TechStar Acquisition Corporation

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 7855)

(Warrant Code: 4855)

Executive Directors of TechStar:
Mr. NI Zhengdong *(Chairman and Co-chief Executive Officer)*
Mr. LUO Xuan (*Co-chief Executive Officer*)
Mr. LI Zhu
Mr. CHEN Yaochao
Ms. JIANG Jun

Non-Executive Directors of TechStar:
Mr. LAU Wai Kit

Independent Non-Executive Directors of TechStar:
Mr. ZHANG Min
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November 12, 2025

To the TechStar Shareholders

Dear Sir or Madam,

**(1) DE-SPAC TRANSACTION COMPRISING
(A) THE BUSINESS COMBINATION AGREEMENT
(B) REVERSE TAKEOVER INVOLVING A NEW LISTING APPLICATION BY THE SUCCESSOR COMPANY
(C) THE PIPE INVESTMENTS
(2) MERGER PROPOSAL
(3) PROPOSED ADOPTION OF NEW MEMORANDUM AND ARTICLES OF ASSOCIATION BY TECHSTAR
(4) WITHDRAWAL OF LISTING OF TECHSTAR CLASS A SHARES AND TECHSTAR LISTED WARRANTS
AND
(5) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A. INTRODUCTION

Reference is made to the De-SPAC announcement dated December 20, 2024 issued by TechStar in relation to (1) the Business Combination Agreement with Seyond Holdings Ltd. (being the Target Company) and the Merger Sub (being a wholly-owned subsidiary of the Target Company) in relation to the Merger, (2) the PIPE Investment Agreements with the Target Company and the PIPE Investors in relation to the PIPE Investments, (3) the Promoters Lock-up Agreement with the Target Company and the Promoters, (4) the Target Company Shareholder Lock-up Agreement with the Target Company and the members of the single largest group of shareholders of the Target Company, and (5) an Amendment to the TechStar Listed Warrants.

The purpose of this circular is to provide the TechStar Shareholders with, among other things, (i) further information on the De-SPAC Transaction (including the Business Combination Agreement and the transactions contemplated thereunder, the PIPE Investments, and the Merger), the Target Group and other information as required to be disclosed under the Listing Rules; (ii) details of the exchange of TechStar Shares and TechStar Warrants for Successor Company Shares and Successor Company Warrants pursuant to the De-SPAC Transaction and the withdrawal of the listing of TechStar Class A Shares and TechStar Listed Warrants; (iii) details of the Redemption Right and the Appraisal Right; and (iv) a notice of the EGM.

B. OVERVIEW OF THE DE-SPAC TRANSACTION

The De-SPAC Transaction will result in the business combination of TechStar with the Target Group. The Target Company will become the Successor Company, and the Successor Company Shares and the Successor Company Listed Warrants will be listed on the Stock Exchange.

The Target Group is one of the key players in the design, development, and production of automotive-grade LiDAR solutions. The Target Group offers LiDAR solutions for advanced driver assistance system, automated driving system, and other automotive and non-automotive application scenarios. In 2024, the Target Group delivered a total of approximately 230,000 units of automotive-grade LiDAR, ranking fourth in terms of sales revenue of ADAS LiDAR solutions in global with a market share of 12.8%, according to CIC. Further details of the Target Group are set out in "– C. Information About the Target Group" in this section below.

Pursuant to the terms of the Business Combination Agreement, the De-SPAC Transaction will be effected through the Merger of TechStar and Merger Sub, following which the separate existence of Merger Sub will cease and TechStar will continue as the surviving entity and become a directly wholly-owned subsidiary of the Successor Company. Details of the Business Combination Agreement are set out in "– F. The Business Combination Agreement" in this section below.

Upon Closing, (i) TechStar Shareholders (other than the Redeeming TechStar Shareholders and, if applicable, the Dissenting TechStar Shareholders), together with the PIPE Investors, investors of the Permitted Equity Financing (if any), and the existing shareholders of the Target Company will become shareholders of the Successor Company, (ii) TechStar Warrantholders will become warrantholders of the Successor Company, (iii) TechStar's listing status will be withdrawn, and (iv) the Target Company will become the Successor Company, and the Successor Company Shares and the Successor Company Listed Warrants will be listed on the Stock Exchange. Details of the effect of the De-SPAC Transaction on the shareholdings in TechStar and the Successor Company are set out in "– I. Effect of the De-SPAC Transaction on Shareholdings in TechStar and the Successor Company" in this section below.

In connection with the De-SPAC Transaction, TechStar will provide TechStar Class A Shareholders with the opportunity to elect to redeem all or part of their holdings of TechStar Class A Shares. See "– N. Share Redemptions" in this section below for further details. The Cayman Companies Act also provides for a right of the Dissenting TechStar Shareholders to be paid the fair value of their Dissenting TechStar Shares. See "– O. Appraisal Right of Dissenting TechStar Shareholders" in this section below for further details.

The gross proceeds from the PIPE Investments pursuant to the PIPE Investment Agreements will be approximately HK$551.3 million. See "– G. PIPE Investments" in this section below for further details.

The De-SPAC Transaction (including the terms of the Business Combination Agreement, the Bonus Share Issue, the PIPE Investments and the Permitted Equity Financing (where applicable)), the withdrawal of the listing of TechStar Class A Shares and TechStar Listed Warrants, the Merger and the adoption of the TechStar Private Company Memorandum and Articles are subject to approval by the TechStar Shareholders at the EGM. The Promoters, Wealth Strategy (a holder of TechStar Class A Shares and a PIPE Investor), their respective close associates and any other TechStar Shareholders and their close associates who have a material interest in the De-SPAC Transaction will abstain from voting on the relevant resolutions as required by the Listing Rules. See "– Q. EGM and Voting" in this section below for further details.

In connection with or following the De-SPAC Transaction (including the issuance of Successor Company Shares to the Promoters and the PIPE Investors and the potential exercise of Successor Company Warrants), the shareholding and value of shareholding of Successor Company Shareholders (including non-redeeming TechStar Shareholders) will be diluted. For details of the potential dilution effect, see details set forth in the subsection headed "I. Effect of the De-SPAC Transaction on Shareholdings in TechStar and the Successor Company – 7. Expected Shareholding and Voting Rights in the Successor Company and Potential Dilution Effect of the De-SPAC Transaction."

C. INFORMATION ABOUT THE TARGET GROUP

1. Business of the Target Group

The Target Group is one of the key players in the design, development, and production of automotive-grade LiDAR solutions. The Target Group offers LiDAR solutions for advanced driver assistance system, automated driving system, and other automotive and non-automotive application scenarios. The Target Group is the world's first provider of automotive-grade LiDAR solutions that reach volume production, according to CIC. In 2024, the Target Group delivered a total of approximately 230,000 units of automotive-grade LiDAR, ranking fourth in terms of sales revenue of ADAS LiDAR solutions in global with a market share of 12.8%, according to the same source. The Target Group's self-developed software, OmniVidi, provides its customers with fully integrated LiDAR solutions in combination with the Target Group's LiDAR hardware and features high-resolution 3D point cloud and advanced perception algorithms, playing a critical role in ensuring high levels of safety and autonomy. Since its inception, the Target Group has experienced substantial growth, consistently solidifying its position as a market leader in recent years. NIO, a pioneer and a leading company in the premium smart electric vehicle market, has elected to adopt the Target Group's LiDAR solutions on its nine models as of the Latest Practicable Date. Other OEMs and ADAS or ADS companies have also selected the Target Group's LiDAR solutions for integration in a number of their models or ADAS, which have begun volume production and delivery. See "Business of the Target Group" in this circular for more information relating to the business of the Target Group.

2. Financial information of the Target Group

The Target Group has demonstrated significant growth in recent years. The Target Group generated total revenue of US$66.3 million, US$121.1 million, US$159.6 million and US$52.0 million in 2022, 2023 and 2024 and for the five months ended May 31, 2025, respectively. The Target Group recorded loss before tax of US$187.8 million, US$218.1 million, US$397.5 million and US$21.3 million in 2022, 2023 and 2024 and for the five months ended May 31, 2025, respectively. The Target Group recorded loss for the year/period of US$188.2 million, US$219.0 million, US$398.2 million and US$21.5 million in 2022, 2023 and 2024 and for the five months ended May 31, 2025, respectively. See "Financial Information of the Target Group" and "Appendix I – Accountant's Report of the Target Group" in this circular for more financial information.

3. Information on the Controlling Shareholders of the Target Company and a group of single largest shareholders of the Successor Company

As of the Latest Practicable Date, Dr. Bao, High Altos Limited and Phthalo Blue LLC are considered to be a group of Controlling Shareholders of the Target Company by virtue of Rule 1.01 of the Listing Rules, entitling to the following: (i) Dr. Bao controlled the exercise of approximately 20.97% of the voting rights of the Target Company through High Altos Limited and Phthalo Blue LLC and certain voting rights proxied to him; and (ii) Dr. Bao is considered to be in a position to control the composition of a majority of the Board of the Target Company pursuant to the Target Company Articles. Immediately following the Closing (assuming the Presumptions), Dr. Bao, High Altos Limited and Phthalo Blue LLC are considered to be a group of single largest shareholders of the Successor Company, with Dr. Bao, through High Altos Limited and Phthalo Blue LLC and by virtue of the Voting Proxy Agreements, being able to control the exercise approximately 13.70% of the voting rights of the Successor Company. For details of the Controlling Shareholders of the Target Company as of the date of this circular and a group of single largest shareholders of the Successor Company upon Closing, see "Relationship with the Single Largest Group of Shareholders of the Successor Company" in this circular.

4. Information about the Target Group's existing shareholders

For details of the Target Group's existing shareholders, see "History, Development and Corporate Structure of the Target Group – Information about the Pre-Listing Investors" in this circular.

5. Information about Merger Sub

Merger Sub is a newly incorporated Cayman Islands exempted company and a wholly-owned subsidiary of the Target Company. Merger Sub was incorporated solely for the purpose of effecting the Merger and has not carried on any activities other than those in connection with the Merger.

6. Previous Listing Application of the Target Company

The Target Company had previously attempted an initial public offering and listing in the United States. For details of the previous listing application of the Target Company, see "History, Development and Corporate Structure of the Target Group – Previous Listing Application on Other Exchanges" in this circular.

D. INFORMATION ABOUT TECHSTAR

TechStar is a special purpose acquisition company incorporated for the purpose of effecting a business combination with one or more businesses, with efforts concentrated on companies in new economy sectors in China, including but not limited to innovative technology, advanced manufacturing, healthcare, life sciences, culture and entertainment, consumer and e-commerce, green energy and climate actions industries that align with the national economic trends and industrial policies. TechStar completed an offering comprising 100,100,000 TechStar Class A Shares at an offer price of HK$10.00 per TechStar Class A Share and 50,050,000 TechStar Listed Warrants on December 23, 2022.

TechStar is required to complete a De-SPAC transaction by December 22, 2025, being 36 months from the date of listing of the TechStar Class A Shares and TechStar Listed Warrants on the Stock Exchange, unless an extension is approved by an ordinary resolution of the TechStar Class A Shareholders and granted by the Stock Exchange.

E. REASONS FOR, AND BENEFITS OF, THE DE-SPAC TRANSACTION

As stated in TechStar's offering circular dated December 19, 2022, TechStar has identified the following general criteria and guidelines that it believes are important in evaluating a target company for the purpose of effecting a business combination with TechStar:

- alignment with economic trends and national industrial policies;
- favorable long-term growth prospects;
- large consumer or business market with differentiated products and services;
- distinct competitive advantages or under-tapped growth opportunities that team is uniquely positioned to identify;
- strong and visionary management team that can create significant value for the De-SPAC Target;
- an ethical, professional and responsible management in pursuit of ESG values;
- high-quality with competitive edges in a new economy sector in China with a differentiated value proposition and product or service barriers; and
- benefit from being a public company.

Having evaluated a number of potential target companies, TechStar considers that the Target Company satisfies the above criteria and that it would be in the interests of TechStar to enter into the De-SPAC Transaction with the Target Company for the following reasons:

- Market and Growth Potentials for Automotive-Grade LiDAR Solutions;
- Achievements in Product Commercialization;
- Optimized and Flexible Technology Architecture;
- Market Player with Strong Performance;
- Growing Customer Base for Automotive-Grade LiDAR Solutions;
- Volume Production Capabilities;
- Supply Chain Management on Quality and Cost Control;
- Visionary Leadership and Robust R&D Capabilities.

See "Business of the Target Group – Our Competitive Strengths" in this circular for details.

The Target Company recorded losses during the Track Record Period, primarily due to the following reasons: (i) whereas the industry of the Target Company has realized commercialization and shown great potentials for future growth, the global LiDAR solutions market, especially the automotive-grade LiDAR solutions market, is still at its early stage of development. In particular, the penetration rate of LiDAR solutions in automotive industry was still low. Since the Target Company realized volume production and massive products delivery in 2022, it has gradually achieved stronger economies of scale and improved cost control. But the yet-to-be-fully materialized economies of scale contributed to its losses during the Track Record Period; and (ii) to further reinforce the presence and competitiveness in the emerging market, the Target Company has devoted significant resources on R&D and product development to ensure the long-term competitiveness. Due to the continuous investment in the R&D of new products and autonomous driving technologies, the Target Company had incurred a significant amount of R&D expenses during the Track Record Period.

Notwithstanding the foregoing, the Target Company had achieved a steady growth in revenue and sales volume during the Track Record Period and it has shown a clear path to profitability. It is expected that this growth will be driven by several factors in the future, such as the favorable market trend, improving solutions and product offerings and customer expansion. The Target Company will also continue to improve its gross margin by optimizing product design, improving production capabilities and expanding production capacity, and controlling the cost of supplies as achieving increasing economies of scale. In addition, during the Track Record Period, the Target Company invested significant resources in R&D to strengthen its R&D capabilities to launch new products, optimize and upgrade its existing products, and maintain its market-leading position. The R&D expenses incurred by the Target Company in absolute amounts may increase alongside the development of its autonomous driving technologies and the expansion of its product portfolio in the future; however, it is expected that its R&D expenses as a percentage of revenue will gradually decrease in the future, along with the maturity of its product mix.

See "Business of the Target Group – Business Sustainability" in this circular for details.

Based on the above and having taken into account the terms of the Business Combination Agreement, the Bonus Share Issue, the PIPE Investments and other arrangements as set out below, the TechStar Directors (including the TechStar independent non-executive Directors) consider that (i) the status of loss-marking of the Target Company during the Track Record Period will not undermine the benefits that the Target Company will bring to the TechStar Shareholders from its favorable long-term and sustained business growth and future profitability, and (ii) the terms of the De-SPAC Transaction are fair and reasonable and in the interests of the TechStar Shareholders as a whole.

F. THE BUSINESS COMBINATION AGREEMENT

1. Principal terms of the Business Combination Agreement

The principal terms of the Business Combination Agreement are set out below:

(a) Date

December 20, 2024 and as supplemented on September 25, 2025 and November 6, 2025, respectively

(b) Parties

(i) TechStar;

(ii) Target Company; and

(iii) Merger Sub (together, the "**Parties**").

To the best of the TechStar Directors' knowledge, information and belief, having made all reasonable enquiries, the Target Company and the Merger Sub and their ultimate beneficial owners are independent third parties of TechStar and its connected persons.

