BUSINESS

OVERVIEW

Who We Are

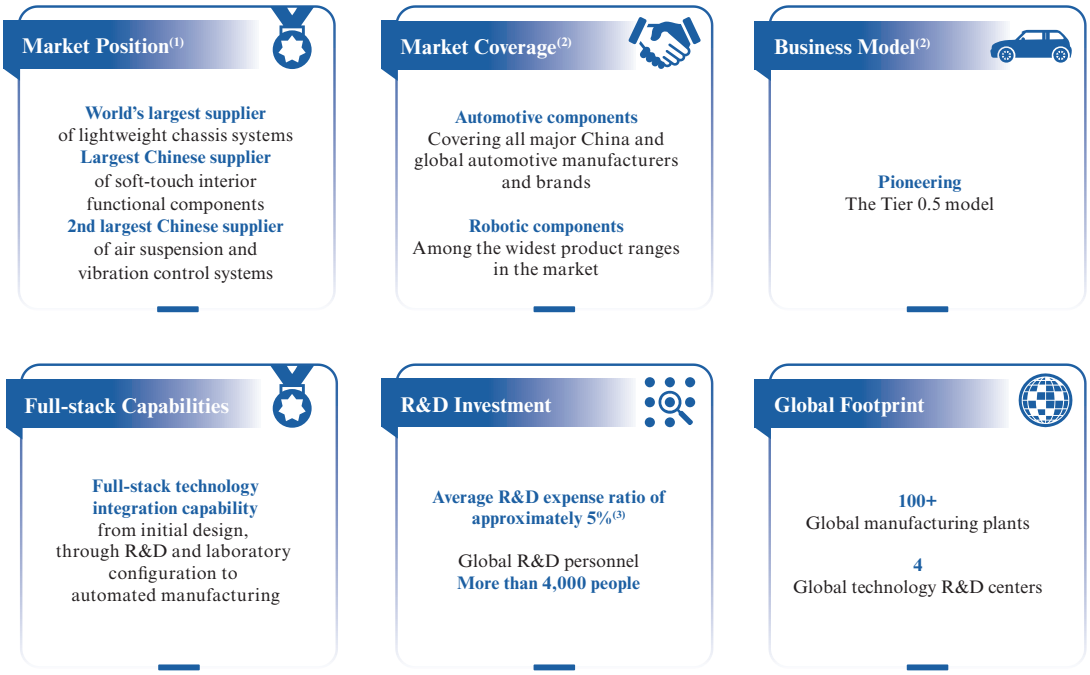
We are a leading integrated system solution provider for automotive original equipment manufacturers (OEMs) and humanoid robot developers. Pioneering a "Tier 0.5" business model that transcends the traditional Tier 1 model, we work closely with customers throughout the product development process to achieve a more agile development experience and better product integration. After decades of continuous innovation and transformation, we are expanding into emerging sectors, such as components for liquid cooling systems. Across industries, we are committed to delivering safer, comfier, smarter and greener technologies and products to our customers.

Our diverse product portfolio encompasses core automotive components and humanoid robotic components. We started our automotive component business with vibration control systems and have steadily expanded our product portfolio to include interior functional components, chassis systems, automotive electronics products and thermal management systems. Our comprehensive portfolio offers core components essential to an automobile's performance, positioning us at the forefront of the NEV ecosystem.

Our humanoid robotic components leverage technologies accumulated from our automotive component offerings, such as electric drive systems that convert electrical energy into precise mechanical motion. Originally used to control steering, braking and suspension in vehicles, these systems can now be applied to actuators, a core robot component enabling robotic motion. With these common technologies and systems, we naturally extended our offering into actuators. In addition to actuators, we also provide other humanoid robotic components, including dexterous hand motor modules, sensors, body structural components, foot dampers and electronic flexible skin.

Our Business Highlights

We have maintained leading positions across multiple segments and achieved outstanding results across all of our business lines. The table below sets forth a summary of our key business highlights:



Notes:

(1) in terms of revenue in 2024 according to CIC.

(2) according to CIC.

(3) calculated by dividing R&D expenses by revenue for the same year.

Our Milestones

We began our journey as an automotive parts supplier and have served the auto industry for over 40 years. We have managed to remain at the forefront of the industry through multiple cycles, serving major global OEMs to bring them significant embedded value in vehicles. Once and again, we captured key industry growth windows with strategic vision and technological innovation, progressing in lockstep with downstream customers. Our key development milestones include:

- *The joint venture era (1983–2010)*. During the nascent and formative years of China's auto industry in the 1980s and 1990s, when the sino-foreign joint venture (JV) structure dominated, we were among the first to capture the historic opportunity of component localization for JV automakers. We started with vibration control systems and gradually expanded into interior functional components, laying the foundation for subsequent product line expansion. As China's auto industry entered a high-growth period after 2000, we continued to invest in R&D and expanded into chassis systems in 2004 and automotive electronics in 2009. We entered the supply chain of global OEMs by working with the JVs.

- *The NEV revolution (2010–2018)*. With the emerging trends of vehicle intelligence and electrification transformation since 2010, we seized this transformative opportunity and expanded our product portfolio to include intelligent brake-by-wire systems (IBS) and electric power steering (EPS) systems. At the same time, we also launched solutions for new energy vehicles (NEVs). Our new solutions were quickly recognized by a leading U.S. NEV manufacturer ("Customer A"), who included us in its supply chain in 2016.

- *The rise of the Chinese brands (2018–2022)*. Since 2018, Chinese NEV makers began their steady rise, with sales increasing rapidly and R&D efforts accelerating. With our extensive technology and experience in serving JV automakers, we quickly adapted to launch products for NEVs. We also began to provide thermal management system products in 2020 and further expanded into air suspension systems in 2022, achieving ongoing expansion and upgrades of our product lines.

- *Chinese brands going global (2022–now)*. Since 2022, Chinese OEMs have accelerated their global expansion, while international OEMs continued to move toward localizing their supply chains in China. Accordingly, we keenly track both the global drive of Chinese OEMs and local supply demand from overseas OEMs. We established production bases in Poland, Mexico, the United States, Brazil, Thailand and Malaysia, covering our key operating markets. Our continuous improvements of production systems and service models have enabled us to provide localized deliveries and flexible supply chains, which are appreciated by our customers.

- *Beyond auto (2023–now)*. In recent years, embodied intelligence emerged as a transformative frontier technology, rapidly evolving from experimental exploration toward large-scale commercial adoption. We believe this represents a strategic opportunity for us with substantial market potential. We have established the robotic actuation business division, dedicated to humanoid robotics applications. We now have multiple core product lines, including actuators, dexterous hand motor modules, sensors, body structural components, foot dampers and electronic flexible skin.

Through long-term cooperation with leading global technology companies and top OEMs, we are expanding our verified capabilities into broader frontier fields such as liquid cooling components. These initiatives represent a natural extension of our technology platforms and their cross-sector application, driving our next phase of growth.

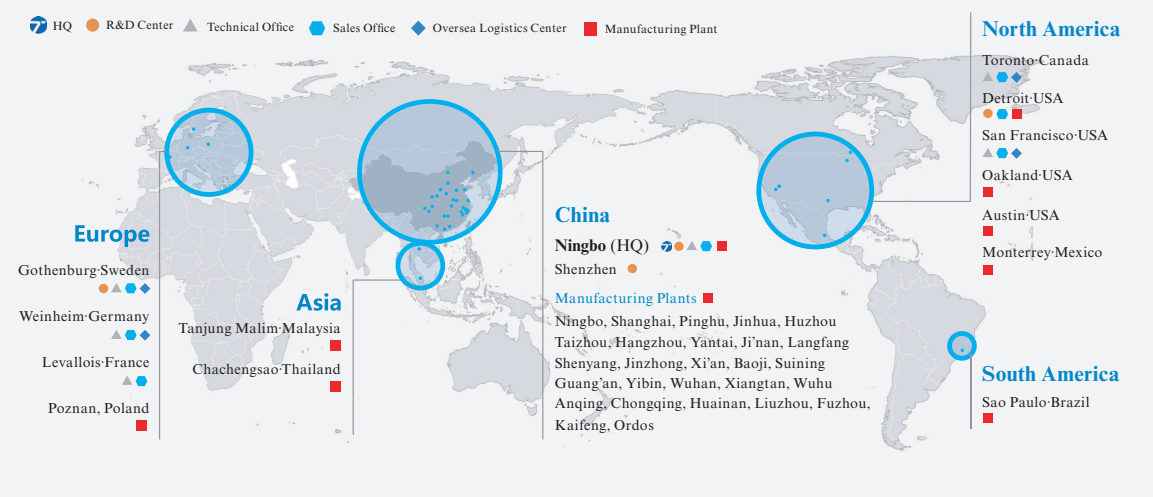
Our Customers

We have accumulated a diverse global customer base. In China, we continue to collaborate with top 10 domestic OEMs, with our per-vehicle product value steadily increasing. In overseas markets, we maintain comprehensive cooperation with global NEV makers, particularly Customer A. We have accompanied our customers from the era of internal combustion engine vehicles (ICEVs), through the emergence of NEVs, and into the era of lightweight, intelligence and system-integrated vehicles. We grow together with our customers as the industry evolves. As leading NEV OEMs expand into the embodied intelligence industry, we quickly transition with them and simultaneously build collaboration with manufacturers of humanoid robots.

Our Tier 0.5 model further deepens our collaboration with customers. Under this model, we participate in product R&D at an early stage, helping customers optimize development processes and shorten R&D cycles. This allows our customers to focus on intelligence enhancement, safety, user experience and brand recognition, while we undertake component design and cost optimization. In doing so, we effectively strengthen customer "stickiness" by leveraging the increasing value per vehicle, prompt responses, enhanced supply chain efficiency and improved R&D capabilities. The development of automobiles and humanoid robots share common foundational technologies, such as robotic actuation systems. Advances in one field can be transferred to the other, driving a natural technological convergence between the two. As iteration speed becomes a key source of competitiveness in the automotive and humanoid robotics industries, we believe the Tier 0.5 model will continue to strengthen our customer stickiness.

Our Global Footprint

We are committed to building global competitiveness while flexibly responding to local market demands. As of December 31, 2025, our footprint spans 11 countries and 42 cities, with over 1,800 overseas employees providing services and support to customers across global markets. As of the same date, we have over 100 manufacturing plants, 4 R&D centers, 6 technical support centers, 8 sales companies and 4 overseas warehousing centers worldwide. During the Track Record Period, we had more than 20.0% of revenue generated from overseas markets, with products sold across major global automotive markets. The diagram below demonstrates our global footprint.



In terms of automotive components, we strategically position our operations in auto industry clusters to strengthen our supply chain efficiency advantages. In China, we provide stable and responsive system-level supplies to automakers, with our operations centered around core industrial hubs including Ningbo, Chongqing and Wuhan. In overseas markets, we have established manufacturing, warehousing and logistics centers and dedicated support teams in adjacent to our customers to underpin our global layout. This enables us to provide one-stop supply services to overseas customers and flexibly respond to changes in customer demands and international trade environment. Through our strategic global deployment, we have built deep cooperative relationships with both Chinese OEMs expanding overseas and international OEMs, creating a solid customer network to support our continued global penetration.

In terms of humanoid robotic components, our Ningbo headquarters serves as the global R&D and manufacturing center. We also plan to expand robot component manufacturing facilities overseas, including in Thailand and Mexico, to support global customers' mass production and create supply chain synergies with our Ningbo production base. We will continue to track industry developments and customer production needs while assessing the commercial feasibility of further deployment in other regions.

Our Corporate Culture

We hold aloft our ideal to be an exemplary corporate citizen that consistently delivers long-term value for our customers, employees, shareholders, society and partners. Creating value for customers is the cornerstone of our business philosophy. We respond promptly and precisely in rapidly evolving markets, with innovation as the primary driver. We are committed to meeting customer needs through quality products and services, thereby enhancing market recognition and achieving sustainable development.

We are also committed to the philosophy of smart management. We have divided our business structure into divisions, with each division continuously deepening its expertise in its respective industry segment. Each business division sets strategic priorities and concentrates resources on key areas. Our business divisions also collaborate seamlessly to generate strong synergies across the organization.

Our Financial Performance

During the Track Record Period, we achieved rapid revenue growth. From 2023 to 2025, we recorded revenue of RMB19.7 billion, RMB26.6 billion and RMB29.6 billion, respectively, representing a CAGR of 22.5%. Such growth demonstrates our strong growth momentum and validates the scalability of our business model in the global market.

We have maintained a stable dividend policy and a firm commitment to shareholder interests along with our continued growth. In 2023, 2024 and 2025 , we declared dividends of RMB646.5 million, RMB901.9 million and RMB851.5 million, respectively, representing a dividend payout ratio, calculated by dividing the dividends declared for a year by the net profit for the same year, of approximately 30.0% in each year.

OUR STRENGTHS

Demonstrated Leading Position in Our Operating Industries

We are a leading integrated system solution provider for automotive OEMs and humanoid robot developers. According to CIC, we are the largest Chinese supplier of soft-touch interior components, the second-largest Chinese supplier of air suspension systems and vibration control systems and the third-largest Chinese supplier of automotive thermal management systems in terms of revenue in 2024. Rooted in China with a global outlook, we are well positioned to capture the structural opportunities arising from enhanced global recognition. Chinese brands are rapidly reshaping the global industrial value chain. Chinese NEV makers, in particular, have fundamentally changed the domestic industry landscape and are expanding overseas aggressively. Capitalizing on

these trends, we have built our global presence with products sold to major global OEMs. In emerging sectors such as humanoid robots, Chinese manufacturers are also at the forefront across the value chain, offering products from core components to end products. Building on this foundation, we aim to further expand our global footprint into humanoid robots.

The new-generation Chinese NEV makers are accelerating their expansion, and we have been growing alongside them. Collaboration with the top five of such brands is a key driver of our growth. Although they began vehicle manufacturing only within the past decade, and in some cases within the past five years, they have already achieved leading positions in the global market. They adopt different approaches to product design and iteration, with development cycles of around two years, which is significantly shorter than the typical three to five years for traditional auto OEMs. Our Tier 0.5 model enables us to meet their requirements for rapid development and stringent product performance. By participating deep in product development and providing modular solutions comprising multiple components, we allow these manufacturers to rely on our comprehensive product portfolio. This, in turn, strengthens our strategic alignment with these customers and increases the value of our components per vehicle.

We are also witnessing a profound transition in the supply chain of traditional international OEMs, triggered by the rise of Chinese manufacturing capabilities and the growing influence of new-generation OEMs. Historically, when Chinese auto brands lacked recognition, international brands had significant pricing power and therefore tended to favor foreign suppliers when sourcing core components. In recent years, however, intense competition from high-quality, cost-competitive Chinese brand vehicles has eroded the pricing advantages of international brands, forcing them to re-examine their procurement and pricing models. International OEMs are actively transitioning their core component supplier base from foreign to Chinese suppliers. We believe we are well positioned to benefit from this structural industry transition.

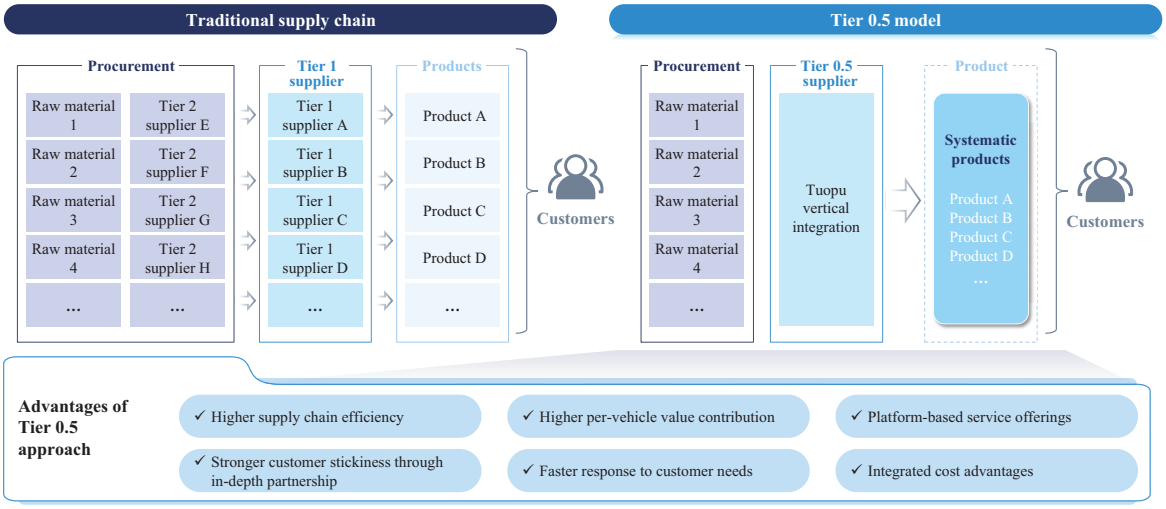
Furthermore, vehicle and robot manufacturing share a high degree of hardware-level synergy, and the transferability of relevant technologies and manufacturing capabilities has already been validated by multiple OEMs. Leveraging our strong track record in automotive components, deep technological capabilities and long customer relationships, we have established close partnerships with humanoid robot manufacturers that have evolved from NEV makers. The humanoid robotic component and assembly industry is at a pivotal stage of transitioning from technology validation to large-scale mass production. Manufacturers with large-scale delivery capabilities are well positioned to capture this opportunity by realizing economies of scale, spreading production costs and offering competitive pricing, which in turn supports continuous product iteration and optimization. We are rapidly emerging as a leading enterprise in the robot component and assembly market and intend to further consolidate and extend our market position.

Pioneer of Tier 0.5 Model

As the auto industry rapidly evolves, traditional Tier 1 suppliers are becoming less competitive, as they have limited involvement in R&D design. We have moved beyond this traditional role by adopting an innovative Tier 0.5 model that enables us to engage with customers at an early stage. To address the complexity of coordinating multiple suppliers of different components, we offer platform-based solutions that integrate components along the vertical value chain. This approach allows us to respond swiftly to customer requirements, optimize efficiency and reduce costs, and positions us at the forefront of the ongoing transformation in relationships between OEMs and suppliers.

