of the Group’s revenue is as follows:

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Sales of wind power equipment	1,828,778	1,068,843
Wind and photovoltaic power generation	59,265	60,641
Others (Note).	18,909	11,228
Total	<u>1,906,952</u>	<u>1,140,712</u>

Revenue from contracts with customers:

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
By timing of revenue recognition:		
Point in time	1,906,952	1,140,712
Total	<u>1,906,952</u>	<u>1,140,712</u>
Type of goods:		
Wind power equipment.	1,828,778	1,068,843
Wind and photovoltaic power generation	59,265	60,641
Others	18,909	11,228
Total	<u>1,906,952</u>	<u>1,140,712</u>
Geographical markets:		
Chinese mainland	243,417	281,944
Outside Chinese mainland	1,663,535	858,768
Total	<u>1,906,952</u>	<u>1,140,712</u>

Note: Others mainly refer to revenue generated from sales of scrap steels.

The aggregate amounts of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) were approximately RMB1,305,006,000 and RMB1,608,629,000 as at 31 March 2026 and 31 December 2025, respectively. Management of the Group expects the majority of the transaction price allocated to the unsatisfied contracts as of the end of each reporting period during the Track Record Period will be recognised within 1 year from the end of each reporting period.

All other contracts are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

5. SEGMENT INFORMATION

The operating segment is reported in a manner consistent with the internal reporting provided to the executive directors of the Company, being the chief operating decision makers (the “CODM”). The CODM review the performance of the Group as a single operating segment based on the internal organisation structure, management requirements and internal reporting system. No separate analysis of the segment results by reportable segment is necessary.

Geographical information

An analysis of the Group’s revenue from external customers, based on location at which the goods are delivered and analysed by region, is presented below:

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Revenue from external customers		
– Chinese mainland	243,417	281,944
– Outside Chinese mainland.	1,663,535	858,768
	<u>1,906,952</u>	<u>1,140,712</u>

Information about the Group’s non-current assets excluding financial assets, prepayments and deferred tax assets by geographical location of the assets are presented below:

	As at 31 March	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000
Non-current assets excluding financial assets, prepayment and deferred tax assets		
– Chinese mainland	5,856,302	5,328,088
– Outside Chinese mainland.	193	216
	<u>5,856,495</u>	<u>5,328,304</u>

Information about major customers

Revenue from external customers contributing over 10% of the total revenue of the Group during the three months ended 31 March 2026 and 2025 are as follows:

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Company A	954,626	N/A
Company B	326,403	N/A
Company C	238,491	N/A
Company D	N/A	544,352
Company E	N/A	135,780
	<u></u>	<u></u>

6. OTHER INCOME

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest income from bank deposits	3,498	20,335
Interest income from certificate of deposits	74	–
Government grants (Note)	1,658	927
Additional deduction for PRC input value added tax	–	2,986
Others	330	277
	<u>5,560</u>	<u>24,525</u>

Note: Asset-related deferred income systematically released to profit or loss over the estimated useful lives of the related assets or the designated period. For the three months period end 31 March 2026 and 2025, the amount of government grants recognised from asset-related deferred income (Note 30) was approximately RMB1,632,000 and RMB901,000, respectively.

7. OTHER GAINS/(LOSSES), NET

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Net foreign exchange (loss)/gain	(21,980)	65,388
Gain/(loss) on disposal of property, plant and equipment, net	53	(123)
Gain on disposal of right-of-use assets	6,413	–
Change in fair value of financial assets at FVTPL	2,001	(22,284)
Handling fee for discounting of bills receivables at FVTOCI	(614)	–
Others	(158)	616
	<u>(14,285)</u>	<u>43,597</u>

8. RESEARCH AND DEVELOPMENT EXPENSES

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Employee benefit expenses	9,573	7,601
Material cost	39,442	4,238
Others	14,043	3,879
	<u>63,058</u>	<u>15,718</u>

9. IMPAIRMENT LOSSES

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
(Reversal of impairment losses)/impairment losses under ECL model, net of reversal		
Trade and bills receivables (Note 22)	(12,158)	926
Other receivables (Note 23)	26	910
Contract assets (Note 26)	(1,295)	12,075
Total	<u>(13,427)</u>	<u>13,911</u>

10. FINANCE COSTS

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Interest expenses on borrowings	6,865	4,707
Interest expenses on lease liabilities	1,797	1,722
	<u>8,662</u>	<u>6,429</u>
Less: interest capitalised	(4,188)	(2,443)
	<u>4,474</u>	<u>3,986</u>

11. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Cost of inventories	1,115,765	759,970
Depreciation of property, plant and equipment (Note 15)	48,023	28,821
Amortisation of intangible assets (Note 17)	357	330
Depreciation of right-of-use assets (Note 18)	7,739	7,969
Staff costs (including directors' emoluments):		
– Salaries and other benefits	130,108	104,517
– Retirement benefits scheme contributions	12,771	6,871
Auditors' remuneration	–	–
	<u>–</u>	<u>–</u>

12. INCOME TAX EXPENSES

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Current tax		
– PRC Enterprise Income Tax (“EIT”)	89,951	46,309
Deferred tax	811	955
Total income tax expenses	<u>90,762</u>	<u>47,264</u>

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the standard EIT rate of the PRC subsidiaries is 25%. The Company and following subsidiaries were entitled to preferential PRC income tax rates as follows:

- (1) The Company was accredited as a High and New Technology Enterprise (“HNTE”) in September 2021 with 3-year validity period and renewed in November 2024 with additional 3-year validity period will expire in November 2027 and subject to next renewal review.

As the directors of the Company expected the Company is not likely to meet the continuously requirement to maintain the HNTE status since the year ended 31 December 2024 and reported the tax liabilities with PRC corporate income tax rate of 25% for the three months ended 31 March 2026 and 2025.

- (2) One of the subsidiaries, Penglai Dajin Offshore Heavy Industry Co., Ltd. (“PL Dajin”), was accredited as a HNTE in December 2022 with 3-year validity period and renewed in December 2025 with additional 3-year validity period will expire in December 2028 and subject to next renewal review. PL Dajin was entitled to a preferential income tax rate of 15% since year ended 31 December 2022.

- (3) One of the subsidiaries, Hinggan League Dajin Heavy Industry Co., Ltd. (“HL Dajin”), was accredited as a HNTE in December 2021 with 3-year validity period and renewed in December 2024 with additional 3-year validity period will expire in December 2027 and subject to next renewal review. HL Dajin was entitled to a preferential income tax rate of 15% since year ended 31 December 2021.
- (4) One of the subsidiaries, Yangjiang Dajin Wind Power Offshore Engineering Technology Co., Ltd. (“YJ Dajin”), was accredited as a HNTE in November 2024 with 3-year validity period will expire in November 2027 and subject to next renewal review. YJ Dajin was entitled to a preferential income tax rate of 15% since year ended 31 December 2024.

As the directors of the Company expected the Yangjiang Dajin is not likely to meet the continuously requirement to maintain the HNTE status since the year ending 31 December 2026 and reported the tax liabilities with PRC corporate income tax rate of 25% for the three months ended 31 March 2026.

- (5) One of the subsidiaries, Zhangjiakou Dajin Wind Power Equipment Co., Ltd. (“ZJK Dajin”), was accredited as a HNTE in October 2022 with 3-year validity period and renewed in October 2025 with additional 3-year validity period will expire in October 2028 and subject to next renewal review. ZJK Dajin was entitled to a preferential income tax rate of 15% since year ended 31 December 2022.
- (6) One of the subsidiaries, Changwu Xiliujiazi Electric Power New Energy Co., Ltd. (“CWX Electricity”) is qualified as a public infrastructure project company and enjoying a 6-year tax holiday (three years full exemption followed by three years half reduction) beginning from 2023 (the first year generating assessable profit). The income tax rate for CWX Electricity was 0% for the years ended 31 December 2023, 2024 and 2025, and 12.5% for the years ended 31 December 2026, 2027 and 2028.
- (7) Two of the subsidiaries, Tangshan Caofeidian District Jinrui Energy Co., Ltd. (“JR Energy”) and Tangshan Caofeidian District Jinhong Energy Co., Ltd. (“JH Energy”) are qualified as public infrastructure project companies and enjoying a 6-year tax holiday (three years full exemption followed by three years half reduction) beginning from 2025 (the first year generating assessable profit). The income tax rates for JR Energy and JH Energy were 0% for the years ended 31 December 2025, 2026 and 2027, and 12.5% for the years ended 31 December 2028, 2029 and 2030.

The Group entities incorporated in Hong Kong is subject to Hong Kong Profits Tax under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of each year of assessment of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Taxation arising from other jurisdictions is calculated at the rate prevailing in the relevant jurisdictions.

13. EARNINGS PER SHARE

(a) Basic earnings per share (“EPS”)

Basic EPS is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the three months ended 31 March 2026 and 2025, excluding treasury shares held for share schemes as these shares are not considered outstanding for EPS calculation purposes.

The calculation of the basic earnings per share attribute to owners of the Company is based on the following data:

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Earnings for the purpose of calculating basic earnings per share	434,638	230,954

Number of shares:

	Three months ended 31 March	
	2026	2025
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares in issue, excluding treasury shares held for restricted share scheme as these shares are not considered outstanding for the purpose of calculating basic earnings per share	637,749,349	637,749,349
Basic EPS (RMB)	0.68	0.36

(b) Diluted earnings per share

The diluted earnings per share for the three-month period ended 31 March 2026 and 2025 are the same as the basic earnings per share as there are no dilutive potential ordinary shares during the periods.

14. DIVIDENDS

No dividend attributable to the 3 months period ended 31 March 2026 was declared during the period or proposed after 31 March 2026 (3 months ended 31 March 2025: Nil).

No dividend attribute to the previous financial year or period was approved or paid during 3 months period ended 31 March 2026 (3 months ended 31 March 2025: Nil)

15. PROPERTY, PLANT AND EQUIPMENT

	As at 31 March	As at 31 December
	2026	2025
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i>
Properties and plants	1,093,597	847,707
Machinery.	1,911,164	1,949,296
Transportation equipment ^(Note)	365,852	9,277
Port facilities and auxiliary facilities	284,768	285,718
Others	44,782	40,346
Total	<u>3,700,163</u>	<u>3,132,344</u>

Depreciation of the Group's property, plant and equipment for the three months ended 31 March 2026 and 2025 has been recognised as follows:

	Three months ended 31 March	
	2026	2025
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Unaudited)
Properties and plants	9,952	9,434
Machinery.	31,588	14,587
Transportation equipment ^(Note)	1,560	506
Port facilities and auxiliary facilities	950	1,545
Others	3,973	2,749
Total	<u>48,023</u>	<u>28,821</u>

Note: Included in transportation equipment is a self-constructed vessel ready in use during the 3 months period ended 31 March 2026. The vessel is depreciated on a straight-line basis with useful life of 25 years and residual value of 15%. Depreciation method is reviewed, and adjusted if appropriate, at the end of each reporting period.

16. CONSTRUCTION IN PROGRESS

An analysis of construction in progress is as follows:

	As at 31 March	As at 31 December
	2026	2025
	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i>
At cost.	1,651,996	1,597,280
Less: Accumulated impairment	(34,867)	(34,867)
Total	<u>1,617,129</u>	<u>1,562,413</u>

Construction in progress comprises construction of port facilities projects, wind and photovoltaic power generating projects and ships construction projects.

No impairment loss was recognised for construction in progress during the three months period ended 31 March 2026 and 2025.

17. INTANGIBLE ASSETS

	As at 31 March	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000
Patent	1,834	1,973
Software	3,061	3,279
Total	<u>4,895</u>	<u>5,252</u>

Amortisation of the Group's intangible assets for the three months ended 31 March 2026 and 2025 has been recognised as follows:

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Patent	140	131
Software	217	199
Total	<u>357</u>	<u>330</u>

18. RIGHT-OF-USE ASSETS

The carrying amount of the Group's right-of-use assets is analysed as follows:

	As at 31 March	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000
Land use rights	261,787	263,580
Sea area use rights	87,049	93,116
Land leased for wind and photovoltaic power generation	159,829	160,954
Right of use other properties for own use	25,643	110,645
Total	<u>534,308</u>	<u>628,295</u>

Depreciation of the Group's right-of-use assets for the three months ended 31 March 2026 and 2025 has been recognised as follows:

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Land use rights	1,793	1,389
Sea area use rights	528	482
Land leased for wind and photovoltaic power generation	1,125	1,741
Right of use other properties leased for own use	4,293	4,357
Total	<u>7,739</u>	<u>7,969</u>

19. DEFERRED TAXATION

The following is a summary of the deferred tax balances of the Group for financial reporting purposes:

	As at 31 March	As at 31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Deferred tax assets	143,880	145,654
Deferred tax liabilities	(5,282)	(6,245)
	<u>138,598</u>	<u>139,409</u>

20. FINANCIAL ASSETS AT FAIR VALUE

	As at 31 March	As at 31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
(a) Financial assets at FVTPL		
Current assets		
Financial assets at FVTPL		
– Structured deposits	650,524	550,278
– Derivative financial instruments	12,087	–
	<u>662,611</u>	<u>550,278</u>

The Group entered into investment agreement for investment in trust products. The investments are mainly the fixed income debt securities with expected but not guaranteed rates of return. The expected rates of return were determined by reference to the returns of the underlying investments. The directors of the Company considered the investment in trust products shall be classified as financial assets at FVTPL.

The Group also entered into several foreign exchange forward contracts with banks in order to manage the Group's foreign currency exposure in relation to EUR against RMB and did not elect to adopt hedge accounting for those contracts.

	As at 31 March	As at 31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
(b) Financial assets at FVTOCI		
Current assets		
Bills receivables measured at FVTOCI (<i>Note (i)</i>)	211,521	361,882
	<u>211,521</u>	<u>361,882</u>

Note:

- (i) Certain bills held by the Group for the practice of discounting/endorsing to financial institutions/suppliers before the bills maturity date were classified as “bills receivables measured at FVTOCI” under financial assets at FVTOCI in the condensed consolidated statements of financial position. At the end of each reporting period, all the bills are with a maturity period of less than 12 months. The Group considers the credit risk is limited because counterparties are financial institutions with good credit standing and are highly likely to be paid, and the ECL are considered as insignificant.

Transfer of all derecognised financial assets

During the three months ended 31 March 2026, the Group (i) endorsed certain bills receivable for the settlement of trade and other payables; and (ii) discounted certain bills receivable to banks for raising of cash. In the opinion of the directors, the Group has transferred the significant risks and rewards relating to these bills receivable, and the Group's obligations to the corresponding counterparties were discharged in accordance with the commercial practice in the PRC and the risk of default in payment of the endorsed and discounted bills receivable is low because all endorsed and discounted bills receivable are issued and guaranteed by the reputable PRC banks. As a result, the relevant assets and liabilities were not recognised in the Interim Financial Information.

The maximum exposure to the Group that may result from the default of these endorsed and discounted bills receivable at 31 March 2026 and 31 December 2025 are RMB424,136,000 and RMB274,466,000, respectively.

21. INVENTORIES

	As at 31 March	As at 31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Raw materials	559,260	343,400
Work in progress	453,538	602,562
Finished goods	461,622	735,714
Goods in transits	394,825	498,826
Less: provision for inventory impairment.	(5,935)	(5,935)
Total	<u>1,863,310</u>	<u>2,174,567</u>

22. TRADE AND BILLS RECEIVABLES

	As at 31 March	As at 31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Group		
Trade receivables		
– Third parties	1,214,676	1,192,811
Bills receivables	42,097	46,318
Total trade and bills receivables	<u>1,256,773</u>	<u>1,239,129</u>
Less: allowance for impairment		
– Trade receivables	(123,568)	(135,495)
– Bills receivable	(2,317)	(2,548)
Total allowance for impairment for trade and bills receivables.	<u>(125,885)</u>	<u>(138,043)</u>
Total trade and bills receivables, net	<u>1,130,888</u>	<u>1,101,086</u>

Certain trade and bills receivables are pledged as security for the Group's borrowings, details are disclosed in Note 35 to the Interim Financial Information.

The Group generally allows a credit period of generally 30-180 days to its customers. The following is aging analysis of trade and bills receivables (net of allowance for impairment losses), presented based on the dates of revenue recognition, at the end of each financial period during the Track Record Periods:

	As at 31 March	As at 31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Group		
Within 1 year.	979,643	933,229
1 to 2 years.	74,483	67,049
2 to 3 years.	76,086	92,423
Over 3 years	126,561	146,428
	<u>1,256,773</u>	<u>1,239,129</u>
Less: loss allowance for trade and bills receivables	<u>(125,885)</u>	<u>(138,043)</u>
	<u>1,130,888</u>	<u>1,101,086</u>

Movements in lifetime ECL that have been recognised for trade and bills receivables in accordance with the simplified approach set out in IFRS 9 for the three months period ended 31 March 2026 and for the year ended 31 December 2025:

	Three months ended 31 March	Year ended 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000
At the beginning of period/year	(138,043)	(185,045)
Reversal for the period/year	12,158	47,002
At the end of period/year	<u>(125,885)</u>	<u>(138,043)</u>

23. PREPAYMENT AND OTHER RECEIVABLES

	As at 31 March	As at 31 December
	2026	2025
	RMB'000 (Unaudited)	RMB'000
Non-current		
Prepayment on construction and equipment	740,251	527,091
Certificate of deposits purchased	10,000	10,000
	<u>750,251</u>	<u>537,091</u>
Current		
Prepayments (note (i))	587,376	440,469
Deposits paid	43,467	44,913
Consideration receivables from disposal of subsidiaries	4,500	4,500
Interest receivables	706	632
Certificate of deposits purchased	10,000	10,000
Listing expenses to be deducted from equity	16,585	15,952
Prepaid corporate income tax	6,779	8,551
Other tax receivables (note (ii))	563,448	602,782
Less: ECL allowance	(723)	(697)
	<u>1,232,138</u>	<u>1,127,102</u>
	<u>1,982,389</u>	<u>1,664,193</u>

Notes:

- (i) Prepayments mainly represent the amount paid to suppliers of inventories to secure the inventory supply. These advance payments are expected to be realised within twelve months from the end of the reporting periods.
- (ii) The amount represent prepaid tax and surcharges levied.

The movements on the ECL allowance of deposits and other receivables are as follows:

	Stage 1	Stage 2	Stage 3
	RMB'000	RMB'000	RMB'000
Group			
As at 1 January 2025	(3,415)	—	(197)
Reversal for the year	2,718	—	63
Written off	—	—	134
As at 31 December 2025 and 1 January 2026	(697)	—	—
Provision for the period	(26)	—	—
As at 31 March 2026 (Unaudited)	<u>(723)</u>	<u>—</u>	<u>—</u>

24. CASH AND BANK BALANCES AND PLEDGED DEPOSITS

	As at 31 March	As at 31 December
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	
Current assets		
Restricted bank deposits (<i>Note (ii)</i>)	117,173	99,516
Cash and bank balances (<i>Note (i)</i>)	1,665,035	2,855,774
	<u>1,782,208</u>	<u>2,955,290</u>

Notes:

- (i) At the end of each reporting period, cash and bank balances of the Group comprised of bank balances and cash held. Bank balances carried interest at prevailing market rates which are 0.05% and 0.05% per annum as at 31 March 2026 and 31 December 2025, respectively.
- (ii) Certain restricted cash is pledged as security for the Group's borrowings, details are disclosed in Note 36 to the Interim Financial Information.

25. TRADE AND BILLS PAYABLES

	As at 31 March	As at 31 December
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	
Trade payables		
– Third parties	449,762	463,672
Bills payables	1,011,629	1,039,516
Total	<u>1,461,391</u>	<u>1,503,188</u>

The credit period granted by suppliers is generally within 90 days. The following is an aging analysis of our trade and bills payables on the date of incurrence of payables as of dates indicated.

	As of 31 March	As of 31 December
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	
Within 1 year	1,434,926	1,466,133
1 to 2 years	10,436	20,847
2 to 3 years	10,425	10,604
Over 3 years	5,604	5,604
Total	<u>1,461,391</u>	<u>1,503,188</u>

Details of the Group's assets pledged for the Group's bills payables are disclosed in Note 35 to the Interim Financial Information.

26. CONTRACT ASSETS AND CONTRACT LIABILITIES**(a) Contract assets**

	As at 31 March	As at 31 December
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	
Contract assets	238,171	237,369
Less: ECL allowance	(26,777)	(28,072)
Total	<u>211,394</u>	<u>209,297</u>

Contract assets are primarily arise from manufacturing and sales of wind power equipment. Contract assets represent the rights to receive considerations for the transfer of goods to customers that are not yet unconditional.

The Group allows customers to retain a certain percentage of the contract value in retention period. This amount is included in “contract assets” as the Group’s entitlement to this final payment is conditional on the Group’s satisfactory work until the end of retention period.

(b) Contract liabilities

Contract liabilities represent the obligation to transfer goods to customers in consideration of payments received or receivable from customers. Contract liabilities are incurred when the payment schedule agreed under the contract is ahead of the performance of contract obligations.

	As at 31 March	As at 31 December
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	
Contract liabilities		
– Third parties	1,305,006	1,608,629

Changes in contract liabilities primarily relate to the Group’s performance of services under the contracts. It is classified as current because the Group expected to settle them in its normal operating cycle. Revenue of RMB1,278,438,000 and RMB1,063,749,000 of the Group were recognised for the year ended 31 December 2025 and three months period ended 31 March 2026 that were included in the contract liabilities at the beginning of the relevant years, respectively.

27. OTHER PAYABLES AND ACCRUALS

	As at 31 March	As at 31 December
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	
Non-current		
Other payables	143,872	145,227
Current		
Construction and equipment payables	327,377	358,848
Employee benefits payables	125,622	100,291
Other taxes payable	51,962	37,433
Retention money payable	36,194	58,425
	541,155	554,997

28. BORROWINGS

	As at 31 March	As at 31 December
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	
Current		
Bank borrowings, secured (<i>Note (i)</i>).	106,769	142,137
Bank borrowings, unsecured (<i>Note (ii)</i>)	25,692	468,642
	132,461	610,779
Non-current		
Bank borrowings, secured (<i>Note (i)</i>).	1,078,322	1,265,173
Bank borrowings, unsecured (<i>Note (ii)</i>)	16,960	16,960
	1,095,282	1,282,133
Total borrowings.	1,227,743	1,892,912

Total current and non-current borrowings were scheduled to repay as follows:

	As at 31 March	As at 31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
On demand or within one year	132,461	610,779
More than one year, but not exceeding two years.	137,457	172,466
More than two years, but not exceeding five years.	416,976	494,519
Over five years	540,849	615,148
	<u>1,227,743</u>	<u>1,892,912</u>

The carrying amounts of the Group's current interest-bearing bank borrowing approximate to their fair values.