(c) Pre-Closing Actions

At the Effective Time, the following actions shall take place or be effected in the order set out below. The Target Company and Target Company Shareholders will restructure Target Company's share capital by effectuating the conversion of Target Company Preferred Shares and the Capitalization Issue as described in (i) to (iv) below.

(i) *Conversion of Target Company Preferred Shares*. Each Target Company Preferred Share (other than the Target Company Preferred Share designated as Series A preferred share) that is issued and outstanding immediately prior to the Effective Time will be converted into Target Company Ordinary Shares on a 1:1 basis in accordance with Target Company Articles. Each Target Company Preferred Share designated as Series A preferred share that is issued and outstanding immediately prior to the Effective Time will be converted into Target Company Ordinary Shares on a 1:3.57929 basis in accordance with the Target Company Articles.

(ii) *Organizational Documents of Target Company*. Upon the completion of the De-SPAC Transaction, Target Company Articles, as in effect immediately prior to the Effective Time, will be amended and restated to read in their entirety in the form of the amended and restated memorandum and articles of association of Target Company, and, as so amended and restated, will be the memorandum and articles of association of the Target Company, until thereafter amended in accordance with the terms thereof and the Cayman Companies Act.

(iii) *Capitalization Issue*. The Target Company will allot and issue such number of fully paid Target Company Shares at par value by way of capitalizing all or any part of any amount for the time being standing to the credit of the share premium account of the Target Company, on a pro rata basis to all Target Company Shareholders that appear on the register of members of the Target Company immediately prior to the Effective Time and after having completing the conversions specified in F(1)(c)(i) above (subject to rounding as provided in the Business Combination Agreement) (the "**Capitalization Issue**"), such that immediately after the Capitalization Issue, the share capital of the Target Company (on an outstanding share basis) will consist of such number of Target Company Ordinary Shares equal to the quotient obtained by dividing the Negotiated Value by HK$10.00.

(iv) *Treatment of Target Company Options*. Immediately following the Capitalization Issue, each Target Company Option outstanding as of the effective time of the Capitalization Issue (the "**Capitalization Issue Effective Time**") will, automatically and without any action on the part of any holder of such Target Company Option or beneficiary thereof, continue to be an option to purchase Target Company Ordinary Shares (collective, the "**Continuing Options**" and each a "**Continuing Option**") subject to substantially the same terms and conditions as were applicable to such Target Company Option immediately before the Capitalization Issue Effective Time (including expiration date and exercise or vesting provisions), except that: (A) each Continuing Option will be exercisable for that number of Target Company Ordinary Shares equal to the product (rounded down to the nearest whole Target Company Ordinary Share) of (1) the number of Pre-Capitalization Target Company Ordinary Shares subject to such Target Company Option immediately before the Capitalization Issue Effective Time multiplied by (2) the Capitalization Issue Factor; and (B) the per share exercise price for each Target Company Ordinary Share issuable upon exercise of the Continuing Option will be equal to the quotient obtained by dividing (1) the exercise price per Pre-Capitalization Target Company Ordinary Share of such Target Company Option, immediately before the Capitalization Issue Effective Time by (2) the Capitalization Issue Factor (rounded up to the nearest whole cent); provided, however, that the exercise price and the number of Target Company Ordinary Shares purchasable under each Continuing Option will, to the extent applicable, be subject to adjustments in accordance with applicable requirement of the Revenue Code.

(v) *Treatment of Target Company RSUs.* Immediately following the Capitalization Issue, each Target Company RSU outstanding as of the Capitalization Issue Effective Time will, automatically and without any action on the part of any holder of such Target Company RSUs or beneficiary thereof, continue to be a restricted share unit covering such number of Target Company Ordinary Shares equal to the product (rounded down to the nearest whole Target Company Ordinary Share) of (1) the number of Pre-Capitalization Target Company Ordinary Shares subject to such Target Company RSU immediately before the Capitalization Issue Effective Time multiplied by (2) the Capitalization Issue Factor, subject to substantially the same terms and conditions as were applicable to such Target Company RSU immediately before the Capitalization Issue Effective Time (including expiration date, and vesting schedules and conditions).

(d) Merger

The Merger will be implemented by the Parties pursuant to which TechStar will become a directly wholly-owned subsidiary of the Successor Company and in consideration therefor, the TechStar Shareholders (other than the Redeeming TechStar Shareholders and, if applicable, the Dissenting TechStar Shareholders) will become shareholders of the Successor Company upon Closing.

The details of the Merger are set out below:

(i) *The Merger*. At the Merger Effective Time, upon the terms and subject to the conditions of the Business Combination Agreement and in accordance with the applicable provisions of the TechStar Plan of Merger and the Cayman Companies Act, Merger Sub and TechStar will consummate the Merger, pursuant to which Merger Sub will merge with and into TechStar, following which the separate corporate existence of Merger Sub will cease and TechStar will continue as the surviving company after the Merger and become a directly wholly owned subsidiary of the Successor Company.

(ii) *Effective Time*. On the terms and subject to the conditions set forth in the Business Combination Agreement, on the Closing Date, TechStar and Merger Sub will execute and cause to be filed with the Cayman Registrar the TechStar Plan of Merger and other documents as may be required in accordance with the applicable provisions of the Cayman Companies Act or by any other applicable laws to make the Merger effective.

(iii) *Effect of the Merger*. At the Merger Effective Time, all the property, rights, privileges, agreements, powers and franchises, debts, liabilities, duties and obligations of Merger Sub and TechStar will become that of TechStar as the surviving entity, being a directly wholly-owned subsidiary of the Successor Company.

(iv) *Organizational Documents of the surviving entity*. At the Merger Effective Time, the TechStar Articles will be amended and restated and replaced in its entirety with the memorandum and articles of association of in agreed form between Target Company and TechStar, being the TechStar Private Company Memorandum and Articles.

(v) *Directors and Officers of the surviving entity*. At the Merger Effective Time, the directors and officers of TechStar immediately prior to the Merger Effective Time will resign, and the directors and officers of Merger Sub in each case duly appointed by the Target Company immediately prior to the Merger Effective Time, will be the directors and officers of the surviving entity, each to hold office in accordance with the Organizational Documents of the surviving entity.

(e) Merger consideration

(i) *TechStar Class B Conversion*. Immediately prior to the Merger Effective Time, each of TechStar Class B Shares that is issued and outstanding immediately prior to the Merger Effective Time and held by the Promoters shall automatically be converted into one TechStar Class A Share in accordance with the terms of the TechStar Articles (such automatic conversion, the "**TechStar Class B Conversion**") and each such TechStar Class B Share shall no longer be issued and outstanding and shall be cancelled and cease to exist.

(ii) *TechStar Ordinary Shares*. At the Merger Effective Time, (1) each TechStar Class A Share issued and outstanding immediately prior to the Merger Effective Time (other than any TechStar Class A Shares issued or issuable upon the TechStar Class B Conversion, Redeeming TechStar Shares and Dissenting TechStar Shares) will automatically be cancelled and cease to exist in exchange for the right to receive 1.10 newly issued Successor Company Shares, and (2) each TechStar Class A Share issued or issuable upon the TechStar Class B Conversion, will automatically be cancelled and cease to exist in exchange for the right to receive one newly issued Successor Company Share. No fraction of a Successor Company Share will be issued, and each TechStar Shareholder that would otherwise be so entitled to a fraction of a Successor Company Share (after aggregating all fractional Successor Company Shares that otherwise would be received by such TechStar Shareholder) will instead be entitled to receive such number of Successor Company Shares to which such TechStar Shareholder would otherwise be entitled, rounded down to the nearest whole Successor Company Share.

(iii) *Exchange of TechStar Listed Warrants*. Each TechStar Listed Warrant issued and outstanding immediately prior to the Merger Effective Time will automatically be cancelled and cease to exist in exchange for the right to receive one Successor Company Listed Warrant. Each Successor Company Listed Warrant will have and be subject to substantially the same terms and conditions as were applicable to such TechStar Listed Warrant immediately prior to the Merger Effective Time (including any repurchase rights and cashless exercise provisions) in accordance with the provisions of the Successor Company Listed Warrant Instrument. All rights with respect to TechStar Shares underlying the TechStar Listed Warrants assumed by the Successor Company will be converted into rights with respect to the Successor Company Shares.

(iv) *Exchange of TechStar Promoter Warrants*. Each TechStar Promoter Warrant issued and outstanding immediately prior to the Merger Effective Time will automatically be cancelled and cease to exist in exchange for the right to receive one Successor Company Promoter Warrant. Each Successor Company Promoter Warrant will have and be subject to substantially the same terms and conditions as were applicable to such TechStar Promoter Warrant immediately prior to the Merger Effective Time (including any repurchase rights and cashless exercise provisions) in accordance with the provisions of the

Successor Company Promoter Warrant Agreement. All rights with respect to TechStar Shares underlying the TechStar Promoter Warrants assumed by the Successor Company will be converted into rights with respect to the Successor Company Shares.

(v) *Redeeming TechStar Shares*. Each Redeeming TechStar Share issued and outstanding immediately prior to the Merger Effective Time will automatically be cancelled and cease to exist and will represent only the right of the holder thereof to be paid a pro rata share of the TechStar Shareholder Redemption Amount in accordance with the TechStar Articles.

(vi) *Dissenting TechStar Shares*. Each Dissenting TechStar Share issued and outstanding immediately prior to the Merger Effective Time held by a Dissenting TechStar Shareholder will automatically be cancelled and cease to exist and will represent only the right of such Dissenting TechStar Shareholder to be paid the fair value of such Dissenting TechStar Share and such other rights pursuant to Section 238 of the Cayman Companies Act.

See "– I. Effect of the De-SPAC Transaction on Shareholdings in TechStar and the Successor Company" in this subsection for details of the shareholding impact of the De-SPAC Transaction on the shareholders of TechStar and the Target Company.

(f) Conditions to Closing

(1) Conditions to the obligations of TechStar, Merger Sub and the Target Company

The obligations of TechStar, Merger Sub and the Target Company to complete the De-SPAC Transaction are subject to the satisfaction of the following conditions (or if permitted by applicable law, waived by written agreement):

(i) TechStar Shareholders' approval and Target Company Shareholders' approval shall have been obtained and remain valid;

(ii) The Business Combination Agreement, as amended, shall remain enforceable and valid;

(iii) Target Company shall have received and maintained written approval from the Stock Exchange for listing the Successor Company Shares and Successor Company Listed Warrants, and shall meet all new listing requirements;

(iv) Target Company shall have completed the CSRC filings related to the De-SPAC Transaction;

(v) No governmental authority shall enact any law or order that makes the Closing illegal or prohibits its consummation, and all required regulatory approvals for the De-SPAC Transaction shall have been obtained or waived;

(vi) The Capital Restructuring shall have been completed; and

(vii) The proceeds from the PIPE Investments shall be at least HK$1,000,000,000 and meet the independent third-party investment requirements under modified Rule 18B.41 of the Listing Rules, or comply with any waiver granted by the Stock Exchange, with all PIPE Investment Agreements remaining enforceable and valid.

(2) Additional conditions to the obligations of TechStar

The obligations of TechStar to complete the De-SPAC Transaction are subject to the satisfaction of the following additional conditions (or if permitted by applicable law, waived in writing by TechStar):

(i) Certain representations and warranties shall be true and correct in all respects as of the Closing Date. All other representations and warranties of the Target Company and Merger Sub shall be true and correct in all material respects except where the failure of such representations and warranties to be so true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Target Company material adverse effect as set out in the Business Combination Agreement;

(ii) All obligations and covenants of the Target Company and Merger Sub set forth in the Business Combination Agreement to be performed by the Closing Date shall have been performed in all material respects, unless a specific materiality qualifier or similar exception applies, in which case they shall have been fully performed;

(iii) There shall have not been a Target Company material adverse effect following the date of the Business Combination Agreement that is continuing and uncured; and

(iv) TechStar shall have received a closing certificate signed by an authorized officer of Target Company.

(3) Additional conditions to the obligations of the Merger Sub and the Target Company

The obligations of the Target Company to complete the De-SPAC Transaction are subject to the satisfaction of the following additional conditions (or if permitted by applicable law, waived in writing by the Target Company):

(i) Certain representations and warranties shall be true and correct in all respects as of the Closing Date. All other representations and warranties of TechStar shall be true and correct in all material respects except where the failure of such representations and warranties to be so true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have, a TechStar material adverse effect as set out in the Business Combination Agreement;

(ii) All obligations and covenants of TechStar set forth in the Business Combination Agreement to be performed by the Closing Date shall have been performed in all material respects, unless a specific materiality qualifier or similar exception applies, in which case they shall have been fully performed;

(iii) There shall have not been a TechStar material adverse effect following the date of the Business Combination Agreement that is continuing and uncured; and

(iv) The Target Company shall have received a closing certificate and certain transaction expense certificate signed by an authorized officer of TechStar.

(g) Termination

The Business Combination Agreement may be terminated prior to the Merger Effective Time only as follows:

(i) by mutual written consent of the Target Company and TechStar;

(ii) by written notice from the Target Company or TechStar to the other if any governmental authority shall have enacted, issued, promulgated, enforced or entered any governmental order which has become final and non-appealable and has the effect of making consummation of the transactions illegal or otherwise preventing or prohibiting consummation of the transactions;

(iii) by written notice from the Target Company to TechStar if the TechStar Board or any committee thereof has withheld, withdrawn, qualified, amended or modified, or publicly proposed or resolved to withhold, withdraw, qualify, amend or modify, the TechStar Board recommendation;

(iv) by written notice from the Target Company to TechStar if the TechStar Shareholders' approval shall not have been obtained by reason of the failure to obtain the required vote at the TechStar Shareholders' meeting duly convened therefor or at any adjournment or postponement thereof in accordance with the Business Combination Agreement;

(v) by written notice from TechStar to the Target Company if the Target Company Shareholders' approval shall have been withheld, withdrawn, qualified, amended or modified;

(vi) by written notice from TechStar to the Target Company if there is any breach of any representation, warranty, covenant or agreement on the part of the Target Company or the Merger Sub set forth in the Business Combination Agreement, such that the conditions set out in "– (f) Conditions to Closing – (2) Additional conditions to the obligations of TechStar" would not be satisfied at the relevant Closing Date (a "**Terminating Company Breach**"), except that, if such Terminating Company Breach is curable by the Target Company or the Merger Sub then, for a period of up to 30 days after receipt by the Target Company of written notice from TechStar of such breach, such termination shall not be effective, and such termination shall become effective only if the Terminating Company Breach is not cured within such 30-day period, provided that TechStar shall not have the right to terminate the Business Combination Agreement if it is then in material breach of any of its representations, warranties, covenants or agreements set forth in the Business Combination Agreement;

(vii) by written notice from the Target Company to TechStar if there is any breach of any representation, warranty, covenant or agreement on the part of TechStar set forth in the Business Combination Agreement, such that the conditions set out in "– (f) Conditions to Closing – (3) Additional conditions to the obligations of the Merger Sub and the Target Company" would not be satisfied at the relevant Closing Date ("**Terminating TechStar Breach**"), except that if any such Terminating TechStar Breach is curable by TechStar then, for a period of up to 30 days after receipt by TechStar of written notice from the Target Company of such breach, such termination shall not be effective, and such termination shall become effective only if the Terminating TechStar Breach is not cured within such 30-day period, provided that Target Company shall not have the right to terminate the Business Combination Agreement pursuant to the Section 10.1(g) if it is then in material breach of any of its representations, warranties, covenants or agreements set forth in the Business Combination Agreement;

(viii) by written notice from TechStar or the Target Company to the other, if the transactions contemplated by the Business Combination Agreement shall not have been consummated on or prior to the 11:59 p.m. (Hong Kong time) on December 22, 2025 (or such extended date as otherwise approved by the Stock Exchange) (the "**Outside Date**"), being the deadline on which the transactions contemplated by the Business Combination Agreement is required to be completed under the Listing Rules, subject to compliance with the requirements of Rule 18B.71 of the Listing Rules which requires the approval of the TechStar Class A Shareholders; provided that the right to terminate the Business Combination Agreement will not be available to any party whose breach of any provision of the Business Combination Agreement primarily caused or resulted in the failure of the transactions to be consummated by such time, provided, further that, to the extent permitted under the TechStar Articles and applicable law, the Outside Date may be extended to a later date by mutual written consent of the Target Company and TechStar, in which case such later date shall be deemed the "Outside Date"; or

(ix) by written notice from TechStar or the Target Company to the other, if any of the PIPE Investment Agreements are terminated resulting in the value of minimum independent third-party investment being less than HK$500 million and such shortfall is not cured within 30 business days following such termination, provided that Target Company's ability to terminate the Business Combination Agreement pursuant to this clause is subject to certain limitations.