The Tier 0.5 model is mutually beneficial. For OEMs, it enhances the overall procurement experience and improves procurement efficiency. For us, the model maximizes the value we supplied per vehicle, thereby deepening and strengthening the resilience of our relationships with OEMs. The Tier 0.5 model provides us with greater internal impetus to drive cost reduction, allowing us to offer

more competitive prices to customers while maintaining sustainable profitability. We will continue to implement our Tier 0.5 model, growing together with our customers and creating long-term shared value. The chart below illustrates the model and advantages of our Tier 0.5 model.



As a Tier 0.5 supplier, we independently address multiple product requirements in a single cooperation. We deploy multiple departments to participate in the early-stage of vehicle design and conduct joint R&D with OEMs across multiple domains. Through this close collaboration, we provide customers with integrated, one-stop customized solutions. We also respond rapidly and in a targeted manner to customer needs, and shorten R&D cycles by leveraging our platform-based product design and development capabilities. We believe this collaboration model will further strengthen our strategic partnerships with major global OEMs and establish a new benchmark for OEM-supplier relationships in the industry.

We have successfully extended the integration capabilities accumulated through the Tier 0.5 model with OEMs into emerging sectors such as humanoid robots and liquid cooling. For humanoid robots, we have completed multiple rounds of joint R&D and prototype verification of robotic actuation systems with industry-leading enterprises, and our proprietary production lines have achieved small-scale delivery as of the Latest Practicable Date. For components for liquid cooling systems, we have supplied prototypes to globally leading technology companies including Customer A. We believe the Tier 0.5 model has provided us with a first-mover advantage in technology and industrialization in these emerging fields, and we intend to continue expanding our scale and presence in these high-growth sectors.

Systematic Forward Engineering Capabilities

Guided by our "Technology Tuopu" philosophy, we have established systematic capabilities in "forward engineering," that is to develop products from initial conceptual design, through R&D and laboratory configuration, to mass production, which collectively demonstrate our R&D strengths. This core capability allows us to create customized products that meet stringent customer requirements.

Our forward engineering approach adopts the advanced product quality planning (APQP) framework, an internationally recognized structured five-phase platform aimed to ensure quality throughout the product development lifecycle. By combining APQP with our product lifecycle management (PLM) system, product data and development progress are centralized for intra-department sharing to improve collaboration. This combination enables ongoing communication and product refinement, allowing us to implement changes to enhance product quality.

In the R&D stage, we transform conceptual design to product prototypes with the focus on materials, mechanical design and product application. We conduct extensive materials research and link R&D tightly with product output, offering lightweight, environmentally friendly interior components, high performance rubber and lightweight alloys that meet diverse functional and environmental requirements.

We sync our mechanical design with our customers to meet their required specifications. Using finite element analysis (FEA) and kinematic simulation techniques, we predict how the designed products will perform under real-world conditions and validate R&D design before physical prototyping. Once mechanical design is confirmed, we leverage our in-house tooling design, sampling and mass production capabilities to achieve rapid prototyping, iteration and mass production, significantly shortening customers' overall design cycles.

In laboratory configuration, we have established a global leading testing center with comprehensive, full-spectrum testing and validation capabilities for materials, components, domain systems and complete vehicles. We have cumulatively invested approximately RMB3.1 billion in our testing center, which comprises six core testing areas of noise, vibration and harshness (NVH), structural dynamic durability, power chassis system, interior and exterior components, electronic products and humanoid robot components.

Our testing capabilities are comparable to, and in certain aspects exceed, those of many of our OEM customers, and have earned us broad recognition. Several OEMs have entrusted us with vehicle-level testing mandates, enabling us to participate more deeply in our customers' product development cycles and to effectively advance our Tier 0.5 positioning strategy.

In final production, we use self-developed molds and manufacturing equipment in our manufacturing. Our proprietary molds serve processes of rubber injections, plastic injections, interior compression and vacuum forming, stamping, forging, various metal casting and sand-casting. In addition, our manufacturing equipment further covers welding and assembly, electrophoretic coating, high-precision computer numerical control (CNC) machining, surface-mount technology (SMT) placement, packaging and testing, end-of-line helium leak detection and various automated assembly processes.

We also operate a wide range of self-developed automated production lines for intelligent brake-by-wire systems (IBS), electric power steering (EPS), air suspension and ball joints. We believe these in-house mold, equipment manufacturing capabilities and automated production lines effectively reduce our production costs and strengthen the competitive barriers in the markets in which we operate.

Strong Platform-Based Solution Advantages

We have established broad and synergistic product lines, which enable us to provide one-stop platform-based solutions. Our platform-based solutions are underpinned by a comprehensive system of multi-faceted strengths, including shared and collaborative technologies, shared production materials and processes, and strong customer relationships. These capabilities demonstrate the breadth of our overall competitiveness and remain exceptionally rare among automotive component suppliers in the China market.

Our platform-based solutions support optimal coordination across mechanical, electrical, software, pneumatic and hydraulic technologies, and enable the migration and reuse of core technologies in new products. The cross-application of our technologies significantly reduces R&D costs and shortens time-to-market for new products. For example, the mechanical, motor and control technologies used in our automotive IBS can be applied to robot actuators. Our refrigerant-based circuit integration and waste heat recovery technologies developed for thermal management systems can be applied to automotive air conditioning and further extended to AI liquid-cooled servers and energy storage systems.

Production materials and manufacturing processes can also be shared across our platform-based solutions. Centralized procurement enhances our bargaining power in sourcing raw materials. Our synchronized manufacturing processes, such as metal casting, ultra-high-strength steel stamping, precision injection molding, forging and squeeze casting, are used across multiple product lines. These shared processes allow us to achieve standardized yet flexible manufacturing, intelligent resource allocation and enhanced capacity utilization.

Our platform-based portfolio significantly improves customer acquisition efficiency. Quality control is critical for automotive and robotics products. It typically takes years to demonstrate consistent product quality and to earn the trust of customers, particularly industry leaders. Relying on recognition from our customers, we introduce new products alongside our existing offerings, thereby deepening customer engagement. For example, we began supplying air suspension products in 2022. Our market share expanded rapidly from 2022 to 2024, and we became the second largest Chinese manufacturer in terms of revenue in 2024. We believe our rapid capture of the air suspension market was driven by our strong reputation and customer recognition. As our product portfolio continues to expand, we are committed to leveraging our platform-based advantages to consistently enter new segments and to establish ourselves as a leading supplier in international markets.

Global, Automated Manufacturing Network

Global Layout

We have an efficient global manufacturing network that provides robust support for our sustained business growth. Through forward-looking regional deployment and digital management, our manufacturing network enables agile local response, dynamic allocation of global capacity and continuous competitive advantages.

We have established a connected and localized supply network in China to serve core auto industry clusters. Around key hubs of the auto industry, we have set up over 90 manufacturing and logistics nodes. For example, our Chongqing and Wuhan production bases provide close-proximity support for strategic customers, which enhances supply chain responsiveness and stability. Our manufacturing capacity is also extended to humanoid robotic component industry. Our Ningbo headquarters serves as the global manufacturing center for humanoid robotic components.

We are also systematically advancing our global manufacturing network in line with our strategic objective of remaining close to core customers while optimizing our regional supply chain footprint. Our broad geographical presence allows us to mitigate geopolitical risks and capture emerging market opportunities. In North America, our production base in Mexico is a key hub serving Customer A and other strategic auto customers in the U.S. In Europe, our Poland production base is a key node for serving premium German automotive customers. Capacity at Phase I of the Poland base is ramping up and Phase II has entered the planning stage to better address local, high-specification orders. In Southeast Asia, our Thailand production base primarily supports Customer A and other major North American OEMs. Phase I of the Thailand base has been completed and commissioned, enabling us to respond flexibly to evolving international trade dynamics.

We have established a grid-based global manufacturing network through which we can flexibly allocate capacity worldwide. Benefitting from unified manufacturing standards, our regional manufacturing plants can serve local markets effectively while also supporting cross-regional capacity balancing and emergency back-up. Leveraging our integrated digital management platform, we conduct real-time monitoring and intelligent scheduling of operations across all production bases, helping ensure on-time delivery for customers globally.

We have established a solid overseas business foundation underpinned by three core competitive advantages: recognized qualifications, deep customer relationships and economies of scale. For example, our Poland production base has passed rigorous system audits by leading European brands, and we have been recognized as a qualified supplier, creating a meaningful entry

barrier. We also continue to strengthen our customer relationships through geographic proximity, collaborative technology development and capital cooperation. In addition, our forward-looking global capacity deployment provides significant scale and location advantages.

Highly Automated Smart Factory System

We have a smart factory system covering product design, intelligent manufacturing and global deployment. By integrating the three core capabilities of virtual manufacturing, autonomous automation and standardized rapid replication, we have digitalized and automated the end-to-end process from R&D to mass production, providing systematic support for high quality, high efficiency and agile global delivery.

Virtual manufacturing. We embed manufacturing process planning at an early R&D stage and have established comprehensive digital simulation and verification capabilities. Using design for manufacturing (DFM) virtual simulation technology, we carry out full-chain simulation and optimization of plant layout, production line takt, logistics routes and quality control solutions during the product design stage. Based on DFM virtual simulation technology, we completed our first heat pump assembly production line within four months, significantly improving development efficiency and resource utilization.

Autonomous automation. We have a stringent quality control system underpinned by self-developed automation equipment and integrated information systems. Our equipment automation department independently designs and integrates fully automated digital production lines for high-value products, including wire-controlled IBS and air suspension systems. By integrating AI-based visual inspection, radio-frequency identification (RFID) barcodes and intelligent warehousing, we achieve full-lifecycle data traceability for each product.

Standardized rapid replication. We have also developed a modular and standardized approach to replicating our proven smart factory solutions, enabling rapid construction and scalable capacity expansion in new international markets. For example, our Thailand thermal management facility significantly accelerated its time-to-market and quickly aligned capacity with customer demand by leveraging our optimized equipment configurations.

Integrated Capabilities in Humanoid Robotic Components

Our robotic actuation division is dedicated to the development of humanoid robotic products. Starting from 2025, we began to manufacture linear and rotary joint assemblies, while deepening our presence in actuators. According to CIC, we are among the manufacturers with the most comprehensive range of robot components in the market and a core supplier to the leading global humanoid robot OEMs.

Our comprehensive capabilities in the humanoid robot sector are demonstrated across hardware and software development, system integration, mass production, cost control and customer retention:

- *Hardware*. We demonstrated superior technical parameters in robot hardware such as linear and rotary actuators and dexterous hand motor modules. Our linear actuators have achieved high positioning accuracy of less than ±0.01mm deviation and repeat positioning accuracy with less than ±0.005mm deviation. Our rotary actuators enable efficient conversion of electrical energy to mechanical energy. Our dexterous hand motor modules effectively balance compact size with high-precision operation to meet the manipulation requirements of humanoid robot end effectors.

- *Software and system integration*. With our self-developed controllers, we apply our automotive IBS control technology to robot actuators. We adapt its coordinated control logic to achieve high-precision, fast-response control in robotic applications. Our self-developed controllers minimize signal loss and elevate coordination among various instructions sent to various parts in a robot.

- *Mass production capacity*. Our significant investment in the production capacity of humanoid robotic components lays a solid foundation for scalable growth. As our order pipeline continues, we are rapidly ramping up capacity. Leveraging our million-unit mass production capability in automotive components, our volume ramp-up is progressing smoothly.

- *Cost control capability*. As technologies in the humanoid robotic component industry gradually converge, we believe cost reduction will become an important trend and the core competitive factor. We are driving cost reduction and efficiency improvement through our R&D efforts. We have carried out extensive customized design for robot actuator components, eliminating redundant design and effectively reducing component size and cost without compromising functional performance. We have also introduced process optimization and developed customized manufacturing equipment, further lowering costs. In addition, our product synergy and expanding scale will further reduce procurement costs and dilute unit manufacturing costs.

- *Customer acquisition*. Leveraging these capabilities, we have established a strong position in the humanoid robotic component value chain. We have commenced prototype testing for leading customers in the humanoid robotics industry. As these customers' products continue to scale, we expect our industry position to strengthen further, enabling us to secure additional high-quality customer orders.

Experienced Management Team and Efficiency-Oriented Management System

Over more than forty years of development, we have continuously refined our mission, vision and values. We embed our value system into our quality management framework and uphold a philosophy of intelligent management. On this basis, we have formed a distinctive Tuopu management system which we continue to iterate.

Leveraging the deep industry experience, clear strategic vision and strong execution capabilities of our founder and core management team, we have built an organizational structure with clear allocation of rights and duties and efficient collaboration, which underpins our development as a Tier 0.5 enterprise. Our founder and chairman, Mr. Wu Jianshu, has worked in the industry for over forty years and has extensive successful experience and distinctive industry insight in strategic planning and key decision-making. At pivotal stages of our development, Mr. Wu's forward-looking perspective, acute judgment and strong management capabilities have driven our platform-based deployment and international expansion, playing a key role in maintaining our industry-leading market position and reinforcing our core competitive advantages.

At the group level, we have adopted a business division management structure, with business units under each division operating under a pyramid-type organizational framework. We believe this division-based model refines management granularity and alleviates management pressure, enables each division to focus on its core business and fosters healthy internal competition, thereby collectively driving improvements in operational efficiency. Each business division implements a horizontally flat management model centered on sales, which keeps our organization market-oriented, supports strategic allocation of resources and enables rapid responses to market changes. Within each division, business units are formed with factory directors to workshop supervisors, team leaders and frontline personnel, with clearly defined rights, responsibilities and incentives at each level. We maintain standardized processes, strictly implement instructions from higher levels and adhere to unified operating procedures, which reduce communication costs and enhance manufacturing efficiency.

We are committed to building a competitive and dynamic management team, guided by our philosophy of selecting talent based on their abilities and merits. We apply an internal training and merit-based selection mechanism for talent development, maintaining clear promotion pathways aligned with our business strategy and creating a positive cycle in which business growth and employee development reinforce each other. We also benchmark ourselves against leading industry peers and foster a culture of continuous improvement and ambition. We encourage employees to explore new methodologies and ideas in a supportive environment. We have established a comprehensive, differentiated and transparent system of financial metrics to support the evolution of our management personnel from traditional managers into commercially minded operators and entrepreneurial leaders. We also promote learning-oriented organizations and broad empowerment, and are developing a young, experienced and international team spanning sales, R&D, manufacturing and other key functions, which we believe provides a solid foundation for the next stage of our growth.

OUR STRATEGIES

With a global and future-oriented outlook, we have formulated the following development strategies to achieve our mission.

"Technology Tuopu" Strategy

We regard scientific research and innovation as our core driving force. While maintaining rapid growth, we consistently allocate approximately 5.0% of revenue per annum to invest in both fundamental and new technology R&D, helping ensure that our technologies remain at the forefront of industry. We have achieved significant progress in fundamental R&D across materials, processes, mechanics, electronic control, software, testing and chassis tuning, which underpins the continuous enhancement of our R&D and design capabilities for a broad range of products. Looking ahead, we intend to continue investing in cutting-edge areas such as key robot components and system integration technologies, as well as high-efficiency liquid cooling thermal management technologies.

As a technology platform-based supplier, we will continue to place our platform-based philosophy at the center of our strategy and participate deep in OEMs' early-stage R&D activities, promoting the synchronized iteration of technologies and products. By establishing an open and collaborative R&D system, we aim to respond rapidly to customer needs and achieve technology front-loading in the vehicle development process, thereby improving product adaptability and system integration and further enhancing customer stickiness and the depth of our cooperation with OEMs.

Against the backdrop of the auto industry's digitalization and intelligence transition, we plan to continue upgrading our software and hardware and to further concentrate on core automotive technologies, including major advanced driver assistance systems. We aim to address key bottleneck technologies in the industry and contribute to vehicle intelligence, manufacturing automation, service informatization and decarbonization across the value chain. In parallel, we intend to further industrialize robot execution and control technologies, liquid cooling system technologies and other advanced technologies, and to promote their application and implementation in emerging frontier areas.

Platform Strategy

Our platform strategy spans products, core capabilities and ecosystem, enabling us to broaden our portfolio, accelerate technology reuse and deepen collaboration across the industry value chain.

- *Product platform*. We aim to provide customers with more comprehensive, one-stop solutions by organically combining our diverse products. Building on the technical foundations of our existing portfolio and evolving customer needs, we plan to continue expanding into new humanoid robotics products. We will continue to focus on core actuator technologies and expand progressively from actuators into other high valued

products such as shock absorbers, sensors, electronic flexible skin and reducers. We plan to expand our global capacity by establishing production bases in Thailand and other strategic locations to form a supply network for humanoid robotics products.

- *Core technology platform*. We intend to continue strengthening the underlying capabilities of each product line and to further develop cross-domain collaborative R&D and validation platforms, modular and flexible intelligent manufacturing platforms, and digital management platforms covering the full value chain. These initiatives are designed to systematically improve our responsiveness, quality control and large-scale delivery capabilities.

- *Platform-based ecosystem*. We are actively building an open and collaborative industrial ecosystem, integrating our supply chain, technology partners and customer resources. By promoting data sharing, standard synchronization and innovation, we seek to create full-chain value symbiosis, spanning collaborative R&D, supply chain optimization, capacity coordination and joint market development.

Globalization Strategy

As a core partner to our customers, we provide globally integrated services. We plan to explore new sites in regions where our customers' needs are rapidly expanding. We have also set up R&D and technical support centers in Germany, Sweden, France, Canada and the United States, enabling us to capture technology developments worldwide and remain aligned with the global frontier of automotive R&D.

We plan to continue advancing our globalization strategy and increase overseas investment in line with market developments. We plan to establish full value chain product deployments and manufacturing footprints across major economic regions worldwide, further enhancing our industrial influence and competitive position on a global scale. For example, we will continue the expansion by establishing overseas manufacturing plants. We plan to advance Phase II of the Thailand manufacturing plant, which will mainly manufacture robot actuators and relevant components. We also plan to build additional robotic component manufacturing plants in Mexico and Poland.

Intelligent Manufacturing Strategy

As a witness to, and participant in, the rapid rise of Chinese manufacturing, we recognize the critical role of intelligent manufacturing in executing our strategic objectives and sustaining our competitive advantage. We are continuously advancing the construction of smart manufacturing plants, widely applying DFM technologies to optimize manufacturing processes and making full use of digital solutions such as collaborative robots, automated guided vehicles (AGV), unmanned warehouses, RFID and machine vision. By implementing MES and quality traceability systems, we enhance the flexibility, stability and traceability of our manufacturing processes. Through virtual simulation technologies, we further strengthen quality control, process capability, automation and value stream analysis, with the ambition of becoming a lighthouse manufacturing plant in the industry.