Notes:

- (i) The Group has pledged certain collateral, including trade and bills receivables, bills receivables at FVTOCI, restricted cash and future electricity tariff collection rights, to aggregate banking facilities acquired from the bankers (refer to Note 35), of which RMB1,185,091,000 and RMB1,407,310,000 were utilised as at 31 March 2026 and 31 December 2025, respectively.
- (ii) At 31 March 2026 and 31 December 2025, the Group had banking facilities with no security to the extent of RMB42,652,000 and RMB485,602,000, respectively. The aforesaid bank loans outstanding as at 31 March 2026 and 31 December 2025 were RMB42,652,000 and RMB485,602,000 respectively.
- (iii) The Group's banking facilities are subject to the fulfilment of covenants. If the Group were to breach the covenants the related loans would become payable on demand. The Group did not identify any difficulties complying with the covenants.

29. LEASE LIABILITIES

	As at 31 March	As at 31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Total minimum lease payments:		
Within one year	6,784	37,570
Over 1 year but within 5 years	42,495	93,811
Over 5 years	183,461	187,281
Subtotal	232,740	318,662
Less: Future interest expenses on lease liabilities.	(79,602)	(86,703)
Present value of lease liabilities	<u>153,138</u>	<u>231,959</u>

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of each reporting period:

	As at 31 March	As at 31 December
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	
Present value of minimum lease payments:		
Within 1 year.	6,624	33,627
After 1 year but within 5 years.	37,316	84,238
After 5 years	109,198	114,094
	<u>153,138</u>	<u>231,959</u>
Less: portion due within one year included under current liabilities	<u>(6,624)</u>	<u>(33,627)</u>
Portion due after one year included under non-current liabilities	<u>146,514</u>	<u>198,332</u>

The total cash outflows for the leases including short-term leases for the years ended 31 December 2025 and for the three months ended 31 March 2026 were RMB25,516,000 and RMB8,030,000, respectively.

30. DEFERRED INCOME

	Total
	<i>RMB'000</i>
Non-current	
At 1 January 2025	123,221
Addition	79,623
Reclassified to current portion	(3,604)
At 31 December 2025	199,240
Reclassified to current portion	(1,632)
As at 31 March 2026 (Unaudited)	197,608
Current	
At 1 January 2025	3,604
Addition	2,927
Reclassified from non-current portion	3,604
Release to Profit or Loss	(3,604)
At 31 December 2025	6,531
Reclassified from non-current portion	1,632
Release to profit and loss (<i>Note 6</i>)	(1,632)
As at 31 March 2026 (Unaudited)	6,531

31. PROVISIONS

The Group provides standard warranties on products sold, assuring compliance with agreed specifications. No material provision for warranty or after-sale service costs has been recognised as of the reporting dates, as estimated settlement amounts are immaterial to the financial statements.

Litigation with China Gezhouba Group Electric Power Co., Ltd. (“GZB”)

In December 2025, GZB initiated a lawsuit against the Group’s subsidiary, CWX Electricity, in the Liaoning Fuxin Intermediate Court. GZB claimed outstanding contract payments of RMB496.4 million and contract variation charges of RMB76.2 million, plus interest, related to a contract for a wind farm project. GZB also applied for property preservation, resulting in the freezing of certain bank deposits and equity interests held by the Group’s subsidiaries.

Subsequently, in December 2025, CWX Electricity filed a counterclaim against GZB, seeking compensation of approximately RMB128.7 million for alleged breaches of contract, unresolved engineering defects, and failure to complete required project certifications, which have prevented the final completion settlement.

The first court hearing was held in January 2026. The Group, based on internal assessment and legal advice, contends that a significant portion of the settlement amount claimed by GZB relates to works not performed by GZB and the supporting documentation for the variation claims lacks credibility. The Group is actively defending its position and pursuing its counterclaim.

As at 31 March 2026, and up to the date these Interim Financial Information were authorised for issue, the court has not issued a verdict. Considering the strong grounds for dispute, the existence of the counterclaim, and the preliminary stage of the legal proceedings, with reference to legal opinion, the Group concludes that it is not probable that an outflow of economic benefits will be required to settle this matter. Accordingly, no provision has been made in the financial statements in respect of this litigation.

32. SHARE CAPITAL

	Number of ordinary shares	Authorised shares	Issued and paid shares
		<i>RMB'000</i>	<i>RMB'000</i>
Group and Company			
Ordinary shares of RMB1.00 each			
As at 31 December 2025 and 31 March 2026			
(Unaudited)	637,749,349	637,749	637,749

33. RESERVES

(i) Share premium:

The amount represents capital contribution in excess of nominal value of share capital.

(ii) PRC statutory reserve:

The amount represents the statutory reserve of the Company in the PRC. Pursuant to applicable PRC regulations, PRC entity is required to appropriate 10% of its profit after tax (after offsetting prior year losses) to the statutory reserve until such reserve reaches 50% of its registered capital. Transfers to this reserve must be made before distribution of dividends to shareholders. Upon approval by relevant authorities, the statutory reserve can be utilised to offset the accumulated losses or to increase the paid-up capital of the relevant entity.

(iii) Exchange reserve:

The amount represents gains/losses arising from retranslating the net assets of foreign operations into the presentation currency of the Group.

(iv) Retained earnings:

The amount represents cumulative net gains and losses recognised in profit or loss.

34. FINANCIAL GUARANTEE CONTRACT

The Group has not provided any financial guarantees to third parties as of the reporting dates.

35. PLEDGED ASSETS

The Group's certain assets have been pledged to secure bills payables, borrowings and banking facilities granted to the Group. The carrying amounts of the pledged assets of the Group at the end of each reporting period are as follows:

	As at 31 March	As at 31 December
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	
Trade and bills receivables, and bills receivable at FVTOCI	68,188	49,499
Restricted cash	117,173	99,516
Others (<i>Note</i>).	944,183	717,136
	<u>1,129,544</u>	<u>866,151</u>

Note: The Group pledged a portion of its future electricity tariff collection rights of its wind farms as collateral to provide security for certain bank loans. The subject matter of the pledge is the future trade receivables generated under the power purchase and sale contract. As at 31 March 2026 and 31 December 2025, the amounts of pledged future electricity tariff collection rights are RMB706,165,000, and RMB717,136,000, respectively.

36. COMMITMENTS**(a) Capital commitments**

At the end of each reporting period, capital commitments contracted but not provided for in the Interim Financial Information are as follows:

	As at 31 March	As at 31 December
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	
Contracted, but not provided for, net of deposit/ investment paid:		
Construction in progress	<u>3,297,478</u>	<u>2,981,089</u>

37. RELATED PARTY TRANSACTIONS AND BALANCES

Except for compensation to key management personnel, the Group had no material related party transactions during the reporting periods, and no material balances with related parties existed at the end of the reporting dates.

Compensation of key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

The remuneration of the directors of the Company and other members of key management of the Group during the reporting period were as follows:

	Three months ended 31 March	
	2026	2025
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Directors' fee, salaries and other benefits	1,428	1,222
Retirement benefit scheme contributions	83	81
	<u>1,511</u>	<u>1,303</u>

The remuneration of key management is determined with reference to the performance of the individuals and market trends.

38. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Financial assets and liabilities measured at fair value in the consolidated statements of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability and significance of inputs to the measurements, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and not using significant unobservable inputs.

Level 3: significant unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

Fair value hierarchy

As at 31 December 2025 and 31 March 2026, the financial assets and liabilities measured at fair value on a recurring basis by the above three levels are analysed below:

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At 31 March 2026 (Unaudited)				
Financial assets at FVTPL				
Structured deposits	–	650,524	–	650,524
Derivative financial instruments . . .	–	12,087	–	12,087
Financial assets at FVTOCI				
Bills receivables measured at FVTOCI	–	211,521	–	211,521
	–	874,132	–	874,132
	–	<u>874,132</u>	–	<u>874,132</u>
At 31 December 2025				
Financial assets at FVTPL				
Structured deposits	–	550,278	–	550,278
Financial assets at FVTOCI				
Bills receivables measured at FVTOCI	–	361,882	–	361,882
	–	912,160	–	912,160
	–	<u>912,160</u>	–	<u>912,160</u>

During the three months ended 31 March 2026 and 2025, there was no transfer between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

Valuation technique used to determine fair value

Assets subject to Level 2 fair value measurement were mainly included bills receivable measured at FVTOCI are evaluated by market approach. With observable inputs from active market transaction prices and adjusted by factors such as remaining maturity, credit quality and liquidity premium.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The principal financial instruments of the Group comprise cash and cash equivalents, and time deposits and restricted cash, the main purpose of which is to support for the operations of the Group. 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.

Credit risk

Trade and bills receivables and contract assets

The Group has applied the IFRS 9 simplified approach to measuring ECL which uses a lifetime ECL for all trade and bills receivables and contract assets. The Group measures loss allowances for trade and bills receivables and contract assets at an amount equal to lifetime ECL, which is assessed individually or based on provision matrix, as appropriate, and the expected loss rates are based on the historical settlement experience as well as the corresponding historical credit losses.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

A default on trade and bills receivables and contract assets is when the counterparty fails to make contractual payments when they fall due.

Trade and bills receivables and contract assets are written off when there is no reasonable expectation of recovery.

The ECL allowance as at 31 March 2026 and 2025 was determined as follows for both trade and bills receivables and contract assets:

	Trade receivables		
	Gross carrying amount	ECL allowance	Expected loss rate
	RMB'000	RMB'000	%
As at 31 March 2026 (Unaudited)			
Low-risk credit portfolio	18,984	–	0.00%
Within 1 year or not past due	918,486	25,440	2.77%
1 to 2 years past due	74,483	7,448	10.00%
2 to 3 years past due	76,086	22,826	30.00%
3 to 4 years past due	114,503	57,251	50.00%
4 to 5 years past due	7,280	5,824	80.00%
More than 5 years past due	4,778	4,703	98.43%
Total assessed based on grouping	1,214,600	123,492	10.17%
Assessed based on individual	76	76	100.00%
	<u>1,214,676</u>	<u>123,568</u>	
As at 31 December 2025			
Low-risk credit portfolio	29,307	–	0.00%
Within 1 year or not past due	857,604	23,275	2.71%
1 to 2 years past due	67,049	6,705	10.00%
2 to 3 years past due	92,423	27,727	30.00%
3 to 4 years past due	134,369	67,185	50.00%
4 to 5 years past due	7,280	5,824	80.00%
More than 5 years past due	4,703	4,703	100.00%
Total assessed based on grouping	1,192,735	135,419	11.35%
Assessed based on individual	76	76	100.00%
	<u>1,192,811</u>	<u>135,495</u>	

Bills receivables			
	Gross carrying amount	ECL allowance	Expected loss rate
	RMB'000	RMB'000	%
As at 31 March 2026 (Unaudited)			
Within 1 year or not past due	42,097	2,317	5.50%
	<u>42,097</u>	<u>2,317</u>	
As at 31 December 2025			
Within 1 year or not past due	46,318	2,548	5.50%
	<u>46,318</u>	<u>2,548</u>	

Contract assets			
	Gross carrying amount	ECL allowance	Expected loss rate
	RMB'000	RMB'000	%
As at 31 March 2026 (Unaudited)			
Within 1 year	102,196	3,515	3.44%
1 to 2 years	90,428	9,043	10.00%
2 to 3 years	42,776	12,833	30.00%
3 to 4 years	2,771	1,386	50.02%
	<u>238,171</u>	<u>26,777</u>	11.24%
As at 31 December 2025			
Within 1 year	99,683	3,489	3.50%
1 to 2 years	83,617	8,362	10.00%
2 to 3 years	54,069	16,221	30.00%
	<u>237,369</u>	<u>28,072</u>	11.83%

Other receivables

Over the term of other receivables, the Group accounts for its credit risk by appropriately providing for ECL on a timely basis. To assess whether there is a significant increase in credit risk in other receivables, the Group compares the risk of a default occurring on the financial assets at the end of each reporting period with the risk of default at the date of initial recognition.

As stated in Note 4 to the Historical Financial Information, impairment on other receivables accounted as amortised cost is measured as either 12-month ECL or lifetime ECL. On such basis, the following table sets forth the ECL allowance for other receivables as at 31 March 2026 and 2025:

	12-month ECLs	Lifetime ECLs		Total
	Stage 1	Stage 2	Stage 3	
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 March 2026 (Unaudited)				
Expected loss rate	1.30%	N/A	N/A	
Gross carrying amounts	55,536	—	—	55,536
ECL allowance	<u>723</u>	<u>—</u>	<u>—</u>	<u>723</u>
As at 31 December 2025				
Expected loss rate	1.27%	N/A	N/A	
Gross carrying amounts	54,753	—	—	54,753
ECL allowance	<u>697</u>	<u>—</u>	<u>—</u>	<u>697</u>

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost include bank balances, pledged deposits and cash.

Credit risk for bank balances, pledged deposits and cash is considered to be immaterial, as the counterparts are banks/financial institutions with high credit ratings by international credit rating agencies.

40. SUBSEQUENT EVENTS

Between April and May 2026, after the reporting date, the Group entered into shipbuilding contracts with three customers in Norway, Greece and Netherlands, pursuant to which the Group will design, construct and deliver a total of ten 211,000 DWT bulk carriers and two 25,000 DWT heavy lift ships, with an aggregate contract values of approximately RMB6,171 million. The above-mentioned ships are expected to be delivered during 2028 and 2029. As above events arose after the reporting date, no adjustments have been made to the current period financial statements.

Except for above and disclosed in elsewhere in the accountants' report, there are no material subsequent events undertaken by the Group after 31 March 2026 and up to the date of this report.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company prepared in accordance with Rule 4.29 of the Listing Rules is for illustrative purpose only, and is set forth here to illustrate the effect of the Global Offering on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 as if the Global Offering had taken place on December 31, 2025.

This unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 or at any future dates following the Global Offering. It is prepared based on the audited consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 as set out in the Accountants' Report on historical financial information of the Group, the text of which is set out in Appendix I to this Prospectus, and adjusted as described below.

	Audited consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025	Estimated net proceeds from Global Offering	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 per share	
	RMB'000 (Note 1)	RMB'000 (Note 2)	RMB'000	RMB (Note 3)	HK\$ (Notes 3 & 4)
Based on the Offer Price of HK\$66.40 per Offer Share	8,275,038	5,074,173	13,349,211	18.42	20.39

Notes:

1. The audited consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 is extracted from the Accountants' Report set out in Appendix I to this Prospectus, which is based on the audited consolidated net assets of the Group attributable to owners of the Company as of December 31, 2025 of approximately RMB8,280,290,000 after deducting the Group's intangible assets attributable to owners of the Company of approximately RMB5,252,000 as of December 31, 2025.
2. The estimated net proceeds from the Global Offering are based on 86,965,800 offer shares at the Offer Price of HK\$66.40 per Offer Share, after deduction of the estimated underwriting fees and other related listing expenditure payable by the Company (excluding the listing expense that have been charged to profit or loss during the Track Record Period), and does not take into account of shares which may be issued upon the exercise of the offer size adjustment option and the over-allotment option or any shares which may be issued or repurchased by the Company.
3. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 per share is calculated based on a total of 724,715,149 shares (representing 637,749,349 shares in issue as of December 31, 2025 adding 86,965,800 offer shares under the Global Offering), assuming that the Global Offering had been completed on December 31, 2025 but does not take into account of any shares which may be issued upon the exercise of the offer size adjustment option and the over-allotment option or any shares which may be issued or repurchased by the Company.

4. For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 per share, the amounts states in Renminbi are converted from or into Hong Kong dollars at an exchange rate of HK\$1.00 to RMB0.9032. No representation is made that Renminbi has been or may be converted to Hong Kong dollars, or vice versa, at that rate.
5. No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 to reflect any trading results or other transactions of the Group entered into subsequent to December 31, 2025. In particular, the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company has not taken into account payment of dividend of RMB55,484,000 which was approved by the shareholders in the Company's annual general meeting on April 3, 2026. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share would have been HK\$20.31 per Offer Share if the dividend declaration had been accounted for as of December 31, 2025.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for the sole purpose of inclusion in this prospectus received from the independent reporting accountants of the Company, BDO Limited, Certified Public Accountants, Hong Kong.

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

To the Directors of Dajin Heavy Industry Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Dajin Heavy Industry Co., Ltd. (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as of December 31, 2025 and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages II-1 to II-2 of Appendix II to the prospectus issued by the Company dated 28 May 2026 (the “**Prospectus**”) in connection with the proposed initial public offering of the H shares of the Company (the “**Global Offering**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 of Appendix II to the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the Global Offering of the Group’s consolidated financial position as at December 31, 2025 as if the Global Offering had taken place at December 31, 2025. As part of this process, information about the Group’s consolidated financial position has been extracted by the Directors from the Group’s financial information for the year ended December 31, 2025, on which an accountants’ report set out in Appendix I of the Prospectus has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited 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 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**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” issued by the HKICPA, 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 Unaudited 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 Unaudited 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 Unaudited 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 Unaudited 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 Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or 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 Global Offering at December 31, 2025 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited 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 unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the unaudited related pro forma adjustments give appropriate effect to those criteria; and
- the unaudited 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 entity, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited 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 Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

BDO Limited

Certified Public Accountants
Hong Kong

28 May 2026

SECURITIES TAXATION

The taxation of income and capital gains of holders of H Shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of H Shares are residents or otherwise subject to tax. The following summary outlined certain relevant taxation provisions based on current laws and practices; however, such provisions may be subject to change and do not constitute legal or tax advice. The discussion has not deal with all possible tax consequences of holding H Shares nor does it take into account individual circumstances that are subject to specific restriction. Accordingly, investors should consult their own tax advisor regarding the tax consequences of holding H Shares. The information provided is based upon laws and interpretations in effect as of the Latest Practicable Date, and is subject to change, including possible retrospective adjustment.

THE PRC TAXATION**A. Taxation on Dividends***Individual Investors*

Pursuant to the Individual Income Tax Law of the PRC (中華人民共和國個人所得稅法), which was last amended on 31 August 2018 and came into effect on 1 January 2019, and the Regulations on Implementation of the Individual Income Tax Law of the PRC (中華人民共和國個人所得稅法實施條例), which were last amended on 18 December 2018 and came into effect on 1 January 2019, dividends paid by PRC enterprises are subject to individual income tax levied at a flat rate of 20%. For a foreign individual who is not a resident of the PRC, the receipt of dividends from a PRC enterprise is normally subject to an withholding income tax of 20% unless specifically exempted by the tax authority of the State Council or reduced by relevant tax treaty.

Meanwhile, pursuant to the Notice on Issues Concerning the 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》) (Cai Sui [2015] No. 101) promulgated by the Ministry of Finance, the SAT and the China Securities Regulatory Commission on 7 September 2015 and came into effect on 8 September 2015, where an individual acquires and holds for over one year the stocks of listed companies through public offerings or from the stock exchange of the place where the company is listed and transfer of stock, the income from the dividends and bonuses thereof are temporarily exempted from individual income tax. However, for holding period of one month or less, individual income tax shall be taxable on the dividends thereof in full amount; while a holding period between one month and one year (one year inclusive), the incomes from the dividends thereof shall be taxable income at a tax rate of 50%. In each case where applicable, a flat rate of 20% shall be applied.

In accordance with 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 21 August 2006, the PRC Government may levy taxes on the dividends paid by a PRC company to Hong Kong residents at a tax rate of not exceeding 10%. However, if a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company, such tax rate shall not exceed 5%.

Pursuant to the announcement of the Administrative Measures for Non-resident Taxpayers' Enjoyment of Treaty Treatment ([2019] No. 35) (《非居民納稅人享受協定待遇管理辦法》([2019]35號)) promulgated by the SAT and became effective on 1 January 2020,

non-resident taxpayers with tax obligations in China who wish to enjoy treaty benefits may file a withholding declaration at the time of tax return filing or through a withholding agent, where such taxpayers enjoy such treatment through a mechanism of self-determination, self-declaration and keeping supporting documents for future inspection by tax authorities.

Enterprise Investors

In accordance with the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) issued by National People's Congress on 16 March 2007, came into effect on 1 January 2008 and lately amended on 29 December 2018 and the Implementation Provisions 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》) issued by the State Council on December 6, 2007, came into effect on 1 January 2008 and lately amended on 6 December 2024, a non-resident enterprise is generally subject to enterprise income tax at 10% on PRC-sourced income (including dividends paid by a PRC resident enterprise on which shares issued and listed in Hong Kong), if it does not have an establishment or premise in the PRC or its income has no real connection with such establishment or premise. Such income tax may be reduced pursuant to applicable tax treaties, if applicable, to avoid double taxation. The tax payment is deducted at source, where the payer of the dividend is required to withhold the income tax from the amount to be paid to the non-resident enterprise when such payment is made or due.

The Notice 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 (Guo Shui Han [2008] No. 897) (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(國稅函[2008]897號)), which was issued by the SAT on 6 November 2008, further clarifies that a PRC-resident enterprise must withhold enterprise income tax at a rate of 10% on the dividends of 2008 and onwards that it distributes to overseas non-resident enterprise shareholders of H Shares. In addition, the Response to Questions on Levying Enterprise Income Tax on Dividends Derived by Non-resident Enterprise from Holding Stock such as B Shares (Guo Shui Han [2009] No. 394) (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(國稅函[2009]394號)), which was issued by the SAT and implemented on 24 July 2009, further provides that any PRC-resident enterprise which are listed on overseas stock exchanges must withhold and remit enterprise income tax at a rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprises. Applicable withholding tax rates may be further reduced pursuant to the tax treaty or agreement that China has entered into with a relevant jurisdiction, where applicable.

Pursuant to the Arrangement between the Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (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 21 August 2006, the PRC Government may levy taxes on the dividends paid by a PRC company to Hong Kong residents (including natural person and legal entities) in an amount not exceeding 10% of the total dividends payable by the PRC company. However, if a Hong Kong resident directly holds 25% or more of the equity interest in the PRC company, then such tax shall not exceed 5% of the total dividends payable.

Tax Treaties

Non-resident investors residing in countries or regions which have entered into taxation agreements for the avoidance of double taxation with the PRC are generally entitled to a lower withholding tax rate on the dividends received from PRC enterprises. The PRC has entered into such agreements with a number of jurisdictions including but not limited to Hong Kong, China,

Macau, China, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Pursuant to the Law of the People's Republic of China on the Administration of Tax Collection (《中華人民共和國稅收徵收管理法》), where there are differences between provisions of applicable tax treaties and agreements and those of domestic tax legislations, such treaties and agreements shall prevail.