Upon termination of the Business Combination Agreement, such agreement will become void and have no effect and the De-SPAC Transaction will not proceed, except that certain surviving provisions will survive termination.

(h) Closing

Closing will occur immediately upon completion of the transactions contemplated to take place immediately after the Effective Time, including, but not limited to, the transactions set out in "– (e) Merger consideration" above.

Subject to the satisfaction (or if applicable and permitted by law, waiver) of the Conditions, it is currently expected that Closing will take place in the fourth quarter of 2025.

2. Bonus Share Issue

As explained in "F. The Business Combination Agreement – 1. Principal terms of the Business Combination Agreement – (e) Merger consideration" above, immediately following the Merger Effective Time, each TechStar Class A Share issued and outstanding immediately prior to the Merger Effective Time (other than any TechStar Class A Shares issued or issuable upon the TechStar Class B Conversion, Redeeming TechStar Shares and Dissenting TechStar Shares) will automatically be cancelled and cease to exist in exchange for the right to receive 1.10 newly issued Successor Company Shares. No fraction of a Successor Company Share will be issued, and each TechStar Shareholder that would otherwise be so entitled to a fraction of a Successor Company Share (after aggregating all fractional Successor Company Shares that otherwise would be received by such TechStar Shareholder) will instead be entitled to receive such number of Successor Company Shares to which such TechStar Shareholder would otherwise be entitled, rounded down to the nearest whole Successor Company Share.

The entitlement of the Relevant TechStar Class A Shareholders to receive the Bonus Shares, being the additional one tenth (0.1) of a newly issued Successor Company Share for each TechStar Class A Share held by them, is intended to disincentivize the TechStar Shareholders from exercising their Redemption Right and Appraisal Right in connection with the De-SPAC Transaction and to become shareholders of the Successor Company upon completion of the De-SPAC Transaction. The number of Bonus Shares to be issued was determined through commercial negotiations among the parties to the Business Combination Agreement, with reference to the estimated Redemption Price.

For the avoidance of doubt, (i) if a Relevant TechStar Class A Shareholder has validly exercised its Redemption Right with respect to a portion (but not all) of its TechStar Class A Shares, such Relevant TechStar Class A Shareholder will receive Bonus Shares with respect to such portion of its TechStar Class A Shares that it has not elected to redeem pursuant to the exercise of the Redemption Right, and (ii) a Dissenting TechStar Shareholder (even if such shareholder fails to perfect in accordance with the prescribed statutory procedure or withdraws or otherwise loses his, her or its Appraisal Right pursuant to the Cayman Companies Act and receives one newly issued Successor Company Share for each Dissenting TechStar Share) will not receive any Bonus Shares with respect to all of his, her or its Dissenting TechStar Shares.

The Bonus Share Issue forms part of the transactions contemplated under the Business Combination Agreement as part of the De-SPAC Transaction, which is subject to the approval of the TechStar Shareholders at the EGM by ordinary resolution.

3. Basis of the Negotiated Value of the Target Company

The negotiated value of the Target Company in the De-SPAC Transaction (the "**Negotiated Value**") is HK$11.7 billion. The Negotiated Value represents the fair value of the Target Company and was determined through arm's length negotiations with the PIPE Investors (who have undertaken independent due diligence on the Target Company) with reference to:

(a) *Most recent round of pre-listing investment:* The Target Company raised an aggregate of US$144 million from four investors in the most recent round of pre-listing investment in 2023. The Target Company's post-money valuation after this round of investment was HK$10.9 billion, which was determined through arm's length negotiations between the Target Company and the then investors, with reference to (i) the business prospects of global LiDAR solutions, (ii) increase in sales volume of the Target Company's products during the material time; (iii) the Target Company's continued investment in R&D and product development through the material time which led to the launch of Robin Series (the Target Company's long-range or wide-FOV compact LiDAR solutions targeting urban low-to-medium speed application scenarios); and (iv) the valuation of comparable companies in the industry. The Negotiated Value represents an approximately 7.4% increase from such valuation.

(b) *Business development and performance:* The Target Group has demonstrated significant growth in recent years. NIO, a pioneer and a leading company in the premium smart electric vehicle market, has elected to adopt the Target Group's LiDAR solutions on its nine models as of the Latest Practicable Date. Other OEMs and ADAS or ADS companies have also selected its LiDAR solutions for integration in a number of their models or ADAS, which have begun volume production and delivery. The Target Group generated total revenue of US$66.3 million, US$121.1 million, US$159.6 million and US$52.0 million in 2022, 2023 and 2024 and five months ended May 31, 2025, respectively.

(c) *Business prospects:* The market size of global LiDAR solutions is expected to reach US$3.5 billion in 2025 and further grow to US$41.3 billion in 2030, representing CAGR of 63.7%, according to CIC. The market size of global LiDAR solutions for ADAS applications is expected to reach US$1.9 billion in 2025 and US$19.7 billion by 2030, representing a CAGR of 59.8%, according to CIC. The market size of global LiDAR solutions for ADS applications is expected to reach US$0.3 billion in 2025 and further to US$12.4 billion by 2030, representing a CAGR of 104.9%, according to CIC.

The funds raised from TechStar's initial offering prior to any redemptions amounted to HK$1,001,000,000. For the purpose of Rule 18B.39 of the Listing Rules, 80% of such amount is HK$800,800,000 (the "**Benchmark Value**"). The TechStar Board and the Joint Sponsors are of the view that the Target Company has a fair market value exceeding the Benchmark Value as of the date of the Business Combination Agreement on the basis that the Negotiated Value is greater than the Benchmark Value by approximately 1,361.0%, and such Negotiated Value, having been determined by negotiations with the PIPE Investors who have undertaken independent due diligence on the Target Company, provides support for the valuation of the Target Company and represents the fair market value of the Target Company. In particular, each of PIPE Investors satisfies the relevant "sophisticated investor" requirements under the Listing Rules as discussed in "– G. PIPE Investments – 4. Information on the PIPE Investors" in this circular below.

4. Board of Directors of the Successor Company

Immediately after the Effective Time, the board of directors of the Successor Company is expected to comprise five directors, as follows:

(a) two executive directors, who will be Dr. Bao and Dr. Li Yimin; and

(b) three independent non-executive directors, who will be Dr. Chen Changling, Dr. Costas John Spanos and Dr. Maximilian Ibel.

See "Directors and Senior Management of the Successor Company" in this circular for biographical details of such directors.

G. PIPE INVESTMENTS

On December 20, 2024, TechStar and the Target Company have entered into the PIPE Investment Agreements with the PIPE Investors as set out below.

1. Principal terms of the PIPE Investments

(a) Subject Matter

Pursuant to the PIPE Investment Agreements, the PIPE Investors have conditionally agreed to subscribe for, and the Target Company (in its capacity as the Successor Company) has conditionally agreed to issue to the PIPE Investors, the PIPE Investment Shares at the price of HK$10.00 per PIPE Investment Share with an aggregate PIPE Investment Amount of HK$551.3 million.

The price of PIPE Investment Share at HK$10.0 represents a discount of approximately 4.8% to the average closing price of approximately HK$10.5 per TechStar Class A Shares as quoted on the Stock Exchange for the last five trading days of TechStar Class A Shares immediately prior to the date of this circular.

(b) Conditions Precedent

The obligations of each PIPE Investor and the Successor Company to consummate the PIPE Investments pursuant to the relevant PIPE Investment Agreements are subject to the satisfaction of the following conditions (or if applicable, waived by the PIPE Investor and/or the Successor Company in writing as applicable to the extent permitted by applicable law):

Conditions to obligations of all parties

(i) all approvals required for the completion of the De-SPAC Transaction (including, without limitation, the shareholders' approval of TechStar, the shareholders' approval of the Target Company, and the approval granted by the Listing Committee for the purpose of authorizing the listing of, and permission to deal in, the Successor Company Shares and Successor Company Warrants) have been obtained and have not been withdrawn;

(ii) all conditions precedent to the closing of the De-SPAC Transaction as set forth in the Business Combination Agreement shall have been fulfilled (as determined by the parties to the Business Combination Agreement) or validly waived in accordance with the terms thereof (other than those conditions which, by their nature can only be satisfied at the closing of the De-SPAC Transaction, provided, however, that such conditions shall be satisfied or validly waived prior to or at the closing of the De-SPAC Transaction), and the closing of the PIPE investment shall occur concurrently with the closing of the De-SPAC Transaction; and

(iii) no Law has been enacted or promulgated by any Governmental Authority (as defined in the PIPE Investment Agreements) prohibiting the transactions contemplated in the PIPE Investment Agreements and the Business Combination Agreement, and there is no valid order or injunction from a court of competent jurisdiction precluding or prohibiting the consummation of such transactions.

Conditions to obligations of the PIPE Investors

(i) the representations and warranties made by TechStar and the Target Company in the respective PIPE Investment Agreements shall be true and accurate in all material respects at and as of the closing of the subscription of the PIPE Investor Shares (except with respect to such representations and warranties which speak as to an earlier date, which representations and warranties shall be true and correct in all material respects at and as of such date), except where the failure of such representations and warranties to be so true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have a material adverse effect on the ability of TechStar and the Target Company to consummate the De-SPAC Transaction and the subscription, as applicable; and

(ii) each of the obligations and covenants of TechStar and the Target Company as set forth in PIPE Investment Agreements and to be performed, satisfied or complied with as of or prior to the closing of the subscription of the PIPE Investor Shares shall have been performed in all material respects.

Conditions to obligations of the Successor Company

(i) The representations and warranties made by the PIPE Investor therein shall be true and accurate in all material respects at and as of the Closing Date (except with respect to such representations and warranties which speak as to an earlier date, which representations and warranties shall be true and correct in all material respects at and as of such date), except where the failure of such representations and warranties to be so true and correct, individually or in the aggregate, has not had, and would not reasonably be expected to have a material adverse effect on the ability of PIPE Investor to consummate the subscription; and

(ii) each of the obligations and covenants of the PIPE Investor as set forth in PIPE Investment Agreements and to be performed as of or prior to the closing of the subscription of the PIPE Investor Shares shall have been performed, satisfied or complied with in all material respects.

(c) Closing

The PIPE Investors will subscribe for the PIPE Investment Shares contemporaneously with the closing of the Merger, at such time and in such manner as shall be determined by TechStar and the Target Company.

(d) Termination

Each of the PIPE Investment Agreements may be terminated in the following circumstances:

(i) by the Target Company, in the event that (x) the PIPE Investor fails to pay the purchase price of the PIPE Investment Shares (whether in whole or in part) at the time and in the manner set out in the PIPE Investment Agreement, or (y) if any of the warranties, undertakings, representations or acknowledgements made by the PIPE Investor ceases to be accurate and complete or becomes misleading in any respect;

(ii) with the written consent of all the parties to the PIPE Investment Agreement or for PIPE Investor, by written notice given by either party to terminate such PIPE Investment Agreement;

(iii) the date on which the Business Combination Agreement is validly terminated in accordance with the terms thereof; or

(iv) if the closing of the subscription of the PIPE Investor Shares (other than as a result of a breach of the PIPE Investor's obligations) has not occurred within thirty (30) days after the Outside Date; provided that (i) the PIPE Investor shall not have the right to terminate PIPE Investment Agreements in the event of a breach by the PIPE Investor of any of its covenants or obligations hereunder that directly or indirectly results in the failure to consummate the transactions contemplated by the Business Combination Agreement on or prior to the closing of the subscription of the PIPE Investor Shares; and (ii) nothing in PIPE Investment Agreements shall relieve any of the parties from liability for any willful breach of PIPE Investment Agreements prior to termination, and each of the parties shall be entitled to any remedies available to it at law or in equity for losses, liabilities or damages arising from any such willful breach.

(e) Restrictions on PIPE Investors

The PIPE Investors agree that:

(i) except with the prior written consent of TechStar and the Target Company, the aggregate shareholding (directly and indirectly) of each PIPE Investor and its close associates shall be less than 10% of the total issued share capital of the Successor Company (or such other percentage as may be prescribed by the Listing Rules from time to time for the purpose of the definition of substantial shareholder, or such other percentage as may from time to time be specified by the Stock Exchange for the purpose of constituting a public shareholder). The PIPE Investor shall provide written notice to TechStar and the Target Company if it reasonably expects that the aggregate shareholding (directly and indirectly) of the PIPE Investor and its close associates in the entire issued share capital of the Successor Company will reach or exceed 10% (or such other percentage applicable to substantial shareholder(s) as the Listing Rules may ascribe from time to time);

(ii) other than PIPE Investment Agreements, the PIPE Investor and its respective close associates, directors, officers, employees or agents will not enter into any other arrangement or agreement, including any side letter, with TechStar, the controlling shareholders of TechStar, the Target Company, Promoters, Controlling Shareholders or their respective close associates, directors, officers, employees or agents in each case in connection with the De-SPAC Transaction; and

(iii) the PIPE Investor may transfer all or a portion of the PIPE Investor Shares to any wholly owned subsidiary of the PIPE Investor provided that following conditions are met:

(A) Prior to such transfer, such subsidiary of the PIPE Investor shall make a written undertaking (addressed to SPAC and the Target Company in terms reasonably satisfactory to them) agreeing to, and the PIPE Investor shall undertake to procure such subsidiary of the PIPE Investor to, be bound by the obligations of the PIPE Investor under the PIPE Investment Agreement, as if such subsidiary was a party to this Agreement and subject to such obligations and restrictions hereto;

(B) Such subsidiary of the PIPE Investor is deemed to have made the same representations and warranties under the PIPE Investment Agreement;

(C) The PIPE Investor and such subsidiary of the PIPE Investor are deemed to be investors holding all of the PIPE Investor Shares and are jointly and severally subject to all of the liabilities and obligations imposed by PIPE Investment Agreement; and

(D) Such subsidiary of the PIPE Investor is (x) a qualified institutional buyer or (y) is located outside the United States, and will purchase the PIPE Investor Shares in an offshore transaction pursuant to Regulation S under the U.S. Securities Act.