We will deepen the development of our intelligent manufacturing system, focusing on end-to-end data integration across the industrial value chain and on data-driven decision-making. We will actively explore the deep integration of artificial intelligence in manufacturing scheduling, process optimization and quality prediction. In parallel, we plan to roll out modular and flexible production models across new production lines, accelerate the large-scale deployment of industrial internet platforms and digital twin technologies, and drive our manufacturing systems toward greater self-adaptation, self-learning and self-optimization. Through these efforts, we aim to build a leading green and intelligent manufacturing ecosystem.

Strategic Acquisition Strategy

While continuing to prioritize organic growth, we maintain an open approach to external acquisitions. Our global footprint enables us to capture technological and commercial opportunities more effectively and to access comprehensive market information.

We will actively identify and prioritize acquisition targets that will help optimize the industry landscape and reduce homogeneous competition. Through disciplined integration, we aim to improve resource allocation, reshape industry value and mitigate excessive market competition and internal friction. In evaluating potential targets, we will carefully assess compatibility across products, technology, distribution channels, financial performance, internal management and corporate culture. We also place strong emphasis on strategic alignment and the ability to generate synergies that support the creation of a healthy, sustainable industrial ecosystem.

Guided by a long-term perspective and systematic approach, we will advance our merger and acquisition strategy in a timely yet prudent manner, injecting new momentum into our high-quality development and contributing to the overall competitiveness of the industry.

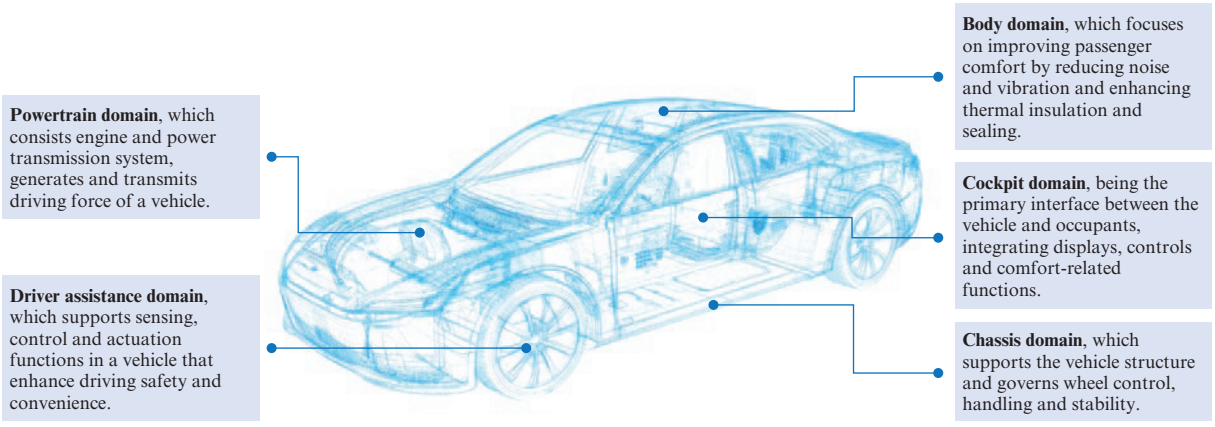
OUR PRODUCT PORTFOLIO

Overview

We are principally engaged in the research, development, manufacturing and sales of auto components. Our auto components are designed to serve multiple key vehicle systems and address a broad range of functional requirements. We have established an automotive product portfolio with five major product lines, comprising vibration control systems, interior functional components, chassis systems, automotive electronics and thermal management systems, which can be flexibly applied across different vehicle categories and technical configurations. Building on our experience in the automotive sector, we have progressively expanded into the sixth product line, the robotic actuation systems, which primarily encompass core components for humanoid robots.

Our Automotive Product Portfolio

A typical vehicle is composed of five major functional domains, each responsible for a specific aspect of vehicle operation and performance. Our five automotive product lines are designed to support one or more of these functional domains and, in many cases, are deployed together across the same vehicle platforms. The diagram below illustrates the key functional domains.



- Our vibration control systems are primarily used in the powertrain and chassis domains to manage vibration and noise generated during vehicle operation. We primarily offer traction motor dampers, engine mounts, bushings, torsional dampers and body structural components, which are installed at key interfaces between the powertrain, chassis and vehicle body to help reduce vibration transmission, improve ride comfort and support handling stability and vehicle safety.

- Our interior functional components mainly serve the body and cockpit domains. We offer door panels, headliners, main carpets, parcel shelves, acoustic and thermal insulation parts, sealing strips and decorative trims, which are installed throughout the cabin and body openings to manage noise, heat, air and water ingress. These components are designed to enhance in-cabin visual and tactile comfort and interior quality.

- Our chassis systems are applied within the chassis domain and form part of the vehicle's primary load-bearing and wheel control structure. We primarily offer lightweight chassis components, such as subframes, control arms and steering knuckles, which connect the vehicle body with the suspension and steering systems. They are also designed to support wheel control and load transfer, thereby contributing to handling performance, stability and safety.

- Our automotive electronics products are applied across the driver assistance, chassis and cockpit domains, supporting vehicle control, intelligent functions and user interaction. We primarily offer air suspension systems, as well as intelligent brake-by wire systems (IBS), electric power steering (EPS) systems, electrically adjustable steering columns (EASCs), intelligent power door systems, intelligent display drive systems, seat comfort systems and in-vehicle oxygen concentrators. These products integrate electronic control units, sensors, actuators and software to support active safety, intelligent driving assistance and convenience and comfort functions.

- Our thermal management systems mainly serve the powertrain and body domains in NEVs. Our integrated heat pump assemblies, multi-port valves, electric water pumps and electronic expansion valves are used to regulate the thermal conditions of the battery system, electric drive components and passenger cabin. These products can maintain high energy efficiency, extended driving range and stable system operation under different operating conditions.

Our product portfolio is applicable to both traditional internal combustion engine vehicles (ICEVs) and new energy vehicles (NEVs). Our automotive engineering expertise not only enables us to participate in different stages of vehicle manufacturing but also allows us to serve a wide range of vehicle models, including entry-level, mid- to high-end and luxury vehicles across sedans, sport utility vehicles (SUVs) and multi-purpose vehicles (MPVs).

Our Expansion into the Humanoid Robotics Sector

Building on our capabilities in forward engineering, precision manufacturing and advanced materials science, we have commenced our robotic actuation systems business with primary application in the humanoid intelligent robotics sector. This is a natural extension of our existing technical foundations.

We are developing a focused set of products for robotics applications, including actuators, dexterous hand motor modules, body structural components, foot dampers and electronic flexible skin. These products support key robotic functions such as motion execution, structural support, sensing and interaction, and reflect the application of automotive-grade design, manufacturing and reliability standards to emerging humanoid robot use cases.

Operating Performance

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

	Year ended December 31,					
	2023		2024		2025	
	(RMB in thousands, except for percentages)					
Sale of products						
Vibration control systems	4,299,080	21.8%	4,402,384	16.6%	4,255,569	14.4%
Interior functional components	6,576,508	33.4%	8,433,567	31.7%	9,672,496	32.7%
Chassis systems	6,122,225	31.1%	8,202,682	30.8%	8,722,484	29.5%
Automotive electronics	180,633	0.9%	1,820,105	6.8%	2,768,612	9.4%
Thermal management systems	1,547,736	7.9%	2,139,651	8.0%	2,091,305	7.1%
Robotic actuation systems	1,854	—(2)	13,427	0.1%	13,591	—(2)
Others(1)	967,588	4.9%	1,581,737	6.0%	2,049,912	6.9%
Subtotal	**19,695,624**	**100.0%**	**26,593,553**	**100.0%**	**29,573,969**	**100.0%**
Rental income	4,937	—(2)	6,775	—(2)	7,490	—(2)
Total	**19,700,561**	**100.0%**	**26,600,328**	**100.0%**	**29,581,459**	**100.0%**

Notes:

(1) Primarily representing sale of scrap materials, consumables and molds.

(2) Less than 0.05%.

During the Track Record Period, we generated revenue from PRC and overseas markets. The following table sets forth a breakdown of our revenue by geographical region for the years indicated.

	Year ended December 31,					
	2023		2024		2025	
	(RMB in thousands, except for percentages)					
PRC	13,844,488	70.3%	20,314,943	76.4%	23,320,623	78.8%
Overseas(1)	5,856,073	29.7%	6,285,385	23.6%	6,260,836	21.2%
Total	**19,700,561**	**100.0%**	**26,600,328**	**100.0%**	**29,581,459**	**100.0%**

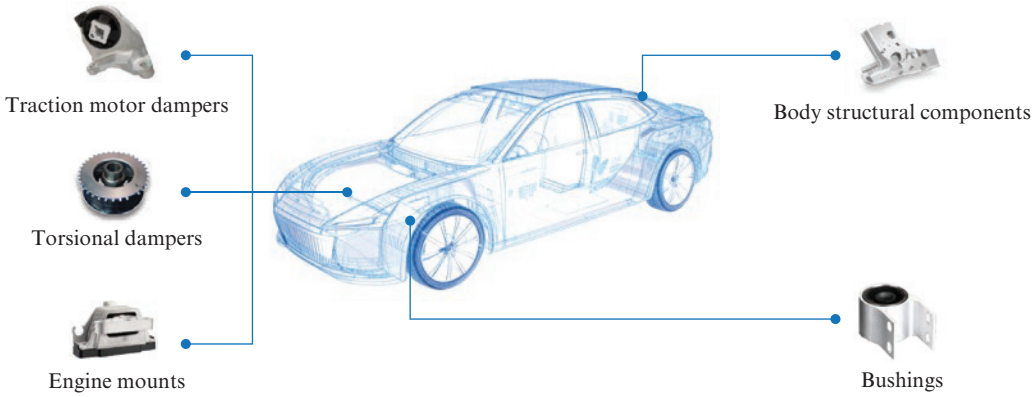
Note:

(1) Primarily including the United States, Germany, the Netherlands, Mexico, Canada, South Korea, Brazil and the United Kingdom.

Vibration Control Systems

Overview

We provide a full range of vibration control products that manage how forces and vibrations from the powertrain and the road pass through the vehicle. When a vehicle accelerates, decelerates or travels over uneven road surfaces, its engine (in ICEVs) or electric drive (in NEVs) and road-tire friction continuously generate forces and vibrations. If these forces are transmitted directly into the body and passenger compartment, occupants experience higher levels of noise, vibration and harshness, and vehicle steering and handling may deteriorate. Our vibration control products are placed along the main load paths between the powertrain and chassis domains, where they act as filters or buffers that absorb or attenuate unwanted forces and vibrations before they reach the cabin. The following picture sets forth the location of our vibration control products in a vehicle.

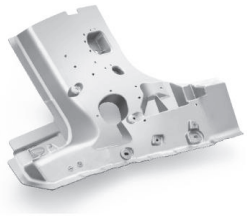


Our core products are traction motor dampers, engine mounts, bushings and torsional dampers as illustrated below. We also provide lightweight body structural components such as integrated body structures, door structures, battery pack structures and motor housings. By configuring and tuning these components at platform level, we help OEMs achieve their NVH targets, improve ride comfort and support stable and predictable handling.

Key Products

The table below sets forth our key vibration control system offerings.

Product	Function
Traction motor dampers 	Traction motor dampers are specialized NVH control components for electric motors in NEVs. These motors have higher-frequency vibration modes, and in the absence of engine noise, noise from electric motors becomes more noticeable. Integrated with motor mounting systems, traction motor dampers reduce electric motor vibration and the associated noise.
Engine mounts 	Engine mounts are structural and vibration isolation components for conventional ICE powertrains in ICEVs. They are used to support the engine and transmission assembly while reducing engine-induced vibrations. Engine mounts primarily target low to mid-frequency vibration arising from internal combustion engine, torque fluctuations and road-tire friction. Engine mounts can adjust their stiffness and damping characteristics based on the vibration frequence of engines, and by integrating hydraulic or switchable functions reducing vibration and noise. Engine mounts help OEMs improve ride comfort, steering stability and NVH performance in vehicles, particularly under conditions where powertrain disturbances are most noticeable to occupants.
Bushings 	Bushings are compliant components used at key mounting points in suspension, subframe and body systems. By applying appropriate materials, geometry and internal structure, bushings can deliver specific stiffness and damping characteristics to meet specific vibration frequencies and amplitudes during vehicle movement. Properly designed bushings help filter out excessive noise and vibration while maintaining overall ride comfort and vehicle dynamics performance.

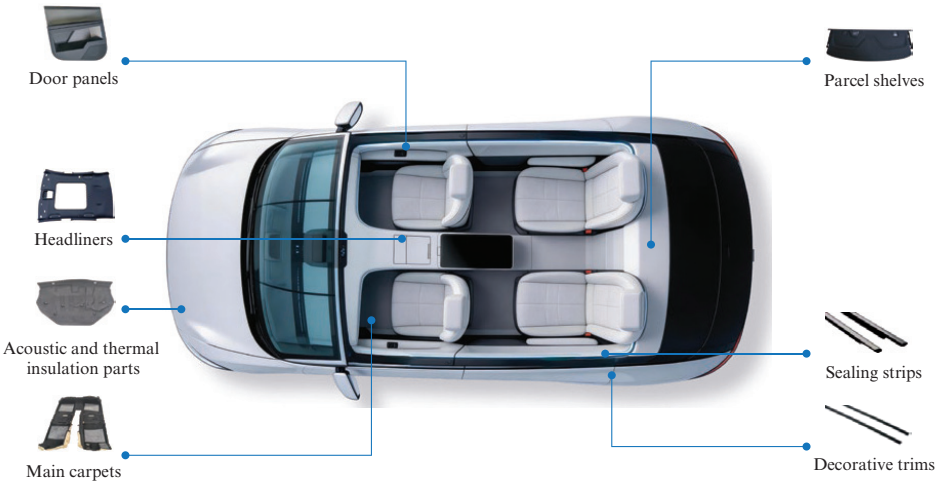
Product	Function
Torsional dampers 	Torsional dampers reduce torsional vibrations in the powertrain arising from torque fluctuations during engine firing or load changing. Torsional dampers are typically integrated into key components in the power transmission system to absorb and smooth out torque fluctuations, improving drivability, reducing noise and extending the life of power transmission system.
Body structural components 	Body structural components offer key body structural components, primarily including integrated body structures, door structures, battery pack structures and motor housings. Integrated body structures enhance overall body stiffness, optimize load paths and support lightweight designs to meet crash performance and NVH targets. Door structures provide stiffness around the door openings, enhance window sealing, and reduce wind, road and closure noise entering the cabin. Battery pack structures form robust enclosures and frames that protect the battery, enhance underbody and torsional stiffness, and contribute to overall body integrity and lightweighting. Motor housings support and protect the electric drive unit, provide stable mounting interfaces to the body and subframe and help manage vibration transfer between the e-drive system and the vehicle body. Together, these body structural components support all vibration control components to work more effectively and to reduce vibrations and noise.

Interior Functional Components

Overview

We provide interior functional components that are designed to manage noise, heat, air and water ingress, and to shape the visual and tactile quality of the vehicle interior. Our interior functional components primarily comprise door panels, headliners, main carpets, parcel shelves, acoustic and thermal insulation parts, luggage compartment acoustic parts, sealing strips and decorative trims. These products are installed alongside the interior and body openings of the vehicle, such as roof, floor, doors and luggage compartment.

Through the integrated design of interior trim, structural carriers and functional layers such as foams, felts and barriers, our interior functional components work together with our vibration control systems to reduce noise and vibration in the cabin. By incorporating sealing strips around doors, windows and tailgates, these components also improve thermal comfort and prevent dust and water ingress. Together with decorative trims that shape the main surfaces occupants see and touch, they create a visually appealing interior environment and a consistent, brand-specific interior. The following picture sets forth the functionality of our interior functional components in a vehicle.



Key Products

The table below sets forth our key interior functional component offerings.

Product	Function
Door panels 	Door panels are interior trim assemblies that cover the inner side of the doors and form a key part of the cabin side structure. They provide the visible surface that occupants see and touch, integrate functional elements such as armrests, storage pockets, switches and grab handles, and incorporate underlying structures and foams that help absorb noise and improve side impact performance. Optimized design of door panels supports brand-specific styling, tactile quality and NVH performance.
Headliners 	Headliners are multilayer interior panels mounted to the roof area that define the upper interior surface of the cabin. In addition to providing a key decorative surface, headliners help block structure-borne noise induced by roof panel vibration and reduce airborne noise from wind, rain and external sources. They are produced in both hard and soft constructions and can be manufactured using different processes, such as molded, bonded or suspended headliners. Typical headliners combine core substrates such as thermoplastic polyurethane (PU) foams, polypropylene foams, thermoplastic felts, glass fiber mats or honeycomb-type structures with surface layers of fabrics, non-wovens, thermoplastic polyolefin (TPO) or polyvinyl chloride (PVC) materials. The multilayer structure is tailored to each vehicle platform to balance acoustic performance, weight, formability and appearance.
Main carpets 	Main carpets are large interior coverings on the floor of the passenger compartment that combine visible carpet or non-woven surfaces with underlying acoustic and insulating layers. Main carpets absorb and reflect structure-borne noise transmitted from the chassis, powertrain and road through the floor and tunnel, and improve thermal insulation in the footwell areas. The combination of both carpet and felt layers typically provides enhanced abrasion resistance, dimensional stability, ease of cleaning and better acoustic performance compared with single-layer solutions. The geometry and material combinations are tailored to each vehicle platform so they fit around seat fixings, transmission tunnels and other components.