Where non-PRC resident taxpayers entitled to but have not enjoyed preferential tax rates in accordance with applicable tax treaties or arrangements, the taxpayers may apply to the PRC tax authorities for a refund of the withholding tax in excess of the applicable tax rate specified by the tax treaties, and the refund shall be subject to verification and approval by the PRC tax authorities.

B. Taxation on Share Transfer

VAT and Local Surcharges

Pursuant to the Notice on the Full Implementation of Pilot Programme for Transition from Business Tax to VAT (Cai Shui [2016] No. 36) (關於全面推開營業稅改徵增值稅試點的通知(財稅[2016]36號)), effective from 1 May 2016 with latest amendment on 20 March 2019, individuals and entities engaged in provision of services within the PRC shall be subject to VAT. Based on the notice and its appendices aforesaid, provision of services shall include transfer of financial products, which include marketable securities. Unless otherwise required by No. 36 notice or other regulations issued by the Ministry of Finance and SAT, services shall be deemed as being provided within the PRC if the service providers or recipients are located in the PRC.

Transfer of marketable securities is generally subject to VAT at 6% on the taxable income. However, individuals are exempt from VAT upon transfer of financial products. For the purpose of VAT, taxable income refers to the net proceeds from sales, calculated by deducting the original purchase price from the selling price. This VAT regime applies to both general VAT taxpayers and foreign VAT taxpayers.

Pursuant to the aforementioned provisions, non-resident individuals transferring H Shares are exempted from VAT in the PRC. Should the purchaser of H Shares be an individual or entity located outside the PRC, non-resident enterprises may likewise be exempted from VAT. In contrast, should the purchaser be an individual or entity located within the PRC, such non-resident enterprise holders may be subject to VAT in the PRC.

INCOME TAX

Individual Investor

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》), as last amended on August 31, 2018 and effective from January 1, 2019, income derived from the transfer of equity interests in PRC resident enterprises is generally subject to individual income tax at a rate of 20%. However, pursuant to the Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》) (Cai Shui [2009] No. 167), jointly issued by the MOF and the SAT on March 30, 1998, income derived by individuals from the transfer of shares of listed companies has been temporarily exempted from individual income tax with effect from January 1, 1997.

On December 31, 2009, the MOF, the SAT and the CSRC jointly issued the Supplementary Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of the Listed Shares Subject to Sales Limitations (《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). The Circular provides that income derived by individuals from the transfer of listed shares acquired through public issuance and trading on the Shanghai Stock Exchange or the Shenzhen Stock Exchange shall continue to be exempt from individual income tax. However, for listed shares subject to trading restrictions, individual income tax shall be levied at a rate of 20%. As of the Latest Practicable Date, there is no provision that expressly stipulates that non-resident individuals are required to pay individual income tax on the transfer of shares of PRC resident enterprises listed on overseas stock exchanges.

According to the Enterprise Income Tax Law (《中華人民共和國企業所得稅法》) issued by promulgated by the Standing Committee of the National People's Congress on March 16, 2007, came into effect on January 1, 2008 and last amended on December 29, 2018 and the Implementation Rules of the EIT Law of the People's Republic of China (2024 Revision) (《中華人民共和國企業所得稅法實施條例》) issued by promulgated by the State Council on December 6, 2007, came into effect on January 1, 2008 and last amended on December 6, 2024, non-resident enterprises are generally subject to PRC enterprise income tax at a rate of 10% on income sourced from within the PRC (including gains derived from the transfer of equity interests in PRC resident enterprises). Such tax liability arises only if the non-resident enterprise does not maintain an establishment or place of business within the PRC, or if the relevant income is not effectively connected with the business activities of any such establishment or place of business. Enterprise income tax is levied by way of withholding at source, with the payor being the withholding agent. The withholding agent is required to withhold tax from the amounts paid or payable to non-resident enterprises at the time of payment or when the payment becomes due. Such tax obligation may be reduced or exempted pursuant to applicable tax treaties or arrangements for the avoidance of double taxation entered into between the PRC and the relevant jurisdictions.

Stamp Duty

According to the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》), promulgated by the Standing Committee of the National People's Congress on June 10, 2021 and effective from July 1, 2022, entities and individuals that execute taxable vouchers within the PRC, engage in securities transactions, or execute taxable vouchers outside the PRC for use within the PRC, are required to pay stamp duty.

Estate Duty

As of the Latest Practicable Date, no estate tax is currently imposed in the PRC.

Foreign Exchange

Renminbi is the lawful currency of the PRC. Currently, Renminbi is subject to foreign exchange controls and cannot be freely converted into foreign currencies. The SAFE, under the authorization of the People's Bank of China, is responsible for the administration of all matters related to foreign exchange, including the enforcement of applicable foreign exchange control regulations.

On January 29, 1996, the State Council promulgated the Regulations on the Administration of Foreign Exchange of the PRC (《中華人民共和國外匯管理條例》), which became effective on April 1, 1996. These regulations categorize all international payments and

transfers into current account items and capital account items. Most current account items no longer require the prior approval of the SAFE, while capital account items continue to be subject to such approval. Pursuant to the latest amendment to the Regulations on the Administration of Foreign Exchange, which became effective on August 5, 2008, there are no longer any restrictions on international payments and transfers under current account items.

On June 20, 1996, the People's Bank of China promulgated the Regulations on the Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》), which became effective on July 1, 1996. These regulations eliminated all remaining restrictions on the convertibility of foreign exchange under current account items, while retaining the existing restrictions on foreign exchange transactions under capital account items.

Pursuant to the Announcement of the People's Bank of China on Reforming the RMB Exchange Rate Regime (《中國人民銀行關於完善人民幣匯率形成機制改革的公告》) (Announcement [2005] No. 16 of the People's Bank of China), which became effective on July 21, 2005, the PRC reformed its exchange rate regime to implement a managed floating exchange rate system based on market supply and demand with reference to a basket of currencies. As a result, the Renminbi exchange rate is no longer pegged solely to the U.S. dollar. The People's Bank of China announces, after the close of trading on each business day, the closing price of the Renminbi against the U.S. dollar and other foreign currencies in the interbank foreign exchange market, which serves as the central parity rate for trading of such currencies against the Renminbi on the following business day.

Since January 4, 2006, the People's Bank of China has introduced over-the-counter transactions into the interbank spot foreign exchange market to improve the formation mechanism of the RMB central parity rate, while retaining the existing foreign exchange trade matching system. In addition, the People's Bank of China introduced a market maker mechanism to provide liquidity to the foreign exchange market. On July 1, 2014, the People's Bank of China further improved the RMB exchange rate formation mechanism by authorizing the China Foreign Exchange Trade System to collect quotes from interbank foreign exchange market makers before the opening of the daily interbank foreign exchange market. The market makers' quotes are used as the calculation samples for the RMB central parity rate against the U.S. dollar. After excluding the highest and lowest quotes, the remaining quotes of market makers are weighted and averaged to determine the central parity rate of the RMB against the U.S. dollar for the day, which is published at 9:15 a.m. on each business day, along with the central parity rates of the RMB against other currencies. On August 11, 2015, the People's Bank of China announced improvements to the quotation mechanism for the RMB-U.S. dollar central parity rate, authorizing market makers to submit central parity quotations to the China Foreign Exchange Trade System before the opening of the daily interbank foreign exchange market with reference to the previous day's closing rate in the interbank foreign exchange market, supply and demand conditions in the foreign exchange market and changes in exchange rates of major international currencies.

On August 5, 2008, the State Council promulgated the amended Regulations on the Administration of Foreign Exchange, which brought significant changes to China's foreign exchange regulatory system. First, the amended Regulations on the Administration of Foreign Exchange adopt a more balanced approach to capital inflows and outflows. Foreign currency income earned overseas may be remitted into China or retained abroad. However, foreign currencies under capital account items, as well as funds converted into foreign currency for settlement, may only be used for purposes approved by the relevant competent departments and foreign exchange administration authorities. Second, the amended regulations improved the RMB exchange rate formation mechanism, making the RMB exchange rate more closely aligned with market supply and demand. Third, the regulations strengthened the monitoring of

cross-border foreign currency flows. In the event of a significant imbalance in cross-border receipts and payments or a severe actual or potential crisis in the domestic economy, the State has the authority to implement protective or control measures to safeguard the balance of international payments. Fourth, the amended regulations enhanced the supervision and administration of foreign exchange transactions and granted the SAFE broad powers to strengthen its regulatory and administrative capabilities.

Pursuant to the applicable PRC laws and regulations, PRC enterprises (including foreign-invested enterprises) may, for current account transactions, use foreign exchange to make payments directly from their foreign exchange accounts opened with designated foreign exchange banks upon presentation of valid transaction documents or evidence, without obtaining prior approval from the foreign exchange departments. Foreign-invested enterprises that need to pay profits to their shareholders in foreign currency, as well as PRC enterprises (such as the Company) that are required under relevant regulations to pay dividends to their shareholders in foreign currency, may do so pursuant to resolutions of their board of directors or shareholders' meetings. Payments may be made directly from the foreign exchange account or through designated foreign exchange banks for currency conversion and remittance.

On October 23, 2014, the State Council promulgated the Decision of the State Council on Cancelling and Adjusting a Number of Administrative Approval Items and Other Matters (《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), which decided to cancel the approval requirements of the SAFE and its branches for the repatriation and settlement of funds raised by overseas-listed foreign-invested shares into RMB accounts in the PRC.

On December 26, 2014, the SAFE promulgated and implemented the Circular of the State Administration of Foreign Exchange on Issues Concerning the Administration of Foreign Exchange Involved in Overseas Listing (Hui Fa [2014] No. 54), which requires domestic companies to register their overseas listings with the local branch of the SAFE within 15 business days from the completion of the overseas listing and issuance. Proceeds from such listings may be remitted into the PRC or retained abroad, and their use must be consistent with the purposes stated in the registration and other disclosure documents.

Pursuant to the Circular of the SAFE on Further Improving and Adjusting Foreign Exchange Administration Policies 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), which was issued by the SAFE on February 13, 2015 and became effective on June 1, 2015, the administrative approval for foreign exchange registration under domestic and foreign direct investment was cancelled. Such registration is currently handled directly by qualified banks, while the SAFE and its branches implement indirect supervision through banks to handle relevant foreign exchange business.

Pursuant to the Notice of the SAFE on Reforming and Regulating the Policies of Administration of Foreign Exchange Settlement for Capital Account (《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), which came into effect on June 9, 2016 and was last amended on December 4, 2023, domestic institutions are allowed to undertake foreign exchange settlement for capital account (including proceeds from overseas listing) in the banks according to their actual business needs. The ratio of the discretionary exchange rate of such receipts is tentatively set at 100%. The SAFE may adjust the above ratio in due course according to the balance of payment status.

Pursuant to the Circular of the SAFE on Optimizing Foreign Exchange Administration to Support the Development of Foreign-related Business (Hui Fa [2020] No. 8) (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》(匯發[2020]8號)), which became effective on April 10, 2020, the reform of facilitating the payments of incomes under the capital accounts shall be promoted nationwide. Under the prerequisite of ensuring true and compliant use of funds and compliance and complying with the prevailing administrative provisions on use of income from capital projects, enterprises which satisfy the criteria are allowed to use income under the capital account, such as capital funds, foreign debt and overseas listing, etc., for domestic payment, without the need to provide proof materials for veracity to the bank beforehand for each transaction.

This Appendix sets out the summary of certain aspects of the PRC laws and regulations that are relevant to the Company's operations and businesses. The PRC tax laws and regulations are discussed separately in Appendix III — Taxation and Foreign Exchange to this document. A summary of the Company Law of the PRC and other relevant legal and regulatory requirements is also set out in this Appendix. The primary purpose of this summary is to provide potential investors with an overview of the principal legal and regulatory requirements applicable to the Company. This summary is not intended to contain all information that is important to potential investors. Please refer to the Regulatory Overview section of this document for a discussion of the laws and regulations relevant to our business.

PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the PRC (《中華人民共和國憲法》) (the "Constitution") and is made up of laws, administrative regulations, local regulations, separate regulations, departmental rules of the State Council, local government rules and regulations, autonomous regulations, separate regulations of autonomous regions, laws of special administrative regions, international treaties to which the PRC government is a signatory and other regulatory documents. Court judgments do not constitute legally binding precedents but may be used for judicial reference and guidance.

According to the Constitution and the Legislation Law of the PRC (《中華人民共和國立法法》) (the "Legislation Law") amended on March 13, 2023 and came into effect on March 15, 2023, the National People's Congress (the "NPC") and the Standing Committee of the National People's Congress (the "SCNPC") are empowered to exercise the legislative power of the State. The NPC has the power to enact and amend basic laws governing criminal and civil matters, state organs and other matters. The SCNPC 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 are not in conflict with the basic principles of such laws.

The State Council is the highest administrative organ of the State and has the power to enact administrative regulations based on the Constitution and laws. The people's congresses of provinces, autonomous regions and municipalities and their respective standing committees may enact local regulations based on the specific circumstances and actual requirements of their own respective administrative areas, provided that such local regulations must not contravene any provisions of the Constitution, laws or administrative regulations. The people's congresses and their respective standing committees of cities with subordinate districts may enact local regulations based on their own specific circumstances and actual requirements relating to urban and rural development and management, environmental protection and the conservation of history and culture, provided that such local regulations are not in conflict with any provisions of the Constitution, laws, administrative regulations and local regulations of provinces or autonomous regions. If the laws have other provisions on the enactment of local regulations for cities with subordinate districts, such other provisions shall prevail. Local regulations for cities with subordinate districts must be reported to the people's congresses of the provinces and autonomous regions for approval before implementation.

The standing committees of the people's congresses of the provinces or autonomous regions shall review the legitimacy of the local regulations submitted for approval, and approval shall be granted within four months if they do not contravene the Constitution, laws, administrative regulations and the local regulations of the provinces or autonomous regions. The people's congresses of ethnic autonomous areas have the power to enact autonomous regulations and separate regulations in the light of the political, economic and cultural characteristics of each ethnic group in the area. All ministries and committees of the State

Council, the People's Bank of China, the National Audit Office, and the public institutions directly under the State Council with administrative and management functions may enact rules and regulations within the scope of their terms of reference in accordance with the laws and the administrative regulations, decisions and rulings of the State Council.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations or rules 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 rules and regulations enacted by the people's governments of provinces and autonomous regions is greater than that of the rules enacted by the people's governments of the cities with subordinate districts within their respective administrative areas.

The NPC has the power to alter or annul any inappropriate laws enacted by the SCNPC and has the power to annul any autonomous regulations and separate regulations which have been approved by the SCNPC but which contravene the Constitution and the Legislation Law. The SCNPC has the power to annul any administrative regulations that contravene the Constitution and the laws, to annul any local regulations that contravene the Constitution, laws or administrative regulations, and to annul any autonomous regulations or separate regulations which have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities but which contravene the Constitution and the Legislation Law. The State Council has the power to alter or annul any inappropriate departmental rules and local rules and regulations. The people's congresses of provinces, autonomous regions or municipalities have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees. The standing committees of the local people's congresses have the power to annul any inappropriate rules and regulations enacted by the people's governments at the same level. The people's governments of provinces and autonomous regions have the power to alter or annul any inappropriate rules and regulations 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 SCNPC. According to the Decision of the Standing Committee of the National People's Congress Regarding Strengthening the 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》) approved by the SCNPC and came into effect on June 10, 1981, the Supreme People's Court of the PRC has authority to give interpretation on questions involving the specific application of laws and decrees in court trials. The Supreme People's Procuratorate has authority to give interpretation on questions involving the specific application of laws and decrees in prosecutions conducted by procuratorates. The State Council and the competent authorities have authority to give interpretation on questions involving the specific application of other laws and decrees not relating to court trials and prosecution work.

If the scope of local regulations requires further definition or supplementary provisions, the standing committees of the people's congresses of the provinces, autonomous regions and municipalities that enact such regulations shall have authority to give interpretation or enact provisions. The power to give interpretation on questions involving the specific application of the local regulations is vested with the competent authorities of the people's government of the provinces, autonomous regions and municipalities.

PRC JUDICIAL SYSTEM

Under the Constitution and the PRC Law on the Organization of the People's Courts (《中華人民共和國人民法院組織法》) amended on October 26, 2018 and came into effect on January 1, 2019, the people's courts of the PRC are 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 divided into three levels, namely, the primary people's courts, the intermediate people's courts and the higher people's courts. The primary people's courts may establish certain people's tribunals according to the circumstances of the location, population and cases. The Supreme People's Court is the highest judicial body in the PRC. It supervises the adjudication work of the local people's courts and special people's courts at all levels, and people's courts at a higher level will supervise adjudication work of the people's courts at a lower level.

Under the Constitution and the PRC Law on the Organization of the People's Procuratorate (《中華人民共和國人民檢察院組織法》) amended on October 26, 2018 and came into effect on January 1, 2019, the people's procuratorate is the law supervision authority of the State. The Supreme People's Procuratorate leads the work of local people's procuratorates and special people's procuratorates at all levels, and the people's procuratorate at a higher level will lead the work of the people's procuratorate at a lower level.

The people's courts implement the two-instance final trial system, the judgment or ruling of second instance of the people's court shall be the final judgment and ruling. A party who is dissatisfied with the judgment or ruling of the first instance of the local people's court may file an appeal. The people's procuratorate may file a protest with the people's court at the next higher level in accordance with the procedures prescribed by law. If the party does not file an appeal and the people's procuratorate does not protest within the prescribed time limit, the judgment or ruling of the people's court shall be final. The judgments and rulings of second instance made by the intermediate people's courts, the higher people's courts and the Supreme People's Court, and the judgments and rulings of first instance handed down by the Supreme People's Court shall be final judgments and rulings. However, if the Supreme People's Court or the local people's court at a higher level finds that the effective judgment or ruling of the people's court at the lower level is indeed erroneous, or the presiding judge of the people's court at any level finds that the effective judgment or ruling of the people's court at the same level is indeed erroneous, a retrial may be conducted in accordance with the judicial supervision procedures.

The Civil Procedure Law of the PRC (2023 Amendment) (《中華人民共和國民事訴訟法(2023年修訂)》) adopted by the SCNPC on September 1, 2023 and came into effect on January 1, 2024, set forth the criteria for instituting a civil action, the jurisdiction of the people's courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the territories of the PRC must comply with the Civil Procedure Law of the PRC. Generally, a civil case is initially heard by a local court of the place in which the defendant resides. The parties to a contract may, by express agreement, select a judicial court with competent jurisdiction to hear civil actions arising from disputes on contracts or disputes on property, equity interest or other assets, provided that the judicial court must be located at the place directly related to the dispute, such as the place of residence of the plaintiff or defendant, the place of performance or the place of execution of the contract, or the place where the object of the civil action is located. However, under any circumstances, the choice of court must not contravene the provisions regarding different jurisdictions and exclusive jurisdiction.

A foreign national or a stateless person or a foreign-invested enterprise or a foreign organization that files a lawsuit or defends a case in the people's court shall enjoy the same rights and bear the same obligations of litigation as a citizen or legal person or other organization of the PRC. If a judicial court of a foreign country limits the litigation rights of PRC citizens and enterprises, the PRC courts may impose the same limitations to the citizens and enterprises of that foreign country. If a foreign individual, a stateless person, a foreign-invested enterprise or a foreign organization that files a lawsuit or defends a case in the people's court needs to engage a lawyer, he/she/it should employ a PRC lawyer. According to the international treaties or principles of reciprocity signed or joined by the PRC, the people's courts and the foreign courts may request each other to deliver documents, conduct investigations and collect evidence or take other actions on behalf of the other side. If any request from a foreign court may give rise to infringement on the sovereignty, security or public interest of the PRC, the people's court should refuse the request.

All parties to the litigation must enforce legally effective civil judgments and rulings. If either party to a civil action refuses to enforce a judgment or ruling made by a people's court of the PRC or an award made by an arbitral tribunal, the other party may apply to the people's court for enforcement within two years. The application for suspension or interruption of the enforcement period shall comply with the provisions on suspension or interruption of the limitation period under applicable laws.

A party applies to the people's court seeking to enforce an effective judgment or ruling of a people's court against a party who is not personally within the PRC or whose property is not within the PRC, may apply to a foreign court with competent jurisdiction over the case for recognition and enforcement of the judgment or ruling. If the PRC has signed or joined an international treaty with the relevant foreign country under which foreign judgment or ruling may be recognized and enforced, or if the judgment or ruling satisfies the required conditions after review by the court according to the principle of reciprocity, unless subject to other exceptions, the people's court may recognize and enforce the foreign judgment and ruling according to the enforcement procedure of the PRC, but except the people's court finds that the recognition or enforcement of such judgment or ruling will result in violation of the basic legal principles of the PRC, its sovereignty or security or against social and public interest.

THE COMPANY LAW OF THE PRC (《中華人民共和國公司法》), THE TRIAL ADMINISTRATIVE MEASURES OF OVERSEAS SECURITIES OFFERING AND LISTING BY DOMESTIC COMPANIES (《境內企業境外發行證券和上市管理試行辦法》) AND THE GUIDELINES FOR ARTICLES OF ASSOCIATION OF LISTED COMPANIES (《上市公司章程指引》)

A joint stock limited company incorporated in the PRC seeking for listing on The Stock Exchange of Hong Kong Limited is primarily subject to the provisions of the Company Law of the PRC (《中華人民共和國公司法》) (the "Company Law") and the Trial Administrative Measure of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "Trial Measures").

The Company Law was approved by the Fifth Meeting of the Eighth Session of the SCNPC on December 29, 1993, and came into effect on July 1, 1994, and were amended respectively on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023. The last amended Company Law came into effect on July 1, 2024.

The Trial Measures promulgated by the CSRC on February 17, 2023 and its five explanatory guidelines came into effect on March 31, 2023, which are applicable to direct and indirect overseas listing of domestic companies.

Pursuant to the Trial Measures and its explanatory guidelines, domestic companies seeking for direct overseas offering and listing shall prepare the Articles of Association according to the Guidelines for Articles of Association for Listed Companies (《上市公司章程指引》) (the “Guidelines for Articles of Association”) to replace the Mandatory Provisions for Articles of Association of Companies Listing Overseas (《到境外上市公司章程必備條款》) which were no longer applicable since March 31, 2023. The Guidelines for Articles of Association were promulgated by the CSRC on December 16, 1997 and last amended on March 28, 2025.

A summary of the major provisions of the Company Law, the Trial Measures and the Guidelines for Articles of Association applicable to the Company is set out below.

GENERAL PROVISIONS

A joint stock limited company refers to an enterprise legal person incorporated in accordance with the Company Law with its registered capital divided into shares of equal par value. The liabilities of its shareholders are limited to the extent of the price payments of the shares they subscribe for. And the liabilities of the Company are limited to the value of all the properties it owns.