The restrictions on PIPE Investors shall not contravene any applicable Listing Rules. In the event of any discrepancy or conflict between these restrictions and the Listing Rules, the Listing Rules shall prevail.

2. PIPE Investment Amount

Details of the respective PIPE Investment Amount for the subscription of PIPE Investment Shares by each PIPE Investor are set out below:

Name of PIPE Investors	Amount of PIPE Investment	Number of Successor Company Shares to be issued to the relevant PIPE Investor	PIPE Investment amount of the relevant PIPE Investor as a percentage of Negotiated Value of the Target Company	Percentage of the interests held by the relevant PIPE Investor in the Successor Company upon completion of the De-SPAC Transaction (assuming full redemption of TechStar Class A Shares)(1)	Percentage of the interests held by the relevant PIPE Investor in the Successor Company upon completion of the De-SPAC Transaction (assuming no redemption of TechStar Class A Shares)(2)
Huangshan Construction Investment Capital	HK$387,500,000	38,750,000	3.31%	3.10%	2.85%
Wealth Strategy	HK$156,000,000	15,600,000	1.33%	1.25%	1.15%
Zhuhai Hengqin Huagai	HK$7,800,000	780,000	0.07%	0.06%	0.06%
Total	**HK$551,300,000**	**55,130,000**	**4.71%**	**4.41%**	**4.06%**

Notes:

(1) Assuming (i) the Capital Restructuring is completed; (ii) all TechStar Shareholders elect to redeem all TechStar Class A Shares and/or exercise their Appraisal Right in full; (iii) there is no exercise of warrants; (iv) no Permitted Equity Financing occurs; and (v) no new share of the Target Company is issued before the De-SPAC Transaction.

(2) Assuming (i) the Capital Restructuring is completed; (ii) no TechStar Shareholders elect to redeem any TechStar Class A Shares and/or exercise their Appraisal Right; (iii) there is no exercise of warrants; (iv) no Permitted Equity Financing occurs; and (v) no new share of the Target Company is issued before the De-SPAC Transaction.

The PIPE Investment Amount for each PIPE Investment was determined after arm's length negotiation between the parties to the respective PIPE Investment Agreements taking into account the pre-money equity value of the Target Company of HK$11.7 billion, the effect of the De-SPAC Transaction on shareholdings in the Successor Company, the current development plan of the Target Company and its need for proceeds.

The PIPE Investment Amount is expected to be funded by the respective PIPE Investors by internal funds. At least three Business Days prior to the scheduled date of closing of the PIPE Investments, each PIPE Investor will deliver to the Target Company its respective PIPE Investment Amount in Hong Kong dollars by wire transfer in immediately available funds without any deduction or set-off to the bank account specified by the Target Company to be held in escrow until the closing of the PIPE Investments.

3. Total Funds to be Raised from Independent PIPE Investors

Pursuant to the modified Rule 18B.41 of the Listing Rules, the total funds raised from independent third-party investors must constitute at least the prescribed percentage of the negotiated value of the De-SPAC target, or HK$500 million, whichever is lower.

As the total funds to be raised from the PIPE investments amount to approximately HK$551.3 million, exceeding HK$500.0 million, the minimum independent third-party investment requirement under Rule 18B.41 of the Listing Rules as modified by the Stock Exchange has been satisfied. See the subsection headed "G. PIPE Investments – 4. Information on the PIPE Investors" below for more details of the eligibility of relevant PIPE Investors.

4. Information on the PIPE Investors

(a) Huangshan Construction Investment Capital

Huangshan Construction Investment Private Equity Fund Management Co., Ltd. (黃山建投私募基金管理有限公司) ("**Huangshan Construction Investment Capital**") is a limited liability company incorporated in the PRC with a paid-up share capital of RMB50.0 million. It is a wholly-owned subsidiary of Huangshan Construction Investment Group Co., Ltd. (黃山市建設投資集團有限公司) ("**Huangshan Construction Investment Group**"), which is in turn wholly owned by the State-owned Assets Supervision and Administration Commission of the People's Government of Huangshan City (黃山市人民政府國有資產監督管理委員會).

Huangshan Construction Investment Capital is a platform of Huangshan Construction Investment Group with functions of professional private equity investment, equity investment management and capital operation, which wholly owns Huangshan Construction Investment (Hong Kong) International Limited in Hong Kong as its offshore arm. Huangshan Construction Investment Capital are experienced in merger and acquisition and onshore and offshore investment, such as the acquisition of Changzhou NRB Corporation (常州光洋軸承股份有限公司) ("**NRB**"), a company listed on the Shenzhen Stock Exchange (stock code: 002708) and the subscription as a cornerstone investor in the initial public offering of Ruichang International Holdings Limited on the Stock Exchange (stock code: 1334).

Huangshan Construction Investment Group is a Class I state-owned capital investment and operation company of Huangshan City with a registered capital of RMB5.0 billion, which owns approximately 90 affiliates, including NRB. The main functions of Huangshan Construction Investment Group include investment and financing of urban and rural construction, comprehensive urban operations, investment and development of strategic and emerging industries, and development and operation of industrial zone, focusing on urban and rural construction, modern service industry, logistics and trade, energy and resources industry, and investment in strategic emerging industry. Huangshan Construction Investment Group assumes the responsibility of development and construction of key projects, industrial investment and caption operation of Huangshan City. As of December 31, 2024, Huangshan Construction Investment Group's credit rating was AA+ and had total assets of approximately RMB50 billion and a diverse investment portfolio size of over RMB10 billion.

(b) Wealth Strategy

Wealth Strategy Holding Limited (富策控股有限公司) ("**Wealth Strategy**") is a company incorporated in Hong Kong and wholly owned by Wealth Strategy Group Limited, an investment company incorporated in the British Virgin Islands, which is wholly owned by Mr. Kung Hung Ka (龔虹嘉). Wealth Strategy holds approximately 3.76% of the equity interests in Zero2IPO Holdings Inc. (the holding company of Zero2IPO Capital Limited, being one of the Promoters) and controlled, through Fortune Opportunity Fund, 30,910,000 TechStar Class A Shares, representing 24.71% of total issued TechStar Shares, and 15,455,000 TechStar Listed Warrants. Mr. Kung Hung Ka is a non-executive director of Zero2IPO Holdings Inc. and is also a director of Zero2IPO Consulting Group Co., Ltd., being one of the Promoters. Mr. Kung Hung Ka has not been involved in the overall management and the daily operation of Zero2IPO Holdings Inc. and Zero2IPO Consulting Group Co., Ltd., who only provides general guidance and advice on the business strategies. Mr. Kung Hung Ka is not one of the senior members of the Promoters' professional team experienced in corporate finance advisory service. Fortune Opportunity Fund was a discretionary fund which was controlled by Wealth Strategy. From the listing of TechStar to the date of this circular, Mr. Kung and Fortune Opportunity Fund have complied with the non-dealing undertaking pursuant to Rule 18B.15 of the Listing Rules because (i) Wealth Strategy has not disposed of any participating share of Fortune Opportunity Fund; and (ii) Fortune Opportunity Fund has not dealed in any TechStar Class A Share and TechStar Listed Warrant. Wealth Strategy is an investment holding company and had a diverse investment portfolio size of over HK$8.0 billion as of December 31, 2024, which invests directly or indirectly in life sciences, medicine, education, Internet and technology, media & telecommunications (TMT) industry.

(c) Zhuhai Hengqin Huagai

Zhuhai Hengqin Huagai Jiuyuan Investment Company Limited (珠海橫琴華蓋玖元股權投資有限公司) ("**Zhuhai Hengqin Huagai**") is a limited liability company established under the laws of the PRC. Zhuhai Hengqin Huagai is a wholly-owned subsidiary of Huagai Capital Co., Ltd. (華蓋資本有限責任公司) ("**Huagai Capital**"), being one of investment arms of Huagai Capital. Zhuhai Hengqin Huagai holds 0.1459% of the equity interests in Zero2IPO Consulting Group Co., Ltd., being one of the Promoters.

Huagai Capital is a company established under the laws of the PRC and is ultimately controlled by Xu Xiaolin (許小林) and Lu Binghui (鹿炳輝), each of whom is an independent third party and a founder of Huagai Capital. Huagai Capital primarily invests in emerging growth companies with a focus on healthcare and technology industry. As of December 31, 2024, the amount of assets under management by Huagai Capital exceeded RMB10.0 billion.

To the best of the TechStar Directors' knowledge, information and belief having made all reasonable enquiries, (i) each of the PIPE Investors satisfies the independence requirements as set out in Chapter 2.4 of the Guide for New Listing Applicants; (ii) each of the PIPE Investors is a Professional Investor; and (iii) each of the PIPE Investors satisfies the "sophisticated investor" requirements as set out in Chapter 2.4 of the Guide for New Listing Applicants.

5. Use of Proceeds

The gross proceeds from the PIPE Investments will be approximately HK$551.3 million. After deducting the De-SPAC Transaction expenses and assuming 100% of TechStar Class A Shareholders exercise redemption rights with respect to their TechStar Class A Shares and there is no Permitted Equity Financing, the net proceeds which the Successor Company will receive from the De-SPAC Transaction are estimated to be approximately HK$474.0 million, will be used for the following:

(a) approximately 60%, or HK$284.4 million, will be used for research and development of new LiDAR architectures, hardware and software upgrades;

(b) approximately 20%, or HK$94.8 million, will be used for upgrade of existing production lines. We plan to upgrade the automation of existing production lines to support volume production for next-generation LiDAR solution hardware and increasing production orders from OEMs and customers for non-automotive application scenarios globally;

(c) approximately 10%, or HK$47.4 million, for our global expansion. We intend to enhance our global business development and sales and marketing efforts, including hiring experienced staff for the expansion of localized sales and marketing teams in overseas markets, aiming to strengthen our business relationships with OEMs globally; and

(d) approximately 10%, or HK$47.4 million, for general corporate purposes, which may include working capital needs and potential strategic investments and acquisitions, although we have not identified any specific investments or acquisition opportunities at this time.

See "Future Plans and Use of Proceeds" for details.

H. OTHER ARRANGEMENTS

1. Promoters Lock-up Agreement

Concurrently with the execution of the Business Combination Agreement, TechStar, the Target Company and the Promoters entered into an agreement, pursuant to which, among other things, and subject to the terms and conditions set forth therein, each of the Promoters has agreed (a) not to transfer the Successor Company Shares to be received by such Promoter (including not to exercise any Successor Company Promoter Warrants) for a period of 12 months from the Closing Date, and (b) to unconditionally and irrevocably waive their Appraisal Right and Redemption Right pursuant to the Cayman Companies Act in respect to all TechStar Shares held by such Promoter with respect to the De-SPAC Transaction (including the Merger and the Business Combination Agreement).

2. Target Company Shareholder Lock-up Agreement

Concurrently with the execution of the Business Combination Agreement, TechStar, the Target Company and the Controlling Shareholders (including Dr. Bao, High Altos Limited and Phthalo Blue LLC) entered into an agreement, pursuant to which, among other things, and subject to the terms and conditions set forth therein, each of the Controlling Shareholders will agree not to transfer the Successor Company Shares to be received by such holder and controlled through the Voting Proxy Agreements for a period of six months from the Closing Date.

In connection with the Business Combination Agreement, TechStar, the Target Company and certain existing Target Company Shareholders also entered into respective agreements with substantially similar terms pursuant to which, among other things, and subject to the terms and conditions set forth therein, each relevant existing Target Company Shareholder will agree not to transfer the Successor Company Shares to be received by them for a period of six months from the Closing Date. For identities of the existing Target Company Shareholders who will be subject to the foregoing lock-up obligations, see "History, Development and Corporate Structure of the Target Group — Capitalization of the Target Company".

3. Successor Company Listed Warrant Instrument

On or prior to the Closing Date, the Target Company will approve and adopt the listed warrant instrument by way of deed poll, to take effect at the Effective Time and containing the terms and conditions of the Successor Company Listed Warrants, which are substantially the same as the terms and conditions of the TechStar Listed Warrants under the TechStar Listed Warrant Instrument. Details of the terms and conditions of the Successor Company Listed Warrants are disclosed in Appendix VIII in the Circular.

4. Successor Company Promoter Warrant Agreement

On or prior to the Closing Date, the Target Company, the Promoters and certain other parties named therein will enter into a warrant agreement, to take effect at the Effective Time and containing the terms and conditions of the Successor Company Promoter Warrants, which are substantially the same as the terms and conditions of the TechStar Promoter Warrants under the TechStar Promoter Warrant Agreement. Details of the terms and conditions of the Successor Company Promoter Warrants are disclosed in Appendix VIII in the Circular.

5. Amendment of the TechStar Listed Warrant Instrument

Pursuant to condition 11.2(a)(iii) of the terms and conditions of the TechStar Listed Warrants set out in schedule 2 to the TechStar Listed Warrant Instrument, the TechStar Board has resolved to add the following new clause 5A to the TechStar Listed Warrant Instrument:

"**5A. Exchange of Listed Warrants for Successor Company Listed Warrants and Termination of This Instrument**

In the event that the Successor Company which is listed on the Stock Exchange upon the completion of a De-SPAC Transaction is the De-SPAC Target and not the Company:

(a) *each Listed Warrant may by a resolution of the board of directors of the Company be cancelled in exchange for an equivalent listed warrant in the Successor Company on substantially the same terms and conditions as the Listed Warrants; and*

(b) *this Instrument may by a resolution of the board of directors of the Company be terminated upon the Successor Company executing a warrant instrument with substantially similar terms and conditions as this Instrument.*"

For avoidance of doubt, the Company in new clause 5A refers to TechStar and Listed Warrant in new clause 5A refers to TechStar Listed Warrants.

The TechStar Board has considered that the addition of clause 5A to the TechStar Listed Warrant Instrument (a) would not adversely affect the rights of the holders of the TechStar Listed Warrants in any material respect on the basis that each TechStar Listed Warrant will be exchanged for an equivalent Successor Company Listed Warrant on substantially similar terms and conditions, and the Successor Company will assume each such TechStar Listed Warrant in accordance with its terms, and (b) is necessary or desirable to give effect to the arrangements of the De-SPAC Transaction with respect to the TechStar Listed Warrants.

Based on the above and pursuant to the terms and conditions of the TechStar Listed Warrant Instrument, the amendment to the TechStar Listed Warrant Instrument does not require the consent of any holder of the TechStar Listed Warrants but is subject to the approval of the Stock Exchange under Rule 15.06 of the Listing Rule. TechStar has applied to the Stock Exchange for, and the Stock Exchange has granted, its consent on such amendments to the TechStar Listed Warrant Instrument.

A notice of the above amendment to the TechStar Listed Warrant Instrument has been given to the holders of the TechStar Listed Warrants by way of an announcement published on the websites of the Stock Exchange and TechStar.