Product	Function
Parcel shelves 	Parcel shelves are components typically located behind the rear seats in hatchback and certain saloon or sport utility vehicle models, covering the luggage compartment from the cabin side. Parcel shelves help reduce noise from the luggage compartment entering the passenger compartment, support thermal insulation and provide an additional surface for styling. In some configurations they also offer light load-bearing capability for small items.
Acoustic and thermal insulation parts 	Acoustic and thermal insulation parts are specialized parts made from PU, non-wovens or composite materials to block or absorb noise and to improve thermal insulation. Positioned along the key paths, such as the firewall, tunnel, pillar and quarter panel areas, these parts complement carpets, headliners and door panels to achieve overall NVH and thermal comfort targets while managing weight and supporting recyclability objectives.
Sealing strips 	Sealing strips are rubber or thermoplastic sealing components installed around doors, windows, tailgates, sunroofs and other openings. They prevent water, dust and air from entering the vehicle, reduce wind noise and improve closing sound and feel. By optimizing cross-section design, material and contact pressure, our sealing strips help original equipment manufacturers achieve air and water tightness standards, reduce noise at higher speeds and support consistent door and window operation.
Decorative trims 	Decorative trims are mainly installed along the lower parts of vehicle doors. In addition to providing an esthetic finish to the body structure, these trims serve functional purposes including closing gaps, improving thermal insulation and enhancing sound insulation for the cabin. They are designed to fit closely with adjoining body panels and sealing systems, while meeting durability, safety and assembly requirements and aligning with the overall vehicle body and interior system design.

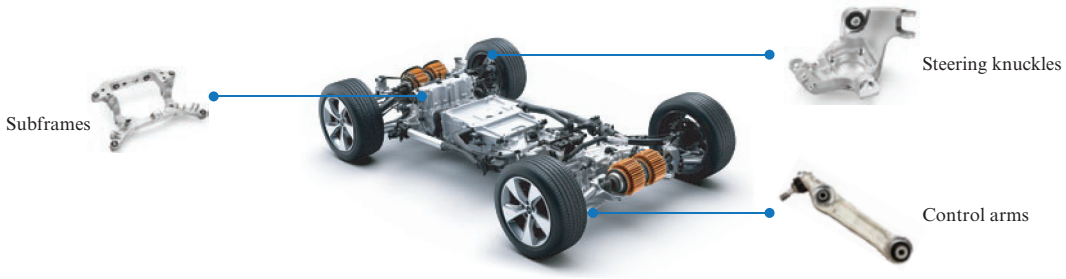
Chassis Systems

Overview

We supply chassis system components that form part of the vehicle's primary load-bearing and wheel control structure. For load bearing, the chassis system supports both the vehicle's static weight (its total weight when stationary) and the dynamic loads generated during driving, including acceleration, braking, cornering and road surface irregularities. In terms of wheel control structure, the chassis system connects the vehicle body to the wheels and manages how these loads are transmitted through the vehicle structure. It determines how the wheels move vertically (up and down), laterally (side to side) and longitudinally (forward and backward). As a result, it has a direct impact on steering response, straight-line stability, ride comfort, tire wear and active safety performance.

Our products primarily comprise lightweight chassis components, such as subframes, control arms and steering knuckles. These parts are installed at key interfaces between the body, suspension, steering system and, in many cases, the powertrain. They provide rigid mounting structures for the suspension, steering system and, where applicable, the powertrain. By combining optimized structural design with appropriate material selection and manufacturing processes, our chassis

components support OEMs in achieving vehicle dynamics, durability, weight and cost targets across a range of platforms and powertrain types and support the overall performance and efficiency of the vehicle. The following picture sets forth the location of our chassis system products in a vehicle.



Key Products

The table below sets forth our key chassis system offerings.

Product	Function
Subframes 	Subframes are structural frames mounted to the vehicle body that provide attachment points for front and rear suspension systems, steering gear and, in many configurations, powertrain components. Subframes provide the structural platforms and load paths through which forces from braking, cornering and road inputs are introduced into and managed by the body structure. They contribute to vehicle stiffness and crash energy management and isolate some suspension and powertrain loads from the passenger compartment. By using optimized geometries and material combinations, including steel, aluminum or hybrid designs, our subframes balance strength, stiffness, weight and cost, and are tailored to the packaging and performance needs of each vehicle platform.
Control arms 	Control arms are suspension links that connect the subframe or body to the steering knuckle and define the wheel's position and motion path relative to the body. Control arms carry vertical loads from vehicle weight and road inputs, as well as longitudinal and lateral forces from braking and cornering. Their geometry and stiffness influence key wheel alignment angles, which affect tire wear, vehicle handling and ride comfort. Designed with appropriate steel or aluminum structure and integrated with bushings or joints, our control arms provide precise wheel control, durability and weight efficiency.
Steering knuckles 	Steering knuckles are key chassis components that connect the wheel hub and bearing assembly to the suspension links and track rods. Steering knuckles transfer vertical, lateral and longitudinal forces between the wheel and the vehicle and define the steering axis and key kinematic points of the suspension. Their design directly affects steering response and vehicle stability, as well as how well the brakes work with the rest of the system, and the amount of weight carried by the wheels and suspension. Using optimized geometries and material selection, our steering knuckles offer high strength and stiffness, precise dimensional control and compatibility with different brake, hub and suspension configurations.

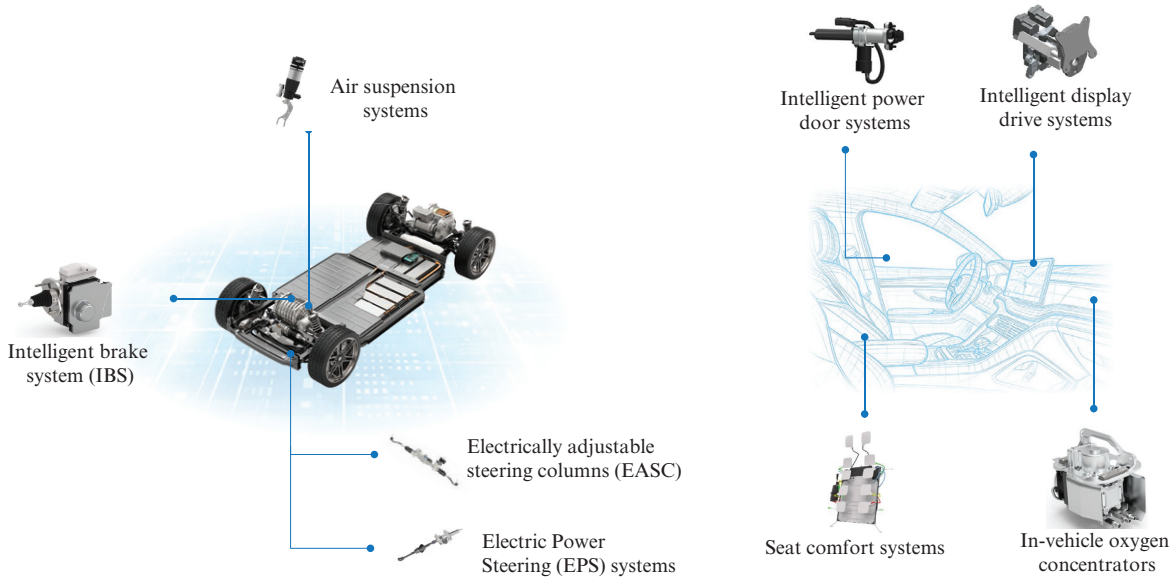
Automotive Electronics

Overview

We provide automotive electronics products and systems that support chassis-by-wire, a technology relies on electronic signals to transmit control commands instead of traditional mechanical or hydraulic transmission, intelligent driving and comfort functions. Automotive electronics link the drivers, passengers and vehicle systems through sensors, actuators and control software. They play a central role in drivers' and passengers' interaction with the vehicle through displays, switches and comfort features.

Our automotive electronics business primarily comprises air suspension systems, intelligent brake-by-wire systems (IBS), electric power steering (EPS) systems, electrically adjustable steering columns (EASC), intelligent power door systems, intelligent display drive systems, seat comfort systems and in-vehicle oxygen concentrators. Among these products, air suspension systems, IBS and EPS systems and EASCs form part of the intelligent chassis, managing body height, damping characteristics, braking force, steering assistance and driving position according to driving conditions and driver inputs. Intelligent power door systems and intelligent display drive systems provide the main human-machine interfaces for access, driving information, infotainment and driver assistance functions. Seat comfort systems use electric adjustment, heating, ventilation and massage functions to improve comfort during short trips and long journeys. In-vehicle oxygen concentrators provide continuous oxygen in passenger compartment.

These products are integrated with the vehicle's electronic and electrical architecture and software to enhance safety, ride comfort, convenience and user experience. Our automotive electronics products help OEMs realize intelligent chassis control, convenient access and personalized in-cabin comfort, while supporting the transition towards electrified and intelligent vehicles. The following picture sets forth the location of our automotive electronics products in a vehicle.

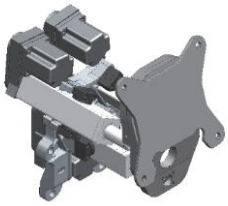
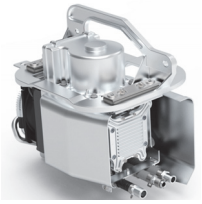


BUSINESS

Key Products

The table below sets forth our key automotive electronics offerings.

Product	Function
Air suspension systems 	Air suspension systems are chassis systems that use air springs, combined with electronically controlled dampers, height sensors, compressors, valves and a dedicated control unit or an integrated air supply unit (ASU). Air suspension systems can automatically or manually adjust vehicle ride height and suspension stiffness according to speed, load and driving mode to improve ride comfort, handling stability and aerodynamics. They also support functions such as entry/exit height adjustment and load-leveling to enhance everyday usability.
Intelligent brake-by-wire system (IBS) 	IBSs are intelligent brake-by-wire systems that generate and control braking force primarily through electronic signals rather than a purely mechanical or hydraulic connection between the brake pedal and the wheel brakes. IBS systems typically integrate a high-performance brake actuator, sensors and control software to deliver precise brake pressure control, shorter response times and improved coordination with regenerative braking in electrified vehicles. They help enhance braking performance, energy recovery, stability control and compatibility with advanced driver assistance systems.
Electric Power Steering (EPS) systems 	EPS systems are steering systems that use electric motors, sensors and electronic control units to provide steering assistance instead of conventional hydraulic pumps. EPS systems measure driver steering input and vehicle conditions and then apply appropriate assistance torque to the steering mechanism. They improve steering efficiency and reduce energy consumption, and can provide variable steering assistance and steering feel across different speeds and driving modes. EPS is also a key enabler for advanced driver assistance and automated driving functions that require precise and controllable steering intervention.
Electrically adjustable steering columns (EASC) 	EASCs are steering column systems equipped with electric adjustment mechanisms and a control unit that allow automatic or manual adjustment of steering wheel position in height and reach. These systems help drivers achieve an ergonomic driving position and can support memory functions and welcome/exit functions. They integrate with the vehicle's body and comfort electronics and are designed to work together with EPS systems and steering wheel switches.
Intelligent power door systems 	Intelligent power door systems are electrically driven door systems that control opening and closing of vehicle doors using electric actuators, control units and integrated sensors. Intelligent power door systems offer convenient functions such as soft-close, hands-free or remote opening, anti-pinch protection and coordinated operation with central locking and keyless entry systems. They improve daily usability and perceived quality and can be integrated with vehicle security and safety functions.

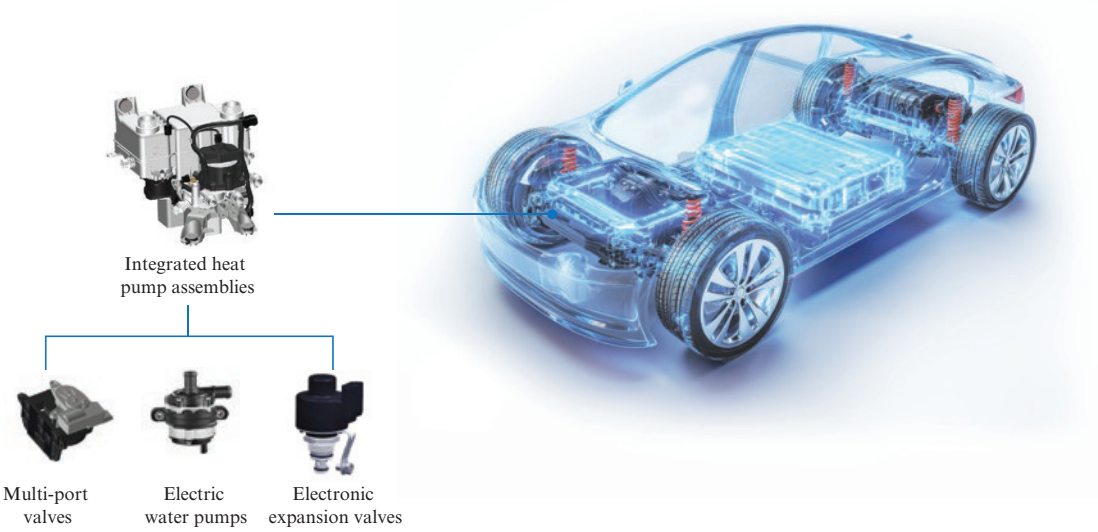
Product	Function
Intelligent display drive systems 	Intelligent display drive systems are key hardware components of the intelligent cockpit that drive in-vehicle displays to rotate and move. Using precision motors, gears and hinge structures, our screen actuation systems enable displays to perform controlled rotational and other limited physical movements to adapt the display position and orientation to vehicle status and user needs.
Seat comfort systems 	Seat comfort systems are electronic systems that provide electric adjustment, heating, ventilation and, in some configurations, massage and memory functions for vehicle seats. Seat comfort systems typically include seat control units, motors, heaters, fans and sensors to adjust seat position, lumbar support and comfort settings for different occupants. They improve comfort and fatigue reduction for drivers and passengers in both everyday commuting and long-distance travel and can integrate with the vehicle's body control and driver profile management systems.
In-vehicle oxygen concentrators 	In-vehicle oxygen concentrators adopt advanced molecular sieve vacuum pressure swing adsorption (VPSA) oxygen generation technology and are equipped with four-cylinder VPSA compressors. The compressors are installed outside the vehicle cabin to isolate noise and optimize NVH performance. Our in-vehicle oxygen concentrators can be powered directly by vehicles' power supply and provide continuous oxygen. Our in-vehicle oxygen concentrators can be widely used in various scenarios, including alleviating altitude sickness at high altitudes, increasing oxygen concentration for drivers experiencing drowsiness while driving to help avoid traffic accidents, and providing emergency rescue in cases such as fainting caused by gas poisoning.

Thermal Management Systems

Overview

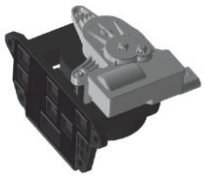
We provide key thermal management products with a primary focus on NEVs, supporting the efficient control of heating, cooling and energy use. Thermal management systems control the flow and exchange of heat between the passenger compartment, power battery, electric drive system and external environment. In NEVs, effective thermal management is critical to maintaining driving range in low and high ambient temperatures, protecting the battery and power electronics within their optimal temperature windows and ensuring stable air conditioning performance. Our thermal management systems primarily comprise integrated heat pump assemblies, multi-port valves, electric water pumps and electronic expansion valves. These products work together to manage the temperature of the passenger compartment, power battery, electric drive system and other components, improving comfort, safety and overall energy efficiency. By integrating mechanical components, electronic control units, sensors and optimized flow paths, our thermal management products support OEMs in developing highly integrated, efficient and flexible thermal management

architectures suitable for different vehicle platforms, powertrain types and operating conditions. The following picture sets forth the location of our thermal management system products in a vehicle.



Key Products

The table below sets forth our key thermal management system offerings.

Product	Function
Integrated heat pump assemblies 	Integrated heat pump assemblies are highly integrated modules that combine the main components of the vehicle's heat pump and air conditioning system, such as heat exchangers, valves, piping and sensors, in a compact assembly. Integrated heat pump assemblies can operate in multiple modes to heat or cool the passenger compartment and key components such as the power battery and electric drive system, using energy-efficient heat transfer instead of pure resistive heating. By optimizing internal flow paths and control strategies, they help improve thermal efficiency, reduce energy consumption in cold and hot conditions and extend driving range for new energy vehicles.
Multi-port valves 	Multi-port valves with several ports flexibly route refrigerant or coolant between different circuits and heat exchangers. Multi-port valves enable the thermal management system to switch between operating modes such as cabin cooling, cabin heating via heat pump, battery heating or cooling and component cooling, using a limited number of pipes and interfaces. Their compact, integrated design helps reduce system complexity, weight and leakage points, while precise actuation and control improve response speed and system efficiency.

Product	Function
Electric water pumps 	Electric water pumps are electrically driven pumps that circulate coolant through thermal management circuits for batteries, motors, power electronics, cabin heaters and other components. Unlike mechanically driven pumps, electric water pumps can adjust flow rate according to real-time demand and do not rely on engine speed, which is especially important in electrified vehicles. By providing accurate, controllable coolant flow, they improve thermal control accuracy, energy efficiency and component protection and support multiple independent cooling loops within the vehicle.
Electronic expansion valves 	Electronic expansion valves precisely control the flow rate and pressure drop of refrigerant entering the evaporator or other heat exchangers in the heat pump and air conditioning circuits. Electronic expansion valves adjust opening according to signals from temperature and pressure sensors, optimizing superheat, evaporation conditions and system stability under varying loads and ambient conditions. Compared with traditional mechanical expansion devices, they offer faster response and more accurate control, which helps improve heat pump efficiency, cabin comfort and the reliability of thermal management across different operating modes.

Robotic Actuation Systems

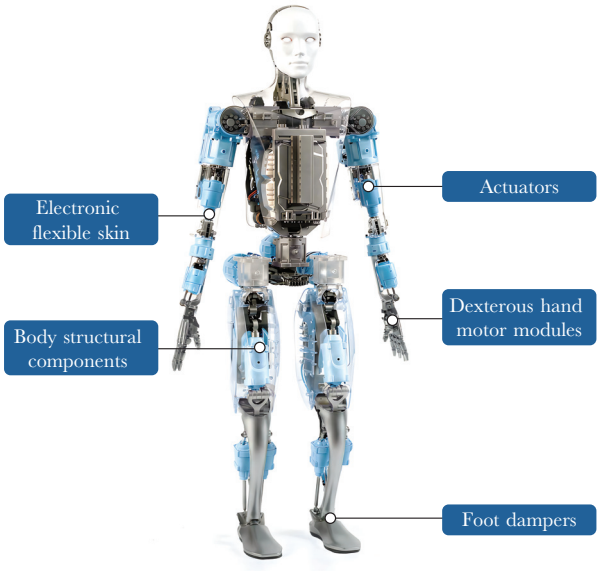
Overview

We develop and supply core components for next-generation robotic actuation systems that support precise perception, smooth motion control and intelligent interaction in advanced robotic applications. Our robotic actuation system products primarily comprise actuators, dexterous hand motor module, body structural components, foot dampers and electronic flexible skin. These products work together to realize precise motion control, stable and reliable structural support, multi-dimensional environmental perception and safe, compliant human-machine interaction

By combining motors, drives, transmission mechanisms, structural parts, sensors and flexible electronic materials, our robotic actuation system solutions help customers build high-performance, highly integrated and well-adapted motion platforms that can be configured for different robot architectures, enabling the evolution of next-generation intelligent devices.