The Company must abide by laws, social and business ethics in conducting its operating activities. The Company may invest in other companies with limited liability. The Company’s liability to these investee companies is limited to the amounts contributed. Except as otherwise provided by law, the Company shall not be a capital contributor to an enterprise if such investment may make the Company jointly and severally liable for the debts of the investee enterprise.

INCORPORATION

A joint stock limited company may be incorporated by promotion or public subscription. A joint stock limited company may be incorporated by a minimum of one but not more than 200 promoters, and at least half of the promoters must have residence within the PRC.

The promoters must convene an inaugural meeting within 30 days after the share capital is fully paid-up and must give notice to all subscribers or make an announcement on the date of the inaugural meeting 15 days before the meeting. The inaugural meeting may be convened only with the presence of the promoters and the subscribers holding more than 50% of the total number of shares. Powers that may be exercised at the inaugural meeting include, but not limited to, the adoption of articles of association, the election of members of the board of directors and members of the supervisory committee of the company. All resolutions of the aforesaid matters require approval by more than 50% of the votes cast by subscribers attending the meeting.

Within 30 days after the conclusion of the inaugural meeting, the board of directors must apply to the registration authority for registration of the incorporation of the joint stock limited company. After the business license has been issued by the relevant registration authority, the company is formally established, and has the status of a legal person.

REGISTERED SHARES

According to the Company Law, a shareholder may contribute capital in cash or in kind or in consideration of non-monetary properties such as intellectual property rights, land use right, equity interests or creditor's rights of debts that can be valued in currency and may be transferred in accordance with the law.

The Trial Measures stipulate that domestic enterprises that are listed overseas may raise funds and distribute dividends in foreign currencies or in Renminbi.

According to the Company Law, a joint stock limited company is required to maintain a Register of Members, which shall contain in detail the following information: (I) the name and domicile of each shareholder; (II) the class and number of shares subscribed by each shareholder; (III) the stock serial number (if issued in paper form); and (IV) the date each shareholder acquired the shares.

ALLOTMENT AND ISSUE OF SHARES

All issuance of shares by a joint stock limited company shall be on an equal and equitable basis. Shares of the same class must carry the same rights. Shares of the same class issued at the same time must be issued on the same conditions and at the same price. A joint stock limited company may issue shares at par value or at a premium, but cannot issue shares at a price below par value.

A domestic enterprise seeking to be listed overseas shall file with the CSRC in accordance with the provisions of the Trial Measures, and submit a filing report, legal opinion and other relevant materials, and give an authentic, accurate and complete description of shareholders' information. Where a domestic enterprise issues shares directly for listing overseas, the issuer shall file with the CSRC. Where a domestic enterprise plans to go for indirect listing overseas, the issuer shall designate the major domestic operating entity as the domestic responsible person and make a filing with the CSRC.

INCREASE IN SHARE CAPITAL

Under the Company Law, in the case of a joint stock limited company issuing new shares, resolutions shall be passed at the shareholders' general meeting in respect of the class and number of new shares, the issue price of the new shares, the commencement and end dates for the issuance of new shares and the class and number of the new shares proposed to be issued to existing shareholders, if any. If no par value stock is issued, the proceeds from the issuance of the new stocks shall be included into the registered capital. Additionally, if a company intends to make public offering of shares, it is required to complete the registration with the securities regulatory authority of the State Council and announce the document.

REDUCTION OF SHARE CAPITAL

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law:

- (I) preparing a balance sheet and a property list;
- (II) making a resolution at shareholders' general meeting to reduce its registered capital;

- (III) a company shall inform its creditors within 10 days and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days after the approval of resolution of reducing registered capital;
- (IV) the creditors shall have the right to require a company to repay its debts or provide corresponding guarantees within 30 days after receiving the notice or within 45 days after the announcement if the creditors have not received the notice;
- (V) a company shall apply to the relevant administration for industry and commerce for the modification registration for the reduction of registered capital.

A company shall reduce registered capital in proportion to the shares held by shareholders, unless otherwise provided by laws or the articles of association of a joint stock limited company.

REPURCHASE OF SHARES

According to the Company Law, a joint stock limited company may not repurchase its own shares except in any of the following circumstances:

- (I) reducing the registered capital;
- (II) merging with other company that holds the shares of the company;
- (III) using the shares for employee stocks plan or equity incentives;
- (IV) shareholders who vote against the resolutions on merger and division of the company passed by the shareholders' general meeting have the right to request the company to acquire the shares held by them;
- (V) a company repurchases its shares for conversion of its issued convertible corporate bonds;
- (VI) as required for maintenance of the market value and protection of shareholders' rights and interests of a listed company

The repurchase of its outstanding shares by a company due to the circumstances specified in items (I) to (II) above shall be subject to approval by a resolution of a shareholders' general meeting. The repurchase of its outstanding shares by a company due to the circumstances specified in items (III), (V) and (VI) above shall be authorised by the articles of association or a resolution of the shareholders' general meeting and subject to approval by a resolution of a board Meeting attended by two-thirds of the directors.

Following the repurchase of our Company's shares by a company in accordance with the above provisions, such shares shall be canceled within 10 days from the date of repurchase in the case of item (I) above; such shares shall be transferred or canceled within six months in the case of items (II) and (IV) above; and such shares shall be transferred or canceled within three years in the case of items (III), (V) and (VI) above, provided that the total number of shares held by a company through repurchases shall not exceed 10% of the total number of issued shares of the company.

TRANSFER OF SHARES

Shares held by a shareholder may be transferred according to the law. Under the Company Law, a shareholder of a joint stock limited company should affect a transfer of his/her shares on securities established exchange according to the law or by any other means as required by the State Council. Registered shares may be transferred by endorsement of shareholders or by other means stipulated by laws or administrative regulations. After the transfer, a company shall record the name and address of the transferee in the register of shareholders. No changes of registration in the share register shall be affected during a period of 20 days prior to the convening of shareholder's general meeting or 5 days prior to the record date for a company's distribution of dividends. If any law, administrative regulation, or any provision by the securities regulatory authority of the State Council specifies otherwise for the modification of the register of shareholders of a listed company, such provisions shall prevail.

Under the Company Law, shares issued by a joint stock limited company prior to the public offering of shares shall not be transferred within one year from the date on which the shares of a company are listed and traded on a securities exchange. The directors, supervisors and senior management of the company should declare to the company the shares they hold and the changes thereof. During the term of office as determined when they assume the posts, the shares transferred each year should not exceed 25% of the total shares they hold of the company. Shares of a company held by its directors, supervisors and senior management shall not be transferred within one year from the date of a company's listing on a securities exchange, nor within six months after their resignation from their positions with a company.

If the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee cannot exercise the pledge right within such restricted period.

SHAREHOLDERS

Under the Company Law and Guidelines for Articles of Association, the rights of a shareholder of a company include:

- (I) receiving dividends and other forms of distributions in proportion to their shareholdings;
- (II) requesting, convening, presiding over, participating in or entrust a proxy to attend shareholders' general meetings and exercising corresponding rights to vote;
- (III) supervising the business operations of the company, making recommendations or raising questions;
- (IV) the transfer, donation or pledge of their shares in accordance with laws, administrative regulations and the articles of association;
- (V) reviewing and copying the articles of association, register of members, minutes of shareholders' general meetings, resolutions of board meeting, resolutions of board of supervisors' meetings, and financial and accounting reports; eligible shareholders may review the company's accounting books and accounting vouchers;
- (VI) in the event of the winding-up or liquidation of a company, participating in the distribution of remaining property of a company in proportion to the number of shares held;

- (VII) requiring the company to purchase their shares if the shareholder votes against the company merger or division resolution passed by the shareholders' general meeting;
- (VIII) other rights conferred by laws, administrative regulations, departmental rules, the regulatory rules of the stock exchange on which the company's shares are listed or the articles of association.

The obligations of a shareholder of a company include:

- (I) compliance with laws, administrative regulations and the articles of association;
- (II) paying full monies based on the shares they have subscribed for;
- (III) not withdrawing their shares unless otherwise provided for by laws and administrative regulations;
- (IV) not abusing the shareholders' rights to harm the interests of the Company or other shareholders; not abusing the Company's independent legal person status and the limited liabilities of the shareholders to harm the interests of the Company's creditors;
- (V) performing other duties as required by laws, administrative regulations, departmental rules and the securities regulatory rules of the places where the Company's shares are listed.

SHAREHOLDERS' GENERAL MEETINGS

Under the Company Law, the shareholders' general meeting of a joint stock limited company is made up of all shareholders. The shareholders' general meeting is the organ of authority of a company, which exercises the following functions and powers:

- (I) the election and removal of directors and supervisors, and decisions on matters relating to the remuneration of directors and supervisors;
- (II) approving the reports of the Board;
- (III) approving the reports of the Board of Supervisors;
- (IV) approving the plans for profit distribution and loss make-up of the company;
- (V) making resolutions on the increase or decrease of the registered capital of the company;
- (VI) making resolutions on the issuance of corporate bond;
- (VII) making resolutions on the merger, division, dissolution, liquidation or change of the form of the company;
- (VIII) amending the articles of association of the company;
- (IX) other functions and powers stipulated in the articles of association.

Under the Company Law, annual shareholders' general meetings are required to be held once every year. An extraordinary shareholders' general meeting is required to be held within two months after the occurrence of any of the following circumstances:

- (I) the number of directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the articles of association;
- (II) when the unrecovered losses of a company amount to one-third of the total share capital;
- (III) shareholders individually or jointly holding 10% or more of the company's shares request;
- (IV) when deemed necessary by the board;
- (V) the board of supervisors proposes to convene a meeting;
- (VI) other circumstances as stipulated in the articles of association.

Shareholders' general meetings shall be convened by the board of directors, and presided over by the chairman of the board. In the event that the chairman is incapable of performing or not performing his/her duties, the meeting shall be presided over by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his/her duties, a director nominated by more than half of directors shall preside over the meeting.

If the board of directors is incapable of performing or is not performing its duties to convene the shareholders' general meeting, the board of supervisors should convene and preside over shareholders' general meeting in a timely manner. If the board of supervisors fails to convene and preside over shareholders' general meeting, shareholders individually or in aggregate holding 10% or more of the company's shares for 90 days or more consecutively may unilaterally convene and preside over shareholders' general meeting.

If the shareholders who separately or aggregately hold more than 10% of the shares of the company request to convene an extraordinary shareholders' general meeting, the board of directors and the board of supervisors shall, within 10 days after the receipt of such request, decide whether to hold an extraordinary shareholders' general meeting and reply to the shareholders in writing.

Under the Company Law, a shareholder may entrust a proxy to attend a shareholders' general meeting, and it should clarify the matters, power and time limit of the proxy. The proxy shall present a written power of attorney issued by the shareholder to a company and shall exercise his/her voting rights within the scope of authorization. There is no specific provision in the Company Law regarding the number of shareholders constituting a quorum in a shareholders' general meeting.

Under the Company Law, shareholders present at a shareholders' general meeting have one vote for each share they hold, except the shareholders of classified shares. However, shares held by the company itself are not entitled to any voting rights.

The cumulative voting system may be adopted for the election of directors and supervisors at the shareholders' general meeting in accordance with the provisions of the articles of association or the resolutions of the shareholders' general meeting. Under the

accumulative voting system, each share shall have the same number of voting rights as the number of directors or supervisors to be elected at the shareholders' general meeting, and shareholders may consolidate their voting rights when casting a vote.

Under the Company Law and the Guidelines for Articles of Association, the passing of any resolution requires affirmative votes of shareholders representing more than half of the voting rights represented by the shareholders who attend the shareholders' general meeting. Matters relating to merger, division or dissolution of a company, increase or reduction of registered capital, change of corporate form or amendments to the articles of association must be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

DIRECTORS

Under the Company Law, a joint stock limited company should have a board of directors, which consists of more than three members. The term of office of a director shall be stipulated in the articles of association, but each term of office shall not exceed three years. Directors may serve consecutive terms if re-elected.

Meetings of the board of directors shall be convened at least twice a year. All directors and supervisors shall be noticed 10 days before the meeting for every meeting. The board of directors exercises the following functions and powers:

- (I) convening shareholders' general meetings and reporting to them;
- (II) implementing the resolutions of the shareholders' general meetings;
- (III) deciding on the company's business plans and investment plans;
- (IV) formulating the plans for profit distribution and loss make-up of the company;
- (V) formulating plans for the increase or decrease of the registered capital of the company and the issuance of corporate bond;
- (VI) formulating proposals for merger, division, dissolution or change of corporate form;
- (VII) determining the internal management structure of the company;
- (VIII) determining the appointment or dismissal of the company's managers and their remuneration; determining the appointment or dismissal of the company's deputy managers and head of finance and their remunerations according to the nomination of the managers;
- (IX) formulating the basic management system of the company;
- (X) other functions and powers as required by the articles of association or approved by the shareholders' general meeting.

Meetings of the board of directors shall be held only if more than half of the directors are present. If a director is unable to attend a board meeting, he/she may appoint another director by a power of attorney specifying the scope of the authorization for another director to attend the meeting on himself/herself. If a resolution of the board of directors violates the laws, administrative regulations or the articles of association, and as a result of which the company

suffers serious losses, the directors participating in the resolution shall be liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be exempt from such liability.

Under the Company Law, a person may not serve as a director of a company if he/she is:

- (I) a person without or with limited civil capacity;
- (II) a person who has been sentenced to any criminal penalty due to an offence of corruption, bribery, encroachment of property, misappropriation of property, or disrupting the order of the socialist market economy, or has been deprived of political rights due to a crime, where a five-year period has not elapsed since the date of completion of the sentence; if he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension period;
- (III) a person who was a director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise;
- (IV) a person who was a legal representative of a company or enterprise which had its business license revoked due to violation of the law and had been closed down by order, and who was personally liable, where less than three years have elapsed since the date of the revocation of the business license of the company or enterprise or the order for closure; and
- (V) a person being listed as one of “dishonest persons subject to enforcement” by the people’s court due to his/her failure to pay off a relatively large amount of due debts. The board of directors shall have one chairman, who shall be elected by more than half of all the directors. The chairman shall exercise the functions and powers (including but not limited to):
 - (i) to preside over shareholders’ general meetings and convene and preside over meetings of the board of directors;
 - (ii) to examine the implementation of resolutions of the board of directors;
 - (iii) to exercise other powers conferred by the board of directors.

SUPERVISORS

Under the Company Law, a joint stock limited company shall have a board of supervisors composed of not less than three members. A joint stock limited company may, in accordance with its articles of association, set up an audit committee composed of the directors of the board of directors, which shall exercise the powers of the board of supervisors as stipulated in the Company Law, without the need for a board of supervisors or supervisors. A joint stock limited company with a relatively small scale or a small number of shareholders is not required to establish a board of supervisors, but one supervisor shall exercise the functions and powers of the board of supervisors as required by the Company Law. The board of supervisors shall

consist of representatives of shareholders and an appropriate proportion of representatives of the employees of the company, of which the proportion of employee representative supervisors shall not be less than one-third, and the specific proportion shall be stipulated in the articles of association.

The board of supervisors shall exercise the following functions and powers:

- (I) inspecting the financial condition of the company;
- (II) supervising the performance of the duties of directors and senior management in the performance of their company duties, and proposing the removal of directors and senior management who violate laws, administrative regulations, the articles of association or resolutions of the shareholders' general meeting;
- (III) requesting rectification when a director or senior management's conduct is detrimental to the company's interests;
- (IV) proposing to convene an extraordinary general meeting, convening and presiding over a shareholders' general meeting when the board of directors fails to perform its duties of convening and presiding over a shareholders' general meeting as required by the Company Law;
- (V) putting forward proposals to the shareholders' general meetings;
- (VI) initiating legal proceedings against directors and senior management in accordance with the provisions of the Company Law;
- (VII) other functions and powers as stipulated in the articles of association.

SENIOR MANAGEMENT

Under the Company Law, a joint stock limited company should have a manager who is appointed or removed by the board of directors. The manager is responsible to the board of directors and exercise his/her functions and powers according to the articles of association or the authorization of the board of directors. The manager attends the board meeting as a non-voting entitlements member. However, unless the manager is also a director, he/she has no rights to vote at board meeting.

Under the Company Law, the senior management refers to a company's manager, deputy managers, head of finance, board secretary and other persons specified in the articles of association.

DUTIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Directors, supervisors and senior management of the company are required under the Company Law to comply with the relevant laws, regulations and the articles of association, and have fiduciary and diligent duties to the company. Directors, supervisors and senior management are prohibited from abusing their powers to accept bribes or other unlawful income and from misappropriating the company's properties.

Directors, supervisors and senior management are prohibited from:

- (I) embezzling the company's property or misappropriating of the company's capital;

- (II) depositing the company's capital into accounts under his/her own name or the name of other individuals;
- (III) giving bribes or accepting any other illegal proceeds by taking advantage of their power;
- (IV) accept and possess commissions paid by a third party for transactions conducted with the company;
- (V) unauthorized divulgence of confidential business information of the company; or
- (VI) other acts in violation of their fiduciary duty to the company.

If any director, supervisor or senior management directly or indirectly concludes a contract or conducts a transaction with the company, he/she should report the matters relating to the conclusion of the contract or transaction to the board of directors or shareholders' general meeting, subject to the approval of the board of directors or shareholders' general meeting according to the articles of association.

The provisions of the preceding paragraph shall apply if any near relatives of the directors, supervisors or senior management, or any of the enterprises directly or indirectly controlled by the directors, supervisors or senior management or any of their near relatives, or any related parties with any other related-party relationship with the directors, supervisors or senior management, concludes a contract or conducts a transaction with the company.

Neither director, supervisor or senior management may take advantage of his/her position to seek any business opportunity that belongs to the company for himself/herself or any other person except under any of the following circumstances:

- (I) where he/she has reported to the board of directors or the shareholders' general meeting and has been approved by a resolution of the board of directors or the shareholders' general meeting according to the articles of association; or
- (II) where the company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the articles of association.

Where any director, supervisor or senior management fails to report to the board of directors or the shareholders' general meeting and obtain an approval by resolution of the board of directors or the shareholders' general meeting according to the articles of association, he/she may not engage in any business that is similar to that of the company where he/she holds office for himself/herself or for any other person.

A director, supervisor or senior management who contravenes any law, regulation or the articles of association in the performance of his/her duties resulting in any loss to the company shall be personally liable for the damages to the company.

DERIVATIVE ACTION BY MINORITY SHAREHOLDERS

The Company Law of the People's Republic of China provides the shareholders of the company with the right to institute legal proceedings in the event that any director or executive officers violates any laws, regulations or the articles of association in the performance of their duties resulting in any loss to the company. Shareholders who individually or jointly hold more than 1% of the shares of the company for more than 180 consecutive days may request the

board of supervisors in writing to initiate a lawsuit in the people's court. In the event that a director, executive officers or (if applicable) the executive director violates the laws or the articles of association resulting in any loss to the company, the shareholders may firstly request in writing the board of supervisors (or, if no board of supervisors is established, the supervisor) to institute legal proceedings. If a supervisor is involved in the misconduct, a request shall be made to the board of directors or the executive director. If the requested party refuses or fails to initiate a lawsuit within 30 days, or if the situation is urgent and it is necessary to initiate a lawsuit immediately to prevent irreparable damages, shareholders may directly initiate a legal lawsuit in their own name in the interests of the company. The legal action shall be instituted in the name of the company, and the recovered compensation shall belong to the company.

FINANCE AND ACCOUNTING

Under the Company Law, a company shall establish its financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council. At the end of each fiscal year, the company shall prepare a financial and accounting reports which shall be audited by an accounting firm in accordance with the law. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial department of the State Council.

A joint stock limited company shall make its financial and accounting reports available at the company for inspection by the shareholders 20 days before the convening of an annual general meeting of shareholders. A joint stock limited company issuing its shares in public must publish its financial and accounting reports.

When distributing each year's after-tax profits, the company shall set aside 10% of its profits into its statutory reserve fund. The company can no longer withdraw statutory reserve fund if it has accumulated to more than 50% of the registered capital. If the statutory reserve fund of the company is insufficient to make up for the losses of the previous years, the current year profits shall be used to make up for the losses before making allocations to the statutory reserve in accordance with the preceding paragraph. After the company has made an allocation to the statutory reserve fund from its after-tax profit, it may also make an allocation to the discretionary reserve fund from its after-tax profit upon a resolution of the shareholders' general meeting.

A joint stock limited company shall distribute profits in proportion to the shares held by its shareholders, unless it is otherwise provided in the articles of association. The premium over the nominal value of the shares of a joint stock limited company from the issue of shares and other incomes required by the financial department of the State Council to be treated as the capital reserve fund shall be accounted for as the capital reserve fund of the company.

The reserve fund of the company shall be used to make up losses of the company, expand the production and operation of the company or increase the capital of the company. Where the reserve fund of a company is used for making up losses, the discretionary reserve and statutory reserve shall be firstly used. If losses still cannot be made up, the capital reserve can be used according to the relevant provisions. When the statutory reserve fund is converted to increase registered capital, the balance of the statutory reserve shall not be less than 25% of the registered capital of the company before such conversion.

A company shall not keep accounts other than those provided by law.

APPOINTMENT AND DISMISSAL OF ACCOUNTING FIRMS

The appointment or dismissal of an accounting firm responsible for the company's auditing shall be determined by a shareholders' general meeting, the board of directors or the board of supervisors in accordance with the articles of association. The accounting firm should be allowed to make representations when the shareholders' general meeting, the board of directors or the board of supervisors conduct a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification of information.

PROFIT DISTRIBUTION

Where a company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall refund the profits distributed to the company, and the shareholders, directors, supervisors, and senior management personnel who are responsible for causing losses to the company shall bear compensation liability.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Amendments to the articles of association by a company must be made in accordance with the procedures set out in the articles of association. Where a company alters its registered items involving amendment to the articles of association, it shall be registered with the relevant authorities in accordance with applicable laws.

DISSOLUTION AND LIQUIDATION

According to the Company Law, a company shall be dissolved for the following reasons:

- (I) the term of business stipulated in the articles of association has expired or other events of dissolution specified in the articles of association have occurred;
- (II) the shareholders' general meeting resolves to dissolve the company;
- (III) dissolution is necessary due to a merger or division of the company;
- (IV) the business license is revoked, or the business license is ordered to be closed or revoked in accordance with laws;
- (V) where the company encounters serious difficulties in its operation and management and its continuance shall cause a significant loss in the interest of shareholders, and where this cannot be resolved through other means, shareholders who hold more than 10% of the total shareholders' voting rights of the company may present a petition to a people's court for the dissolution of the company with the support of the judgment.

If any of the situations as mentioned in the preceding paragraph arises, a company shall publicize the situations through the National Enterprise Credit Information Publicity System within ten days.

