OVERVIEW

The history of our Company can be traced back to early 2000s, when Ningbo Deye Technology Co., Ltd. (寧波德業電子科技有限公司) ("**Deye Limited**"), the predecessor of our Company was established to manufacture injection molded parts, sheet metal parts and other products. Considering (i) the structural challenges of the legacy component manufacturing business, (ii) the favorable policy environment for renewable energy, and (iii) our Group's existing transferable capabilities enabling our pivot into the solar inverter market, our executive Director, Mr. Zhang Hejun, decided to diversify our Group's product offerings and transition our focus to the manufacture of solar-plus-storage products. Our Company was converted into a joint stock company with limited liability on December 29, 2017. Since April 2021, our A Shares have been listed on the Shanghai Stock Exchange with the stock code of 605117.

We are a globally recognized solar-plus-storage manufacturer, committed to delivering PV and energy storage products that provide clean and sustainable energy to users worldwide.

KEY CORPORATE AND BUSINESS DEVELOPMENT MILESTONES

The following sets forth a summary of the key corporate and business development milestones of our Group:

Year	Milestone
2016	• Ningbo Deye Frequency Conversion Technology Co., Ltd. entered the photovoltaic inverter industry
	• Established the Ningbo Beilun Production Base to produce inverters
2018	• Launched the first-generation energy storage inverter
2019	• Energy storage inverters were exported to the United States in volume, becoming one of the first domestic manufacturers to enter the U.S. market
2020	• Offered low-voltage, high-voltage batteries, and ESS that work seamlessly with Deye's storage inverters
2021	• Successfully listed on the main board of the Shanghai Stock Exchange
2022	• Produced first battery pack
2023	• Established the Ningbo Cixi Production Base to produce energy storage batteries
2024	• Group revenue hit RMB10 billion due to diversification into inverters and energy storage, gaining significant global market share
	• Ranked 1st in global Residential Energy Storage Inverter Market in terms of revenue for the first time
2025	• Our production base in Malaysia commenced construction
	• Established the Ningbo Beilun 246 Production Base and Haiyan Production Base to produce inverters and environment management appliances, respectively

OUR MAJOR SUBSIDIARIES

Set forth below are details for each of our major subsidiaries which made a material contribution to our results of operations during the Track Record Period or are of significant importance as to our continuing business development. As of the Latest Practicable Date, all of them are wholly-owned by our Company.

Name of major subsidiary	Place of incorporation/ establishment	Date of establishment and commencement of business	Principal business activities
Zhejiang Deye Environmental Appliances Co., Ltd ("**Deye Environmental Appliance**") (浙江德業環境電器有限公司)	PRC	December 29, 2003	Design, development, sales and manufacture of environmental appliances
NINGBO DEYE INVERTER TECHNOLOGY CO., LTD ("**Deye Inverter Technology**") (寧波德業變頻技術有限公司)	PRC	August 20, 2007	Design, development, sales and manufacture of photovoltaic equipment and electronics
NINGBO DEYE ESS TECHNOLOGY CO., LTD ("**Deye ESS Technology**") (寧波德業儲能科技有限公司)	PRC	June 22, 2020	Design, development, sales and manufacture of battery and electronics
Ningbo Dechu International Trade Co., Ltd. ("**Dechu International Trade**") (寧波德儲國際貿易有限公司)	PRC	May 26, 2022	International trade and sales
Ningbo Deye Environmental Appliances Co., Ltd. ("**Ningbo Environmental Appliances**") (寧波德業環境電器有限公司)	PRC	April 17, 2019	Ownership of plants and property services to subsidiaries within the Group
Haiyan Deye New Energy Technology Co., Ltd. ("**Haiyan New Energy**") (海鹽德業新能源科技有限公司)	PRC	November 4, 2022	Ownership of plants and property services to subsidiaries within the Group
NINGBO DEYE INVERTER INTERNATIONAL TRADE CO., LTD. ("**Deye International Trade**") (寧波德業變頻國際貿易有限公司)	PRC	January 18, 2024	International trade and sales
Cuiji Technology (Shanghai) Co., Ltd. ("**Cuiji Technology**") (萃績科技(上海)有限公司)	PRC	April 27, 2021	Technological support and research and development

Name of major subsidiary	Place of incorporation/ establishment	Date of establishment and commencement of business	Principal business activities
DEYE INVERTER (SINGAPORE) PTE LTD. ("**Deye Singapore**")	Singapore	January 6, 2022	International trade and sales
DEYE NEW ENERGY TECHNOLOGY (MALAYSIA) SDN BHD ("**Deye Malaysia**")	Malaysia	January 3, 2025	Manufacturing

For shareholding changes of our subsidiaries during the two years immediately preceding the date of this Document, see "Appendix VI – Statutory and General Information – Further Information about Our Group – 3. Changes in the Share Capital of Members of Our Group". Save as disclosed thereunder, there were no shareholding changes in our subsidiaries during the Track Record Period and up to the Latest Practicable Date.

CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES

Establishment of our Company and Listing on the Shanghai Stock Exchange

In December 2017, our Company was converted into a joint stock limited liability company with an initial registered share capital of RMB128 million. The registered capital was contributed by 11 promoters, including our Controlling Shareholders.

On April 20, 2021, our A Shares were listed on the main board of the Shanghai Stock Exchange with the stock code of 605117 (the "**A Share Listing**"), pursuant to which an aggregate of 42,667,000 A Shares were issued, accounting for approximately 25.00% of our Company's then share capital immediately following the listing. Following the A Share Listing, our Controlling Shareholders retained a controlling stake in our Company.

Post-A Share Listing Increases in Registered Capital

On May 11, 2022, our then shareholders resolved to increase our registered capital by undergoing a capital reserve conversion and issuing an additional 4 A Shares per 10 A Shares held by existing shareholders, resulting in the issuance of 68,266,800 new A Shares in aggregate. Following the completion of the capital conversion, our registered capital was 238,933,800 A Shares.

On May 8, 2023, our then shareholders resolved to increase our registered capital by undergoing a capital reserve conversion and issuing an additional 8 A Shares per 10 A Shares held by existing shareholders, resulting in the issuance of 191,147,040 new A Shares in aggregate. Following the completion of the capital conversion, our registered capital was 430,080,840 A Shares.

On October 27, 2023, our Board resolved to use our funds to repurchase A Shares for the purpose of implementing our A Share Incentive Schemes. On November 28, 2023, we completed the repurchase of 2,839,480 A Shares, which were recorded on our dedicated account for share repurchases. As a result of the administration of our A Share Incentive Schemes, as of March 29, 2024, our registered capital increased by 1 A Share to 430,080,841 A Shares.

On May 15, 2024, our then shareholders resolved to increase our registered capital by undergoing a capital reserve conversion and issuing an additional 4 A Shares per 10 A Shares held by existing shareholders, resulting in the issuance of 172,032,336 new A Shares in aggregate. Following the completion of the capital conversion, our registered capital was 602,113,177 A Shares.

As approved by our then shareholders in March 2023 and the CSRC in July 2023, our Company completed a private placement of its A Shares on June 25, 2024, to raise funds for various development initiatives, including projects to establish a 25.5GW annual production line for string and energy storage inverters. A total of 35,997,120 new A Shares were issued in the placement to 19 investors, all of whom were Independent Third Parties. The placement raised gross proceeds of approximately RMB2 billion. Following the completion of the private placement, our registered capital increased to 638,110,299 A Shares.

In 2024, due to the administration of our A Share Incentive Schemes, a total of 7,181,053 restricted A share units were issued to qualified employees, resulting in a further increase in our registered capital to 645,291,349 A Shares.

On May 21, 2025, our then shareholders resolved to increase our registered capital by undergoing a capital reserve conversion and issuing an additional 4 A Shares per 10 A Shares held by existing shareholders, resulting in the issuance of 258,409,844 new A Shares in aggregate. Following the completion of the capital conversion, our registered capital was 904,434,454 A Shares.

On April 21, 2025, our Board resolved to use our funds to repurchase A Shares for the purpose of implementing our A Share Incentive Schemes. On July 22, 2025, we completed the repurchase of 1,907,200 A Shares, which were recorded on our dedicated account for share repurchases.

As a result of the administration of our A Share Incentive Schemes, our registered capital increased to 909,359,054 A Shares

On April 30, 2026, our then shareholders resolved to increase our registered capital by undergoing a capital reserve conversion and issuing an additional 4 A Shares per 10 A Shares held by existing shareholders, resulting in the issuance of 363,743,622 new A Shares in aggregate.

Following the completion of the capital conversion, our registered capital was 1,273,102,676 A Shares.

As a result of the administration of our A Share Incentive Schemes, as of the Latest Practicable Date, our registered capital increased to 1,273,255,172 A Shares.