Role in a Robot

Robotic actuation systems convert electrical energy into precise and controllable mechanical motion and form the basis for intelligent execution and autonomous mobility in robots. They integrate actuators, sensors as well as specialized structural and interaction modules into a highly coordinated and integrated system that defines how a device generates, transmits and regulates motion. Supported by standardized mechanical and electronic interfaces and coordinated control technologies, robotic actuation systems enable robots to achieve higher levels of intelligence, safety and operating efficiency.



In a robot, actuators and sensors form the core of the motion and perception system and are deeply integrated with robot-specific modules such as dexterous hand motor modules, body structural components, foot dampers and electronic flexible skin. Actuators and body structural components act as a "musculoskeletal" system that supports the limbs and the torso and provides a stable and reliable structural foundation and power output for the robot, foot dampers help maintain stability and absorb impacts during movement, and electronic flexible skin and distributed sensors build a "perceptual" layer that enables accurate sensing of contact, pressure and proximity. Through the integrated design and control of these components, our robotic actuation systems help robotics customers realize smooth and coordinated, multi-degree-of-freedom motion and promote safer, more intelligent interaction between robots and people and the environment.

Key Products

The table below sets forth our robotic actuation system offerings.

Product	Function
Actuators	Actuators are core motion units that integrate motors, gear reducers, transmission structures and sensors and, in some cases, drive electronics to provide precise controllable torque and speed for joints or mechanisms. Actuators convert control commands into high-precision rotary or linear motion and are used in robotics applications, for example in robotic joints and positioning axes. Through optimized electromagnetic design, an integrated reducer and transmission structure and an efficient thermal management solution, our actuators deliver high torque, high power density, high efficiency and low backlash, and can continuously provide smooth, precise and reliable motion performance under varying load and demanding operating conditions.

Product	Function
Dexterous hand motor modules	Dexterous hand motor modules are compact, application-specific actuation units designed specifically for use in multi joint robotic hands, fingers and wrists. Our modules typically integrate high performance motors, precision lead screws and tendon transmission structures, and support multiple degrees of freedom to enable flexible motion trajectories and diverse grip patterns at the finger and wrist level. They can be configured to drive joints for different finger sizes, ranges and load requirements, and support functions such as force controlled grasping, compliant interaction and coordinated multi joint motion. Our dexterous hand motor modules are designed for high power density, low backlash and high repeatability and accuracy, and can be seamlessly integrated with dexterous hand mechanisms and higher level vision and force feedback control algorithms to realize precise, stable and reliable manipulation in a wide range of robotics scenarios.
Body structural components	Body structural components are core load-bearing structural parts used in robotic systems to form the main skeleton of limbs or body modules, providing fundamental support and load-carrying capability for the entire robot. Body structural components support actuators, joints, sensors and other subsystems, bearing complex static and dynamic loads while achieving an efficient balance between weight and stiffness. Through optimized structural design and the selection of high-performance materials and advanced manufacturing processes, our structural components significantly enhance the assembly efficiency, maintenance convenience and scalability of complex robotic motion systems.
Foot dampers	Foot dampers are damping and buffering components used in robotic feet or base positions to absorb impact forces, attenuate vibration and improve ground contact stability. Foot dampers help reduce shock transmitted to upper structures during walking, landing or traversing uneven surfaces, thereby protecting actuators and structural parts and improving motion comfort and control robustness. Our foot dampers are designed with suitable stiffness and damping characteristics and can be adapted to different load levels and gait strategies in robotic applications.
Electronic flexible skin	Electronic flexible skin is a flexible skin layer applied to robotic surfaces that provides basic protection and compliant coupling for the robot, while enhancing appearance, tactile feel and perceived friendliness in human-robot interaction. It also serves as a platform for embedded sensors and supports the expansion of additional functions. Our electronic flexible skin products currently under development use soft materials with a pleasant, skin-like touch, good breathability, high elasticity and wear resistance, and place only a minimal burden on the robot's heat dissipation and joint motion. From the design perspective, it can be directly assembled and integrated with the robot body and accommodates a wide range of exterior styles.

Key Operational Data

The following table sets out the average selling price and sales volume for our product lines for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
Sales volume[(1)] ***(unit in thousands)***			
Vibration control system	126,895	135,907	130,051
Interior functional components	136,577	162,426	174,896
Chassis system	46,229	58,580	63,943
Automative electronics	900	4,390	7,317
Thermal management systems	2,582	3,083	3,095
Average selling price[(1)] ***(RMB/unit)***			
Vibration control system	34	32	33
Interior functional components	48	52	55
Chassis system	132	140	136
Automative electronics	201	415	378
Thermal management systems	600	694	676

Notes:

(1) During the Track Record Period, our revenue from robotic actuation systems was generated solely from sales of sample products, and the related average selling prices and sales volumes are not meaningful for analytical or comparative purposes.

The sales volume of our automotive electronics products increased significantly from 0.9 million in 2023 units to 4.4 million units in 2024, primarily attributable to our expansion of product portfolio to include more high-value products such as air suspension systems and intelligent power door systems.

OUR CORE TECHNOLOGIES

Steer-by-Wire and Brake-by-Wire Technology

The ultimate goal of autonomous driving is to replicate and progressively replace the functions of a human driver through an integrated system combining perception, decision-making and control. Such systems rely on perception sensors to capture the external environment, software algorithms and computing platforms to process data and make driving decisions, and by-wire actuators to execute control commands, enabling electronic control to replace traditional mechanical control. Steer-by-wire and brake-by-wire systems are the most critical components at the execution layer of intelligent driving, as they directly translate electronic signals into steering and braking actions.

Building on our experience in software, electronic control and precision manufacturing, we have successfully entered the steer-by-wire field and developed several key technologies, including, (i) integrated electric power steering technology, (ii) noise detection technology for new EASCs, (iii) torque harmonic voltage compensation technology across a range of rotational speeds, (iv) steering wheel rotation angle limitation technology after power-off in steer-by-wire systems, (v) multi-layer sealing technology for automotive steering gear sensor wiring harnesses, and (vi) new control technology for electronic power steering systems.

In brake-by-wire, our independently developed IBS is an industry-leading "one-box" brake-by-wire solution, according to CIC. It combines the functions of the electronic brake booster, electronic vacuum pump, electronic stability control (ESC) and anti-lock braking system (ABS) into a single compact module. Controlled entirely by electrical signals, IBS fully decouples the

brake pedal from the brake calipers. This offers benefits such as faster braking response, lower weight, higher kinetic energy recovery efficiency and better compatibility with autonomous driving systems.

Robotic Motion Actuator Technology

Leveraging our accumulated expertise in precision mechanics and electronic control in the field of by-wire braking systems, we have successfully developed linear and rotary actuators for use in humanoid robots. This technology integrates permanent magnet servo motors, high-precision sensors, such as torque sensors and encoders, and high-performance transmission mechanisms, such as planetary roller screws and harmonic reducers. Its core advantages include high power density, high positioning accuracy and excellent dynamic response, providing key actuation capability to support the complex motion control requirements of humanoid robots.

Thermal Management Integration Technology

We have developed integrated thermal management technology that enables coordinated thermal control of the battery, electric drive system and passenger cabin through a unified system architecture, representing an evolution from conventional single-domain thermal solutions to system-level integration. Our technology is built on an integrated heat pump assembly combined with multi-port valve control and intelligent electronic components, enabling dynamic allocation and efficient utilization of thermal energy across different subsystems. We have established in-house R&D and manufacturing capabilities across key components, including multi-port valves, electronic expansion valves and electronic water pumps, forming a scalable component portfolio. These technologies support efficient energy utilization, coordinated thermal regulation and enhanced system integration, contributing to improved driving range under extreme conditions, reduced system weight and component count, and enhanced system reliability and control intelligence. Our integrated thermal management solutions are primarily applied in new energy vehicles, where efficient thermal coordination is critical to overall vehicle performance and passenger comfort.

Intelligent Air Suspension System Technology

We have mastered the complete set of core technologies for air suspension systems, including dual-chamber air springs, integrated compressor units, and electronic control units (ECUs). Our system automatically adjusts suspension stiffness and damping by sensing road conditions and vehicle status in real time, which significantly improves handling stability and ride comfort. We have independently developed normally-open solenoid valves and a dual-chamber suspension design that together improve system response speed and reliability, even under extreme operating conditions. This allows our products to replace imported high-end chassis systems in the domestic market.

RESEARCH AND DEVELOPMENT

Our R&D framework is built on a long-term, application-driven and platform-oriented approach that is closely aligned with the evolving needs of the auto industry. We focus on the development of core technologies and engineering capabilities that are applicable across multiple vehicle systems, enabling us to deliver diversified and scalable automotive products adaptable to different vehicle architectures and powertrain types. Guided by a proactive and forward-integrated development strategy established over two decades ago, our R&D activities span the full product lifecycle from early-stage concept design and engineering development to product validation and mass production support, allowing us to participate in earlier stages of OEM development cycles, enhance our embedded value in vehicle platforms and efficiently translate technological capabilities into commercialized products. This system-level, synchronous and forward-integrated development capability has resulted in a portfolio of proprietary intellectual property, including numerous invention patents. We continue to make sustained investments in R&D infrastructure and talent, with annual R&D expenses representing approximately 5% of our revenue in each year during the

Track Record Period. During the years ended December 31, 2023, 2024 and 2025, our research and development expenses amounted to RMB986.4 million, RMB1,224.2 million and RMB1,496.0 million, respectively.

Guided by a customer-oriented development philosophy, our R&D efforts are closely coordinated with OEM customers' product planning and development cycles, strengthening long-term cooperation and supporting our sustained growth. We have established a global R&D network to serve our international customer base and attract engineering talent. Our network consists of four R&D centers, our headquarters in Ningbo, and additional centers in Shenzhen, Detroit in the U.S., and Gothenburg in Sweden. As of December 31, 2025, we had 4,466 R&D personnel, representing approximately 17.1% of our total workforce. We believe that our stable and highly qualified R&D team provides a solid foundation for sustained innovation and long-term business growth.

Our R&D activities are supported by the following key capabilities:

- *Synchronous development with OEMs*. We have the capability to conduct synchronous development with OEMs. Based on our forward-looking investments in equipment and talent, we are able to provide OEMs with dedicated project R&D teams and a seamlessly integrated R&D system. While OEMs take the lead in defining the overall vehicle and system technical roadmap and key specifications, we are able to participate at an early stage in the development of new vehicle generations or platforms, starting from the concept design phase. In this context, we are able to undertake the detailed technical specification and functional design of certain components, thereby providing OEMs with a broader range of technical options and integration possibilities.

- *Manufacturing process capabilities*. Our process capabilities cover a wide array of manufacturing techniques, which enable us to produce a diverse range of auto parts. These processes include rubber injection molding, multi-component fiber forming, hydroentangled and needle-punched fabric forming, plastic injection molding, compression molding, water-jet cutting, forging, differential pressure, low-pressure, high-pressure and squeeze casting, sand casting, stamping, assembly and welding, e-coating, high-precision CNC machining, Surface Mount Technology (SMT) assembly, packaging and testing, End-of-Line (EOL) helium leak detection and various automated assembly processes.

- *Testing and validation center*. We operate a testing center equipped with core equipment and testing platforms for automotive components. It includes a dedicated vehicle test track covering approximately 15,000 square meters, comprising more than 10 types of special road surfaces capable of simulating complex road conditions. It also includes four-wheel drum test facilities, capable of simulating vehicle speeds of up to 270 km/h and conducting precise measurements of power performance and NVH indicators. Additionally, the testing center has an electromagnetic compatibility (EMC) laboratory, capable of conducting component-level and vehicle-level EMC testing and meeting international standards such as ISO 11452 and ISO 10605.

- *In-house design and manufacturing of molds and equipment*. We have the in-house capability to design and manufacture a comprehensive range of molds and production equipment. This includes rubber and plastic injection molds, interior trim compression and vacuum-forming molds, stamping and forging dies, and various die-casting and sand-casting molds. We also independently develop and build automated production lines for key products such as Intelligent Braking Systems (IBS), air suspension systems and ball joints.

MANUFACTURING

Our manufacturing process is designed to balance efficiency, flexibility and reliability, supported by our systematic manufacturing capabilities and digitalized production management. We have progressively implemented an intelligent manufacturing strategy across our production facilities, integrating product design, process engineering and manufacturing execution. Through the application of virtual simulation, automated equipment and data-driven production management, we are able to optimize factory layout, production line configuration and process parameters at an early stage, enhance production consistency and quality stability, and support efficient ramp-up from pilot production to mass manufacturing. These capabilities enable us to respond effectively to diversified customer requirements while maintaining stable product performance and manufacturing reliability.

Production Bases

We have established an extensive manufacturing network in strategic locations in China and overseas to support our diversified product portfolio and global customer base. As of December 31, 2025, we operated 61 production bases comprising more than 100 manufacturing plants across 28 cities in China and 14 cities overseas. In China, our production bases are primarily located in major automotive industrial clusters, including Ningbo, Chongqing and Wuhan, enabling close proximity to OEM customers and efficient coordination across the supply chain. Overseas, we have established manufacturing plants in countries such as the U.S., Brazil, Malaysia, Poland, Mexico and Thailand to better serve international customers and support the expansion of global platform programs. This manufacturing footprint allows us to provide localized production support, improve delivery efficiency and enhance our ability to serve customers across different regions and vehicle platforms.

The table below sets forth the production capacity, production volume and utilization rate by product line during the periods indicated.

	For the year ended December 31,								
	2023			2024			2025		
	Planned capacity[1]	Actual production volume	Utilization rate[2]	Planned capacity[1]	Actual production volume	Utilization rate[2]	Planned capacity[1]	Actual production volume	Utilization rate[2]
	(in thousand units, except for percentages)								
Vibration control system	147,855	127,505	86.2%	151,818	136,142	89.7%	155,982	131,400	84.2%
Interior functional components	148,560	137,546	92.6%	187,620	162,833	86.8%	208,620	175,226	84.0%
Chassis system	57,570	47,033	81.7%	65,910	59,473	90.2%	80,550	64,540	80.1%
Automotive electronic	1,116	895	80.2%	4,980	4,648	93.3%	7,650	7,248	94.7%
Thermal management system	2,604	2,570	98.7%	3,612	3,134	86.8%	4,416	3,125	70.8%

Notes:

(1) The planned capacity of the year is calculated based on the number of operational days per year, the number of shifts per day, the duration of each shift, the cycle time and the overall equipment effectiveness (OEE). These factors vary depending on the specific plant.

(2) The utilization rate during the year is calculated by dividing the actual production volume by the planned capacity for the same year.

The actual production volume of our automotive electronics products increased significantly from 0.9 million units in 2023 to 4.6 million units in 2024, primarily attributable to our expansion of product portfolio to include more high-value products such as air suspension systems and intelligent power door systems.

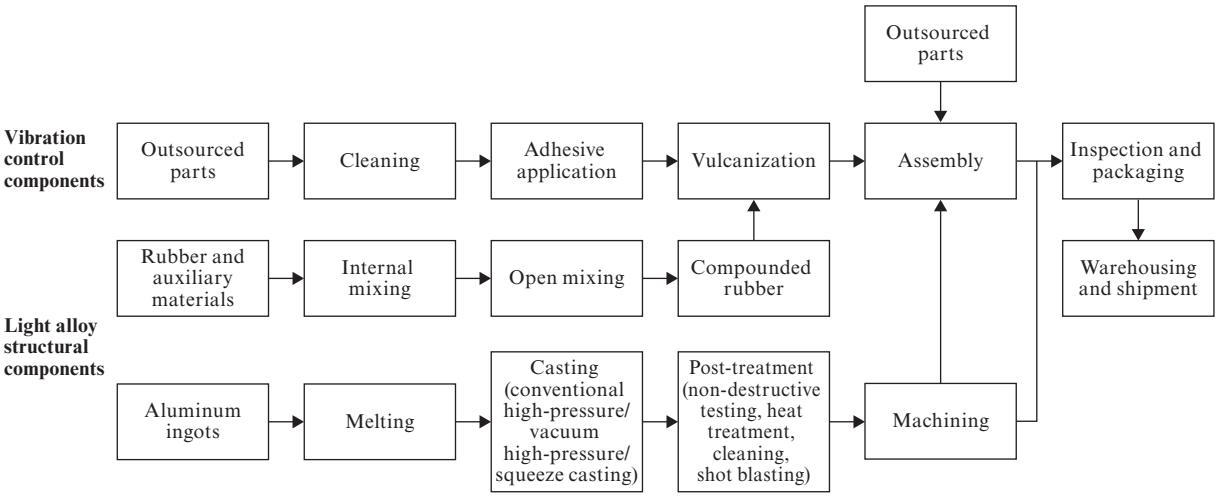
During the Track Record Period, our robotic actuation systems products remained at the sample delivery stage and had not yet entered mass production. As such, the calculation of planned capacity, actual production volume and utilization rate is not applicable to this product line.

Manufacturing Processes

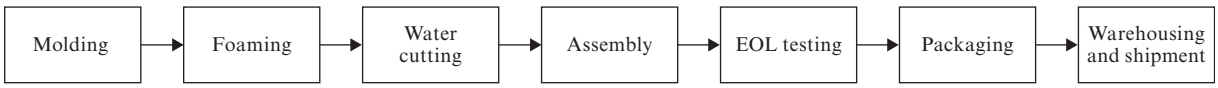
Our manufacturing processes involve the coordinated management of raw materials and components, production, assembly, testing, packaging and warehousing, and are designed to support a diversified product portfolio across multiple product lines. We design and oversee our manufacturing processes in a standardized and digitalized manner, integrating product design, process engineering and manufacturing execution across our production facilities. Through the application of virtual simulation at the product development and design-win stages, we are able to pre-define production line layouts, process flows, equipment configuration and key process parameters, facilitating efficient transition from pilot production to mass manufacturing. We implement consistent manufacturing practices and quality control procedures across our plants and use the manufacturing execution system (MES) to monitor, analyze and optimize key production steps. These measures help enhance production consistency, quality stability and operational efficiency. Our standardized and modularized process design enables us to flexibly deploy different product lines across our manufacturing network, introduce new products with limited incremental investment, and adapt production processes to different customer and vehicle platform requirements.