If a company is in the circumstances described in sub-paragraph (I) or (II) above and has not distributed its assets to its shareholders, it may continue to exist by amending its articles of association or by passing a resolution at a shareholders' general meeting. Amendments to the

articles of association or resolutions passed at the shareholders' general meeting shall be approved by the shareholders representing more than two-thirds of the rights to vote or by the shareholders present at the shareholders' general meeting with more than two-thirds of the rights to vote. Where the company is dissolved pursuant to sub-paragraphs (I), (II), (IV) or (V) above, it shall be liquidated. The directors, who are the liquidation obligors of the company, shall form a liquidation committee to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution. The liquidation committee shall be composed of the directors, unless it is otherwise provided for in the articles of association or it is otherwise elected by the shareholders' general meeting. The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner resulting in any loss to the company or the creditors.

A company is required to be liquidated in accordance with the provisions of the Company Law, and if a liquidation committee fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may apply to the people's court to designate relevant personnel to form a liquidation committee for liquidation. The people's court shall accept such request and organize a liquidation committee to carry out the liquidation in a timely manner.

The liquidation committee shall exercise the following functions and powers during the liquidation period:

- (I) to liquidate the company's property and respectively prepare balance sheet and list of property;
- (II) to notify creditors by notice or public announcement;
- (III) to deal with the outstanding business of the company involved in the liquidation;
- (IV) to pay all outstanding taxes and taxes arising in the course of liquidation;
- (V) to liquidate claims and debts;
- (VI) to distribute the remaining property of the company after paying off debts; and
- (VII) to participate in civil litigations on behalf of the company.

The liquidation committee shall notify the company's creditors within ten days as of its formation and shall make a public announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall file their proofs of claim with the liquidation committee within 30 days as of the receipt of the notice or within 45 days as of the issuance of the public announcement in the case of failing to receive such notice.

After payment of liquidation expenses, salaries of employees, social insurance premiums, statutory compensations, payment of owed taxes, and settlement of debts of the Company, respectively, the remaining properties of the company shall be distributed in proportion to the shares held by the shareholders, reflecting each shareholder's respective proportion of capital contribution in the case of a limited liability company, or the percentage of shares held by each shareholder in the case of a joint stock limited company.

During the liquidation period, the company shall continue to exist but shall not carry out any business activities unrelated to the liquidation. No property of the company shall be distributed to shareholders until it is settled in accordance with the preceding paragraph.

If the liquidation committee, having thoroughly examined the company's assets and having prepared a balance sheet and an inventory of assets, discovers that the company's assets are insufficient to pay its debts in full, it shall file an application to a people's court for bankruptcy liquidation. After the people's court accepts the application for bankruptcy, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report to be submitted to the shareholders' general meeting or the people's court for confirmation, and submit to the company registration authority to apply for cancellation of the company's registration.

The members of the liquidation committee performing their duties of liquidation are obliged to loyalty and diligence. Any member of the liquidation committee who neglects to fulfill his/her liquidation duties resulting in any loss to the company shall be liable for compensation, and any member of the liquidation committee who cause any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

If a company fails to apply to the company registration authority for deregistration of the company's registration for three years since its business license was revoked, ordered to close down, or was revoked, the company registration authority may make an announcement through the National Enterprise Credit Information Publicity System for a period of not less than 60 days. If there is no objection after the expiration of the announcement period, the company registration authority may cancel the registration of the company, but the liabilities of the company's original shareholders and liquidation obligors are not affected.

OVERSEAS LISTING

According to the Trial Measures, an issuer that conducts an overseas initial public offering and listing, or conducts an offering and listing in another overseas market after an overseas offering and listing shall file a record with the CSRC within three working days after the overseas offering and listing application documents are submitted. If an issuer offers securities on the same overseas market after its overseas offering and listing, it shall file with the CSRC within three working days after the completion of the offering. In addition, if the filing materials are complete and in compliance with the regulations, the CSRC shall complete the filing within 20 working days from the date of receipt of the filing materials, and publicize the filing information through its website. If the filing materials are incomplete or do not meet the requirements, the CSRC shall inform the applicant of the required supplementary materials within five working days after receiving the filing materials. The applicant shall supplement the materials within 30 working days.

MERGERS AND SPIN-OFFS

Companies may consolidate by way of merger by absorption or by the creation of a new combining entity. If the companies are merged by absorption, the company being absorbed shall be dissolved; if the companies are merged by forming a new company, both companies shall be dissolved.

SECURITIES LAWS AND REGULATIONS

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 enforcement body for the provisions of the Securities Committee, and was responsible for drafting regulatory requirements of the securities market, supervising securities companies, regulating public offering of securities by Chinese companies in Chinese Mainland or overseas, regulating the trading of securities, compiling securities-related statistics and conducting research and analysis. On March 29, 1998, the State Council consolidated the above two departments and reformed the CSRC.

The Securities Law of the People's Republic of China (《中華人民共和國證券法》), or the PRC Securities Law, which was amended by the Standing Committee of the NPC on December 28, 2019 and came into effect on March 1, 2020, provides a series of provisions regulating, among other things, the issue and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of the State Council's securities regulatory authorities in the PRC, and comprehensively regulates activities in the PRC securities market. The PRC Securities Law provides that a domestic enterprise must comply with the relevant provisions of the State Council in issuing securities directly or indirectly outside the PRC or listing and trading its securities outside the PRC. Currently, the issue and trading of foreign issued shares are mainly governed by the rules and regulations promulgated by the State Council and the CSRC.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

Under the Arbitration Law of the People's Republic of China (《中華人民共和國仲裁法》), or the Arbitration Law, amended by the Standing Committee of the NPC on September 1, 2017 and effective on January 1, 2018, the Arbitration Law is applicable to economic disputes involving foreign parties, and all parties have entered into a written agreement to refer the matter to an arbitration committee constituted in accordance with the Arbitration Law. An arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with relevant regulations under the Arbitration Law and the Civil Procedure Law of the PRC. Where both parties have agreed to settle disputes by means of arbitration, the people's court will refuse to take legal action brought by a party in the people's court.

Under the Arbitration Law, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the people's court for enforcement according to the Civil Procedure Law of the PRC. A people's court may refuse to enforce an arbitral award made by an arbitration commission if there is any procedural irregularity (including irregularity in the composition of the arbitration committee or the making of an award on matters beyond the scope of the arbitration agreement or the jurisdiction of the arbitration commission). A party seeking to enforce an arbitral award of foreign arbitration commission against a party who or whose property is not within the PRC shall apply to a foreign court with jurisdiction over the case for recognition and enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognized and enforced by the people's court in accordance with the principles of reciprocity or any international treaty concluded or acceded to by the PRC.

According to the Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the 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安排》) promulgated by the Supreme People's Court on January 24, 2000 and effective on February 1, 2000, and the Supplementary Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the 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 by the Supreme People's Court on November 26, 2020 and effective on November 27, 2020, awards made by PRC arbitral authorities can be enforced in Hong Kong, and Hong Kong arbitration awards are also enforceable in the PRC.

This appendix sets out the summary of the main provisions of the Articles of Association. As the main purpose of this appendix is to provide potential investors with an overview of the Articles of Association, it may not contain all information that may be important to potential investors. The full text of Chinese version of the Articles of Association is available for inspection.

SHARES AND REGISTERED CAPITAL

The shares of the Company shall take the form of share certificates.

The Company shall issue shares in an open, fair and just manner, and each share of the same class shall have equal rights. Shares of the same class issued at the same time shall be issued under the same conditions and at the same price per share; subscribers shall pay the same price per share for the shares they subscribe for.

INCREASE OR DECREASE AND REPURCHASE OF SHARES

Increase or Decrease of Shares

Pursuant to the requirements of laws and regulations, the Company may, subject to resolutions by the general meetings and based on its business and development needs, increase the capital in the following manners:

- (I) issue of shares to unspecified parties;
- (II) issue of shares to specified parties;
- (III) distribution of bonus shares to existing shareholders;
- (IV) conversion of capital reserve into share capital;
- (V) other means permitted by the laws, administrative regulations, the securities regulatory authorities of the place where the Company's shares are listed.

The Company may reduce its registered capital. The reduction of registered capital shall be made in accordance with the Company Law, Hong Kong Listing Rules and other relevant regulations as well as procedures stipulated in the Articles of Association

Repurchase of Shares

The Company may, under the following circumstances, repurchase its shares in accordance with the provisions of the laws, administrative regulations, departmental rules and the Articles of Association:

- (I) reduction of the Company's registered capital;
- (II) merging with other companies holding shares of the Company;
- (III) using shares for employee stock ownership plan or equity incentives;
- (IV) shareholders who vote against any resolutions on merger or division of the Company at a general meeting requesting the Company to repurchase their shares;

(V) using shares to convert the corporate bonds issued by the listed company that are convertible into shares;

(VI) actions necessary for the Company to safeguard its value and the shareholders' interests.

The Company shall not engage in repurchase of its shares save for the circumstances specified above.

The Company may repurchase its shares by open centralized transaction or other methods provided by laws, regulations or the securities regulatory rules of the place where the shares of the Company are listed and approved by the CSRC and the Hong Kong Stock Exchange.

Where the Company repurchases its own shares under the circumstances specified in paragraphs (III), (V) and (VI) above, it shall be carried out by way of open centralized transaction.

Where the Company repurchases its shares under the circumstances specified in paragraphs (I) and (II) above, a resolution shall be passed at the general meeting; where the Company repurchases its shares under the circumstances specified in paragraphs (III), (V) and (VI) above, approval by way of resolution adopted at a meeting of the Board that is attended by at least two-thirds of all directors is required, subject to compliance with the applicable securities regulatory rules of the place where the Company's shares are listed; if deliberation at the general meeting is not required and where the securities regulatory rules of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Subject to compliance with the applicable securities regulatory rules of the place where the Company's shares are listed, upon repurchase of its shares by the Company as provided above under the circumstance set out in paragraph (I), such shares shall be cancelled within 10 days from the date of repurchase; where the Company repurchases its shares under the circumstances set out in paragraphs (II) and (IV), such shares shall be transferred or cancelled within 6 months; where the Company repurchases its shares under the circumstances set out in paragraphs (III), (V) and (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 cancelled within 3 years. Where the securities regulatory rules of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Transfer of Shares

The Company's shares shall be transferred in accordance with the law. All the H Shares shall be transferred in writing by an instrument of transfer in usual or common form or in such form as may be accepted by the Board (including standard transfer format or transfer form specified by the Hong Kong Stock Exchange from time to time); and such transfer instruments may be executed only by hand or under a valid corporate seal if the transferor or transferee is a corporation. If the transferor or transferee is a recognized clearing house as defined in relevant regulations in force from time to time under the laws of Hong Kong (hereinafter referred to as "Recognized Clearing House") or its nominee(s), the transfer instruments may be executed by hand or by machine imprint. All the transfer instruments shall be kept at the legal address of the Company or at such address as designated by the Board from time to time.

The Company does not accept its own shares as the subject of pledge.

A Shares issued by the Company prior to the public offering of shares shall not be transferred within one year from the date on which the Company's shares are listed and traded on the Shenzhen Stock Exchange.

Directors, supervisors and senior management of the Company shall declare to the Company their shareholdings in the Company and any changes thereof, and shall not transfer more than 25% of the total number of the Company's shares of the same class held by them each year during their terms of office as determined at the time of taking office; the shares of the Company held by them shall not be transferred within one year from the date on which the shares of the Company are listed and traded. The above personnel shall not transfer the shares of the Company held by them within half a year after they leave the Company. Where the laws, administrative regulations or the listing rules of the place where the shares of the Company are listed provide otherwise for restrictions on the transfer of the Company's shares, such provisions shall prevail.

Directors, senior management personnel of the Company, shareholders holding more than 5% of the Company's shares, if selling the shares of the Company held or other equity securities held by them within 6 months after acquisition or buying back the shares within 6 months after selling, the profits from these transactions shall belong to the Company, and the Board shall reclaim the profits. However, this does not apply to securities companies holding over 5% of the shares due to the purchase of remaining stocks after underwriting and as well as other circumstances specified by the securities regulatory authorities of the place where the Company's shares are listed.

Shares or other securities of an equity nature held by directors, senior management officers and natural person shareholders as mentioned in the preceding paragraph, including shares or other securities of an equity nature held by their spouses, parents, children, as well as shares held through others' accounts.

If the Company's Board fails to comply with the provisions abovementioned, shareholders are entitled to request the Board to comply within 30 days. If the Company's Board fails to comply within the aforementioned period, shareholders are entitled to file a lawsuit directly in their own name for the Company's interests in the People's Court.

If the Company's Board fails to implement the requirements abovementioned, the responsible directors shall bear joint and several liability according to the law.

SHAREHOLDERS AND GENERAL MEETINGS

General Requirements for Shareholders

The Company shall establish a register of members in accordance with the evidentiary documents provided by the securities registration authority, and such register of members shall be the sufficient evidence substantiating that the shareholders hold the shares of the Company. The original copy of the register of holders of H shares should be maintained in Hong Kong for shareholders' inspection; while the Company may suspend the registration of shareholders in accordance with the applicable laws and regulations and the provisions of the securities regulatory rules of the place where the shares of the Company are listed. Shareholders enjoy rights and undertake obligations according to the class of shares they hold. Shareholders of the same class shall enjoy the same rights and bear the same obligations.

When the Company convenes a general meeting, distributes dividends, conducts liquidation or engages in other activities that require the confirmation of the identity of shareholders, the Board or the convener of the general meeting shall determine the record date. Shareholders whose names appear on the register of members after the close of trading on the record date shall be the shareholders entitled to relevant interests.

Shareholders of the Company shall enjoy the following rights:

- (I) to receive dividends and other forms of profit distributions in proportion to the number of shares held;
- (II) to request, summon, preside over, attend or appoint a proxy to attend and to speak at the general meetings, and to exercise the corresponding voting rights in accordance with the law;
- (III) to supervise the operation of the Company, making suggestions or enquiries;
- (IV) to transfer, give or pledge the shares held by them in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association;
- (V) to review and copy these Articles of Association, the register of members, minutes of the general meetings, resolutions of the Board meetings, meetings and financial and accounting reports, qualified shareholders may be entitled to access the accounting books and accounting vouchers of the Company;
- (VI) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in proportion to the number of shares held;
- (VII) to request the Company to repurchase the shares of the shareholders objecting to resolutions on merger or division of the Company at a general meeting;
- (VIII) other rights stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

If a shareholder requests to inspect or copy the relevant materials of the Company, he/she shall, in compliance with the provisions of laws and regulations, such as the Company Law and the Securities Law, provide the Company with written documents proving the class and number of the shares he/she held in the Company. The Company shall provide the relevant information and materials as requested by the shareholder upon verification of his/her identity.

If a resolution passed at the general meeting or the Board meeting of the Company violates any laws and administrative regulations, the shareholder shall have the right to petition to a People's Court to invalidate the resolution.

If the convening procedure or the form of voting at a general meeting or Board meeting is in violation of laws and administrative regulations or these Articles of Association, or if a resolution is in violation of these Articles of Association, the shareholders shall be entitled to request the People's Court for revocation within 60 days from the date of the adoption of such resolution, unless there is only a slight defect in the procedure of convening or the form of voting at the shareholders' or Board meetings of the Company, which has no substantive impact on the resolution.

Where the Board, shareholders and other stakeholders dispute the validity of a resolution of a shareholders' general meeting, they shall promptly file a lawsuit with the People's Court. Before the People's Court makes a judgement or ruling, such as a cancellation resolution, the stakeholders shall execute the resolution of the shareholders' general meeting. The Company, its directors and senior management shall perform their duties diligently to ensure the normal operation of the Company.

Where the People's Court makes a judgement or ruling on the relevant matter, the Company shall fulfil its obligations to disclose the information in accordance with laws, administrative regulations, the provisions of the CSRC and the securities regulatory rules of the place where the shares of the Company are listed, fully explain the impact of the judgement or ruling on the Company, and actively cooperate with the authorities in the enforcement of the judgement or ruling after it has come into effect. Where previous matters need to be corrected, the Company shall handle the correction in a timely manner and fulfil its obligations to disclose the information accordingly.

Shareholders of the Company shall assume the following obligations:

- (I) to abide by laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association;
- (II) to pay subscription monies according to the number of shares subscribed and the method of subscription;
- (III) not to make divestment unless in the circumstances stipulated by laws and regulations;
- (IV) not to abuse the rights of shareholders in detriment to the interests of the Company or that of other shareholders; not to abuse the independent status of the Company as a legal person and the limited liability of shareholders in detriment to the interests of the creditors of the Company;
- (V) other obligations imposed by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Shareholders of the Company who abuse their shareholders' rights and cause losses to the Company or other shareholders shall be liable for compensation in accordance with the law. Shareholders of the Company who abuse the independent status of the Company as a legal person and the limited liability of shareholders to evade debts and seriously damage the interests of the creditors of the Company shall bear joint and several liabilities for the debts of the Company.

Controlling Shareholders and De Facto Controller

The controlling shareholder and the de facto controller of the Company shall exercise their rights and perform their obligations in accordance with laws, administrative regulations, the requirements of the securities regulatory rules of the place where the shares of the Company are listed, and shall safeguard the interests of the Company.

The controlling shareholder and the de facto controller of the Company shall comply with the following provisions:

- (I) exercise shareholders' rights in accordance with the law, and shall not abuse their control or use their connected relationship to act in detriment to the legitimate rights and interests of the Company or other shareholders;
- (II) strictly fulfill their public declarations and undertakings, and shall not alter or waive such declarations and undertakings in a unilateral manner;

- (III) strictly perform information disclosure obligations in accordance with the relevant regulations, actively cooperate with the Company in its information disclosure work, and promptly inform the Company of any significant events that have occurred or are likely to occur;
- (IV) shall not misappropriate the Company's funds in any manner;
- (V) shall not force, instruct or require the Company and relevant personnel to provide guarantees in violation of laws and regulations;
- (VI) shall not take advantage of the Company's undisclosed material information for personal gain, shall not disclose any undisclosed material information related to the Company in any manner, and shall not engage in insider trading, short-swing trading, market manipulation or any other unlawful or non-compliant acts;
- (VII) shall not harm the lawful rights and interests of the Company and other shareholders by means of unfair related party transactions, profit distribution, asset restructuring, external investment or any other means;
- (VIII) shall ensure the integrity of the Company's assets, and the independence of its personnel, finances, organization and business operations, and shall not affect the Company's independence in any manner;
- (IX) comply with other provisions stipulated by laws, administrative regulations, the requirements of the CSRC, and the other provisions of the securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association.

Where the controlling shareholder or the de facto controller of the Company does not serve as the director but actually handles the Company's affairs, the provisions of these Articles of Association regarding the fiduciary duties and duties of care of directors shall apply.

Where the controlling shareholder or the de facto controller of the Company instructs any director or senior management to engage in acts in detriment of the interests of the Company or its shareholders, such controlling shareholder or de facto controller shall bear joint and several liability together with such director or senior management.

Where the controlling shareholder or de facto controller pledges the shares it holds or effectively controls in the Company, it shall maintain the stability of the Company's control and its production and operations.

When transferring its shares in the Company, the controlling shareholder or de facto controller shall comply with the restrictive provisions on share transfer under laws, administrative regulations, the requirements of the securities authorities of the place where the shares of the Company are listed, and its undertakings made in respect of restrictions on share transfer.

General Rules for General Meetings

The general meeting of the Company consists of all shareholders. The general meeting is the organ of authority of the Company and exercises the following functions and powers in accordance with the law:

- (I) To elect and replace non-employee representatives as directors, and to decide on matters relating to the remuneration of directors;
- (II) To consider and approve the report of the Board;
- (III) To consider and approve the profit distribution plan and loss recovery plan of the Company;
- (IV) To make resolutions on the increase or decrease of the registered capital of the Company;
- (V) To make resolutions on the issuance of corporate bonds and other financial derivative products;
- (VI) To make resolutions on the merger, division, dissolution, liquidation or change of the corporate form of the Company;
- (VII) To amend the Articles of Association of the Company;
- (VIII) To make resolutions on the Company's engagement or dismissal of the accounting firm that undertakes the Company's auditing services;
- (IX) To consider and approve the guarantees stipulated in Article 47 of the Articles of Association;
- (X) To consider the matters in which the material assets purchased or sold by the Company within one year exceed 30% of the latest audited total assets of the Company;
- (XI) To consider external investments (including entrusted wealth management, entrusted loans, investment in subsidiaries, etc.), provision of financial assistance, leased-in or leased-out assets, signing management contracts (including entrusting operation and entrusted operation, etc.), donating or receiving assets (excluding receiving cash assets as gifts), restructuring the rights and liabilities of debts, transfer of research and development projects and trading matters such as signing of licensing agreements that shall be decided by the general meeting as required by laws, administrative regulations, departmental rules or the Articles of Association;
- (XII) To consider related party transactions with an amount exceeding RMB30 million and accounting for more than 5% of the absolute value of the Company's latest audited net assets;
- (XIII) To consider and approve the change of use of proceeds;
- (XIV) To consider the equity incentive scheme and employee stock ownership plan;

- (XV) To consider other matters that shall be decided by the general meeting as required by laws, administrative regulations, departmental rules, the rules of the stock exchange of the place where the Company's shares are listed, the securities regulatory rules of the place where the Company's shares are listed or the Company's Articles of Association.

The general meeting may authorize the Board to make resolutions on the issuance of corporate bonds.

Except as otherwise provided under the laws, administrative regulations, the requirements of the CSRC or the securities regulatory rules of the place where the Company's shares are listed, the functions and powers of the above general meetings shall not be exercised by the Board or other institutions or individuals on their behalf by means of authorization.

The following external guarantees of the Company shall be considered and approved by the general meeting after being considered and approved by the Board:

- (I) A single guarantee with an amount exceeding 10% of the Company's latest audited net assets;
- (II) Any provision of guarantee after the total amount of external guarantees of the Company and its controlled subsidiaries has exceeded 50% of the latest audited net assets of the Company;
- (III) Any provision of guarantee after the total amount of external guarantees of the Company and its controlled subsidiaries has exceeded 30% of the latest audited net assets of the Company;
- (IV) The data in the latest financial statements of the guaranteed party show that the asset-liability ratio exceeds 70%;
- (V) The cumulative amount of guarantees within the last 12 months has exceeded 30% of the latest audited total assets of the Company;
- (VI) The guarantees provided to the shareholders, the de facto controller and their related parties;
- (VII) Other guarantees as provided for by laws, regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association of the Company.