Except for the outstanding restricted Shares under the A Share Incentive Schemes, which is detailed in "Appendix VI – Statutory and General Information – Further Information About Our Directors – 4. A Share Incentive Schemes" to this document, there were no other outstanding options, warrants, or convertible securities that could potentially affect the shareholding structure of our Company as of the Latest Practicable Date.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and as of the Latest Practicable Date, our Group did not have any material acquisitions, disposals or mergers.

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE AND REASONS FOR THE [REDACTED] ON THE STOCK EXCHANGE

Since April 2021, our Company has been listed on the main board of the Shanghai Stock Exchange. As of the Latest Practicable Date, our Directors confirmed that we had no instances of material non-compliance with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the Shanghai Stock Exchange. According to confirmation from the PRC Legal Advisor, during the Track Record Period and as of the Latest Practicable Date, our Company has not been subject to any material administrative penalties or regulatory actions imposed by PRC securities regulatory authorities. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would cast doubt on our Directors' confirmation with regard to the compliance record of our Company on the Shanghai Stock Exchange.

Our Company is seeking a **[REDACTED]** of its H Shares on the Stock Exchange in order to provide additional capital for the development and expansion of our Company's business, to strengthen our Company's working capital and to further raise our business profile and global presence. For further details of our future plans, see "Future Plans and Use of **[REDACTED]**".

PUBLIC FLOAT

Pursuant to Rule 19A.13A of the Listing Rules, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the **[REDACTED]**, at the time of listing, must (a) represent at least 10% of the issuer's total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK$3.0 billion.

Our A Shares are listed on the Shanghai Stock Exchange. Assuming that (i) **[REDACTED]** H Shares are **[REDACTED]** and **[REDACTED]** in the **[REDACTED]** and none of which will be **[REDACTED]** to any core connected person of our Company, (ii) the **[REDACTED]** is not exercised, and (iii) [1,273,255,172] A Shares are in issue and outstanding upon completion of the **[REDACTED]** and no other changes are made to the issued share capital of our Company or treasury Shares from the Latest Practicable Date to the **[REDACTED]**, **[REDACTED]** H Shares, representing approximately **[REDACTED]**% of our total issued and outstanding Shares (excluding any treasury Shares), will be counted towards the **[REDACTED]**. Based on the above, it is expected that our Company will satisfy the public float requirements as required under Rule 19A.13A(2) of the Listing Rules and the expected market capitalization of our H Shares held by the **[REDACTED]** would be approximately HK$**[REDACTED]** million (assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the low-end of the indicative **[REDACTED]** range as stated in this document).

FREE FLOAT

Rule 19A.13C(2) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the **[REDACTED]** and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000. On the basis that no H Shares will be **[REDACTED]** under the **[REDACTED]** to any core connected person of our Company or person which is not regarded as a member of the public under Rule 8.24 of the Listing Rules, assuming the **[REDACTED]** is not exercised, it is expected that **[REDACTED]** H Shares, which will be all the **[REDACTED]** not being subscribed by the **[REDACTED]**, with an expected **[REDACTED]** in excess of HK$600,000,000 (assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the low-end of the indicative **[REDACTED]** range as stated in this document), will be held by the **[REDACTED]** and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of the **[REDACTED]**, which will satisfy the free float requirement under Rule 19A.13C of the Listing Rules.

EMPLOYEE INCENTIVE PLATFORMS

In recognition of the contributions of our current or former employees and consultants and to incentivize them to further promote our development, Hengli Venture Investment and Depai Venture Investment were established in the PRC as our Employee Incentive Platforms. The participants (the "**Participants**") of our equity incentives were given partnership interests of the Employee Incentive Platforms as awards. The capital contribution made by the partners to the Employee Incentive Platforms was sourced from their own funds and has been fully paid as of the date of this document. Details of each Employee Incentive Platform as of the date of this document are set forth below.

1. Hengli Venture Investment

Hengli Venture Investment was established in the PRC as a limited partnership on August 23, 2017, and owned approximately 1.60% of our issued Shares as of the Latest Practicable Date. Mr. Zhang Hejun is the sole general partner of Hengli Venture Investment while also holding approximately 38.73% partnership interest, and is responsible for the management of Hengli Venture Investment and exercises the voting rights attaching to the Shares held by Hengli Venture Investment.

As of the Latest Practicable Date, all of the awards under Hengli Venture Investment have been granted and vested, and, as a result, the grantees directly held the partnership interest of Hengli Venture Investment as limited partners.