The following diagrams illustrate the representative manufacturing and assembly processes for our major product lines.

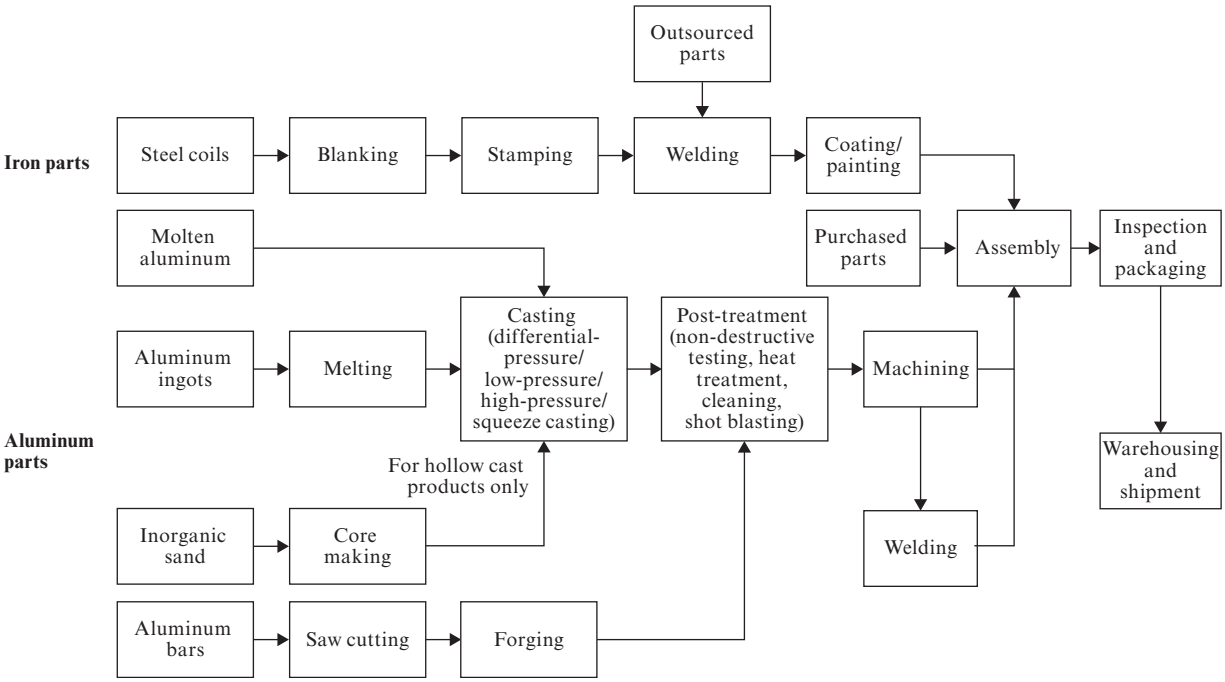
Vibration control system products



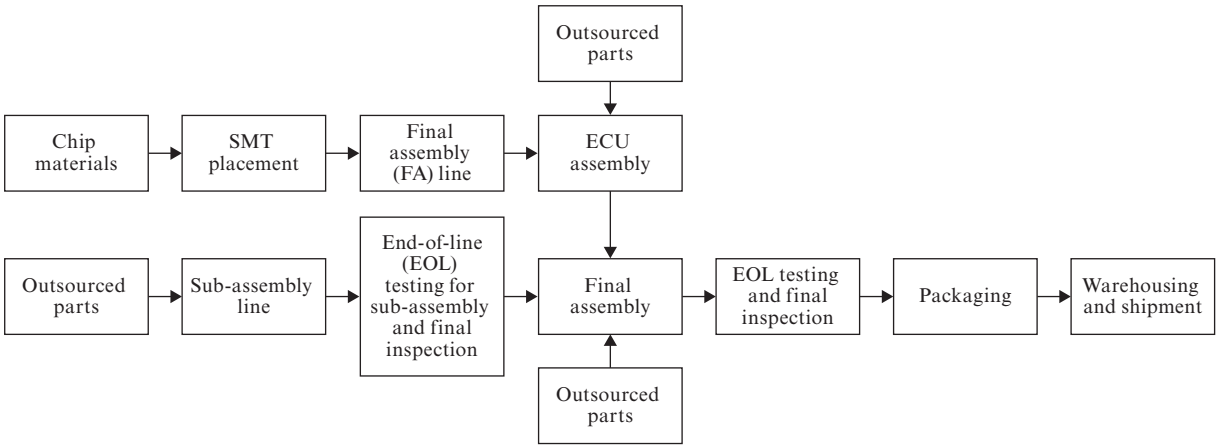
Interior functional components



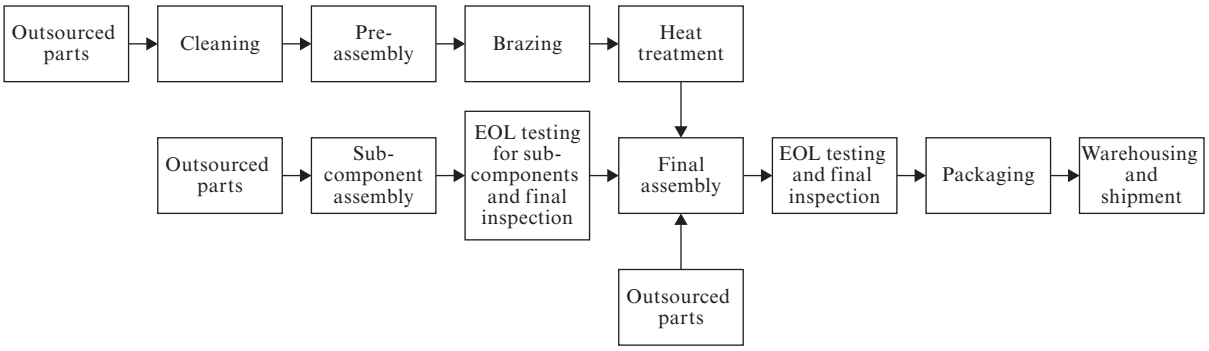
Chassis system products



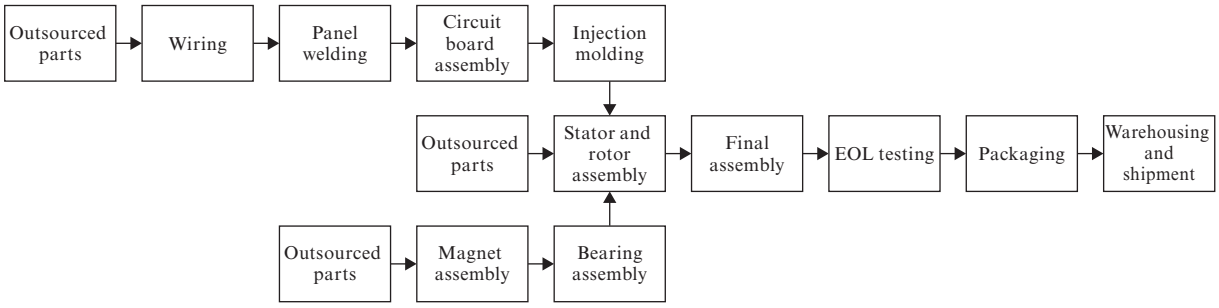
Automotive electronics products



Thermal management system products



Robotic actuation system products



Logistics and Warehouse

We engage qualified third-party logistics service providers to deliver our products to locations specified by our customers. Our contracts with third-party logistic service providers contain detailed standards for the transportation of our products. We periodically evaluate their compliance and performance to ensure smooth delivery. To the best of our knowledge, during Track Record Period, all logistics service providers were Independent Third Parties.

We generally locate our warehouses either within or adjacent to our production facilities, or at third-party warehouses designated or approved by our OEM customers. We have adopted a set of standardized warehouse management procedures that cover inbound and outbound handling of raw materials, work in progress and finished products, including procedures for receipt, storage, picking, packing and dispatch. We conduct regular physical stock counts and reconciliations to help ensure the accuracy of our inventory records and to identify and address discrepancies on a timely basis. In addition, we apply clear labeling and traceability measures to our stored materials and finished products so that we can track their movement throughout the warehousing and delivery process and respond quickly to customer requests and quality issues.

Inventory Management

Our inventories mainly comprise raw materials, work in progress and finished products. Our inventory management is closely linked with our production plans and benefits from our strong relationships with customers and suppliers, which enable us to effectively manage the level of inventories, mitigate inventory-related risks and enhance our overall operational efficiency. To effectively manage our inventories, we have implemented an inventory management system that documents and monitors incoming and outgoing materials regularly to ensure that an optimal inventory level is maintained to satisfy the customer needs while minimizing any wastage and avoiding obsolescence. We closely manage inventory levels to support production.

QUALITY ASSURANCE

We have established a comprehensive quality management system that covers the full lifecycle of our products, from project initiation and design and development through procurement, production, testing and final delivery. Our quality control standards and procedures are designed to align with applicable industry requirements and customer specifications, and to ensure that our products meet international quality standards and the performance and reliability expectations of our OEM customers.

Each of our business units has a dedicated quality center that is responsible for implementing and overseeing quality management within its respective product lines. These quality centers work closely with our R&D, procurement, manufacturing and customer service teams to identify key quality control points, monitor process performance and address potential quality issues on a timely basis. We have built a quality information system that collects and analyzes data across the R&D, procurement, production and testing stages, which allows us to monitor and manage quality metrics in a more refined and transparent way. We have also developed a quality control map to identify, track and manage critical quality risk control points throughout our operations.

We have obtained a series of quality management and product safety certifications, including the IATF 16949 quality management system for the auto industry, ISO 26262 for functional safety of road vehicles and ASPICE for automotive software product development processes, as well as quality certifications granted by a number of major OEMs. We believe these certifications reflect our ongoing commitment to robust quality management and continuous improvement.

SALES AND MARKETING

Sales

During the Track Record Period, we developed businesses primarily through business negotiation and tenders. As of December 31, 2025, we operated a dedicated in-house sales and marketing team around the world. Our sales and marketing team has profound industry knowledge and expertise and works closely with our customers and partners as well as our internal operations teams to promote our products and solutions, in both China and overseas.

Sales of our products are recognized when we have been notified by our OEM customers that our products were installed on our customers' semi-finished product or on their vehicles or when our products have been picked up by our other customers that are engaged in the manufacture and/or sale of auto parts and parts and/or the operation of vehicle repair shops. For business negotiation, our sales process is initiated through the following steps and depending on our customers' requirements, we may or may not participate in product design and development: (i) we invite potential OEM customers to inspect our production facility and assess our production capabilities; (ii) we qualify as an approved supplier of OEM customers; (iii) if we are selected as a supplier of certain new products by them and consider production is technically and commercially feasible, we would submit the product design and development plans, if requested, along with a fee quotation to our customer for consideration; (iv) we participated in product design and development if it is required; (v) if we participate in product design and development and our contribution to product design and development of new products is significant, we may be awarded with exclusive supply agreement or designated as a supplier for these products with more purchase orders; and (vi) if we do not participate in product design and development such as existing products that were previously developed by our customers and our fee quotation for the manufacture of products is competitive, we may be designated as a supplier for these products with more purchase orders. See "Our Customers—Key Contractual Terms" for details of the master purchase agreement.

Pricing

We take into account various factors when determining the price of our products, including production costs, technological differentiation, customer demand, supply chain dynamics, procurement strategies and expected gross profit margins of each product, as well as the competitive landscape where the sales take place. We also evaluate the competitive landscape, including the overall market conditions as well as prices for similar products offered by our peers. Due to the extensive variety and specifications of our products, there is a significant disparity in their pricing.

Marketing Activities

We are committed to maintaining and enhancing our brand reputation through diverse marketing activities, while comprehensively showcasing our extensive product portfolio. Our marketing and promotion strategies are dynamic, focusing on deep communication and collaboration with industry partners. We actively participate in industry forums, technical conferences, and exhibitions, using these platforms to present our advanced products and solutions. We also proactively update the latest information on our products, technologies and application cases through our official website, WeChat official account and other online platforms, so as to strengthen interaction with existing and potential customers and further enhance our brand influence. In addition, we work closely with media, releasing information on technological innovations, product and solution upgrades and application developments, ensuring exposure and dissemination of our brand message. We understand that high-quality products and solutions and optimized marketing channels complement each other and are key to achieving sustained brand growth and attracting high-quality potential customers.

OUR CUSTOMERS

We primarily sell auto part products to OEMs who design, develop and manufacture passenger vehicles. Our current customers include both domestic and international NEV manufacturers as well as traditional OEM.

In 2023, 2024 and 2025, revenue from our five largest customers accounted for 63.4%, 67.1% and 65.8% of our total revenue, respectively. In 2023, 2024 and 2025, revenue from our largest customer accounted for 39.8%, 28.4% and 25.7% of our total revenue, respectively. The table below sets forth the details of our five largest customers in each year during the Track Record Period.

Customer	Revenue *(RMB'000)*	% of total revenue	Products provided	Years of relationship	Credit terms
Year ended December 31, 2025					
A[(1)]	7,613,842	25.7	auto parts	9	generally within 120 days upon invoice date
B[(2)]	5,381,744	18.2	auto parts	8	generally 30 to 90 days upon invoice date
C[(3)]	3,603,635	12.2	auto parts	over 10	generally 30 to 120 days upon invoice date
D[(4)]	1,692,230	5.7	auto parts	over 10	generally 30 to 60 days upon invoice date
E[(5)]	1,170,051	4.0	auto parts	over 10	generally 60 to 90 days upon invoice date
Total	**19,461,502**	**65.8**			

Customer	Revenue *(RMB'000)*	% of total revenue	Products provided	Years of relationship	Credit terms
Year ended December 31, 2024					
A[(1)]	7,542,655	28.4	auto parts	9	generally within 120 days upon invoice date
B[(2)]	4,637,112	17.4	auto parts	8	generally 30 to 90 days upon invoice date
C[(3)]	3,303,832	12.4	auto parts	over 10	generally 30 to 120 days upon invoice date
D[(4)]	1,617,910	6.1	auto parts	over 10	generally 30 to 60 days upon invoice date
F[(6)]	743,812	2.8	auto parts	5	generally 60 to 120 days upon invoice date
Total	**17,845,321**	**67.1**			
Year ended December 31, 2023					
A[(1)]	7,844,875	39.8	auto parts	9	generally within 120 days upon invoice date
C[(3)]	2,336,948	11.9	auto parts	over 10	generally 30 to 120 days upon invoice date
D[(4)]	1,163,455	5.9	auto parts	over 10	generally 30 to 60 days upon invoice date
B[(2)]	655,654	3.3	auto parts	8	generally 30 to 90 days upon invoice date
G[(7)]	496,870	2.5	auto parts	7	generally 45 days upon invoice date
Total	**12,497,802**	**63.4**			

Notes:

(1) Customer A is a major international OEM listed on NASDAQ and headquartered in the United States.

(2) Customer B is an OEM dual-listed on HKEx and Shanghai Stock Exchange, and headquartered in Chongqing, with a registered capital of RMB1,633.4 million.

(3) Customer C is an OEM listed on HKEx and headquartered in Hangzhou, Zhejiang province, with a registered capital of RMB1,030.0 million.

(4) Customer D is an OEM dual-listed on HKEx and Shenzhen Stock Exchange, and headquartered in Shenzhen, Guangdong province, with a registered capital of RMB9,117.2 million.

(5) Customer E is an OEM listed on HKEx and headquartered in Wuhu, Anhui province, with a registered capital of RMB5,808.6 million.

(6) Customer F is an OEM dual-listed on HKEx and NASDAQ, and incorporated in the Cayman Islands.

(7) Customer G is a major international OEM listed on NASDAQ and headquartered in the United States.

During the Track Record Period and up to the Latest Practicable Date, save for certain individuals who had de minimis and immaterial interests in certain of our five largest customers in each year during the Track Record Period through their holdings in such customers' publicly traded securities, none of our Directors, their associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) had any interest in any of such customers that are required to be disclosed under the Listing Rules.

Our Relationship with Our Largest Customer

For the years ended December 31, 2023, 2024 and 2025, our revenue generated from Customer A accounted for 39.8%, 28.4% and 25.7% of our total revenue, respectively. Our Directors consider that our customer concentration during the Track Record Period is mainly due to our ability to maintain a stable relationship with our major customers. As of the Latest Practicable Date, our business relationships with Customer A had been nine years. Our performance over the years has helped us secure recurring business opportunities from these customers. During the Track Record Period, we did not have any material dispute regarding our product quality with any of our five largest customers in any year of the Track Record Period.

Despite our revenue concentration from our largest customers during each year of the Track Record Period, we consider that our business is sustainable on the following grounds:

(i) during the Track Record Period, the revenue contribution from Customer A as a percentage of our total revenue decreased continuously. Except for Customer A, none of our five largest customers in any year of the Track Record Period accounted for more than 20% of our total revenue during any year of the Track Record Period;

(ii) we have maintained stable business relationship with each of our five largest customers during any year of the Track Record Period. As of the Latest Practicable Date, our business relationships with Customer A had been nine years;

(iii) as a Tier 0.5 supplier, we participate in joint development with Customer A from as early as the concept validation stage and remain involved throughout design, development and mass production across multiple vehicle programs. This long-cycle, deeply integrated collaboration model, which is closely aligned with Customer A's product development and launch schedule, provides us with good visibility over future projects with this customer and underpins the stability and sustainability of the revenue we generate from Customer A; and

(iv) according to CIC, it is not uncommon that auto part providers have a relatively high customer concentration and our customer concentration is consistent with the industry norm. Our Directors concur with the view of CIC.