6. Permitted Equity Financing

From the date of the Business Combination Agreement until the Effective Time, TechStar and the Target Company may (1) enter into one or more permitted equity subscription agreements in substantially the same form as the PIPE Investment Agreements with one or more Professional Investors, and/or (2) execute a placing agreement (the "**Placing Agreement**") with the Overall Coordinators and one or more of the other capital market intermediaries (together, the "**Placing Agents**") for placement on a best effort (and not on an underwritten basis) of the Successor Company Shares (the "**Placing**"), in each case at the price of HK$10.00 per share, for an aggregate subscription amount under (1) (if any) and (2) of up to HK$1,000,000,000 that would together constitute a Permitted Equity Financing.

In respect of the Placing, the Placing Agents will be soliciting from prospective Professional Investors indications of interest in subscribing for the Successor Company Shares in the Placing. Prospective Professional Investors will be required to specify the number of Successor Company Shares under the Placing they would be prepared to acquire at the price of HK$10.00 per share. This process, known as "book-building", is expected to commence at any time after the publication of this circular up to, and to end on or about the date of the EGM (which is currently expected to be December 1, 2025), after which the Placing Agreement is expected to be entered into.

It is expected that the Placing will include selective marketing of the Successor Company Shares to Professional Investors only in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S. Professional Investors may generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities. Allocation of the Successor Company Shares in the Placing will be effected in accordance with the "book-building" process described above based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Successor Company Shares and/or hold or sell its Successor Company Shares after the Listing. Such allocation is intended to result in a distribution of the Successor Company Shares on a basis which would lead to the establishment of a professional (including institutional) shareholder base to the benefit of the Successor Company and its shareholders as a whole.

The purpose of the Permitted Equity Financing (including the Placing) is to raise additional funds and to satisfy the requirement under Listing Rule 18B.65 for there to be a minimum number of 100 Professional Investors at the time of listing of the Successor Company.

The Permitted Equity Financing (including the Placing), if any, will be subject to approval by the TechStar Shareholders at the EGM, together with the De-SPAC Transaction as one resolution. There is no assurance that the Permitted Equity Financing (including the Placing) will take place as contemplated or at all and that, if any, the aggregate subscription amount of will reach HK$1,000,000,000. Details of any Permitted Equity Financing (including the Placing), if any, will be announced by TechStar as soon as reasonably practicable after the relevant documentation (in particular, in respect of the Placing, the Placing Agreement) is entered into.

I. EFFECT OF THE DE-SPAC TRANSACTION ON SHAREHOLDINGS IN TECHSTAR AND THE SUCCESSOR COMPANY

As explained in "F. The Business Combination Agreement – 1. Principal terms of the Business Combination Agreement – (e) Merger consideration" above, immediately prior to the Merger Effective Time, (i) each of TechStar Class B Shares that is issued and outstanding immediately prior to the Merger Effective Time and held by the Promoters shall automatically be converted into one TechStar Class A Share in accordance with the terms of the TechStar Articles and each such TechStar Class B Share shall no longer be issued and outstanding and shall be cancelled and cease to exist, (ii) each TechStar Class A Share issued and outstanding immediately prior to the Merger Effective Time (other than any TechStar Class A Shares issued or issuable upon the TechStar Class B Conversion, Redeeming TechStar Shares and Dissenting TechStar Shares) will automatically be cancelled and cease to exist in exchange for the right to receive 1.10 newly issued Successor Company Shares, and each TechStar Class A Share issued or issuable upon the TechStar Class B Conversion, will automatically be cancelled and cease to exist in exchange for the right to receive one newly issued Successor Company Share, (iii) each TechStar Listed Warrant issued and outstanding immediately prior to the Merger Effective Time will automatically be cancelled and cease to exist in exchange for the right to receive one Successor Company Listed Warrant. Each Successor Company Listed Warrant will have and be subject to substantially the same terms and conditions as were applicable to such TechStar Listed Warrant immediately prior to the Merger Effective Time (including any repurchase rights and cashless exercise provisions) in accordance with the provisions of the Successor Company Listed Warrant Instrument. All rights with respect to TechStar Shares underlying the TechStar Listed Warrants assumed by the Successor Company will be converted into rights with respect to the Successor Company Shares, (iv) each TechStar Promoter Warrant issued and outstanding immediately prior to the Merger Effective Time will automatically be cancelled and cease to exist in exchange for the right to receive one Successor Company Promoter Warrant. Each Successor Company Promoter Warrant will have and be subject to substantially the same terms and conditions as were applicable to such TechStar Promoter Warrant immediately prior to the Merger Effective Time (including any redemption rights and cashless exercise provisions) in accordance with the provisions of the Successor Company Promoter Warrant Agreement. All rights with respect to TechStar Shares underlying the TechStar Promoter Warrants assumed by the Successor Company will be converted into rights with respect to the Successor Company Shares, (v) each Redeeming TechStar Share issued and outstanding immediately prior to the Merger Effective Time will automatically be cancelled and cease to exist and will represent only the right of the holder thereof to be paid a pro rata share of the TechStar Shareholder Redemption Amount in accordance with the TechStar Articles, and (vi) each Dissenting TechStar Share issued and outstanding immediately prior to the Merger Effective Time held by a Dissenting TechStar Shareholder will automatically be cancelled and cease to exist and will represent only the right of such Dissenting TechStar Shareholder to be paid the fair value of such Dissenting TechStar Share and such other rights pursuant to Section 238 of the Cayman Companies Act.

TechStar Class A Shareholders (excluding any TechStar Class A Shares issued or issuable upon the TechStar Class B Conversion, Redeeming TechStar Shares and Dissenting TechStar Shares) and TechStar Class B Shareholder(s) will become shareholders of the Successor Company together with the PIPE Investors and the existing shareholders of the Target Company.

The detailed procedures with respect to exchanging TechStar Class A Shares (save for the Redeeming TechStar Shares and Dissenting TechStar Shares, details of which are set out in "– N. Share Redemptions" and "– O. Appraisal Right of Dissenting TechStar Shareholders" in this section below) and TechStar Listed Warrants for securities in the Successor Company are set out below.

1. Exchange of TechStar Class A Shares for Successor Company Shares

Closure of register of members of TechStar

The register of members of TechStar will be closed from Friday, December 5, 2025 onwards in order to determine the entitlements of TechStar Class A Shareholders to the right to receive Successor Company Shares (including the Bonus Shares). The latest time to lodge transfer documents for registration with the TechStar's Hong Kong Share Registrar will be at 4:30 p.m. on Thursday, December 4, 2025.

Automatic conversion of TechStar Class B Shares

Immediately following the Capital Restructuring, each TechStar Class B Share held by the Promoters that is issued and outstanding immediately prior to the Merger Effective Time and held by the Promoters will automatically be converted into one fully paid TechStar Class A Share with the terms of the TechStar Articles, and all of the TechStar Class B Shares will no longer be issued and outstanding and will be cease to exist.

Cancellation of TechStar Class A Shares and Exchange of Successor Company Shares

Immediately following the conversion of TechStar Class B Shares, (i) each TechStar Class A Share issued immediately prior to the Merger Effective Time (other than any TechStar Class A Shares issued in connection with the TechStar Class B Conversion, Redeeming TechStar Shares and Dissenting TechStar Shares) will automatically be cancelled and cease to exist in exchange for the right to receive 1.10 newly issued Successor Company Shares; and (ii) each TechStar Class A Share issued in connection with the conversion of TechStar Class B Shares as disclosed above will automatically be cancelled and cease to exist, in exchange for the right to receive one newly issued Successor Company Share. No fraction of a Successor Company Share shall be issued, and each holder of TechStar Shares that would otherwise be so entitled to a fraction of a Successor Company Share (after aggregating all fractional Successor Company Shares that otherwise would be received by such shareholder) shall instead be entitled to receive such number of Successor Company Shares to which such shareholder would otherwise be entitled, rounded down to the nearest whole Successor Company Share. If there are any treasury shares of TechStar, such treasury shares shall automatically be cancelled and shall cease to exist without any conversion thereof or payment or other consideration therefor.

Issue of Successor Company Shares

Immediately following the Merger Effective Time, Successor Company Shares will be issued to TechStar Class A Shareholders (other than the Redeeming TechStar Shareholders and, if applicable, the Dissenting TechStar Shareholders) in such number as described above for each TechStar Class A Share issued and outstanding immediately prior to the Merger Effective Time.

Share certificates for Successor Company Shares will be dispatched on the Business Day immediately preceding the date of the Effective Time. On the basis that the Merger Effective Time is on Wednesday, December 10, 2025, the share certificates for settlement of the Successor Company Shares are expected to be dispatched on or before Tuesday, December 9, 2025.

In respect of the Successor Company Shares which the TechStar Class A Shareholders (excluding the Redeeming TechStar Shareholders and, if applicable, the Dissenting TechStar Shareholders) are entitled to receive in exchange for the cancellation of their TechStar Class A Shares under the Merger, each TechStar Class A Shareholder will be sent one share certificate representing all Successor Company Shares, except for HKSCC Nominees which may request for share certificates to be issued in such denominations as it may specify.

Any share certificates of Successor Company Shares posted to the TechStar Class A Shareholders pursuant to the Merger which have been returned or undelivered will be cancelled. The Successor Company's Hong Kong Share Registrar may thereafter issue new share certificates in respect of such Successor Company Shares to persons who satisfy the Successor Company that they are respectively entitled thereto, and transfer to them all accrued entitlements from the date of allotment and issue of the relevant Successor Company Shares, subject to the payment of any expenses incurred.

Share certificates for the Successor Company Shares will be sent by ordinary post to the persons entitled thereto at their respective registered addresses or, in the case of joint holders, to the registered address of that joint holder whose name then stands first in the register of members of TechStar in respect of the joint holding at their own risk. For Beneficial Owners that hold TechStar Class A Shares through a nominee (other than HKSCC Nominees) as a Registered Shareholder, share certificates issued in the name of the nominee will be sent by ordinary post to the nominee at its respective registered address in the register of members of TechStar at the risk of the nominee.

For Beneficial Owners whose TechStar Class A Shares are deposited in CCASS and registered under the name of HKSCC Nominees, share certificate(s) will be made available for collection by HKSCC Nominees. Upon receipt of the share certificate(s), HKSCC Nominees will cause such Successor Company Shares to be transferred to the relevant HKSCC participants in accordance with the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

2. Exchange of TechStar Listed Warrants for Successor Company Listed Warrants

Closure of register of warrantholders of TechStar

The register of warrantholders of TechStar will be closed from Friday, December 5, 2025 onwards in order to determine the entitlements of TechStar Warrantholders to the right to receive Successor Company Listed Warrants. The latest time to lodge transfer documents for registration with the TechStar's Hong Kong Share Registrar will be at 4:30 p.m. on Thursday, December 4, 2025.

Cancelation of TechStar Listed Warrants

Immediately following the Merger Effective Time, each TechStar Listed Warrant that is outstanding immediately prior to the Merger Effective Time will be automatically canceled and cease to exist in exchange for one Successor Company Listed Warrant, and the Successor Company will assume each such TechStar Listed Warrant in accordance with its terms. All rights with respect to TechStar Shares underlying the relevant TechStar Listed Warrants assumed by the Successor Company will be converted into rights with respect to the Successor Company Shares.

Issue of Successor Company Listed Warrants

In accordance with the provisions of the Successor Company Listed Warrant Instrument, each Successor Company Listed Warrant will continue to have and be subject to substantially the same terms and conditions as were applicable to such TechStar Listed Warrant immediately prior to the Merger Effective Time under the TechStar Listed Warrant Instrument.

Immediately following the Merger Effective Time, Successor Company Listed Warrants will be issued to TechStar Listed Warrantholders for each TechStar Listed Warrant issued immediately prior to the Merger Effective Time.

For Beneficial Owners whose TechStar Listed Warrants are deposited in CCASS and registered under the name of HKSCC Nominees, warrant certificate(s) will be addressed to and made available for collection by HKSCC Nominees. Upon receipt of the warrant certificate(s), HKSCC Nominees will cause such Successor Company Listed Warrants to be transferred to the relevant HKSCC participants in accordance with the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

3. Exchange of TechStar Promoter Warrants for Successor Company Promoter Warrants

Cancelation of TechStar Promoter Warrants

Immediately following the Merger Effective Time, each TechStar Promoter Warrant issued and outstanding immediately prior to the Merger Effective Time will automatically be cancelled and cease to exist in exchange for the right to receive one Successor Company Promoter Warrant. All rights with respect to TechStar Shares underlying the TechStar Promoter Warrants assumed by the Successor Company will be converted into rights with respect to the Successor Company Shares.

Issue of Successor Company Promoter Warrants

Each Successor Company Promoter Warrant will have and be subject to substantially the same terms and conditions as were applicable to such TechStar Promoter Warrant immediately prior to the Merger Effective Time (including any redemption rights and cashless exercise provisions) in accordance with the provisions of the Successor Company Promoter Warrant Agreement.

Immediately following the Merger Effective Time, Successor Company Promoter Warrants will be issued to warrantholders of TechStar Promoter Warrants for each TechStar Promoter Warrant issued immediately prior to the Merger Effective Time.

Pursuant to the Promoters Lock-up Agreement, the number of Successor Company Promoter Warrants will be subject to certain restrictions following Closing. See “H. Other Arrangements – 1. Promoters Lock-up Agreement” above for further details.

4. Validity of Successor Company Share and Warrant Certificates

No temporary document of title will be issued in respect of the Successor Company Shares and the Successor Company Warrants.

The certificates for the Successor Company Shares and Successor Company Warrants will be dispatched and/or deposited into CCASS (as applicable) on or before Tuesday, December 9, 2025 but such certificates will only become valid at Closing. Investors who trade the Successor Company Shares or the Successor Company Warrants prior to the certificates for the Successor Company Shares and/or the Successor Company Warrants becoming valid do so entirely at their own risk.

5. Withdrawal of Listing of TechStar Class A Shares and TechStar Listed Warrants

Immediately following the Merger Effective Time, each TechStar Share issued and outstanding as of immediately prior to the Merger Effective Time will be automatically canceled and cease to exist. All the share certificates representing TechStar Class A Shares will cease to have effect as evidence of title as from the Merger Effective Time.

TechStar has applied to the Stock Exchange, and the Stock Exchange has granted its permission, for the withdrawal of the listing of TechStar Class A Shares and the TechStar Listed Warrants on the Stock Exchange as described in detail below.