When the Board considers any matter of guarantees, it shall be approved by more than two-thirds of the directors present at the Board meeting. When considering the guarantee in item (V) of the preceding paragraph, it shall be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

When the resolution on the guarantee for a shareholder, de facto controllers and their related persons is considered at the general meeting, such shareholder or shareholders controlled by such de facto controllers shall not participate in voting, and such resolution shall be approved by more than half of the voting rights held by other shareholders present at the general meeting.

General meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year within 6 months after the end of the previous financial year.

Under any of the following circumstances, the Company shall convene an extraordinary general meeting within 2 months from the date of occurrence:

- (I) where the number of directors is less than two-thirds of the number as prescribed in the Company Law or the number of directors as prescribed in the Articles of Association of the Company;
- (II) when the unrecovered losses of the Company have reached one-third of the total paid-in share capital;
- (III) at the request of shareholders individually or in aggregate holding more than 10% of the shares of the Company;
- (IV) when the Board deems necessary;
- (V) when the Audit Committee proposes to convene such meeting;
- (VI) other circumstances as provided for by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association of the Company.

Convening of General Meeting

The Board shall convene the general meeting within the prescribed time limit.

Independent directors have the right to propose to the Board to convene an extraordinary general meeting with the consent of more than half of all independent directors. Regarding the proposal of the independent directors to convene an extraordinary general meeting, the Board shall, in accordance with laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association of the Company, provide a written reply of consent or refusal within 10 days after receipt of the proposal. If the Board agrees to convene an extraordinary general meeting, it shall issue a notice of such meeting within 5 days after a Board resolution is passed; if the Board disagrees to convene an extraordinary general meeting, it shall explain the reasons and make an announcement.

Any proposal made by the Audit Committee to the Board to convene an extraordinary general meeting shall be put forward in writing to the Board. The Board shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, provide a written reply of consent or refusal to convene the extraordinary general meeting within 10 days after receipt of the proposal.

If the Board agrees to convene an extraordinary general meeting, a notice of such meeting will be issued within 5 days after a Board resolution is passed. Any changes to the original proposals in the notice shall be approved by the Audit Committee.

If the Board does not agree to convene an extraordinary meeting or fails to provide feedback within 10 days upon receipt of the proposal, the Board shall be deemed to be unable or failing to perform its duties of convening such meeting, and the Audit Committee may convene and preside over the meeting on its own.

Shareholders individually or in aggregate holding more than 10% of the shares of the Company have the right to request the Board to convene an extraordinary general meeting, which shall be made in writing. The Board shall, in accordance with laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, provide a written reply of consent or refusal to convene the extraordinary general meeting within 10 days after receipt of the request.

If the Board agrees to convene an extraordinary general meeting, it shall issue a notice of such meeting within 5 days after a Board resolution is passed. Any changes to the original proposal in the notice shall be subject to the consent of the relevant shareholders.

If the Board does not agree to convene an extraordinary general meeting, or fails to respond within 10 days after receiving the request, the shareholders individually or in aggregate holding more than 10% of the shares of the Company have the right to propose to the Audit Committee to convene an extraordinary general meeting, which shall be submitted in writing to the Audit Committee.

If the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice of convening such general meeting within five days after receipt of the request. Any changes to the original request in the notice shall be approved by relevant shareholders.

If the Audit Committee fails to issue a notice of the general meeting within the prescribed time limit, the Audit Committee shall be deemed not to convene and preside over the general meeting, and the shareholders who individually or in aggregate hold more than 10% of the shares of the Company for more than 90 consecutive days may convene and preside over the meeting on their own.

If the Audit Committee or the shareholders decide to convene a general meeting on their own, they shall notify the Board in writing and file with the stock exchange at the same time.

Before the resolutions of the general meeting are announced, the convening shareholders shall hold not less than 10% of the shares.

The Audit Committee or the convening shareholders shall submit relevant supporting materials to the Shenzhen Stock Exchange when issuing the notice of the general meeting and announcement of the resolutions of the general meeting.

The Board and the secretary to the Board shall cooperate in the general meeting convened by the Audit Committee or the shareholders on their own. The Board shall provide the register of members as at the record date.

The Company shall bear the necessary expenses of the general meeting convened by the Audit Committee or the shareholders on their own.

Proposals and Notices of General Meeting

The content of the proposal shall fall within the terms of reference of the general meeting, with clear topics and specific resolutions, and in compliance with laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

The Board, the Audit Committee and the shareholders individually or in aggregate holding more than 1% of the shares of the Company shall have the right to put forward proposals to the Company when convening a general meeting of the Company.

Shareholders individually or in aggregate holding more than 1% of the shares of the Company may put forward an interim proposal and submit it in writing to the convener 10 days before the general meeting. The convener shall, within 2 days after receiving the proposal, issue a supplementary notice of the general meeting to announce the content of the interim proposal, and submit the interim proposal to the general meeting for consideration, unless the interim proposal violates the laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association, or does not fall within the scope of the terms of reference of the general meeting. If the general meeting must be postponed due to the issuance of a supplementary notice of the general meeting according to the provisions of the securities regulatory rules of the place where the shares of the Company are listed, the convening of the general meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the place where the shares of the Company are listed.

Except for the circumstances prescribed in the preceding paragraph, after the convener has issued the notice of general meeting, the proposals specified in the notice of the general meeting shall not be modified or increased by adding new proposals.

For proposals that are not specified in the notice of the general meeting or do not comply with the provisions of the Articles of Association, the general meeting shall not vote on and pass resolutions.

The convener will notify all shareholders in writing (including announcement) 21 days before the annual general meeting and shall notify all shareholders in writing (including announcement) 15 days before an extraordinary general meeting.

The notice of the general meeting includes the following:

- (I) the time, place and duration of the meeting;
- (II) the matters and proposals submitted to the meeting for consideration;
- (III) an explanation in conspicuous words that all ordinary shareholders have the right to attend the general meeting, and may authorize a proxy in writing to attend the meeting and vote at the meeting, and such proxy need not be a shareholder of the Company;
- (IV) The shareholding record date of shareholders entitled to attend the general meeting;
- (V) The name and telephone number of the permanent contact person for conference affairs;

(VI) The time and procedure of voting online or other voting methods.

The notice and supplementary notice of the general meeting shall fully and completely disclose all the specific contents of all proposals.

If the general meeting is conducted online or by other means, the notice of the general meeting shall clearly state the time and procedures for voting online or by other means. Voting online or voting by other means at general meeting may begin no earlier than 3:00 p.m. on the day before the on-site general meeting, and no later than 9:30 a.m. on the day of the on-site general meeting, and it may end no earlier than 3:00 p.m. on the day of closing the on-site general meeting. If there are other provisions in the securities regulatory rules of the place where the shares of the Company are listed, such provisions shall prevail.

The interval between the shareholding record date mentioned in item (IV) of the preceding paragraph and the date of the meeting shall not be more than 7 working days, and the shareholding record date shall not be changed once it is confirmed.

If the general meeting intends to discuss the election of directors, the notice of the general meeting shall fully disclose the detailed information of the director candidates, including at least the following:

- (I) personal status such as educational background, working experience, part-time jobs, etc.;
- (II) whether the candidate has any connected relationship with the Company or the Company's controlling shareholder or de facto controller;
- (III) disclose the number of shares of the Company held;
- (IV) whether the candidate has ever been penalized by the CSRC and other relevant authorities or the stock exchange at the place where the shares of the Company are listed;
- (V) whether the candidate meets the qualifications as required by laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Except for the election of directors by cumulative voting, each candidate for director shall be proposed by a single proposal.

After the notice of general meeting has been issued, the general meeting shall not be postponed or cancelled without valid reasons, and the proposals specified in the notice of general meeting shall not be cancelled. In the event of postponement or cancellation, the convener shall make an announcement and explain the reason at least 2 working days before the original convening date. If the securities regulatory rules of the place where the shares of the Company are listed have special provisions on the procedures for postponing or canceling general meeting, such provisions shall prevail, provided that the regulatory requirements of the place of incorporation of the Company are not violated.

Holding of General Meeting

All ordinary shareholders whose names appear on the register of shareholders on the record date or their proxies are entitled to attend the general meeting, and to speak and vote in accordance with the relevant laws and regulations, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association (except for any shareholder who is subject to the relevant regulatory rules of the place where the shares of the Company are listed and abstention from voting in certain matters is required).

Shareholders may attend the general meeting in person, and may attend and vote by proxies on their behalf. Each shareholder shall be entitled to appoint one proxy, and such proxy is not required to be a shareholder of the Company. In the case of a shareholder being a corporate legal person, it may appoint a proxy to attend and vote at any general meeting of the Company, and if such corporate shareholder has appointed a proxy to attend any meeting, it shall be deemed to be present in person. A form of proxy may be signed by a person who is duly authorized by the corporate shareholder. Shareholders are entitled to (1) speak and (2) vote at general meetings, except for any shareholder who is required by the securities regulatory rules of the place of listing to abstain from voting in respect of a particular matter.

If an individual shareholder attends the meeting in person, he/she shall produce his/her identity card or other valid documents or evidence that can identify him/herself; if a person attends on behalf of a shareholder, he/she shall produce his/her own valid identity document and the power of attorney of the shareholder.

For a shareholder who is a corporate legal person, its legal representative or a proxy authorized by its legal representative shall attend the meeting. If its legal representative attends the meeting, he/she shall produce his/her own valid identity card or the valid document to prove his/her qualification as a legal representative; if a proxy attends the meeting, the proxy shall produce his/her own identity card and a power of attorney in writing issued by the legal representative of the corporate shareholder in accordance with the law (except for corporate shareholders who are recognized clearing houses and their proxies).

The power of attorney issued by a shareholder for appointing another person to attend the general meeting shall contain the following:

- (I) The name of the authorizing principal, the class and number of the Company's shares held;
- (II) The name of the proxy;
- (III) The specific instructions of the shareholder, including the instructions to vote for, against or abstain from voting on each matter to be considered on the agenda of the general meeting, etc.;
- (IV) The date of issuance and the validity period of the power of attorney;
- (V) Signature (or seal) of the authorizing principal. If the authorizing principal is a corporate legal person, the seal of the legal person entity shall be affixed or shall be signed by its director(s) or duly appointed representative thereof.

Where the form of proxy for voting is signed by another person authorized by the authorizing principal, the power of attorney or other authorizing documents authorizing the signing shall be notarized. The notarized power of attorney or other document of authorization and the form of proxy for voting shall be kept at the domicile of the Company or such other place as may be specified in the notice of convening the meeting.

A form of proxy for voting shall be placed at the Company's domicile or at such other place as may be specified in the notice of convening the meeting at least 24 hours before the meeting at which such proxy is required to vote, or 24 hours before the time specified for voting. Where the power of attorney is signed by another person authorized by the authorizing principal, the power of attorney or other authorizing document authorizing the signing shall be notarized. The notarized power of attorney or other authorizing documents shall be kept at the domicile of the Company or other places specified in the notice of convening the meeting, together with the forms of proxy for voting.

Where the proxy is a corporate legal person, its legal representative or a person authorized by a resolution of its Board or other decision-making body shall attend the general meeting of the Company as its representative.

If such shareholder is a recognized clearing house or its proxy, the recognized clearing house may authorize such person or persons as it thinks fit to act as its proxy at any meetings of shareholders and creditors; provided that, if two or more persons are so delegated, then the power of attorney shall clearly state the number and class of shares in respect of which each such person is so authorized, and shall be signed by an authorized officer of the recognized clearing house. A person so authorized may exercise the rights on behalf of the recognized clearing house or its nominees as if the person were an individual shareholder of the Company.

The register of attendees of the meetings shall be prepared by the Company. The register of meetings shall contain the names of the persons (or the names of entities) attending the meetings, their identity card numbers, the amount of shares with voting rights held or represented, and the names of their authorizing principals (or the names of their entities), etc.

The convenor and the legal advisors retained by the Company shall jointly verify the eligibility of the shareholders to vote based on the Company's shareholder register provided by the securities registration and clearing authority and shall register the name of the shareholders together with the numbers of voting shares they have. Registration shall come to a close before the chairman of the meeting announces the number of shareholders and proxies physically present at the meeting as well as the total number of voting shares represented by the shareholders who are entitled to vote.

Where the general meeting requests the director or senior management to attend the meeting, the director or senior management shall attend the meeting for inquiries from shareholders.

The chairman shall preside over the shareholders' general meeting. In the event of any inability or failure of the chairman to perform his/her duties, one director jointly elected by a majority of the directors shall preside over the shareholders' general meeting.

A general meeting convened by the Audit Committee shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is unable to, or fails to perform his/her duties, one member of the Audit Committee jointly elected by a majority of the members of the Audit Committee shall preside over the meeting.

A general meeting convened by the shareholders themselves shall be presided over by the convenor or a representative proposed by him/her.

When a general meeting is held and the chairman of the meeting violates the rules of procedure which makes it difficult for the general meeting to continue, subject to the approval of a majority of the shareholders having the voting rights who are present at the meeting, a person may be elected at the general meeting to act as the chairman of the meeting to continue the meeting.

The Company shall establish the procedure at the general meeting, setting out the details of the procedures for summoning, convening and voting procedure of general meeting, including notice, registration, consideration of resolution, poll, vote counting, announcement of voting results, forming of meeting resolution, minutes and its signature, announcement, principle for authorizing power to the Board by the general meeting, substance of such authorization shall be clear and specific. The Company's procedure at general meeting constitutes an appendix to these Articles of Association and prepared by the Board and approved by the general meeting.

At the shareholders' annual general meeting, the Board shall report on their work for the previous year. All Independent directors are required to deliver separate work reports.

The directors and senior management shall respond to and provide an explanation at the general meeting for inquiries or suggestions from shareholders.

Prior to voting, the chairman of the meeting shall announce the number of shareholders and proxies physically present at the meeting as well as the total number of voting shares represented by shareholders who are entitled to vote. The number of shareholders and proxies physically present at the meeting as well as the total number of voting shares represented by the shareholders who are entitled to vote shall be determined in accordance with those registered during the meeting.

Minutes of a shareholders' general meeting shall be kept and such minutes shall be prepared by the secretary to the Board. Minutes of the shareholders' general meetings should set out the following:

- (I) the date and venue for convening the meeting, meeting agenda and the name of the convenor;
- (II) the name of the chairman of the meeting as well as those of the directors and senior management who attend the meeting as attendees and participants;
- (III) the number of shareholders and proxies attending the meeting, the total number of voting shares represented by the shareholders who are entitled to vote; the proportion of the number of voting shares represented by the shareholders who are entitled to vote out of the total number of shares of the Company;
- (IV) a description of the considerations taken for each motion, the main points put forward by each speaker relating thereto and the voting results thereof;
- (V) details of inquiries and recommendations of the shareholders and the corresponding response or explanation in relation thereto;
- (VI) the names of the lawyer, counting officer and the scrutineer;
- (VII) other contents which should be recorded in the minutes as provided for in these Articles of Association.

The convenor shall ensure that the content of the minutes shall be true, accurate and complete. Minutes shall be signed by attendees of the meeting or present in the meeting, including the directors, secretary to the Board, the convenor or its representative and the chairman of the meeting. Minutes shall, together with the register relating to the shareholders present at the meeting in person and the proxy form if present by proxy, or via Internet or other permitted means be kept by the Company for a period of not less than 10 years.

The convenor shall ensure that a shareholders' general meeting is held on a continuous basis until a final resolution is adopted. If a general meeting is suspended or no resolution can be adopted due to force majeure or other exceptional reasons, necessary measures shall be taken so as to promptly re-convene the general meeting or to directly terminate the then general meeting, and public announcement relating thereto shall also be made on a timely basis. At the same time, the convenor shall report the same to the local branch of the CSRC and to the stock exchange of the place where the shares of the Company are listed (if required).

Voting and Resolutions of Shareholders' General Meeting

Resolutions of shareholders' general meetings shall be ordinary resolutions or special resolutions.

An ordinary resolution of the general meeting shall be passed by votes representing more than half of the voting rights represented by the shareholders present at the meeting.

A special resolution must be passed by votes representing more than two-thirds of the voting rights represented by the shareholders present at the meeting.

Shareholders referred to in this Article shall include shareholders who designate such proxy or proxies to attend general meetings.

The following matters shall be passed by general meetings by way of ordinary resolutions:

- (I) work reports of the Board;
- (II) profit distribution proposals and loss recovery proposals formulated by the Board;
- (III) appointment and removal of members of the Board, their remuneration and payment methods;
- (IV) matter other than those which are required by laws, administrative regulations, provisions of the securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association to be passed by way of special resolutions.

The following matters shall be passed by general meetings by way of special resolutions:

- (I) increase or decrease of the registered capital of the Company;
- (II) division, spin-off, merger, dissolution and liquidation of the Company;
- (III) the amendments to the Articles of Association;
- (IV) the Company's acquisition or disposal of material assets or provision of guarantees to other parties conducted within the period of one year with a value exceeding 30% of the latest audited total assets of the Company;
- (V) share incentive plans;
- (VI) other matters stipulated by laws, administrative regulations, provisions of the securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association, and considered by an ordinary resolution of general meetings that they would impose significant impact on the Company and require adoption by way of a special resolution.

DIRECTORS AND THE BOARD**General Requirements for Directors**

Directors of the Company shall be natural persons. A person who is applicable to any one of the following circumstances shall not become a director of the Company:

- (I) a person who is incapacitated or limited in capacity for civil conduct;
- (II) a person who has been sentenced to criminal punishment for corruption, bribery, expropriation or misappropriation of property, or disruption of the economic order of the socialist market, or who was deprived of his/her political rights as punishment for a criminal offence, and a period of 5 years has not elapsed since the deprivation ended, or who has been sentenced to suspended sentence, and a period of 2 years has not elapsed since the expiration date of the period of probation of the suspended sentence;
- (III) a person, who was a director, factory chief or manager of a company or enterprise which went into insolvent liquidation, and was personally liable for that insolvent liquidation and a period of 3 years, counting from the date of completion of the liquidation proceedings in question, has not elapsed;
- (IV) a person, who was the legal representative of a company or enterprise which has had its business license revoked or has been ordered to be closed down for contravening the law, and was personally liable for that revocation and a period of 3 years, counting from the date of revocation of the business license in question, closure order, has not elapsed;
- (V) a person with comparatively large debts for which he is personally liable and which have fallen due but have not been settled, classified as a dishonest person against whom enforcement is sought by the People's Court;
- (VI) a person who is subject to securities market entry bans imposed by the CSRC, with an unexpired term;
- (VII) a person who is publicly recognized by the stock exchange as unsuitable to serve as directors, or senior management officer of a listed company, etc. with an unexpired term;
- (VIII) other circumstances as prescribed by laws, administrative regulations, departmental rules, or the securities regulatory rules of the place where the shares of the Company are listed.

If any election or appointment or engagement of directors is in contravention of this Article, the election, appointment, or engagement shall be invalid. The Company shall dismiss any directors and cease their duties in the event that the circumstances specified in this Article occur during their tenure.

Directors should abide by the provisions of laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association, owe duty of loyalty to the Company, and shall take measures to avoid conflicts between their own interests and the interests of the Company, and shall not use their powers to seek improper interests.

Directors owe the following duty of loyalty to the Company:

- (I) shall not embezzle the Company's property nor misappropriate the Company funds;
- (II) shall not use the Company's funds to open and deposit into accounts in their own name or other individuals' names;
- (III) shall not take advantage of their positions to bribe or accept other illegal income;
- (IV) without reporting to the Board or general meetings, and without being passed by the Board or general meetings by way of resolutions in accordance with the provisions of the Articles of Association, not to directly or indirectly enter contracts or conduct transactions with the Company;
- (V) shall not exploit their position for seeking business opportunities that belong to the Company for himself/herself or others, but except those which have been reported to the Board or general meetings and passed by way of resolutions of the general meetings, or the Company shall not use the business opportunity in accordance with the provisions of laws, administrative regulations or the Articles of Association;
- (VI) without reporting to the Board or general meetings and being passed by resolutions of the general meetings, they shall not operate business similar to that of the Company's for themselves or for others;
- (VII) shall not retain commissions for themselves from transactions between other parties and the Company;
- (VIII) shall not disclose Company secrets without authorization;
- (IX) shall not hamper the Company's interests through its associated relationships;
- (X) other duty of loyalty as prescribed by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

Income obtained by directors in violation of the provisions of this Article should belong to the Company. Directors causing losses to the Company due to such violation shall be liable for compensation.

The provisions of paragraph (IV) above shall apply to the close relatives of directors and senior management officers, enterprises directly or indirectly controlled by directors or senior management officers or their close relatives, and associated persons of other associated relationships with directors or senior management officers, who enter contracts or conduct transactions with the Company.

Directors shall abide by the requirements by laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association, owe duty of care to the Company, perform duties with reasonable care that managers should ordinarily exercise in the best interests of the Company.

Directors owe the following duty of care to the Company:

- (I) to prudently, attentively, and diligently exercise the rights granted by the Company to ensure that the Company's business activities comply with requirements of national laws, administrative regulations, and each of the national economic policies, and the business activities are within the business scope stipulated by the business license;
- (II) to treat all shareholders fairly;
- (III) to keep informed of the business operation and management of the Company in a timely manner;
- (IV) to sign a written confirmation or opinion in connection with the regular reports of the Company and to ensure that the information disclosed by the Company is true, accurate and complete;
- (V) to inform the Audit Committee of the relevant circumstances and information based on facts, and shall not hinder the Audit Committee from exercising their powers;
- (VI) to perform other duty of care as required by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

The Board

The Company shall have a Board comprising of 9 directors and 4 independent directors. Directors of the Company may include executive directors, non-executive directors and independent directors. Non-executive directors refer to those directors who do not hold any operation and management duties in the Company. The Board shall have 1 chairman, who shall be elected by a majority of all the directors in the Board.

The Board shall exercise the following functions and powers:

- (I) to convene general meetings and report its work to the general meetings;
- (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 Company's profit distribution plan and loss recovery plans;
- (V) to formulate proposals for the increase or reduction of the Company's registered capital and the issuance of debentures or other securities and listing plans;
- (VI) to formulate plans for major acquisitions, repurchase of shares of the Company or merger, division, dissolution and change of nature of incorporation of the Company;
- (VII) to determine the investments, acquisition and disposal of assets, pledge of assets, external guarantees, designation of financial management, related party transactions and external donations of the Company within the authorization of the general meeting;

- (VIII) to decide on the establishment of the Company's internal management structure;
- (IX) to decide on the appointment or dismissal of the Company's general manager, secretary to the Board and other senior management, and decide on their remuneration, rewards and punishments; to decide on the appointment or dismissal of the Company's deputy general manager, chief financial controller and other senior management based on the nomination of the general manager, and determine on their remuneration, rewards and punishments;
- (X) to formulate the basic management system of the Company;
- (XI) to formulate proposals for any amendment to the Articles of Association;
- (XII) to manage the information disclosure of the Company;
- (XIII) to propose to general meetings the appointment or replacement of the accounting firm that provide audit service to the Company;
- (XIV) to listen to the work report of the general manager of the Company and inspect the work of the general manager;
- (XV) other functions and powers conferred by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

The Board shall lay down strict procedures to inspect and decide on the approval limit for foreign investment, purchase or sale of assets, pledge of assets, external guarantees, entrusted assets management, related party transactions and external donations. For major investment projects, the Board shall organize the relevant experts and professional officers to conduct assessment for approval of the shareholders in a general meeting.