We believe that our relationships with Customer A are unlikely to materially adversely change or terminate. This is primarily because (i) we have been deeply integrated into Customer A's product development process and our products are embedded in key vehicle systems, which would require substantial time, cost and validation efforts to replace; (ii) our cooperation with Customer A is aligned with the lifecycle of vehicle platforms, which typically span several years from design to mass production and provide continuity and visibility; (iii) we have a proven track record of stable mass production delivery, product quality and supply reliability, which supports recurring business opportunities; (iv) our products have passed stringent validation and certification processes required by Customer A, creating relatively high entry barriers for alternative suppliers; and (v) our products and solutions complement Customer A's supply chain requirements in terms of performance, cost and reliability, supporting long-term cooperation on a commercial basis.

Going forward, we intend to diversify our customer base and increase revenue contribution from other customers by (i) expanding our customer base through actively developing relationships with leading global and Chinese branded OEMs; (ii) increasing the number of design wins across multiple vehicle programs to build a broader pipeline for future mass production; (iii) enhancing our product penetration within existing customers by expanding from single-product supply to multi-product offerings and integrated solutions; (iv) leveraging our diversified product portfolio to capture additional opportunities within the same vehicle platforms; and (v) enhancing our production capacity and delivery capabilities to support a growing number of customers and projects simultaneously.

Key Contractual Terms

The customers typically organize a bidding process and upon a successful bid, we enter into framework agreements with our OEM customers. The framework agreement generally extends until the end of the lifecycle of a specific vehicle model. The typical terms of framework agreements with our customers during the Track Record Period are set out below:

- *Specifications*. Our customers typically set forth specific specification requirements for products ordered, such as name, model, configuration and features.
- *Term*. The term of the agreement is determined on a case-by-case basis according to each individual agreement.
- *Payment and credit term*. The sales amounts are separately agreed between both parties. Our customers are typically required to settle payment within 30 to 120 days after the receipt of the invoices in accordance with the agreement.
- *Warranty*. We provide warranty periods for our products based on time or mileage, as specified in the contracts.
- *Delivery*. We are generally responsible for delivering the products to locations designated by the customers.
- *Transfer of risks*. The risks transfer to customers after they confirm the receipt of our products.
- *Termination*. The agreements will be terminated by giving the other party the notice required under each individual agreement, or by other means as set forth in the agreements.

During the Track Record Period and up to the Latest Practicable Date, there was no material breach of agreement and/or any purchase orders with our major customers. During the Track Record Period and up to the Latest Practicable Date, we have not encountered any material complaints, litigation, or incidents concerning the quality or safety of our products or services.

After-Sales and Warranty

In our ongoing efforts to maintain customer satisfaction and improve our products and solutions, our after-sales team provides comprehensive after-sales services. We have established after-sales service and warranty management procedures. We provide warranty periods for our products and solutions based on time or mileage, as specified in the contracts. During the warranty period, we provide after-sales services such as repair, replacement and returns for our customers based on the specific circumstances of our products in accordance with the applicable laws and regulations. We have established a customer complaint response mechanism under which our sales team promptly reports and closely follows up on customer quality. Upon receiving a complaint, our sales manager must immediately communicate with the customer to confirm the details of the issue, provide a preliminary solution within 24 hours and deliver a final solution within 15 days. We have also formulated internal product quality incident management policies to regulate the handling of product quality issues and remove risks to personal and property safety posed by non-conforming products. With our strong emphasis on customer service and long-term customer support, we had not experienced any material product returns or recalls during the Track Record Period and up to the Latest Practicable Date.

OUR SUPPLIERS

We mainly procure raw materials and components such as steel, aluminum, rubber, polymer-based fibers, foam, fabrics and plastic and injection-molded components. We maintain stable relationships with our suppliers to ensure the stability of material supply and delivery.

In 2023, 2024 and 2025, purchases from our five largest suppliers accounted for 25.0%, 22.6% and 20.5% of our total purchases, respectively. In 2023, 2024 and 2025, purchases from our largest supplier accounted for 12.4%, 9.4% and 7.3% of our total purchases, respectively. The table below sets forth the details of our five largest suppliers in each year during the Track Record Period.

Supplier	Purchase amount *(RMB'000)*	% of total purchase	Products purchased	Years of relationship	Credit terms
Year ended December 31, 2025					
A[2]	1,358,267	7.3	aluminum	2	—[1]
B[3]	861,411	4.7	aluminum	over 10	generally 30 days upon invoice date
C[4]	735,498	4.0	aluminum	3	generally 60 days upon invoice date
D[5]	508,731	2.7	aluminum	2	generally 30 days upon invoice date
E[6]	326,713	1.8	knitted fabric	over 10	generally 60 days upon invoice date
Total	**3,790,620**	**20.5**			
Year ended December 31, 2024					
A[2]	1,523,394	9.4	aluminum	2	—[1]
F[7]	714,595	4.4	aluminum	5	—[1]
C[4]	542,968	3.4	aluminum	3	generally 60 days upon invoice date
G[8]	486,023	3.0	thermal management components	5	generally 60 days upon invoice date
B[3]	378,874	2.4	aluminum	over 10	generally 30 days upon invoice date
Total	**3,645,854**	**22.6**			
Year ended December 31, 2023					
F[7]	1,384,617	12.4	aluminum	5	—[1]
G[8]	599,430	5.4	thermal management components	5	generally 60 days upon invoice date
B[3]	290,313	2.6	aluminum	over 10	generally 30 days upon invoice date
H[9]	265,041	2.4	non-metallic outsourced components	9	generally 30 to 60 days upon invoice date
I[10]	250,859	2.2	metal outsourced components	over 10	generally 90 days upon invoice date
Total	**2,790,530**	**25.0**			

Notes:

(1) We make advance payments to this supplier for goods.

(2) Supplier A is a listed company on Shenzhen Stock Exchange headquartered in Kunming, Yunnan Province, primarily engaged in the manufacturing of aluminum products, with a registered capital of RMB3,468.0 million.

(3) Supplier B is a private company headquartered in Yangzhou, Jiangsu Province, primarily engaged in the manufacturing of aluminum and metal products, with a registered capital of RMB38.8 million.

(4) Supplier C is a private company headquartered in Nanjing, Jiangsu Province, primarily engaged in the manufacturing of metal alloy products, with a registered capital of RMB600.0 million.

(5) Supplier D is a private company headquartered in Ningbo, Zhejiang Province, primarily engaged in the manufacturing of new material and metal alloy products, with a registered capital of RMB20.0 million.

(6) Supplier E is a private company headquartered in Jinhua, Zhejiang Province, primarily engaged in the manufacturing of auto components, with a registered capital of RMB50.0 million.

(7) Supplier F is a private company headquartered in Shanghai, primarily engaged in the manufacturing of metal and plastic products, with a registered capital of RMB5.0 million.

(8) Supplier G is a wholly owned subsidiary of a listed company headquartered in Hangzhou, Zhejiang province, primarily engaged in the manufacturing of automotive components, with a registered capital of RMB50.0 million.

(9) Supplier H is a private company headquartered in Ningbo, Zhejiang province, primarily engaged in the manufacturing of automotive components and modules, with a registered capital of RMB5.0 million.

(10) Supplier I is a private company headquartered in Ningbo, Zhejiang province, primarily engaged in the manufacturing of metal products, with a registered capital of RMB1.7 million.

To the best of our knowledge, all of our five largest suppliers during each year/period of the Track Record Period are Independent Third Parties. As of the Latest Practicable Date, none of our Directors, their close associates or any Shareholders which, to the knowledge of our Directors, owned more than 5% of the issued share capital of our Company as of the Latest Practicable Date, had any interest in any of our five largest suppliers during the Track Record Period.

Key Contractual Terms

A summary of the typical terms and conditions of our purchase order with key suppliers is set forth below:

- *Specifications*. We typically specify the raw materials and/or components, specification, price, quantity and other detailed items in each purchase order.
- *Price*. We are typically entitled to request our suppliers to make price adjustments having regard to factors such as market conditions, fluctuations in raw material prices, and changes in exchange rates and interest rates.
- *Delivery*. The suppliers are generally responsible for delivery of raw materials and/or components to our designated location specified in each purchase order.
- *Payment*. We typically settle the payment within 30 to 90 days of receiving the invoice from the suppliers or, in some cases, make advance payments to our suppliers.
- *Quality control*. We provide our suppliers with raw materials and/or components specifications in advance, and we inspect the products upon receipt to determine any deviations from their samples and specifications. We have the right to reject and return any products that do not meet our specifications or to request replacement or maintenance.
- *Termination*. The agreements will be terminated by mutual agreement, or by other means as set forth in the agreements.

Supply of Raw Materials and Components

We have established a structured and collaborative procurement management system for our raw materials and components. We classify different raw materials and components based on their importance to production and their value, and apply differentiated management measures accordingly. For each type of key raw material and component, we generally maintain relationships with multiple qualified suppliers and adopt a tiered management approach to such suppliers based on the criticality of the relevant raw materials and components to our production and business operations. By implementing differentiated management, assessment and monitoring measures for suppliers in different tiers, we seek to reduce our dependence on any single supplier and ensure the stability and reliability of our supply chain. In addition, we adopt tailored procurement initiation and approval procedures depending on the stage of the relevant product, such as R&D, nomination and mass production.

Our R&D center is responsible for approving and issuing the technical and quality documentation that underpins procurement, and supports the procurement center in supplier development and management. Our procurement center is responsible for supplier selection and approval, entering into procurement contracts and overseeing daily procurement activities, while the plant logistics department formulates and executes procurement plans for production raw materials and outsourced parts. Our supplier quality assurance department within the procurement center conducts production part approval process (PPAP) reviews and annual audits for all suppliers of raw materials, outsourced parts and key auxiliary materials. Our quality assurance department in each manufacturing plant is responsible for incoming inspection of all such materials and parts, as well as monitoring and analyzing delivery quality. For equipment procurement, the relevant user department is responsible for trial use and final acceptance of the purchased equipment. Through this clear organizational structure and standardized process, we seek to ensure a stable supply of key raw materials and components while effectively managing procurement and quality risks.

Selection and Management of Suppliers

When selecting suppliers, we take into account diverse factors, primarily including the suppliers' reputation, credentials, techniques, qualifications, experience, supply volume capacity, price and delivery time. We have implemented a comprehensive supplier management system that defines the admission of suppliers, management of qualified suppliers and termination of unqualified suppliers to ensure the efficiency of our supplier management.

During our preliminary supplier evaluation, we scrutinize the basic information of potential suppliers, including their company address, registered capital, supply capabilities and relevant official certificates. After these requirements are met, we review their production processes, product quality and market conditions. We may have on-site visits to production sites of potential suppliers. Potential suppliers are also required to provide samples for our testing and assessment. Successful suppliers are then admitted to our list of qualified suppliers.

OVERLAPPING OF MAJOR CUSTOMERS AND SUPPLIERS

During the Track Record Period, we had four overlapping customers and suppliers, namely supplier B, supplier D, supplier F and supplier H. For the years ended December 31, 2023, 2024 and 2025, we had two, one and two of our five largest suppliers that were also our customers, respectively. In the same years, our aggregated sales to these major suppliers was RMB130.0 million, RMB120.3 million and RMB398.7 million, respectively, and our aggregated purchase from these major customers was RMB1,940.0 million, RMB1,430.0 million and RMB1,710.7 million, respectively.

Supplier B, one of our five largest suppliers in 2023, 2024 and 2025, was also our customer in 2025. Supplier B is a manufacturer of aluminum and metal products. During the Track Record Period, Supplier B supplied aluminum bars to us and, at the same time, purchased the scrap aluminum generated from our manufacturing process. In 2023, 2024 and 2025, our purchase from Supplier B amounted to RMB290.3 million, RMB378.9 million and RMB861.4 million, respectively, accounting for 2.6%, 2.3% and 4.7% of our purchase amount during the same period, respectively.

Supplier D, one of our five largest suppliers in 2025, was also our customer in 2025. Supplier D is a manufacturer of new material and metal alloy products. During the Track Record Period, Supplier D supplied molten aluminum to us and, at the same time, purchased the scrap aluminum generated from our manufacturing process. In 2023, 2024 and 2025, our purchase from Supplier D amounted to nil, nil and RMB508.7 million, respectively, accounting for nil, nil and 2.7% of our purchase amount during the same period, respectively.

Supplier F, one of our five largest suppliers in 2023 and 2024, was also our customer in 2023 and 2024. Supplier F is a manufacturer of metal and plastic products. During the Track Record Period, Supplier F supplied aluminum ingots to us and, at the same time, purchased the scrap aluminum generated from our manufacturing process. In 2023, 2024 and 2025, our purchase from Supplier F amounted to RMB1,384.6 million, RMB714.6 million and RMB95.7 million, respectively, accounting for 12.4%, 4.4% and 0.5% of our purchase amount during the same period, respectively.

Supplier H, one of our five largest suppliers in 2023, was also our customer in 2023. Supplier H is a manufacturer of automotive components and modules. During the Track Record Period, Supplier H supplied non-metallic outsourced components to us and, at the same time, purchased our textile products. In 2023, 2024 and 2025, our purchase from Supplier H amounted to RMB265.0 million, RMB336.5 million and RMB244.8 million, respectively, accounting for 2.4%, 2.1% and 1.3% of our purchase amount during the same period, respectively.

Our Directors confirm that the sales to and purchases from each of the overlapping customers and suppliers were not inter-conditional with each other. Our Directors confirm that all our sales to and purchases from the overlapping customers and suppliers were conducted at arm's length in the ordinary course of business, and under normal commercial terms. All these companies are Independent Third Parties. Our Directors also confirm that prices of the transactions with overlapping customers and suppliers are comparable to similar transactions conducted with other comparable customers and suppliers.

INTELLECTUAL PROPERTY

Intellectual property rights serve as a cornerstone of our business strategy and are instrumental in safeguarding our future commercial success. It is vital for us to secure and uphold our intellectual properties to safeguard our innovative technologies, inventions and expertise. As of December 31, 2025, we maintained a patent portfolio comprising (i) 1,120 issued patents, including 110 inventions, 7 design patents and 1,003 utility model patents, (ii) 84 trademarks, (iii) 64 software copyrights and (iv) 3 domain names registered in the Chinese mainland. Moreover, we had 22 registered trademarks in overseas jurisdictions, mainly in the U.S., Mexico, Canada, Brazil and Europe. We also filed 11 trademark applications in the Chinese mainland and Hong Kong.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material legal, arbitral, or administrative proceedings or claims of infringement of any intellectual property rights, in which we may be a claimant or a respondent. Our Directors confirm that they are not aware of any material legal, arbitral or administrative proceedings of infringement of any third parties' intellectual property rights by us as of the Latest Practicable Date. See "Appendix VI—Statutory and General Information" to this document for details.

EMPLOYEES

We believe that our professional workforce is the driving force of our long-term growth. As of December 31, 2025, we had 26,123 full-time employees globally. As of December 31, 2025, we had 24,309 domestic employees and 1,814 overseas employees. The table below sets forth a breakdown of our employees by function as of December 31, 2025.

Function	Number of Employees	Percentage (%)
Management and administration	2,781	10.6
R&D	4,466	17.2
Technician	1,515	5.8
Sales	623	2.4
Finance	324	1.2
Manufacturing	16,414	62.8
Total	26,123	100.0

We recruited employees primarily through employment websites, on-campus recruitment and internal referrals during the Track Record Period. We are committed to establishing a competitive and fair remuneration mechanism based on different job positions and duties. To effectively motivate our employees, we continually refine our remuneration and incentive policies. We conduct performance evaluations for employees periodically and provide feedback on their performance. Compensation for our employees typically consists of basic salary and performance-based bonus. In compliance with the applicable labor laws, we enter into individual employment contracts with our employees, covering matters such as wages, employee benefits, workplace safety and grounds for termination. Our standard employment contract also contains a confidentiality clause and an assignment clause, under which we own all the rights to all inventions, technologies, know-how and trade secrets derived during the course of our employees' work. We also enter into standard non-compete agreements with certain of our employees.

We formulate training plan to provide regular and specialized training tailored to the needs of our employees. Through these trainings, we help our employees stay up to date with both industry developments and skills and technologies. We participate in various employee social security plans or welfare plans. We believe that we generally maintain good working relationships with our employees. We have established labor unions that protect employees' rights, encourage employee participation in management decisions and assist in mediating disputes between us and union members. During the Track Record Period and up to the Latest Practicable Date, we had maintained a good relationship with our employees and did not have any material labor dispute.

COMPETITION

We operate in the highly competitive global automotive component industry, where market concentration varies across segments, with some segments exhibiting higher concentration while others remain more fragmented. For example, according to CIC, in 2024 the top five suppliers in the global automotive air suspension market accounted for approximately 31.8% of the total market size, and in the same year the top five suppliers in the global automotive lightweight chassis component market accounted for approximately 14.4% of the total market size. In addition, the top

five global providers in the NVH vibration damping market accounted for approximately 51.9% of the market share in 2024, whereas the top five Chinese automotive thermal management system providers accounted for approximately 11.5% of the global market share in the same year. We generally compete with other large-scale manufacturers of automotive components and parts. We believe the most critical factors of success for outcompeting our peers are our globally-distributed facilities, product quality and reliability, market position in technological innovation, diverse product portfolio and competitive pricing. In addition, we compete primarily based on our mass production experiences, product performance, manufacturing efficiency, stable supplies, responsiveness to changes in customer needs and expansion of marketing and sales networks. See "Industry Overview — Analysis of Global Automotive Component Industry" for details.

SEASONALITY

Our financial performance is subject to seasonal fluctuations that align with automotive production and sales cycles. Revenue typically trends lowest in the first quarter of the year, primarily due to OEMs' production schedules and temporary slowdowns around the Chinese New Year holiday period. Revenue generally increases through the second and third quarters as OEMs ramp up vehicle production to meet annual targets and prepare for model year launches, culminating in a peak during the fourth quarter. This seasonality also affects working capital dynamics, as higher production levels in the second half of the year often lead to increased inventory, which may temporarily impact our cash flow and liquidity. Such fluctuations are seasonal in nature and thus our quarterly or half-year results may not be indicative of our results of operations for the full year. See "Risk Factors—Risks Related to Our Business and the Industry—Our operations are subject to seasonal fluctuations."