Pursuant to Rule 6.12 of the Listing Rules, an issuer without an alternative listing on another stock exchange recognized by the Stock Exchange for this purpose may not voluntarily withdraw its listing on the Stock Exchange without the permission of the Stock Exchange, unless the requirements under paragraphs (1) to (4) of Rule 6.12 are satisfied including the approval by at least 75% of the votes of independent shareholders at the general meeting with no more than 10% of the votes against the resolution and the offer of a reasonable cash alternative or other reasonable alternative. In light of the structure of the De-SPAC Transaction, TechStar considers that Rule 6.12 of the Listing Rules is not applicable to the De-SPAC Transaction based on the following: (i) the merger structure of the De-SPAC Transaction is not different than if it was to be implemented by way of an acquisition of the Target Company by TechStar as non-redeeming TechStar Class A Shareholders will be able to hold Successor Company Ordinary Shares at the Closing in both cases, and thus Rule 6.12 is also not applicable to the structure under this De-SPAC Transaction; (ii) as TechStar is not being privatized pursuant to this De-SPAC Transaction and non-redeeming TechStar Class A Shareholders will receive listed Successor Company Ordinary Shares, and SFC has granted waiver for Rule 26.1 of the Takeover Code for this De-SPAC Transaction, the voting thresholds under Rule 6.12(2) and (3) of the Listing Rules is also not applicable to this De-SPAC Transaction; and (iii) the withdraw of listing of TechStar Class A Shares will be subject to the approval of shareholders on this De-SPAC Transaction, which will be conducted in accordance with the requirements under the Listing Rules. In addition, there is no requirement under the Cayman Companies Act or TechStar's Articles of Association for the withdrawal of listing of the TechStar Class A Shares to be subject to shareholders' approval. TechStar also has included the withdrawal of listing in the resolutions to be approved at the EGM as it is part and parcel of the entire De-SPAC Transaction. The withdrawal of listing will be subject to the same approval threshold (i.e. ordinary resolution) as the De-SPAC Transaction, with the exception that the Promoters do not have a material interest in the withdrawal of listing (unlike the De-SPAC Transaction) and therefore should not need to abstain from voting on this resolution. Base on the foregoing, in respect of the withdrawal of listing of TechStar Class A Shares, TechStar has applied to the Stock Exchange for, and the Stock Exchange has granted its permission on the dispensation with the requirements of Rule 6.12 and the consequential requirements and withdrawal of the listing of TechStar Class A Shares with effect from the Effective Time of the Merger.

Subject to TechStar Shareholders' approval at the EGM, such withdrawal will take place as soon as practicable following the Merger Effective Time. Pursuant to Listing Rule 15.05(1), the TechStar Listed Warrants may be listed only if the underlying securities to be subscribed or purchased are a class of listed equity securities, the listing of the TechStar Listed Warrants will be withdrawn simultaneously as the withdrawal of listing of the TechStar Class A Shares. Given that TechStar Listed Warrants will be exchanged for Successor Company Listed Warrants on substantially the same terms and conditions at the Closing and the Successor Company Listed Warrants will be listed on the Stock Exchange upon the Closing, TechStar considers that the exchange of TechStar Listed Warrants for Successor Company Listed

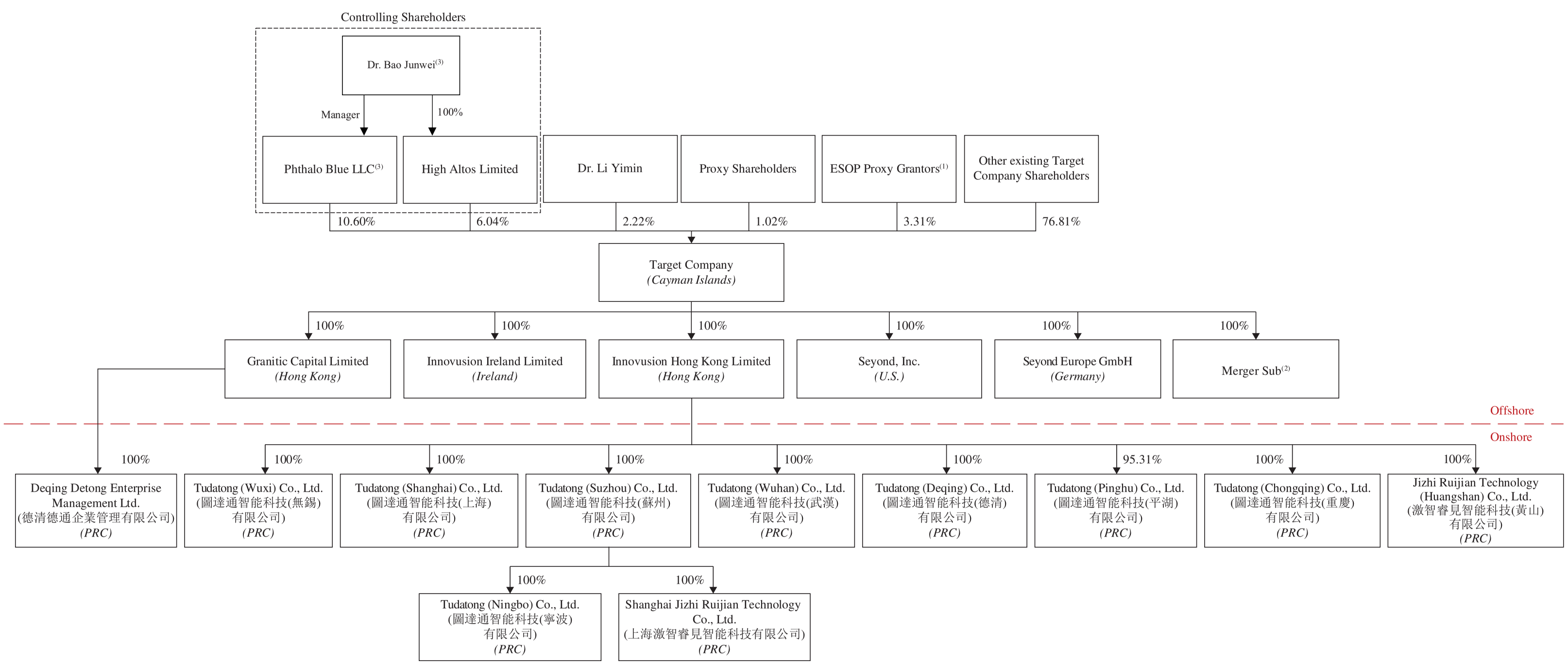
Warrants, the termination of the TechStar Listed Warrant Instrument and the withdrawal of listing of the TechStar Listed Warrants therefore do not adversely affect the rights of the warrantholders in any material respect. Under the Cayman Companies Act and the TechStar Listed Warrant Instrument, TechStar Listed Warrants do not carry voting rights in TechStar's general meetings. There is no requirement under the Cayman Companies Act or the TechStar Listed Warrant Instrument for the De-SPAC Transaction, the termination of the TechStar Listed Warrant Instrument or the withdrawal of listing of the TechStar Listed Warrants to be approved by the TechStar Warrantholders. Based on the foregoing, TechStar has applied to the Stock Exchange for, and the Stock Exchange has granted its permission on the withdrawal of listing of TechStar Listed Warrants with effect from the Effective Time of the Merger.

The latest time for trading and dealing of TechStar Class A Shares and TechStar Listed Warrants on the Stock Exchange is expected to be 4:10 p.m. on Thursday, December 2, 2025. The listings of the TechStar Class A Shares and TechStar Listed Warrants on the Stock Exchange will be withdrawn after the Effective Time at 9:00 a.m. on Wednesday, December 10, 2025.

TechStar Class A Shareholders and TechStar Listed Warrantholders will be notified by way of announcement(s) of the date of the latest time for trading of TechStar Class A Shares and the dates on which the withdrawal of the listing of the TechStar Class A Shares and TechStar Listed Warrants on the Stock Exchange will become effective and the date on which Closing will occur.

6. Corporate Structure

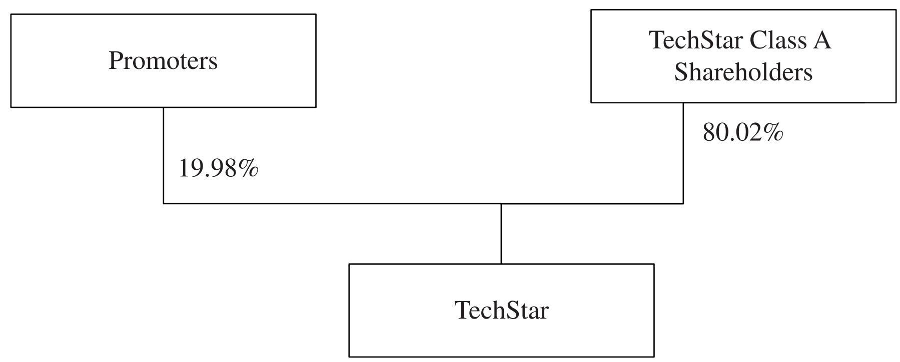
The simplified corporate structure charts of the Target Group and TechStar immediately prior to the De-SPAC Transaction are set out below:



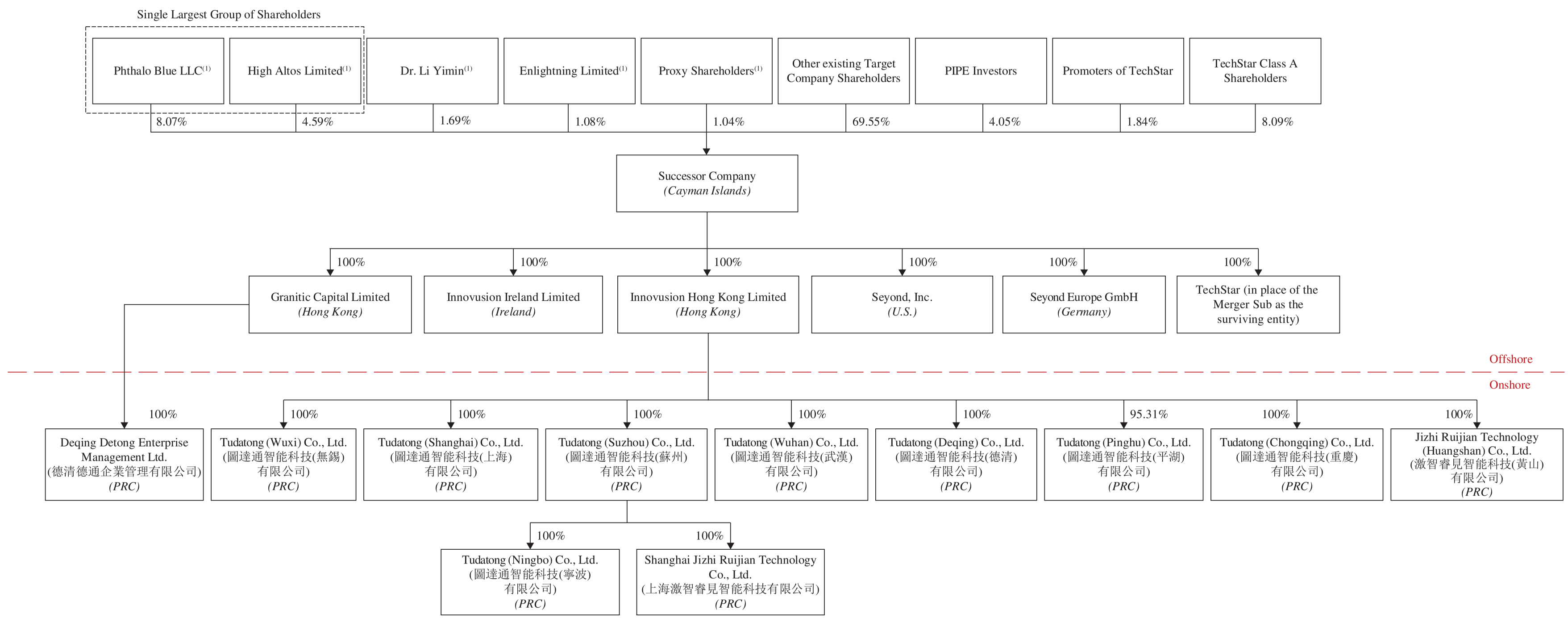
Notes:

(1) The voting proxy granted by the ESOP Proxy Grantors will terminate upon the Closing pursuant to the terms of the Award Agreements and the Trust Deed. Accordingly, Shares held by the ESOP Proxy Grantors will be counted towards public float upon the Closing. For identities of the ESOP Proxy Grantors, see "Definitions" section in this circular.

(2) Following the De-SPAC Transaction, the separate existence of Merger Sub will cease and TechStar will continue as the surviving entity and become a directly wholly-owned subsidiary of the Successor Company.


Promoters
TechStar Class A Shareholders
19.98%
80.02%
TechStar

The simplified corporate structure chart of the Successor Group immediately upon Closing (assuming (i) the Capital Restructuring is completed; (ii) no TechStar Class A Shareholders exercise their Redemption Right; (iii) no TechStar Class A Shareholders exercise their Appraisal Right; (iv) 55,130,000 Successor Company Shares are issued to the PIPE Investors pursuant to the PIPE Investment Agreements; and (v) there is no Permitted Equity Financing) is set out below:



Note:

(1) Upon completion of the De-SPAC Transaction, the voting rights attached to the Successor Company Shares held by these shareholders of the Successor Company will not count towards the public float.

7. Expected Shareholding and Voting Rights in the Successor Company and Potential Dilution Effect of the De-SPAC Transaction

(a) Assuming no redemption of TechStar Class A Shares

Assuming (i) no TechStar Class A Shareholders elect to redeem any TechStar Class A Shares or exercise their Appraisal Right, (ii) no new share of the Target Company is issued before completion of the proposed De-SPAC Transaction, (iii) no exercise of any awards granted by the Target Company under its share incentive plan and no exercise of any Successor Company Warrants, and (iv) no Permitted Equity Financing occurs, the expected shareholding and voting rights in the Successor Company immediately after Closing are set out below:

Shareholders of the Successor Company	Number of Successor Company Shares	%[1]
Existing Shareholders of the Target Company that will not count towards the public float		
High Altos Limited[2]	62,446,921	4.59%
Phthalo Blue LLC[2]	109,708,072	8.07%
Dr. Li Yimin[2][5]	22,953,996	1.69%
Proxy Shareholders[3][5]	14,165,256	1.04%
Enlightning Limited[4][5]	14,645,721	1.08%
Existing Shareholders of the Target Company that will count towards the public float		
Honour Key Limited[5]	124,323,359	9.14%
Dahlia Investments PTE. LTD.[5]	65,512,810	4.82%
ERVC Technology IV LP[5]	57,012,983	4.19%
Banyan Partners Fund II, L.P.[5]	56,903,436	4.18%
Other existing Target Company Shareholders[6]	642,327,446	47.21%
PIPE Investors		
Huangshan Construction Investment Capital	38,750,000	2.85%
Wealth Strategy	15,600,000	1.15%
Zhuhai Hengqin Huagai	780,000	0.06%
TechStar Class A Shareholders	110,110,000	8.09%
Promoters	25,000,000	1.84%
Total	**1,360,240,000**	**100.00%**

Notes:

(1) The percentage figures are subject to rounding adjustments and may not be an arithmetic aggregation of the figures preceding them.

(2) Upon Closing, Dr. Bao and Dr. Li Yimin are executive directors of the Successor Company. High Altos Limited is wholly-owned by Dr. Bao, and Dr. Bao is the manager of Phthalo Blue LLC. Therefore, the Successor Company Shares held by Dr. Li Yimin, High Altos Limited and Phthalo Blue LLC will not be counted towards the public float.

(3) Various Proxy Shareholder(s) agreed to grant Dr. Bao the voting rights in respect of some or all of the Successor Company Shares held by them through the Voting Proxy Agreements, such that Dr. Bao is entitled to exercise in his sole discretion the voting rights with respect to 14,165,256 Successor Company Shares. Therefore, these Successor Company Shares will not be counted towards the public float.