The Board shall formulate a detailed investment decision-making system in respect of the Company's investment decision-making authority, decision-making procedure and decision-making content to the extent authorized by a general meeting. The authority as to decision-making of the Board is as follows:

- (I) the general meeting of the Company shall authorize the Board to consider and approve the transactions which do not meet the standards as stipulated in Article 47 of the Articles of Association, but meet any of the following standards:
 - 1. the aggregated assets value (where book value and assessed value are available, whichever is higher as calculation data) involved in a transaction with amount more than 10% of the Company's latest audited total assets;
 - 2. the net assets (where book value and assessed value are available, whichever is higher as calculation data) involved in the subject of a transaction (e.g. equity interest) represent more than 10% of the Company's latest audited net assets and the absolute amount exceeds RMB10 million;
 - 3. the operating income related to the latest accounting year in respect of the subject of a transaction (e.g. equity interest) accounts for more than 10% of the Company's latest audited operating income for the latest accounting year and the absolute amount exceeds RMB10 million;

4. the net profit related to the latest accounting year in respect of the subject of a transaction (e.g. equity interest) accounts for more than 10% of the Company's latest audited net profit of the latest accounting year and the absolute amount exceeds RMB1 million;
5. the transaction amount (including the assumed debts and expenses) of the transaction accounts for more than 10% of the Company's latest audited net assets, and the absolute amount exceeds RMB10 million;
6. the net profit from transactions accounts for more than 10% of the Company's latest audited net profit of the latest accounting year and the absolute amount exceeds RMB1 million.

If the data involved in the calculation of the above indicators is negative, its absolute value will be used for calculation.

The provisions of this Article shall be applied to the similar transactions of the Company related to the transaction subject matters on the principle of a cumulative basis within 12 months.

- (II) the accumulated amount of assets purchased, sold, rent in, rent out or disposed of for twelve consecutive months has not exceeded 30% of the Company's latest audited total assets;
- (III) external guarantees have not met the standards as stipulated in Article 47 of the Articles of Association;
- (IV) related party transactions have not met the standards for which deliberation by general meetings is required;
- (V) to consider other matters that should be considered by the Board according to the provisions of the listing rules of the places where the securities of the Company are listed.

The decision of the Board to provide external guarantee shall be approved by more than two-thirds of the directors present at the meeting, and with consent from more than two-thirds of all the independent directors of the Company.

If the above matters should be considered and approved by the general meetings in accordance with relevant laws, regulations and regulatory documents, such matters shall be submitted to the general meeting for approval upon deliberation and approval by the Board.

If any director has connection with the enterprise or individuals involved in the resolution made at a Board meeting, the said director shall promptly report in writing to the Board, and any director who has a connected relationship shall not vote on the said resolution for himself or on behalf of other directors. A Board meeting may be held when more than half of the non-connected directors attend the meeting. The resolution made at the Board meeting shall be passed by more than half of the non-connected directors. If the number of non-connected directors attending the meetings is less than 3, the issue shall be submitted to the general meeting for deliberation.

INDEPENDENT DIRECTORS

Independent directors shall perform their duties conscientiously, play the roles of participation in decision-making, supervision, checks and balances, and professional consultation in the Board, safeguard the interests of the Company as a whole and protect the lawful rights and interests of the minority shareholders in accordance with laws, administrative regulations, regulations of the CSRC, the provisions of the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

Independent directors shall maintain independence. The following persons shall not serve as independent directors:

- (I) persons who work in the Company or its subsidiaries and their spouses, parents, children and major social relations;
- (II) natural person shareholders who directly or indirectly hold more than 1% of the Company's issued shares or are among the top ten shareholders of the Company and their spouses, parents and children;
- (III) persons who work for shareholders who directly or indirectly hold more than 5% of the Company's issued shares or are among the top five shareholders of the Company and their spouses, parents and children;
- (IV) persons who work for the subsidiaries of the Company's controlling shareholder or de facto controller and their spouses, parents and children;
- (V) persons who have major business relationships with the Company, its controlling shareholder, de facto controller or their respective subsidiaries, or persons who work for units with major business relationships and their controlling shareholders or de facto controller;
- (VI) persons who provide financial, legal, consulting, guarantee and other services to the Company, its controlling shareholders, de facto controller or their respective subsidiaries, including but not limited to all project team members, reviewers at all levels, persons who sign reports, partners, directors, senior management and principal persons in charge of intermediary institutions providing services;
- (VII) Persons who have had the circumstances listed in paragraphs (I) to (VI) in the past twelve months;
- (VIII) Other persons who are not independent as stipulated by laws, administrative regulations, regulations of the CSRC, provisions of regulatory authorities, such as the stock exchange of the place where the shares of the Company are listed, and the Articles of Association.

The following matters shall be submitted to the Board for deliberation upon getting consent of a majority of all independent directors of the Company:

- (I) related party transactions to be disclosed;
- (II) the plan for the change or waiver of undertakings by the Company and related parties;

- (III) the decisions made and measures taken by the Board of the acquired listed company in respect of the acquisition;
- (IV) other matters stipulated by laws, administrative regulations, regulations of the CSRC, securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

SPECIAL COMMITTEES UNDER THE BOARD

The Board of the Company shall establish an Audit Committee to exercise the functions and powers of the Audit Committee as stipulated by the Company Law.

The Audit Committee shall consist of 3 members, all of whom shall be non-executive directors and independent directors, which shall be the majority. The chairman of the Audit Committee shall be a professional among the independent directors who possesses accounting or financial management expertise as required by the securities regulatory rules of the place where the shares of the Company are listed.

The Audit Committee is responsible for auditing the financial information of the Company and its disclosure, supervising and evaluating internal and external audits, and internal control. The following matters shall be submitted to the board of directors for consideration after being approved by a majority of all members of the Audit Committee:

- (I) disclosure of the financial information in financial and accounting reports and regular reports, and the evaluation report on internal control;
- (II) appointment or dismissal of an accounting firm which undertakes the audit work of listed companies;
- (III) appointment or dismissal of the person in charge of the finance of the Company;
- (IV) changes in accounting policies or accounting estimates or corrections of significant accounting errors due to reasons other than changes in accounting standards;
- (V) other matters as stipulated by laws, administrative regulations, provisions of the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

The Board of the Company shall set up other special committees for such as, strategy and sustainable development, nomination, remuneration and evaluation. These committees shall be authorized by the Articles of Association and the Board to perform their duties, and resolutions proposed by these special committees shall be submitted to the Board for consideration and approval. The working procedures of these special committees shall be formulated by the Board.

SENIOR MANAGEMENT PERSONNEL

The Company shall have one general manager who shall be appointed or dismissed by the Board.

The Company shall have certain deputy general managers, one chief financial controller and one secretary to the Board, when they shall be appointed or dismissed by the Board of Directors.

The general manager, deputy general managers, chief financial controller and secretary to the Board shall be the senior management personnel of the Company.

The provisions of these Articles relating to the circumstances under which a person may not become a Director and the system for managing the termination of his/her office shall also apply to the senior management personnel.

The responsibilities of loyalty and diligence of Directors in these Articles of Association shall also be applicable to senior management personnel.

The general manager shall be accountable to the Board and exercise the following functions and powers:

- (I) to manage the Company's production and operations, to organize the implementation of resolutions of the Board of directors, and to report his/her work to the Board;
- (II) to organize the implementation of annual operating plans and investment proposals of the Company;
- (III) to formulate proposals for establishing the internal management structure of the Company;
- (IV) to formulate the Company's basic management system;
- (V) to devise the Company's specific rules and regulations;
- (VI) to propose to the Board appointment or dismissal of the Company's deputy general managers and chief financial controller;
- (VII) to decide to appoint or dismiss management personnel other than those to be appointed or dismissed by the Board's decision;
- (VIII) other powers conferred by these Articles of Association or the Board.

The deputy general managers and the chief financial controller shall be nominated by the general manager and be appointed by the Board. Deputy general managers and chief financial controller shall assist the general manager in his work.

The Company shall have the secretary to the Board, who shall be responsible for preparation and preservation of documents of the shareholders' general meeting and the meeting of the Board, the management of the shareholders' information of the Company, and the handling of matters in relation to the information disclosure.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial Accounting System

The Company shall formulate its financial accounting system in accordance with laws, administrative regulations and the requirements of relevant departments of the State.

The Company shall submit and disclose its annual reports to the local office of the CSRC and the stock exchange(s) in the place where the shares of the Company are listed within four months from the ending date of each fiscal year as required, and submit and disclose the half-year reports to the local office of the CSRC and the stock exchange(s) in the place where the shares of the Company are listed within two months from the ending date of the first six months of each fiscal year as required.

The above annual reports and half-year reports shall be prepared in accordance with laws, administrative regulations, the provisions of the CSRC and the stock exchange(s) in the place where the shares of the Company are listed.

The Company shall not establish account books other than the statutory account books. The funds of the Company shall not be deposited in any personal account.

When any after-tax profits for the current year are distributed, the Company shall allocate 10% of the profit to the statutory reserve fund of the Company. If aggregate amount of the statutory reserve funds exceeds 50% of the registered capital of the Company, no more allocation shall be required.

If the statutory reserve fund of the Company is insufficient to make up for the losses of the preceding year, the profit of the current year shall first be used to make up the said losses before any statutory reserve fund is allocated as per the provision of the preceding paragraph.

After allocating its after-tax profits to the statutory reserve fund, the Company may also, subject to resolutions adopted at a general meeting, allocate some of its after-tax profits into its discretionary reserve.

After making up for the losses and making contributions to the common reserve fund, any remaining profit after tax shall be distributed to the shareholders in proportion to their respective shareholdings, except it is stipulated in these Articles of Association that profit distributions shall not be made in accordance with the shareholding proportion.

If the general meeting, in violation of the Company Law, distributes profits to the shareholders, the profits so distributed shall be returned to the Company; in case of losses caused to the Company, shareholders and responsible directors and senior management personnel shall be liable for compensation.

No profit shall be distributed in respect of the shares held by the Company.

The Company shall appoint such collecting agent or collecting agents in Hong Kong for the shareholders of H Shares, who shall collect and retain dividends and other amounts payable by the Company in respect of H Shares on behalf of the relevant shareholders of H Shares, and then pay the same to these shareholders of H Shares. The collecting agents appointed by the Company shall meet the requirements of the laws, regulations and securities regulatory rules of the place where the Company's shares are listed.

The common reserve funds of the Company shall be applied for making up for losses, expanding the Company's production and operation or increase of the capital.

The Company shall first use discretionary reserve and statutory reserve to offset losses with the reserve; if the losses cannot be covered, the capital reserve may be used in accordance with relevant provisions.

If the statutory reserve is converted into an increase in registered capital, the balance of the statutory reserve shall not fall below 25% of the Company's registered capital before the increase of the capital.

Internal Audit

The Company maintains an internal audit system, which specifies the leadership system, responsibilities and authorities, staffing, funding security, use of audit results and accountability in relation to internal audit work.

The internal audit system of the Company shall be implemented and disclosed to the public upon approval by the Board.

The internal audit institution of the Company supervises and inspects the Company's business activities, risk management, internal control, financial information and other matters.

The internal audit institution is accountable to the Board.

When monitoring and examining the Company's business activities, risk management, internal control and financial information, the internal auditor shall be subject to oversight and guidance of the Audit Committee. If the internal auditor discovers any significant issues or leads, it shall immediately report directly to the Audit Committee.

Engagement of Accounting Firms

The Company shall engage an accounting firm which is qualified under the Securities Law to conduct accounting statement audit, net asset verification and other related consulting services. The engagement period shall be one year and can be renewed.

The engagement and dismissal of an accounting firm by the Company shall be determined at a general meeting. The Board shall not engage an accounting firm before any resolution adopted at a general meeting.

The Company shall ensure the provision of true and complete accounting evidence, books of account, financial and accounting reports and other accounting data to the accounting firm engaged by it, and no refusal, withholding and false information are allowed.

The audit fees to the accounting firm shall be decided by the general meeting.

When the Company dismisses or does not renew the appointment of an accounting firm, it shall notify the auditing firm 30 days in advance, and the accounting firm shall be allowed to state its opinion when the general meeting of the Company votes on the dismissal of the accounting firm.

If the accounting firm proposes to resign, it shall explain to the general meeting whether there is any improper circumstance in the Company.

Merger and Division

The merger of the Company may take the form of merger by absorption or merger by the establishment of a new company.

Merger by absorption refers to a company absorbing another company, in which the company being absorbed shall be dissolved. Merger by establishment of a new company refers to the establishment of a new company by merging two or more companies, whereby the merger parties shall be dissolved.

A merger with the consideration to be paid by the Company not exceeding 10% of the Company's net assets shall not be subject to resolution of the general meeting unless otherwise provided for in the listing rules of the place where the shares of the Company are listed or in these Articles of Association.

Where the merger of the Company is not subject to resolution of the general meeting in accordance with the provision of the preceding paragraph, it shall be subject to resolution of the Board.

In the event of a merger of the Company, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days of the date of the merger resolution and shall publish a notice on a media as specified in Article 177 of these Articles of Association or on the national enterprise credit information publicity system within 30 days of the date of the merger resolution. Creditors may, within 30 days after receipt of such notice, or within 45 days of the date of the first announcement for those who do not receive notice, to demand that the Company settle their debts or to provide corresponding securities.

During the merger of the Company, claims and liabilities of parties to the merger shall be taken over by the company subsisting after the merger or the newly established company.

When the Company is to be split, its assets shall be split up accordingly

In the event of a split of the Company, the parties to the split shall prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days of the date of the split agreement and shall publish a notice on a media as specified in Article 177 of these Articles of Association or on the national enterprise credit information publicity system within 30 days of the date of the split agreement.

Unless otherwise agreed by the Company and creditors on settling liabilities in writing prior to the split, debts incurred by the Company before its split shall be borne jointly and severally by the company established after the split.

Dissolution and Liquidation

The Company shall be dissolved due to the following reasons:

- (I) expiry of the operation period as provided in these Articles of Association or the occurrence of other events resulting in winding up as provided in these Articles of Association;
- (II) the general meeting resolves to wind up;
- (III) the Company needs to be wound up due to merger or division;
- (IV) its business license is revoked or it is ordered to close down or to be dissolved according to laws;

- (V) in the event that the Company has encountered serious difficulties in its operation and management and that its continuous existence will cause substantial loss to the interests of the shareholders, and such difficulties cannot be solved by any other means, the shareholders who hold more than 10% of the voting rights of the Company may request the People's Court to dissolve the Company.

The Company shall, within ten days of the occurrence of the reasons for dissolution as stipulated in the preceding paragraph, disclose the reasons for dissolution on the national enterprise credit information publicity system.

Where the Company is dissolved pursuant to item (I), (II), (IV) or (V) of Article 189 of these Articles of Association, the Company shall be liquidated. Directors shall be the liquidation obligors, and a liquidation committee shall be formed within 15 days from the occurrence of the events of dissolution to perform liquidation. The liquidation committee shall comprise the directors, unless these Articles of Association provide otherwise or the general meeting resolves to elect other person(s). If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall be liable for compensation.

During the period of liquidation, the liquidation committee shall exercise the following functions and powers:

- (I) to check up on the Company's assets and draw up a balance sheet and an inventory of its assets separately;
- (II) to notify the creditors by notice or announcement;
- (III) to dispose of and liquidate the Company's unfinished business;
- (IV) to pay off the tax arrears and the taxes generated in the process of liquidation;
- (V) to clear up claims and debts;
- (VI) to dispose of the property remaining after the Company pays off its debts;
- (VII) to participate in civil lawsuits on behalf of the Company.

The liquidation committee shall, within ten days from the date it is established, notify the creditors as stipulated in Article 193 of its establishment and make an announcement on the media as specified in Article 177 of these Articles of Association or on the national enterprise credit information publicity system within 60 days therefrom.

The creditors shall declare their claims to the liquidation committee within 30 days from the date they receive the written notice, or if they have not received such notice, within 45 days from the date the announcement is made.

When declaring their claims, the creditors shall specify the matters in respect of the claims, and provide supporting materials. The liquidation committee shall register the claims.

During the period when creditors declare their claims, the liquidation committee shall not pay off the debts to them.

After the liquidation committee has checked up on the property of the Company and drawn up the balance sheet and the detailed inventory of assets, it shall work out a liquidation plan and submit the plan to the general meeting of shareholders or a People's Court for confirmation.

After the Company pays off respectively the liquidation expenses, the wages of its staff and workers, the social insurance premiums and the statutory compensations, pays its tax arrears and clears up its debts, the remaining property of the 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 operational activities not related to liquidation. The property of the Company shall not be distributed to its shareholders until the payments are made as specified in the provisions of the preceding paragraph.

If, after checking up on the property of the Company and drawing up the balance sheet and the inventory of its property, the liquidation committee discovers that the property of the Company is insufficient to pay off its debts, it shall apply to a People's Court for declaration of bankruptcy of the Company.

After the bankruptcy application is accepted by the People's Court, the liquidation committee shall transfer all matters arising from the liquidation to the bankruptcy administrator designated by the People's Court.

After the liquidation is finished, the liquidation committee shall prepare a liquidation report, submit the same to the general meeting of shareholders or the People's Court for confirmation, and submit the same to the company registration authority to apply for deregistration of the Company.

Members of the liquidation committee shall perform their liquidating functions with duties of loyalty and care.

Members of the liquidation committee neglecting to perform their liquidating functions, and thereby causing losses to the Company, shall be liable for compensation; members of the liquidation committee who cause loss to the creditors due to intentional misconduct or gross negligence shall be liable for damages.

If the Company is declared bankrupt in accordance with the law, bankruptcy liquidation shall be carried out in accordance with the applicable laws on enterprise bankruptcy.

Amendments to these Articles of Association

The Company shall amend these Articles of Association in any of the following circumstances:

- (I) where amendments to the Company Law or other relevant laws, administrative regulations, or the securities regulatory rules of the place where the Company's shares are listed result in conflicts with the current provisions of these Articles of Association;
- (II) where changes in the Company's circumstances render the provisions of these Articles of Association inconsistent with the actual situation;

(III) where the general meeting resolves to amend these Articles of Association.

Where the amendments to these Articles of Association passed by resolution of the general meeting are subject to approval by the competent authority, they shall be submitted for such approval. Where the amendments involve changes to registration particulars, the Company shall apply for change in registration in accordance with the law.

The Board shall amend these Articles of Association based on the resolutions passed at the general meeting and the approval opinions of the relevant competent authorities.

If the amendments to the Articles of Association involve information that is required to be disclosed under laws, regulations or the securities regulatory rules of the place where the Company's shares are listed, the Company shall make public disclosure in accordance with such requirements.

FURTHER INFORMATION ABOUT OUR GROUP**Incorporation of Our Company**

Our Company was incorporated in the PRC on September 22, 2003, and was converted into a joint stock limited company on October 28, 2009. Our Company completed the listing of our A Shares on the Shenzhen Stock Exchange (stock code: 002487) on October 15, 2010.

As of the date of this prospectus, our Company's registered address is located at No. 155, Xinqiu Street, Xinqiu District, Fuxin, Liaoning Province, PRC and address of headquarters is located at No. 1102, East Tower, China Overseas Plaza, Building 7, Yard 8, Yongdingmen Outer Street, West Riverside Road, Dongcheng District, Beijing, PRC. Our Company's corporate structure and Articles of Association are governed by PRC laws and regulations.

The relevant PRC laws and regulations and a summary of the Articles of Association are set out in "Appendix IV — Summary of Principal Laws and Regulations" and "Appendix V — Summary of the Articles of Association" to this prospectus, respectively.

Our principal place of business in Hong Kong is at 40/F, Dah Sing Financial Centre 248 Queen's Road East Wanchai, Hong Kong. Our Company has been registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on September 30, 2025. Mr. LAU Kwok Yin (劉國賢) has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong. The address for the service of process is the same as our principal place of business in Hong Kong.

Changes in the Share Capital of Our Company

There has been no alteration in our share capital within two years immediately preceding the date of this prospectus.

Changes in the Share Capital of Our Subsidiaries

On April 23, 2024, the registered capital of Dajin New Energy Heavy Equipment (Rushan) Co., Ltd. (大金新能源重裝(乳山)有限公司) decreased from RMB5,000 to RMB100.

On May 16, 2024, the registered capital of Beijing Jinyu New Energy Technology Co., Ltd. (北京金瓏新能源科技有限公司) decreased from RMB50,000,000 to RMB5,000,000.

On July 17, 2025, the registered capital of Tangshan Fengnan Yingjing New Energy Co., Ltd. (唐山豐南區盈璟新能源有限公司) increased from RMB5,000,000 to RMB200,000,000.

Save as disclosed above, no alteration in the registered capital of our subsidiaries has taken place within the two years preceding the date of this prospectus. Details of our subsidiaries are set out in Note 19 to the Accountants' Report in Appendix I.

Shareholders' Resolutions

At the general meeting of our Company held on July 11, 2025, the following resolutions were passed by the Shareholders:

- (i) the issuance of H Shares with a nominal value of RMB1.00 each by our Company and such H Shares be listed on the Hong Kong Stock Exchange;
- (ii) the number of H Shares to be issued pursuant to the Global Offering before the exercise of the Over-allotment Option shall not exceed 15% of the enlarged share capital of our Company upon completion of the Global Offering, and the Over-allotment Option shall not exceed 15% of the above number of H Shares to be issued;
- (iii) subject to the completion of the Global Offering, the Articles of Association to become effective on the Listing Date shall be conditionally adopted, and the Board and its authorized person have been authorized to amend the Articles of Association in accordance with any comments from the relevant regulatory authorities; and
- (iv) authorization of the Board and its authorized person to handle relevant matters relating to, among other things, the Global Offering, the issue and listing of the H Shares.