INSURANCE

We maintain property all risks insurance for our major properties and manufacturing plants, including those located in China and overseas. We also maintain machinery breakdown insurance for our machinery and equipment and employer's liability insurance for our employees. We believe that these insurance policies cover the major risks in our day-to-day operations. In accordance with general market practices, we have not purchased some types of insurance that are not available or generally not required by laws in the locations where we operate. Please refer to "Risk Factors—Risks Related to Our Operations—The insurance coverage we have may not adequately protect us against all operating risks." We will continue to review and assess our risk portfolio and make necessary and appropriate adjustments to our insurance program to align with our needs and industry practices. According to CIC, our insurance coverage during the Track Record Period and up to the Latest Practicable Date was in line with industry practices. We did not make any significant insurance claims related to our business during the Track Record Period and up to the Latest Practicable Date.

PROPERTIES

Owned Properties

As of December 31, 2025, we owned the land use rights of 43 parcels in China, each exceeding 5,000 sq.m., with an aggregate site area of approximately 3,705 thousand sq.m., among all the land parcels owned by us. All of these land parcels have been granted land use right certificates. As of December 31, 2025, we owned buildings and units in China with a GFA of approximately 3,964 thousand sq.m. These properties are primarily used for manufacturing, operations and office. As advised by our PRC Legal Advisers, during the Track Record Period and up to the Latest Practicable Date, we had obtained the real estate title certificates buildings and units in China with a total GFA of approximately 3,644 thousand sq.m. As of the Latest Practicable Date, we were in the process of applying for the real estate certificates for buildings located on two land parcels owned by us in China with a total GFA of approximately 319,768 sq.m., which accounted for 8.1% of the total GFA of our owned buildings and units in China. We primarily use these buildings for manufacturing purposes. Our PRC Legal Advisers are of the view that there is no material legal impediment for us

to obtain the real estate certificates for the two buildings if the necessary procedural requirements are satisfied. Our Directors are of the view that the absence of the relevant title certificates will not result in any disputes which would have a material adverse effect on our operations, as such properties represent only an insignificant portion of the total value of our owned properties.

As of December 31, 2025, we owned two properties in Thailand and Mexico, with a GFA of approximately 274 thousand sq.m., for the purpose of manufacturing.

As of the Latest Practicable Date, no single property interest forming part of our Group's property activities had a carrying amount of 15% or more of our total assets and no single property interest forming part of our Group's non-property activities had a carrying amount of 1% or more of our total assets. According to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report as described under paragraph 34(2) of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance.

Leased Properties

As of December 31, 2025, we leased 20 properties for manufacturing, operations, R&D, office and warehousing, each exceeding 5,000 sq.m., with a GFA of approximately 199 thousand sq.m., in China, among all the properties leased by us.

As of December 31, 2025, for certain of our leased properties, the lessors with whom we enter into lease agreements did not provide valid property ownership certificates. As advised by our PRC Legal Advisers, if the relevant lessor has no right to lease the leased property and a third party other than the parties to the relevant lease contracts have legal title to such leased property, such third party may claim that the relevant lease contracts are null and void or have no effect thereto, or request us to cease our use and move out of such leased property. However, considering that (i) as of December 31, 2025, we had not received any notices requiring us to cease our use or move out of such leased property, (ii) there are abundant unoccupied properties available for lease at similar costs and we believe we would be able to relocate our facilities to a different site relatively easily if we are required by third parties, and (iii) in accordance with the relevant provisions of the PRC Civil Code, if we are unable to use or accrue proceeds from the leased property due to any claim by a third person, we may request reduction of rent or refuse to pay rent, our Directors are of the view that such incidents will not have a material adverse impact on our continuous operation, financial condition and results of operations.

As of the December 31, we had not filed our lease agreements for certain properties we leased with the local housing administration authorities as required under PRC laws and regulations. According to applicable PRC laws and regulations, the lessor and the lessee to a lease agreement are required to file the lease agreement with relevant government authorities within 30 days after the execution of the lease agreement. According to our PRC Legal Advisers, the failure to complete such registration process does not affect the validity of the relevant property lease agreements, and a maximum penalty of RMB10,000 may be imposed for the non-registration of each lease agreement. See "Risk Factor—Risks Relating to Our Operations—Legal defects regarding some of our leased properties may affect our interests in such properties." for details. As of Latest Practicable Date, we had not been ordered to make corrections by the relevant government authorities.

As of December 31, 2025, we leased nine properties in Mexico, Poland, Malaysia and the United States, with an aggregate site area of approximately 231 thousand sq.m., for the purpose of manufacturing.

LICENSES AND PERMITS

We are required by relevant laws and regulations to obtain and maintain various licenses and permits to conduct our business. As of December 31, 2025, as advised by our PRC Legal Adviser, we have obtained all licenses, approvals, permits and certificates that are material and necessary for our business operations in Chinese mainland, and such licenses, permits, approvals and certificates are valid and subsisting. In addition, as of December 31, 2025, we have obtained all material licenses, approvals, permits and certificates necessary to conduct our business in all relevant jurisdictions.

LEGAL PROCEEDINGS AND COMPLIANCE

We may be involved in legal proceedings in the ordinary course of business from time to time. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any litigation, arbitration or administrative proceedings which could have a material adverse impact on our business, financial condition or results of operations. As of the Latest Practicable Date, we were not aware of any pending or threatened litigation, arbitration or administrative proceedings against us which may have a material and adverse impact on our business, financial condition or results of operations.

During the Track Record Period and as of the Latest Practicable Date, we had not had any non-compliance incidents which our Directors believe would, individually or in the aggregate, have a material operational or financial impact on our company as a whole.

TRANSFER PRICING ARRANGEMENTS

During the Track Record Period, we conducted our business through subsidiaries in China and multiple overseas jurisdictions. Our intra-group transactions primarily include (i) purchase and sales of tangible goods: our group's domestic manufacturing entities sell finished goods to our group's domestic distribution entities, or sell raw materials and semi finished goods to other domestic manufacturing entities in our group; or our group's overseas distribution entities and overseas manufacturing entities purchase finished goods, raw material and semi finished goods from our group's domestic distribution entities (ii) intra-group services: our group's entities provide sales support services to other entities in our group.

The Organization for Economic Cooperation and Development (the "OECD"), an international organization of international cooperation, promulgated the transfer pricing guidelines for multinational enterprises and tax administrations (the "OECD Transfer Pricing Guidelines"), which is generally followed by the relevant tax jurisdictions involved in the intra-Group transactions. According to the OECD Transfer Pricing Guidelines, the intra-Group transactions should be on an arm's-length basis. In this regard, we engaged an independent transfer pricing consultant to assist us to perform transfer pricing review whether our intra-group arrangements were conducted on an arm's length basis pursuant to the transfer pricing guidelines of the OECD based on the information provided by us for our review and approval. We utilized the transfer price method as follows: transactional net margin method, which involves comparing the operating profit margin of the tested party to those of comparable independent companies.

We concluded that the intra-group transfer pricing arrangements of the Group's major entities during the Track Record Period are in all material respects consistent with the arm's length principle as set out in the OECD Transfer Pricing Guidelines. The profit levels achieved by the major subsidiaries are generally aligned with their respective contributions to the Group's value chain, and the intra-group transactions were, overall, in compliance with the applicable transfer pricing regulations.

Upon consultation with the transfer pricing consultant, our Directors are of the view that (i) our intra-group transactions have been conducted in line with the arm's length principle under both OECD Transfer Pricing Guidelines and the applicable local laws and regulations related to transfer pricing in the relevant jurisdictions in material respects, and (ii) the risk for our Group to facing material transfer pricing adjustments and consequent additional tax liability can be considered as relatively low.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are committed to integrating sustainable development principles into our daily operations and decision-making processes. We place great emphasis to environmental, social and governance ("ESG") matters, including environmental sustainability, social responsibility and governance as a pioneer and leading enterprise in the industry. Our environmental principles are integrated into every stage of our operations, from factory construction to product manufacturing.

Our Board assumes the responsibility of establishing, adopting and reviewing our ESG policies and strategies, monitoring progress towards ESG objectives and managing critical ESG-related issues. They evaluate and address our ESG-related risks while also considering the adoption of additional policies related to environmental protection, social responsibility and internal governance. With supervision of the Board, our management team is responsible for implementing our ESG policies, assessing and mitigating our ESG risks on a regular basis and organizing employee ESG training sessions.

ESG Materiality Assessment and Risk Management

We have identified environmental, social and climate-related material issues through regular assessments and internal reporting processes. We also actively interact with external stakeholders, including our customers and suppliers, government agencies and business partners, through various effective communication channels. Their valuable feedback is consolidated and incorporated into our materiality assessment and corporate strategy where applicable, ensuring their perspectives are considered in our management decision-making process.

We have also adopted an ESG risk assessment and management model that integrates ESG compliance into day-to-day operations, including the creation of an ESG risk repository, with designated personnel in each department responsible for identifying and managing ESG risks. We conduct annual risk assessments based on the completeness of institutional processes and management practices, allowing us to continually optimize and improve ESG-related operations.

ESG Governance

Emission

The following table sets forth our GHG emission data during the Track Record Period. We prioritize the recording of GHG emission of Scope 1 and Scope 2 emissions in our production facilities, as the main source of GHG emissions in our production activities is related to the usage of electricity.

	For the year ended December 31,		
	2023	2024	2025
		(tons)	
Scope 1	89,555	113,255	98,885
Scope 2	502,485	525,625	538,298

Energy Consumption

We are committed to actively conserving energy and supporting the initiative of green production and low-carbon office. By 2029, we aim to establish quantifiable targets, progressively reduce energy consumption and increase the use of renewable energy to facilitate our transition to a

low-carbon business model. In particular, we target to reduce our energy consumption per RMB10,000 of output value by 2% by 2029 compared with 2025, and to increase the proportion of renewable energy in our total energy consumption by 30% by 2029 compared with 2025.We are also expanding the use of electric vehicles for daily office activities, embracing a low-carbon and energy-efficient lifestyle. During the Track Record Period, the majority of our electricity consumption was primarily attributed to our manufacturing plants, where we consumed 652.9 million kWh, 771.2 million kWh and 787.8 million kWh in 2023, 2024 and 2025, respectively.

Hazardous Waste Emissions

We are committed to standardizing solid waste management, ensuring safe disposal and promoting comprehensive reuse to support cleaner production and sustainable development. We maintain strict control over unorganized emissions, discharge pollutants in full compliance with regulatory permits and continuously enhance the daily operation and maintenance of online monitoring systems to meet emission standards and reduce hazardous waste output. Our hazardous waste mainly includes aluminum ash, aluminum slag, waste oil, waste emulsified liquid, sludge and spent activated carbon. During the Track Record Period, the majority of our hazardous waste was primarily attributed to our body structural components manufacturing, aluminum processing and wastewater treatment processes, which generated 9,821.7 tons, 15,941.9 tons and 10,077.5 tons of hazardous waste in 2023, 2024 and 2025, respectively.

Water Consumption

Our water consumption is predominantly sourced from tap water, and we are actively implementing measures to promote water recycling within our production processes. During the Track Record Period, the majority of our water consumption was primarily attributed to our manufacturing activities and office operation, where we consumed 2.9 million tons, 3.3 million tons and 3.3 million tons in 2023, 2024 and 2025, respectively.

Employee Benefits and Welfare

We are committed to creating an inclusive and collaborative company culture, guided by principles of integrity, innovation and dedication. Upholding strict policies on equal employment opportunities, we unequivocally prohibit discrimination based on factors such as race, color, religion, gender, or sexual orientation, among others. We prohibit any use of child labor in any of our operations.

We offer competitive salaries alongside a comprehensive benefits package. We provide insurance schemes supplemented by additional commercial insurance coverage and various allowances, including meal and transportation allowances. We also provide annual medical checkups and other welfare benefits, demonstrating our holistic approach to employee well-being. In addition, we offer interest-free loans of a specified amount to eligible employees to help them partly fund housing-related expenses for settlement or marriage, and to personnel at project manager level and above to help them partly fund the purchase of vehicles for commuting purposes.

In alignment with our dedication to professional growth, we actively support employees' development through external training programs and the provision of relevant training resources tailored to specific job roles. By fostering a culture of continuous learning and development, we aim to enhance the skills and knowledge of our employees, thereby facilitating their professional advancement within the organization.

Furthermore, we place a strong emphasis on embracing diversity and fostering equal and respectful treatment of all employees throughout their employment journey, encompassing hiring, training, wellness initiatives, and both personal and professional development. While maximizing equal career opportunity for everyone, we will also continue to promote work-life balance and create a pleasant workplace for all our employees.

Workplace Safety

We place great importance on fostering a workplace environment that prioritizes the health and safety of our employees. We understand the complexities and potential hazards involved in automating warehousing and industrial environments, and as such, we are committed to delivering comprehensive safety solutions that prioritize the well-being of personnel and the smooth functioning of operations.

Our safety solutions are designed to minimize risks by addressing key safety areas, such as electrical, mechanical and functional safety, as well as information security. Our products undergo meticulous testing and validation to ensure that they meet regulatory standards. Our solutions significantly reduce operational risks, contributing to a safer and more efficient work environment.

Our commitment to safety is further validated by our adherence to international standards and certifications. During the Track Record Period and up to the Latest Practicable Date, we have complied in all material respects with the PRC laws and regulations relating to workplace safety and have not identified any incidents that have had a material adverse effect on our operations.

Corporate Governance

We maintain a zero-tolerance policy towards the acceptance of any form of bribes by employees. To further standardize the integrity in our business operation and promote self-discipline among all our employees, we have implemented a set of anti-corruption policies and procedures which are approved and overseen by the management. We have implemented thorough strategies to safeguard our intellectual property. We enter into employment contracts with our employees, which contain provisions with respect to confidentiality, non-competition and ownership of intellectual property. These contracts stipulate that any intellectual property created by individuals during their tenure with us, including internally developed content, is recognized as our exclusive property.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk management is critical to the success of our business operations. Key operational risks that we face include human resource risk, information technology risk, financial reporting risk and compliance and intellectual property rights risks. See "Risk Factors" for a discussion of various risks and uncertainties that we face. We also face various market risks. In particular, we are exposed to credit, liquidity, interest rate and currency risks that arise in the normal course of our business.

In order to meet these challenges, we have established an audit committee, chaired by Ms. Xie Huajun, to oversee and manage the overall risks associated with our business operations from time to time. Our audit committee (i) proposes the appointment or removal of external auditors; (ii) supervises our internal audit system and its implementation; (iii) communicates and coordinates with internal and external audit; (iv) reviews our financial information and its disclosure; and (v) reviews our internal control system.

Financial Reporting Risk Management

We maintain a set of accounting policies in connection with our financial reporting risk management, such as financial reporting management policies, budget management policies, wealth management products investment policies, financial statements preparation policies and finance department and staff management policies. We have various procedures and IT systems to implement our accounting policies, and our finance department reviews our management accounts accordingly.

Human Resource Risk Management

We have set a number of standard operation procedures for human resource management in China and overseas, including the recruiting management policy, personnel records management policy, probation and employment policy, labor contract management policy, social insurance and

housing provident fund management policy, training management policy, termination and resignation management policy and attendance and vacation policy. These procedures aim to mitigate our risks in insufficient recruitment, staff attrition, non-compliance with labor regulations, employee information management and others.

Internal Controls

We have engaged an independent internal control consultant to perform a review in connection with the internal control of our Company and our major operating subsidiaries, covering entity-level controls and business process level controls, including control environment, risk assessment, control activities, information and communication, monitoring activities, sales and receivables management, purchases and payment management, inventory management, production management, R&D management, human resources and payroll management, treasury management, fixed assets management, financial reporting and disclosure, tax management and information system management. The Internal Control Consultant conducted review procedures on our internal control system in February 2026 and March 2026.

We have adopted a series of internal control policies, measures and procedures to facilitate and ensure effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations, among other things. During the Track Record Period, we have regularly reviewed and enhanced our internal control system. The following is a summary of the internal control policies, measures and procedures we have implemented or plan to implement.

- We have set up an internal control department and an internal audit department, which are responsible for the overall internal control development and assessment of our Company.
- Our internal control department is responsible for issuing and amending internal control policies, measures and procedures to ensure that we maintain comprehensive and effective internal control.
- The head of each business department is responsible for implementing relevant internal control policies, measures and procedures and conducting regular reviews regarding the implementation of such policies, measures and procedures.
- We have implemented relevant internal control policies, measures and procedures for all of our business departments.
- We have adopted various measures and procedures for all of our business operations, including project management, quality assurance, intellectual property protection, environmental protection and occupational health and safety. We provide our employees with regular training on these measures and procedures as part of our employee training program. We also regularly monitor the implementation of these measures and procedures through our internal audit department at each stage of the projects.
- Our internal control department has established a whistleblowing mechanism regarding complaints against our Directors, senior management, employees, customers and other business partners, and independent and fair investigation is conducted for any reported complaints. The internal control department has also established a hotline and specific email for our employees to report their complaints and inquiries. In addition, the internal control department has established whistleblowing policies that regulate the reporting channels, case officers, investigation procedures and the related results reports, and that explicitly state that retaliation against whistleblowers is prohibited.

- We have engaged a compliance adviser to provide advice to our Directors and management team for at least the period commencing from the [REDACTED] and ending on the date that our Company publishes its first full financial year results regarding matters relating to the Listing Rules.

AWARDS AND ACHIEVEMENTS

The following table sets out a summary of the major awards and recognition we have received as of the Latest Practicable Date.

Year	Awards or Recognition	Issuing Authority
2025	Global Automotive Supply Chain Ecosystem Partner Award	China Auto News
2025	Top 100 Global Auto Parts Suppliers in 2025	US Auto News
2025	Fortune China 500	Fortune China
2024	Top 100 Global Auto Parts Suppliers in 2024	US Auto News
2024	Top 100 China Auto Supply Chain Enterprises in 2024	China Auto News
2024	Top 500 Manufacturing Enterprises in China	China Enterprise Confederation & China Entrepreneurs Association
2023	Top 100 Global Auto Parts Suppliers in 2023	US Auto News
2023	Top 500 Private Manufacturing Enterprises in China	All-China Federation of Industry and Commerce
2023	Top 100 Manufacturing Enterprises in Zhejiang Province	Zhejiang Federation of Enterprises & Zhejiang Entrepreneurs Association & Zhejiang Federation of Industrial Economics
2023	Provincial Key Enterprise Research Institute	Department of Science and Technology of Zhejiang Province
2023	Global Automotive Supply Chain Ecosystem Partner Award	China Auto News
2023	Zhejiang Famous Export Brand Recognition	Department of Commerce of Zhejiang Province