(4) Enlightning Limited, the employee shareholding platform established for the purpose of holding and transferring the relevant Target Company Shares in respect of the vested Target Company Options to specified participants under the 2016 Share Incentive Plan, which include participant who is core connected person of the Target Company, namely Mr. Pu Xinghua (蒲興華), a director of certain of our major subsidiaries, who holds approximately 10.45% of the equity interests in Enlightning Limited. Therefore, the Successor Company Shares held by Enlightning Limited will not be counted towards the public float.

(5) For background of these existing Target Company Shareholders, see "History, Development and Corporate Structure of the Target Group – Information about the Pre-Listing Investors".

(6) This refers to the existing Target Company Shareholders whose holding will count towards the public float where none of them individually holds more than 4% in the shareholding of Successor Company immediately after the Closing. For details of the identities, background and shareholding percentages of such other existing Target Company Shareholders, see "History, Development and Corporate Structure of the Target Group – Information about the Pre-Listing Investors" and "History, Development and Corporate Structure of the Target Group – Capitalization of the Target Company", respectively.

The Successor Company Listed Warrants and the Successor Company Promoter Warrants will only become exercisable 30 days and 12 months after Closing, respectively, and subject to the satisfaction of certain conditions. If the Successor Company Warrants are exercised in full, an aggregate of 38,271,250 Successor Company Shares will be issued, representing a maximum dilution impact of 2.74% in the shareholding and the voting rights in the Successor Company immediately after Closing, assuming no TechStar Class A Shareholders elect to redeem their TechStar Class A Shares and no TechStar Class A Shareholders exercise their Appraisal Right. The Promoter Earn-out Right has been waived by the Promoters, and thus there will be no additional Shares that may be issued thereunder.

As of the date of this circular, the Target Company granted certain options and restricted share units to various grantees. See "Waivers from Strict Compliance with the Listing Rules – Waiver in Relation to the 2016 Share Incentive Plan" and "Appendix VII – Statutory And General Information – E. Employee Incentive Plans" for details. Upon exercise of all outstanding Target Company Options and vesting of Target Company RSUs under the Target Company's 2016 Share Incentive Plan, there will be a maximum dilution impact of 8.49% in the shareholding and the voting rights in the Successor Company immediately after Closing, assuming no TechStar Class A Shareholders elect to redeem their TechStar Class A Shares and no TechStar Class A Shareholders exercise their Appraisal Right.

(b) Assuming full redemption of TechStar Class A Shares

Assuming (i) all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares and/or exercise their Appraisal Right in full, (ii) no new share of the Target Company is issued before the Proposed De-SPAC Transaction, (iii) no exercise of any awards granted by the Target Company under its share incentive plan and no exercise of any Successor Company Warrants, and (iv) no Permitted Equity Financing occurs the expected shareholding and voting rights in the Successor Company immediately after Closing are set out below:

Shareholders of the Successor Company	Number of shares	%[1]
Existing Shareholders of the Target Company that will not count towards the public float		
High Altos Limited[2][5]	62,446,921	5.00%
Phthalo Blue LLC[2][5]	109,708,072	8.78%
Dr. Li Yimin[2][5]	22,953,996	1.84%
Proxy Shareholders[3][5]	14,165,256	1.13%
Enlightning Limited[4][5]	14,645,721	1.17%
Existing Shareholders of the Target Company that will count towards the public float		
Honour Key Limited[5]	124,323,359	9.94%
Dahlia Investments PTE. LTD.[5]	65,512,810	5.24%
ERVC Technology IV LP[5]	57,012,983	4.56%
Banyan Partners Fund II, L.P.[5]	56,903,436	4.55%
Other existing Target Company Shareholders[6]	642,327,446	51.38%
PIPE Investors		
Huangshan Construction Investment Capital	38,750,000	3.10%
Wealth Strategy	15,600,000	1.25%
Zhuhai Hengqin Huagai	780,000	0.06%
TechStar Class A Shareholders	–	–
Promoters	25,000,000	2.00%
Total	**1,250,130,000**	**100.00%**

Notes:

(1) The percentage figures are subject to rounding adjustments and may not be an arithmetic aggregation of the figures preceding them.

(2) Upon Closing, Dr. Bao and Dr. Li Yimin are executive directors of the Successor Company. High Altos Limited is wholly-owned by Dr. Bao, and Dr. Bao is the manager of Phthalo Blue LLC. Therefore, the Successor Company Shares held by Dr. Li Yimin, High Altos Limited and Phthalo Blue LLC will not be counted towards the public float.

(3) Various Proxy Shareholder(s) agreed to grant Dr. Bao the voting rights in respect of some or all of the Successor Company Shares held by them through the Voting Proxy Agreements, such that Dr. Bao is entitled to exercise in his sole discretion the voting rights with respect to 14,165,256 Successor Company Shares. Therefore, these Successor Company Shares will not be counted towards the public float.

(4) Enlightning Limited, the employee shareholding platform established for the purpose of holding and transferring the relevant Target Company Shares in respect of the vested Target Company Options to specified participants under the 2016 Share Incentive Plan, which include participant who is a core connected person of the Target Company, namely Mr. Pu Xinghua (蒲興華), a director of certain of our major subsidiaries, who holds approximately 10.45% of the equity interests in Enlightning Limited. Therefore, the Successor Company Shares held by Enlightning Limited will not be counted towards the public float.

(5) For background of these existing Target Company Shareholders, see "History, Development and Corporate Structure of the Target Group – Information about the Pre-Listing Investors".

(6) This refers to other existing Target Company Shareholders whose holding will count towards the public float where none of them individually holds more than 4% in the shareholding of Successor Company immediately after the Closing. For details of the identities, background and shareholding percentages of such other existing Target Company Shareholders, see "History, Development and Corporate Structure of the Target Group – Information about the Pre-Listing Investors" and "History, Development and Corporate Structure of the Target Group – Capitalization of the Target Company", respectively.

(c) Assuming full redemption of TechStar Class A Shares, full exercise of the Successor Company Warrants and the Target Company Options and the full vesting of the Target Company RSUs

Assuming (i) all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares and/or exercise their Appraisal Right in full, (ii) no new share of the Target Company is issued before the Proposed De-SPAC Transaction, (iii) full exercise of awards granted by the Target Company under its share incentive plan and full exercise of Successor Company Warrants, and (iv) no Permitted Equity Financing occurs the expected shareholding and voting rights in the Successor Company immediately after Closing are set out below:

Shareholders of the Successor Company	**Number of shares**	**%[1]**
Existing Shareholders of the Target Company that will not count towards the public float		
High Altos Limited[2][5]	62,446,921	4.41%
Phthalo Blue LLC[2][5]	109,708,072	7.76%
Dr. Li Yimin[2][5]	22,953,996	1.62%
Proxy Shareholders[3][5]	14,165,256	1.00%
Enlightning Limited[4][5]	14,645,721	1.04%
Existing Shareholders of the Target Company that will count towards the public float		
Honour Key Limited[5]	124,323,359	8.79%
Dahlia Investments PTE. LTD.[5]	65,512,810	4.63%
ERVC Technology IV LP[5]	57,012,983	4.03%
Banyan Partners Fund II, L.P.[5]	56,903,436	4.02%
Other existing Target Company Shareholders[6]	642,327,446	45.41%

Shareholders of the Successor Company	**Number of shares**	**%[1]**
PIPE Investors		
Huangshan Construction Investment Capital	38,750,000	2.74%
Wealth Strategy	15,600,000	1.10%
Zhuhai Hengqin Huagai	780,000	0.06%
TechStar Class A Shareholders	0	0.00%
Promoters	25,000,000	1.77%
Successor Company Warrants[7]	38,271,250	2.71%
Target Company Options and Target Company RSUs[8]	126,186,418	8.92%
Total	**1,414,587,668**	**100.00%**

Notes:

(1) The percentage figures are subject to rounding adjustments and may not be an arithmetic aggregation of the figures preceding them.

(2) Upon Closing, Dr. Bao and Dr. Li Yimin are executive directors of the Successor Company. High Altos Limited is wholly-owned by Dr. Bao, and Dr. Bao is the manager of Phthalo Blue LLC. Therefore, the Successor Company Shares held by Dr. Li Yimin, High Altos Limited and Phthalo Blue LLC will not be counted towards the public float.

(3) Various Proxy Shareholder(s) agreed to grant Dr. Bao the voting rights in respect of some or all of the Successor Company Shares held by them through the Voting Proxy Agreements, such that Dr. Bao is entitled to exercise in his sole discretion the voting rights with respect to 14,165,256 Successor Company Shares. Therefore, these Successor Company Shares will not be counted towards the public float.

(4) Enlightning Limited, the employee shareholding platform established for the purpose of holding and transferring the relevant Target Company Shares in respect of the vested Target Company Options to specified participants under the 2016 Share Incentive Plan, which include participant who is a core connected person of the Target Company, namely Mr. Pu Xinghua (蒲興華), a director of certain of our major subsidiaries, who holds approximately 10.45% of the equity interests in Enlightning Limited. Therefore, the Successor Company Shares held by Enlightning Limited will not be counted towards the public float.

(5) For background of these existing Target Company Shareholders, see "History, Development and Corporate Structure of the Target Group – Information about the Pre-Listing Investors".

(6) This refers to other existing Target Company Shareholders whose holding will count towards the public float where none of them individually holds more than 4% in the shareholding of Successor Company immediately after the Closing. For details of the identities, background and shareholding percentages of such other existing Target Company Shareholders, see "History, Development and Corporate Structure of the Target Group – Information about the Pre-Listing Investors" and "History, Development and Corporate Structure of the Target Group – Capitalization of the Target Company", respectively.

(7) The Successor Company Listed Warrants and the Successor Company Promoter Warrants will only become exercisable 30 days and 12 months after Closing, respectively, and subject to the satisfaction of certain conditions. If the Successor Company Warrants are exercised in full, an aggregate of 38,271,250 Successor Company Shares will be issued, representing a maximum dilution impact of 2.71% in the shareholding and the voting rights in the Successor Company immediately after Closing, assuming all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares.

(8) Upon exercise of all outstanding Target Company Options and vesting of Target Company RSUs under the 2016 Share Incentive Plan of the Target Company, there will be a maximum dilution impact of 8.92% in the shareholding and the voting rights in the Successor Company Shares immediately after Closing, assuming all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares.

8. Public Float

Rule 8.08 of the Listing Rules requires that there must be an open market in the securities for which listing is sought. This will normally mean that for a class of securities new to listing, at least a minimum prescribed percentage of that class of securities must be held by the public at the time of listing. Where the expected market value of the class of securities at the time of listing is over HK$6,000,000,000 but not exceeding HK$30,000,000,000, the minimum prescribed percentage is determined at the higher of: (i) the percentage that would result in the expected market value of such securities held by the public to be HK$1,500,000,000 at the time of listing; and (ii) 15%.

Without taking into account the Successor Company Shares that may be issued upon exercise of the Successor Company Warrants, based on (i) the Transaction Price of HK$10.0 per PIPE Investment Share, and (ii) 55,130,000 PIPE Investment Shares will be issued upon completion of the De-SPAC Transaction, it is expected that the market value of the Successor Company Shares at the time of Listing will be approximately HK$13.6 billion (assuming no TechStar Class A Shareholders elect to redeem any TechStar Class A Shares), or approximately HK$12.5 billion (assuming all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares), respectively.

Taking into account the Successor Company Shares that may be issued upon exercise of the Successor Company Warrants, based on (i) the Transaction Price of HK$10.0 per PIPE Investment Share, and (ii) 55,130,000 PIPE Investment Shares will be issued upon completion of the De-SPAC Transaction, it is expected that the market value of the Successor Company Shares at the time of Listing will be approximately HK$14.0 billion (assuming no TechStar Class A Shareholders elect to redeem any TechStar Class A Shares), or approximately HK$12.9 billion (assuming all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares), respectively.

Accordingly, at least 15% of the total number of issued Successor Company Shares must be held by the public at the time of Listing.

Immediately after Closing, the Successor Company Shares held by the following persons will not be counted towards the public float:

(i) Phthalo Blue LLC, of which Bao Junwei, an executive director of the Successor Company, is the manager and therefore a close associate of Bao Junwei;

(ii) High Altos Limited, wholly-owned by Bao Junwei and therefore a close associate of Bao Junwei;

(iii) Li Yimin, who is an executive director of the Successor Company;

(iv) Enlightning Limited, the employee shareholding platform established for the purpose of holding and transferring the relevant Target Company Shares in respect of the vested Target Company Options to specified participants under the 2016 Share Incentive Plan, which include participant who is core connected person of the Target Company, namely Mr. Pu Xinghua (蒲興華), a director of certain of our major subsidiaries, who holds approximately 10.45% of the equity interests in Enlightning Limited; and

(v) the 14,165,256 Successor Company Shares held by various Proxy Shareholder(s) which are subject to the Voting Proxy Agreements, pursuant to which Bao Junwei is entitled to exercise in his sole discretion the voting rights with respect to these Successor Company Shares.

Except as stated above, the existing shareholders of the Target Company, the PIPE Investors, the TechStar Class A Shareholders and the Promoters will not be core connected persons of the Successor Company and will not be accustomed to taking instructions from the core connected persons in relation to the acquisition, disposal, voting or other disposition of the Successor Company Shares held or to be allotted to them, therefore the Successor Company Shares held by them (save for such number of Successor Company Shares subject to the Voting Proxy Agreements stated in (v) above) will count towards the public float upon Closing.

Without taking into account the Successor Company Shares that may be issued upon exercise of the Successor Company Warrants, based on the above, the public float of the Successor Company immediately after Closing will be 83.54% (assuming no TechStar Class A Shareholders elect to redeem any TechStar Class A Shares), or 82.09% (assuming all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares).

Taking into account the Successor Company Shares that may be issued upon exercise of the Successor Company Warrants, the public float of the Successor Company will be 83.99% (assuming no TechStar Class A Shareholders elect to redeem any TechStar Class A Shares), or 82.62% (assuming all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares).

Accordingly, the Successor Company will satisfy the public float requirement under Rule 8.08 of the Listing Rules.

See "History, Development and Corporate Structure of the Target Group" in this circular for detail.

The Successor Company will comply with the minimum public float requirement under Rule 8.08 of the Listing Rules under any of or any combination of the scenarios involving issue of the Successor Company Shares.

FREE FLOAT

On the basis that (i) no Successor Company Shares will be allocated under the De-SPAC Transaction 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, (ii) all Successor Company Shares to be held by (a) the Single Largest Group of Shareholders (b) core connected persons of the Successor Company, (c) the Promoters, and (d) such certain existing Target Company Shareholders who has entered into the lock-up agreements, are excluded for the purpose of satisfying the free float requirement (assuming (i) no Permitted Equity Financing; (ii) full redemption of TechStar Class A Shares and (iii) full exercise of Appraisal Right by the relevant Target Company Shareholders), and based on the Transaction Price of HK$10.0 per PIPE Investment Share, upon completion of the De-SPAC Transaction, it is expected that 73,613,458 Successor Company Shares, with an expected market value at the time of listing of approximately HK$736.1 million, will be held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of the Listing. Accordingly, the Company will satisfy the free float requirement under Rule 8.08A of the Listing Rules. For identities of the existing Target Company Shareholders who has entered into the lock-up agreements, see "History, Development and Corporate Structure of the Target Group – Capitalization of the Target Company".