FURTHER INFORMATION ABOUT OUR BUSINESS**Summary of Material Contracts**

The following contracts (not being contract entered into in the ordinary course of business) have been entered into by members of our Group within the two years preceding the date of this prospectus and are or may be material:

- (1) the Hong Kong Underwriting Agreement;
- (2) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, GIC Private Limited, Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which GIC Private Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$80,000,000;
- (3) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, HHLR Advisors, Ltd., Hillhouse Investment Management, Ltd., Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which HHLR Advisors, Ltd. and Hillhouse Investment Management, Ltd. agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$50,000,000;

- (4) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, CPE Juniper Investment Limited, Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which CPE Juniper Investment Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$39,990,000;
- (5) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, UBS Asset Management (Singapore) Ltd. (in its capacity as the delegate of the investment manager for and on behalf of the investors listed in the agreement), Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which UBS Asset Management (Singapore) Ltd. (in its capacity as the delegate of the investment manager for and on behalf of the investors listed the agreement) agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$30,000,000;
- (6) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, Taikang Life Insurance Co., Ltd, Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which Taikang Life Insurance Co., Ltd agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$30,000,000;
- (7) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, Eastspring Investments (Singapore) Limited, Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited, Ping An Securities (Hong Kong) Company Limited and CCB International Capital Limited, pursuant to which Eastspring Investments (Singapore) Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$10,000,000;
- (8) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, Eastspring Investments (Hong Kong) Limited, Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited, Ping An Securities (Hong Kong) Company Limited and CCB International Capital Limited, pursuant to which Eastspring Investments (Hong Kong) Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$6,000,000;
- (9) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, Pinpoint Asset Management Limited, Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which Pinpoint Asset Management Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$30,000,000;

- (10) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, ICBC Wealth Management Co., Ltd., Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which ICBC Wealth Management Co., Ltd. agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$20,000,000;
- (11) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, Marshall Wace Asia Limited (in its capacity as investment manager for and on behalf of the investors listed the agreement), Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which Marshall Wace Asia Limited (in its capacity as investment manager for and on behalf of the investors listed the agreement) agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$20,000,000;
- (12) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, Integrated Core Strategies (Asia) Pte. Ltd., Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which Integrated Core Strategies (Asia) Pte. Ltd. agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$20,000,000;
- (13) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, PSBC Wealth Management Co., Ltd., Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which PSBC Wealth Management Co., Ltd. agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$12,000,000;
- (14) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, Fullgoal Fund Management Co., Ltd., Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which Fullgoal Fund Management Co., Ltd. agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$6,200,000; and
- (15) the cornerstone investment agreement dated May 26, 2026, entered into among the Company, Fullgoal Asset Management (HK) Limited, Huatai Financial Holdings (Hong Kong) Limited, China Merchants Securities (HK) Co., Limited, China International Capital Corporation Hong Kong Securities Limited and Ping An Securities (Hong Kong) Company Limited, pursuant to which Fullgoal Asset Management (HK) Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$3,800,000.

Intellectual Property Rights**Trademarks**

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
1. . .		Chinese Mainland	Our Company	6, 12, 37, 39, 40	73045179	September 6, 2035
2 . . .		Hong Kong	Our Company	6, 7, 12, 37, 39, 40	306971716	July 21, 2035
3. . . .	DAJIN	Japan	Our Company	6, 7, 12, 37, 39, 40	6919193	April 14, 2035
4. . . .		European Union	Our Company	6, 7, 12, 37, 39, 40	019090621	October 14, 2034
5. . . .	DAJIN	United Kingdom	Our Company	6, 7, 12, 37, 39, 40	UK00004111131	October 14, 2034
6. . . .		Hong Kong	Our Company	6, 7, 12, 37, 39, 40	306970618	July 20, 2035

Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be or may be material to our business:

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Registration Date
1. .	A straightening device for processing a ship U-shaped steel structure (一種船舶U型鋼結構加工用校直裝置)	Utility patent	Chinese Mainland	CN202520686638.9	Our Company	April 14, 2025
2. .	A hot bending device of a steel pipe for ship processing (一種船舶加工用鋼管的熱彎曲裝置)	Utility patent	Chinese Mainland	CN202520542033.2	Our Company	March 26, 2025
3. .	A welding fixture for a curved plate of ship manufacture (一種船舶製造曲面板焊接工裝)	Utility patent	Chinese Mainland	CN202520559776.0	Our Company	March 28, 2025

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Registration Date
4.	A ship welding positioning device (一種船舶焊接定位裝置)	Utility patent	Chinese Mainland	CN202520574117.4	Our Company	March 31, 2025
5.	A plate shearing device for manufacturing ship parts (一種船舶零部件製造用的剪板裝置)	Utility patent	Chinese Mainland	CN202520716836.5	Our Company	April 16, 2025
6.	A cutting device for ship processing steel pipes (一種船舶加工鋼管的切割裝置)	Utility patent	Chinese Mainland	CN202520224938.5	Our Company	February 13, 2025
7.	A punching device for ship processing parts (一種船舶加工零部件的衝孔裝置)	Utility patent	Chinese Mainland	CN202520270868.7	Our Company	February 20, 2025
8.	A plate rolling device for processing a ship steel structure (一種船舶鋼結構加工用捲板裝置)	Utility patent	Chinese Mainland	CN202520340191.X	Our Company	February 28, 2025
9.	A cable harness device of wind power generation equipment (一種風力發電設備的線纜束線裝置)	Utility patent	Chinese Mainland	202323637531.5	Our Company	December 29, 2023
10.	A fixture tool for plate processing (一種板材加工用夾具工裝)	Utility patent	Chinese Mainland	202420515252.7	Our Company	March 15, 2024
11.	A cable harness device of wind power generation equipment (一種風力發電設備的線纜束線裝置)	Utility patent	Chinese Mainland	202323330299.0	Our Company	December 7, 2023
12.	A plate pipeline cutting device (一種板材管道切割裝置)	Utility patent	Chinese Mainland	202420449263.X	Our Company	March 8, 2024
13.	A barrel welding seam cleaning device (筒體焊縫清理裝置)	Invention	Chinese Mainland	202210163264.3	Our Company	February 22, 2022
14.	A tower cylinder flange welding auxiliary centering device (一種塔筒法蘭焊接輔助對心裝置)	Invention	Chinese Mainland	202111167697.8	Our Company	October 8, 2021
15.	A wind power generation tower (一種風力發電塔)	Invention	Chinese Mainland	202110658107.5	Our Company	June 15, 2021

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Registration Date
16.	A scaling powder adding device (一種助焊劑添加裝置)	Utility patent	Chinese Mainland	202121392639.0	Our Company	June 22, 2021
17.	A multifunctional cutting device for processing a steel plate (一種鋼板加工用多功能裁切裝置)	Invention	Chinese Mainland	202110026738.5	Our Company	January 9, 2021
18.	A steel plate grinding and polishing device based on ship heavy industry (一種基於船舶重工用鋼板打磨拋光裝置)	Utility patent	Chinese Mainland	202121736299.9	Our Company	July 28, 2021
19.	A steel plate cutting equipment (鋼板裁切設備)	Invention	Chinese Mainland	202110035737.7	Our Company	January 12, 2021
20.	An offshore wind power generation system and a method thereof (一種海上風力發電系統及其方法)	Invention	Chinese Mainland	202110142097.X	Our Company	February 2, 2021
21.	A process for removing magnetic powder from an oil-containing steel plate with porous surfaces (一種表面多孔隙的含油鋼板除磁粉工藝)	Invention	Chinese Mainland	202010910285.8	Our Company	September 2, 2020
22.	A plate processing and cutting machine (一種板材加工切割機)	Invention	Chinese Mainland	202010268865.1	Our Company	April 8, 2020
23.	An auxiliary device for replacing offshore wind power generation equipment components (一種海上風力發電設備部件更換輔助裝置)	Utility patent	Chinese Mainland	202021495227.5	Our Company	July 23, 2020
24.	A plate cutting machine for cutting flexible sizes (一種用於切割靈活尺寸的板材切割機)	Invention	Chinese Mainland	202010280710.X	Our Company	April 10, 2020

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Registration Date
25.	A supplementary welding set of wind-powered electricity generation anchor slab flange (一種風電錨板法蘭輔助焊接裝置)	Utility patent	Chinese Mainland	202021627414.4	Our Company	August 7, 2020
26.	An offshore wind power pedestal structure of triangle pile body type (一種三角樁體型的海上風電座體結構)	Utility patent	Chinese Mainland	202021279343.3	Our Company	July 2, 2020
27.	A machining metal girth welding equipment (一種機械加工金屬環縫焊接設備)	Utility patent	Chinese Mainland	202021669918.2	Our Company	August 12, 2020
28.	A drilling equipment that the steel sheet degree of accuracy is high (一種鋼板準確度高的鑽孔設備)	Utility patent	Chinese Mainland	201921027166.7	Our Company	July 3, 2019
29.	A steel sheet plane degree detection device (一種鋼板平面度檢測裝置)	Utility patent	Chinese Mainland	201921712923.4	Our Company	October 13, 2019
30.	A steel plate circumference hole processing device (一種鋼板圓周孔加工裝置)	Invention	Chinese Mainland	201910048862.4	Our Company	January 18, 2019
31.	A plate material rolling process (一種板料捲製工藝)	Invention	Chinese Mainland	201810416231.9	Our Company	May 3, 2018
32.	A steel sheet burnishing device (一種鋼板拋光裝置)	Utility patent	Chinese Mainland	201920296344.X	Our Company	March 9, 2019
33.	A steel pipe surface finish grinding device (一種鋼管表面拋光打磨裝置)	Utility patent	Chinese Mainland	201920296952.0	Our Company	March 10, 2019
34.	A float type offshore wind energy plant (一種浮體式海上風力發電設備)	Invention	Chinese Mainland	201711440183.9	Our Company	December 27, 2017
35.	A wiring board edge cutter device (一種線路板邊緣切割裝置)	Utility patent	Chinese Mainland	201821692505.9	Our Company	October 18, 2018

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Registration Date
36.	A box gravity type offshore wind foundation structure (一種箱型重力式海上風電基礎結構)	Utility patent	Chinese Mainland	201721489203.7	Our Company	November 10, 2017
37.	A veneer reeling machine rolls large-diameter cylinder body supporting tool (一種捲板機捲製大直徑筒體支撐工裝)	Utility patent	Chinese Mainland	201820658394.3	Our Company	May 4, 2018
38.	A rotatable ground clamp of welding (一種焊接用可旋轉的地線夾)	Utility patent	Chinese Mainland	201820790317.3	Our Company	May 25, 2018
39.	A be used for vertical flange welded device (一種用於豎向法蘭焊接的裝置)	Utility patent	Chinese Mainland	201820411445.2	Our Company	March 26, 2018
40.	A marine wind power major diameter pylon list shell ring hoist (一種海上風電大直徑塔架單筒節吊具)	Utility patent	Chinese Mainland	201820409139.5	Our Company	March 26, 2018
41.	A large-diameter thin-walled barrel deformation preventing tooling (一種大直徑薄壁筒體防變形工裝)	Utility patent	Chinese Mainland	201820658917.4	Our Company	May 4, 2018
42.	A fixing device for cutting of major diameter wind tower tower segment burst (一種用於大直徑風塔塔段分片切割的固定裝置)	Utility patent	Chinese Mainland	201820410663.4	Our Company	March 26, 2018
43.	A vertical turnover device in shipment of marine wind power pylon (一種海上風電塔架立式發運翻身裝置)	Utility patent	Chinese Mainland	201820409827.1	Our Company	March 26, 2018
44.	An assemble convenient aerogenerator cable clamp (一種組裝方便的風力發電機電纜夾)	Utility patent	Chinese Mainland	201820496523.3	Our Company	April 9, 2018

No.	Patent	Type of patent	Place of Registration	Patent Number	Owner	Registration Date
45.	An aerogenerator anemometer tower (一種風力發電機測風塔)	Utility patent	Chinese Mainland	201820496356.2	Our Company	April 9, 2018
46.	An aerogenerator's base (一種風力發電機的基座)	Utility patent	Chinese Mainland	201820496395.2	Our Company	April 9, 2018
47.	A plain type marine wind power pylon transportation frock (一種簡易式海上風電塔架運輸工裝)	Utility patent	Chinese Mainland	201820410095.8	Our Company	March 26, 2018
48.	A workstation for equipment of burst flange (一種用於分片法蘭組裝的工作台)	Utility patent	Chinese Mainland	201820410687.X	Our Company	March 26, 2018
49.	A be used for burst flange and tower section of thick bamboo welded device (一種用於分片法蘭與塔筒焊接的裝置)	Utility patent	Chinese Mainland	201820409939.7	Our Company	March 26, 2018
50.	A clamping device for hanging steel sheet (一種薄鋼板懸吊用卡接裝置)	Invention	Chinese Mainland	201610729959.8	Our Company	August 26, 2016
51.	An offshore wind residual air pressure storage power generation device (一種海上風力剩餘氣壓存儲發電裝置)	Utility patent	Chinese Mainland	201721488962.1	Our Company	November 10, 2017
52.	A wind power generation tower section of thick bamboo groove trimming device (一種風力發電塔筒坡口修整裝置)	Utility patent	Chinese Mainland	201721063278.9	Our Company	August 23, 2017

Domain Names

As of the Latest Practicable Date, we owned the following domain name, which we consider to be or may be material to our business:

No.	Domain Name	Registration Owner	Registration date	Expiry Date
1.	dajin.cn	Our Company	April 7, 2010	April 7, 2032

Save as aforesaid, as of the Latest Practicable Date, there were no other trade or service marks, patents, intellectual or industrial property rights that were material in relation to our business.

FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Disclosure of Interests of Directors and Chief Executive

To the best knowledge of our Directors, saved as disclosed below, immediately following the completion of the Global Offering (assuming (i) the Offer Size Adjustment Option and the Over-allotment Option are not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing Date), none of our Directors or chief executive has any interests or short positions in the Shares, underlying Shares and debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

Interests in Shares of our Company

Name	Position	Nature of Interest	Number and description of Shares	Approximate % of the A Shares immediately after the Global Offering ⁽¹⁾	Approximate % of the issued Shares immediately after the Global Offering ⁽¹⁾
Mr. Jin . . .	Chairman of the Board and executive Director	Beneficial owner Interest in a controlled corporation ⁽²⁾	7,745,625 248,300,500	1.21% 38.93%	1.07% 34.26%
Mr. SUN Xiaole . .	Executive Director and general manager	Beneficial owner	1,359,819	0.21%	0.19%
Mr. LI Xin .	Executive Director and deputy general manager	Interests of spouse ⁽³⁾	4,700	0.001%	0.001%

Notes:

- (1) Assuming (i) the Offer Size Adjustment Option and the Over-allotment Option are not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing Date.
- (2) For details of the interest held by Mr. Jin through a controlled corporation, see “Substantial Shareholders.”
- (3) As of the Latest Practicable Date, Mr. LI Xin was deemed to be interested in the 4,700 Shares held by his spouse, Ms. SONG Dan (宋丹), under the SFO.

Interests of Substantial Shareholders***Interests in the Shares of our Company***

Save as disclosed in the section headed “Substantial Shareholders” in this prospectus, as of the Latest Practicable Date, our Directors were not aware of any persons who would, immediately following the completion of the Global Offering (assuming (i) the Offer Size Adjustment Option and the Over-allotment Option are not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing Date), having or be deemed or taken to the beneficial interests or short position in our Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of 2 and 3 of Part XV of the SFO, or directly or indirectly be interested in 10% or more of the issued voting shares of our Company or had option in respect of such capital.

Interests in our Company’s subsidiaries

As of the Latest Practicable Date, to the best knowledge of our Directors, other than members of our Group, the Directors or chief executive of our Company, none of any persons or entities was interested in 10% or more of the voting rights at general meetings of our subsidiaries.

Particulars of Service Contracts

Pursuant to Rules 19A.54 and 19A.55 of the Listing Rules, our Company has entered into a service agreement with each of the Directors which contains provisions in relation to, among other things, compliance of relevant laws and regulations, observations of Articles of Association and provisions on arbitration.

The principal particulars of these service agreements are: (a) each of the agreements is for a term of three years following his/her respective effective date of his/her respective effective date of his/her appointment; and (b) each of the agreements is subject to termination in accordance with their respective terms.

Save as disclosed above, our Company has not entered, and does not propose to enter, into any service contracts with any of the Directors in their respective capacities as Directors (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

Directors’ remuneration

For details of the Directors’ remuneration, see “Directors and Senior Management — Remuneration of Directors and Five Highest Paid Individuals,” and Notes 15 and 16 to the Accountants’ Report as set out in Appendix I.

Disclaimers

Save as disclosed in this prospectus,

- (a) none of our Directors or the chief executive of our Company has any interest or short position in the shares, underlying shares or debentures of our Company or any of its associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV 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 to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers once the H Shares are listed;

- (b) none of our Directors or any of the parties listed in “— Other Information — Consents and Qualifications of Experts” below:
 - (i) 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;
 - (ii) 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; or
 - (iii) has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group;
- (c) none of our Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));
- (d) so far as is known to our Directors, no person (not being a Director or chief executive of our Company or any member of our Group) will, immediately following the completion of the Global Offering, have an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, 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 any member of our Group; and
- (e) none of our Directors or their respective close associates (as defined under the Listing Rules) or our Shareholders who are interested in more than 5% of the issued share capital of our Company has any interest in the five largest customers or the five largest suppliers of our Group.

OTHER INFORMATION

Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

Litigation

As of the Latest Practicable Date, save as disclosed in this prospectus, we were not aware of any litigation or arbitration proceedings of material importance pending or threatened against any member of our Group that could have a material adverse effect on our financial condition or results of operations.

Joint Sponsors

The Joint Sponsors have applied to the Stock Exchange for the listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering. All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

Each of Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

The Joint Sponsors will be paid by our Company a fee of US\$530,000 in aggregate to act as sponsors to our Company in connection with the Listing.

Compliance Advisor

Our Company has appointed Altus Capital Limited as our Compliance Advisor in compliance with Rule 3A.19 of the Listing Rules.

Preliminary Expenses

We have not incurred any material preliminary expenses in relation to the incorporation of our Company.

Taxation of Holder of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are effected on the H Share register of members of our Company, including in circumstances where such transaction is effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer is a 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred. For further information in relation to taxation, see “Appendix III — Taxation and Foreign Exchange.”

Potential investors in the Global Offering are urged to consult their professional tax advisors if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in our H Shares (or exercising rights attached to them). None of our Company, our Directors, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers, or any other person or party involved in the Global Offering accept responsibility for any tax effects on, or lawful liabilities of, any person, resulting from the subscription, purchase, holding or disposal of, dealing in or the exercise of any rights in relation to our H Shares.

Consents and Qualification of Experts

The following experts have each given and have not withdrawn their respective written consents to the issue of this prospectus with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

Name	Qualification
Huatai Financial Holdings (Hong Kong) Limited.	A licensed corporation under the SFO to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 3 (leveraged foreign exchange trading), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities under the SFO
China Merchants Securities (HK) Co., Limited	A licensed corporation to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) of regulated activities as defined under the SFO
BDO Limited.	Certified Public Accountants and Registered Public Interest Entity Auditor
Hai Run Law Firm	PRC Legal Advisors
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant
BDO Tax Limited	Transfer Pricing Consultant

As of the Latest Practicable Date, save in connection with the Underwriting Agreements, none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Promoters

The promoters of our Company are Jinyin Energy, Eagle Kingdom Holdings Limited (貴普控股有限公司), Fuxin Xinyuan Investment Consulting Co., Ltd. (阜新鑫源投資諮詢有限公司) and Fuxin Longda Technology Development Co., Ltd. (阜新隆達科技發展有限公司). Within the two years immediately preceding the date of this prospectus, no cash, securities, amount or benefit has been paid, allotted or given, or has been proposed to be paid, allotted or given, to any of the promoters in connection with the Global Offering or the related transactions described in this prospectus.

Bilingual Document

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 Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

Binding Effect

This prospectus shall have the effect, if an application is made in pursuance of this prospectus, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in so far as applicable.

No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our financial, business position or prospects since December 31, 2025, being the end date of the periods reported on our consolidated financial statements as set out in the Accountants' Report as set out in Appendix I to this prospectus, and up to the date of this prospectus.

Miscellaneous

Save as disclosed in this prospectus,

- (i) within the two years immediately preceding the date of this prospectus, to the best of our knowledge,
 - (a) neither our Company nor any of our subsidiaries has issued or agreed to issue any share or loan capital fully or partly paid up either for cash or for a consideration other than cash; and
 - (b) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries;
- (ii) there are no founder, management or deferred shares nor any debentures in our Company or any of our subsidiaries;
- (iii) no share or loan capital or debenture of our Company or any of the subsidiaries:
 - (a) has been issued or agreed to be issued or is proposed to be issued for cash or as fully or partly paid otherwise than in cash; or
 - (b) is under option or is agreed conditionally or unconditionally to be put under option;
- (iv) there are no arrangements under which future dividends are waived or agreed to be waived;
- (v) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the 12 months proceeding the date of this prospectus; and
- (vi) our Company has no outstanding convertible debt securities or debentures.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus and delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

- (a) the written consents referred to in “Appendix VI — Statutory and General Information — Other Information — Consents and Qualification of Experts;” and
- (b) a copy of the material contracts referred to in “Appendix VI — Statutory and General Information — Further Information about Our Business — Summary of Material Contracts.”

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the Stock Exchange’s website at www.hkexnews.hk and our Company’s website at www.dajin.cn during a period of 14 days from the date of this prospectus:

- (a) the Articles of Association;
- (b) the Accountants’ Report from BDO Limited, the text of which is set out in Appendix I to this prospectus;
- (c) the audited financial statements of our Group for the years ended December 31, 2023, 2024 and 2025 of our Group;
- (d) the report on review of the unaudited interim condensed consolidated financial information of our Group for the three months ended March 31, 2026 from BDO Limited, the text of which is set out in the section headed “Unaudited Interim Financial Information” in Appendix IA to this prospectus;
- (e) the report on unaudited pro forma financial information of our Group from BDO Limited, the text of which is set out in Appendix II to this prospectus;
- (f) the legal opinions issued by Hai Run Law Firm, our PRC Legal Advisors in respect of certain matters of our Group in the PRC;
- (g) the industry report prepared by Frost & Sullivan, the summary of which is set forth in “Industry Overview;”
- (h) the transfer pricing review memorandum issued by BDO Tax Limited;
- (i) a copy of each of the PRC Company Law, the PRC Securities Law and the Overseas Listing Trial Measures together with their unofficial English translations;
- (j) the material contracts referred to in “Appendix VI — Statutory and General Information — Further Information about Our Business — Summary of Material Contracts;”
- (k) the written consents referred to in “Appendix VI — Statutory and General Information — Other Information — Consents and Qualification of Experts;” and
- (l) the service contracts referred to in “Appendix VI — Statutory and General Information — Further Information about Our Directors and Substantial Shareholders — Particulars of Service Contracts.”

大金重工股份有限公司
Dajin Heavy Industry Co., Ltd.