2. Depai Venture Investment

Depai Venture Investment was established in the PRC as a limited partnership on July 27, 2017, and owned approximately 0.51% of our issued Shares as of the Latest Practicable Date. Ms. Lu Yazhu (namely, Mr. Zhang Hejun's spouse) is the sole general partner of Depai Venture Investment, and is responsible for the management of Depai Venture Investment and exercises the voting rights attaching to the Shares held by Depai Venture Investment.

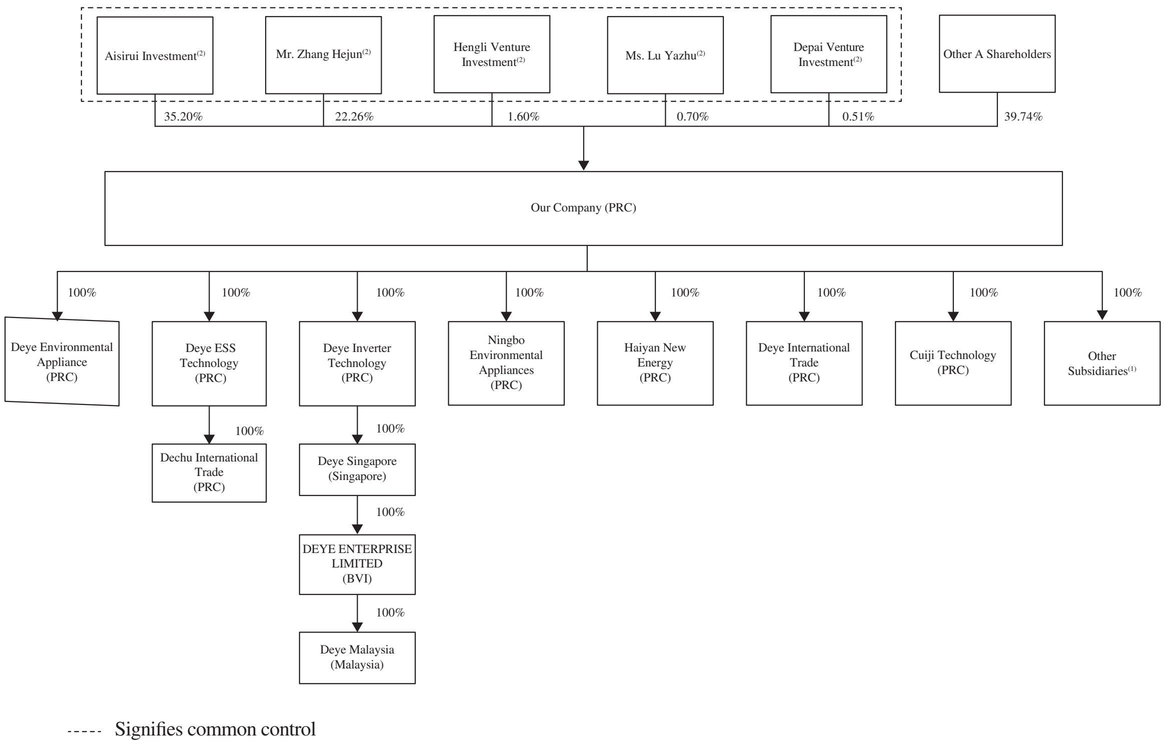
As of the Latest Practicable Date, all of the awards under Depai Venture Investment have been granted and vested, and, as a result, the grantees directly held the partnership interest of Depai Venture Investment as limited partners.

As of the Latest Practicable Date, there were 28 and 16 limited partners in Hengli Venture Investment and Depai Venture Investment, respectively. Save for the following, there are no connected persons who are limited partners of the Employee Shareholding Platforms, no other limited partners holding more than 30% partnership interest, and all remaining limited partners are employees of the Company and independent third parties:

Name	**Connected Relationship**	**Employee Shareholding Platform**	**Partnership interest** *(approximate)*
Mr. Zhang Hejun (張和君先生)	Executive Director	Hengli Venture Investment	38.73%
		Depai Venture Investment	44.97%
Ms. Lu Yazhu (陸亞珠女士)	Controlling Shareholder	Depai Venture Investment	1.37%
Mr. Tan Zui (談最先生)	Executive Director, Deputy General Manager, Chief Financial Officer	Hengli Venture Investment	7.65%
Ms. Ding Zeju (丁澤菊女士)	Spouse of Mr. Tan Zui	Hengli Venture Investment	1.36%
Mr. Yang Mingshi (楊明世先生)	General manager of subsidiary	Hengli Venture Investment	0.73%

CORPORATE STRUCTURE PRIOR TO THE [REDACTED]

The following chart sets forth our simplified corporate structure as of the Latest Practicable Date and immediately prior to the **[REDACTED]**, assuming that no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the **[REDACTED]**:



Notes:

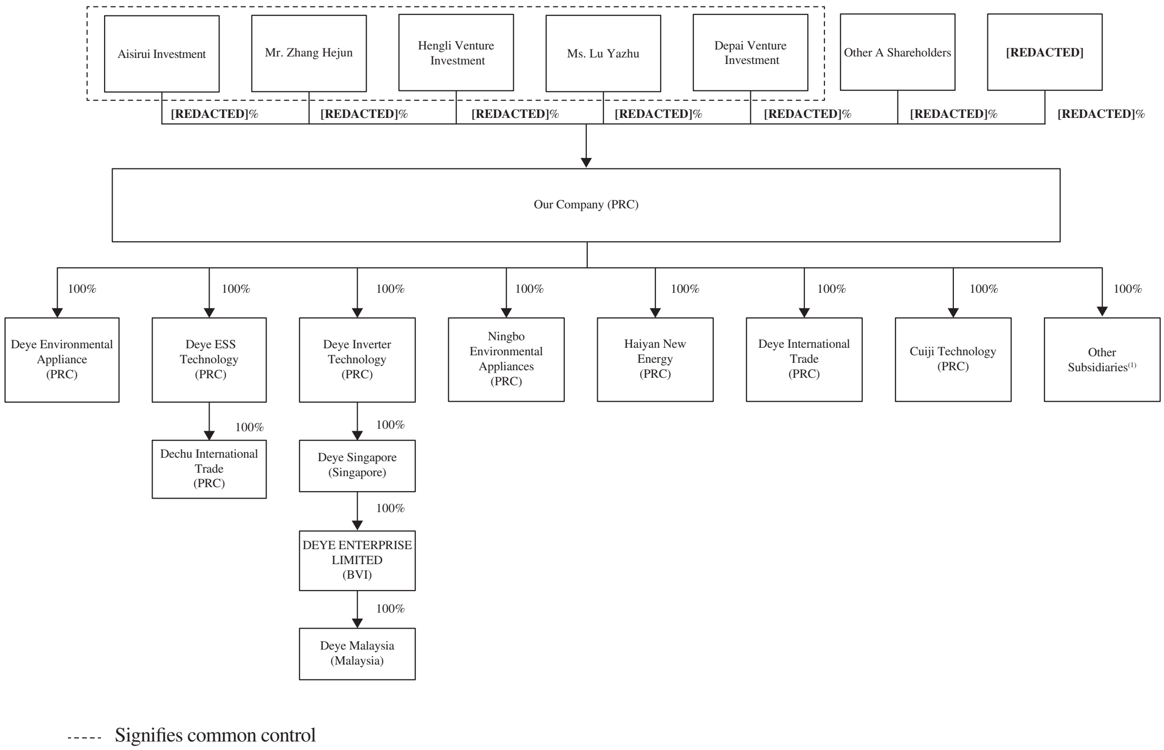
(1) The simplified corporate structure chart only reflects the shareholding of the major subsidiaries and excludes the shareholding of the Group's other subsidiaries including 22 PRC subsidiaries and 7 overseas subsidiaries.

(2) As Mr. Zhang Hejun holds 99% equity interest (with the remaining 1% being held by his spouse, Ms. Lu Yazhu) in Aisirui Investment, a private investment holding company for Mr. Zhang Hejun's investments, and approximately 44.97% equity interest in Depai Venture Investment, is the general partner of Hengli Venture Investment (while also holding approximately 38.73% equity interest) he is deemed to be interested in the respective shares held by Aisirui Investment, Depai Venture Investment and Hengli Venture Investment under the SFO. As Mr. Zhang Hejun is Ms. Lu Yazhu's spouse, Mr. Zhang Hejun is also deemed to be interested in the shares beneficially held by his spouse, Ms. Lu Yazhu under Part XV of the SFO.

Accordingly, Mr. Zhang Hejun will be entitled to exercise the voting rights held by Aisirui Investment, Depai Venture Investment, Hengli Venture Investment and Ms. Lu Yazhu and collectively, they will be considered our Controlling Shareholders. For further information, please see "Relationship with Our Controlling Shareholders".

CORPORATE STRUCTURE AFTER THE [REDACTED]

The following chart sets forth our simplified corporate structure immediately after the completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised and no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the **[REDACTED]**):



Note

(1): please refer to the details contained in the preceding page.