9. Liquidity of Successor Company Warrants

The ways in which the liquidity in the trading of the Successor Company Warrants following the listing of the Successor Company will be provided are as follows:

(i) **Smaller board lot size:** TechStar Warrants are traded in board lots of 55,000, whereas the Successor Company Listed Warrants will be traded in board lots of 11,000. The lower monetary value of each board lot as a result of the smaller board lot size will incentivize holders of Successor Company Listed Warrants to trade the Successor Company Listed Warrants more frequently which should result in greater trading liquidity in the Successor Company Listed Warrants.

(ii) **Broader investor base:** TechStar Warrants are only transferable to Professional Investors pursuant to the terms and conditions of TechStar Warrants, whereas, subject to the approval of the Amendment to the TechStar Listed Warrants, the Successor Company Warrants can be traded by all public investors including retail investors, thereby providing a broader investor base for the Successor Company Warrants.

(iii) **Cashless exercise feature:** The Successor Company Warrants will be exercisable on a cashless basis based on the terms thereof. Upon a cashless exercise of the Successor Company Warrants, warrantholders will surrender their Successor Company Warrants they elect to exercise, and will not be required to deliver payment to the Successor Company or otherwise pay any consideration in exchange for the issuance of the Successor Company Shares. The cashless exercise feature will reduce the cash outlay required on holders of the Successor Company Warrants to convert their holdings into Successor Company Shares and increase the attractiveness of the Successor Company Warrants to public investors after the completion of the De-SPAC Transaction.

(iv) **Communication with holders of securities:** The Successor Company will maintain close communication with holders of its securities and make available all corporate communications (including this document and financial reports) in its investor relations website to keep investors abreast of the Successor Company's business development and financial condition and make use of the website as a channel to solicit and understand the views of shareholders and stakeholders, including potential investors. Such communication may enhance the interest in the securities of the Successor Company, including the Successor Company Warrants and the underlying Successor Company Shares upon exercise thereof.

For further information about the risks associated with the Successor Company Warrants, see "Risk Factors — Risks Related to the De-SPAC Transaction and the Securities of TechStar and the Successor Company."

J. EFFECTS OF THE DE-SPAC TRANSACTION ON THE ESCROW ACCOUNT

Pursuant to the terms of the Business Combination Agreement, funds available in the Escrow Account will be paid as soon as practicable after the Effective Time in the following order:

(a) first, all amounts payable in respect of the TechStar Shareholder Redemption Amount will be paid to holders of Redeeming TechStar Shares pursuant to their exercise of the Redemption Right following the Closing Date; and

(b) all remaining amounts then available in the Escrow Account (if any), will be paid to a segregated bank account designated by the Target Company and TechStar for immediate use to settle all accrued and unpaid fees and expenses paid or payable by TechStar or Promoters or the Target Company as a result of or in connection with the negotiation, documentation and consummation of the De-SPAC Transaction, including (i) all fees (including the deferred underwriting commission as defined in the Underwriting Agreement), costs, expenses, brokerage fees, commissions, finders' fees and disbursements of financial advisors, investment banks, data room administrators, attorneys, accountants and other advisors and service providers, as appointed by TechStar or Promoters, (ii) any indebtedness of TechStar owed to the Promoters, its affiliates or its or their respective shareholders or affiliates (including amounts accrued and outstanding under the loan facility as of the Closing) and (iii) any and all filing fees payable by the TechStar to the governmental authorities in connection with the De-SPAC Transaction, subject to the Business Combination Agreement and the Escrow Agreement.

Following the Effective Time, no TechStar Shareholder will be entitled to receive any amount from the Escrow Account except to the extent such shareholder shall have elected to tender its TechStar Class A Shares for redemption pursuant to the TechStar Shareholder Redemption. Following the payment of the amounts described in paragraph (a) and (b) above, any amount available in the Escrow Account (if any) will become assets of the Successor Company.

For the avoidance of doubt, the fair value of the TechStar Shares to be paid to Dissenting TechStar Shareholders upon the exercise of their Appraisal Right will be paid by the Successor Company from its own funds following the Effective Time and will not have any impact on the funds in the Escrow Account.

K. FINANCIAL EFFECTS OF THE DE-SPAC TRANSACTION

Upon Closing, TechStar will become a wholly-owned subsidiary of the Successor Company and the financial statements of TechStar will be consolidated into the financial statements of the Successor Group.

1. Net assets

For preparation of the unaudited pro forma consolidated statement of financial position of the Successor Group as set out in Appendix III to this circular, it is assumed that Closing took place on May 31, 2025. As at May 31, 2025, (i) the unaudited pro forma total assets of the Successor Group would be US$365.4 million (assuming no TechStar Class A Shareholders elect to redeem any TechStar Class A Shares and there is no Permitted Equity Financing) or US$226.5 million (assuming all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares and there is no Permitted Equity Financing), compared with the unaudited total assets of TechStar of HK$1,125.1 million (equivalent to US$143.5 million) as at June 30, 2025, (ii) the unaudited pro forma total liabilities of the Successor Group would be US$181.5 million (assuming no TechStar Class A Shareholders elect to redeem any TechStar Class A Shares and there is no Permitted Equity Financing) or US$181.5 million (assuming all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares and there is no Permitted Equity Financing), compared with the unaudited total liabilities of TechStar of HK$1,179.3 million (equivalent to US$150.4 million) as at June 30, 2025, and (iii) the unaudited pro forma net assets of the Successor Group would be US$183.9 million (assuming no TechStar Class A Shareholders elect to redeem any TechStar Class A Shares and there is no Permitted Equity Financing) or US$45.0 million (assuming all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares and there is no Permitted Equity Financing), compared with the unaudited net liabilities of TechStar of HK$54.2 million (equivalent to US$6.9 million) as at May 31, 2025.

2. Earnings

For preparation of the unaudited pro forma consolidated statement of profit or loss of the Successor Group as set out in Appendix III to this circular, assuming that Closing took place on January 1, 2024, the unaudited pro forma net loss of the Successor Group for the year ended December 31, 2024 would be US$177.2 million (assuming no TechStar Class A Shareholders elect to redeem any TechStar Class A Shares and there is no Permitted Equity Financing) or US$160.8 million (assuming all TechStar Class A Shareholders elect to redeem their TechStar Class A Shares and there is no Permitted Equity Financing), compared with the net loss of TechStar of HK$99.9 million (equivalent to US$12.8 million) for the year ended December 31, 2024.

See "Appendix III – Unaudited Pro Forma Financial Information of the Successor Group" for further details in relation to the unaudited pro forma financial information of the Successor Group.

The above financial effects are for illustrative purpose only and do not purport to present the financial position or results of the Successor Group upon Closing.

3. Unaudited Pro Forma Statement of Adjusted Consolidated Net Tangible Assets of the Successor Group

Please see "Appendix III – Unaudited Pro Forma Financial Information of the Successor Group – D. Unaudited Pro Forma Statement of Adjusted Consolidated Net Tangible Assets of the Successor Group as at May 31, 2025" for details.

L. IMPLICATIONS OF THE DE-SPAC TRANSACTION UNDER THE LISTING RULES AND DEEMED NEW LISTING APPLICATION

TechStar is required to comply with applicable Listing Rules regarding reverse takeovers with respect to the De-SPAC Transaction. Under Rule 14.54 of the Listing Rules, the Successor Company will be treated as if it were a new listing applicant. The Target Group is required to meet the requirements under Rules 8.04 and 8.05 of the Listing Rules and the Successor Group is required to meet all the new listing requirements set out in Chapter 8 of the Listing Rules (except Rule 8.05 of the Listing Rules). The Successor Company is required to submit a new listing application to the Stock Exchange for the listing of, and permission to deal in, the Successor Company Shares and the Successor Company Listed Warrants in accordance with the requirements for new listing applicants as set out in Chapter 9 of the Listing Rules.

The new listing application is subject to approval by the Listing Committee, which may or may not grant its approval. If such approval is not granted, the Business Combination Agreement will not become unconditional and the De-SPAC Transaction will not proceed.

The Successor Company has applied to the Stock Exchange, and the Stock Exchange has granted its permission, for the listing of, and permission to deal in, the Successor Company Shares and the Successor Company Listed Warrants on the Main Board of the Stock Exchange on the basis that it satisfies Rule 8.05(3) of the Listing Rules with reference to (i) the Target Group's revenue for the year ended December 31, 2024, which exceeds HK$500 million and (ii) the negotiated value of the Target Company in the De-SPAC Transaction of HK$11.7 billion. TechStar has made an application to the Stock Exchange, and the Stock Exchange has granted its permission, for the withdrawal of listing of the TechStar Class A Shares (which will be subject to approval by TechStar Class A Shareholders) and the TechStar Listed Warrants. Upon the Closing, the listing statuses of the TechStar Class A Shares and the TechStar Listed Warrants will be withdrawn, and the Successor Company Shares and the Successor Company Listed Warrants will become listed on the Main Board of the Stock Exchange.

The De-SPAC Transaction is conditional upon, and the terms of the Business Combination Agreement, the PIPE Investment Agreements and the Merger, the withdrawal of the listing of TechStar Class A Shares and TechStar Listed Warrants and the adoption of the TechStar Private Company Memorandum and Articles, are subject to approval by the TechStar Shareholders at the EGM and compliance with applicable Listing Rule requirements (including the requirement for the Successor Company to have a minimum number of 100 Professional Investors at the time of listing), unless a waiver from strict compliance with any of these requirements is granted by the Stock Exchange.

M. WAIVER FROM APPLICATION OF RULE 26.1 OF THE TAKEOVERS CODE

Following the Merger and the withdrawal of listing of the TechStar Class A Shares and the TechStar Listed Warrants, TechStar will become a private unlisted company and a wholly-owned subsidiary of the Successor Company.

Under Rule 26.1 of the Takeovers Code, the De-SPAC Transaction would trigger a technical mandatory general offer obligations unless a waiver is granted.

The Target Company has applied for, and the SFC has granted a waiver from the application of Rule 26.1 of the Takeovers Code in relation to the De-SPAC Transaction.

N. SHARE REDEMPTIONS

Prior to the EGM to approve the De-SPAC Transaction, TechStar will provide TechStar Class A Shareholders with the opportunity to elect to redeem all or part of their holdings of TechStar Class A Shares for an amount per TechStar Class A Share equal to the Redemption Price, to be paid out of the monies held in the Escrow Account. The Redemption Price, payable in cash, will be equal to the aggregate amount then on deposit in the Escrow Account calculated as of two Business Days prior to the EGM (including the gross proceeds received from the issuance of TechStar Class A Shares and interest earned on the funds held in the Escrow Account), divided by the number of the then issued and outstanding TechStar Class A Shares. The Redemption Price will in any case be no less than HK$10.00 per TechStar Class A Share, being the price at which the TechStar Class A Shares were issued in TechStar's initial offering. Accordingly, the Redemption Price will be determined on two Business Days prior to the EGM. TechStar will publish an announcement on the Redemption Price as soon as practicable after it has been determined.

Immediately prior to the Effective Time, the Target Company and Target Company Shareholders will restructure Target Company's share capital by effectuating the conversion of Target Company Preferred Shares and the Capitalization Issue, such that immediately after the conversion of Target Company Preferred Shares and the Capitalization Issue, the issued and outstanding share capital of the Target Company will consist of such number of Target Company Ordinary Shares equal to the quotient obtained by dividing the negotiated value by HK$10.00.

The estimated Redemption Price will be no less than 10% premium to HK$10.00. To disincentivize the TechStar Shareholders from exercising their Redemption Right and Appraisal Right in connection with the De-SPAC Transaction and to become shareholders of the Successor Company upon completion of the De-SPAC Transaction, the Relevant TechStar Class A Shareholders is entitled to receive the Bonus Shares, being the additional one tenth (0.1) of a newly issued Successor Company Share for each TechStar Class A Share held by them.

As of the Latest Practicable Date, the estimated Redemption Price is HK$11.25 per TechStar Class A Shares. TechStar expects that there will be no significant income, expenses and taxes that are expected to be generated or incurred from the Latest Practicable Date to the date of determining the final Redemption Price.

There is no limit on the number of TechStar Class A Shares which an TechStar Class A Shareholder (alone or together with their close associates) may redeem. TechStar Class A Shareholders may elect to redeem their TechStar Class A Shares irrespective of whether they vote for or against the De-SPAC Transaction at the EGM.

The election period for the Share Redemption starts on the date of the notice of the EGM and ends on the date and time of commencement of the EGM. The Share Redemption and payment of the Redemption Price to the Redeeming TechStar Shareholders will be completed as promptly as reasonably practicable following the Closing in accordance with the Business Combination Agreement but in any event within five Business Days following Closing.

A Share Redemption election will not be accepted unless the election is accompanied by the delivery of the relevant number of TechStar Class A Shares. Details of the election procedures for the Share Redemption are set out in "Important Notice to TechStar Shareholders and Actions to be Taken – B. TechStar Redemption Right". The form of election will be dispatched to TechStar Class A Shareholders together with the notice of EGM and the Circular.

If the De-SPAC Transaction is not completed, TechStar will not redeem any TechStar Class A Shares and all Share Redemption requests will be canceled. Redeeming TechStar Shareholders are strongly recommended to vote FOR the resolution to be proposed at the EGM even if you choose to redeem all or some of TechStar Class A Shares.

TechStar Warrantholders have no redemption rights with respect to their warrants. Each TechStar Warrant will be exchanged for one Successor Company Warrant upon Closing, which will be exercisable on a cashless basis for one Successor Company Share per Successor Company Warrant at the warrant exercise price of HK$11.5.

Redeeming TechStar Shareholders who exercise their Redemption Right to redeem all of their holdings of TechStar Class A Shares will not be able to exercise their Appraisal Right. See "O. Appraisal Right of Dissenting TechStar Shareholders" below for details on the Appraisal Right.

O. APPRAISAL RIGHT OF DISSENTING TECHSTAR SHAREHOLDERS

Section 238 of the Cayman Companies Act provides for the Appraisal Right of the Dissenting TechStar Shareholders to be paid the fair value of their Dissenting TechStar Shares, subject to limitations under Section 239 of the Cayman Companies Act.

TechStar Shareholders have the Appraisal Right in connection with the De-SPAC Transaction under the Cayman Companies Act. TechStar Shareholders may exercise their Appraisal Right irrespective of whether they vote for or against the De-SPAC Transaction at the EGM.

1. Procedures for exercising the Appraisal Right

TechStar Shareholders who wish to exercise their Appraisal Right must follow the statutory procedures prescribed in the Cayman Companies Act as set out in "Important Notice to TechStar Shareholders and Actions to be Taken – D. Appraisal Right of Dissenting TechStar Shareholders."

2. Fair Value of TechStar Shares

The TechStar Board has determined that the Redemption Price represents the fair value of the TechStar Shares. See "— N. Share Redemption" above for details on the determination of the Redemption Price. If the Dissenting TechStar Shareholders do not agree with the fair value determined by the TechStar Board and file a petition with the Cayman Court for a determination of the fair value of the Dissenting TechStar Shares, the Cayman Court will determine the fair value of the Dissenting TechStar Shares as at the date of the EGM at which the Merger is approved.

3. Consequences of Exercising the Appraisal Right

Under the Cayman Companies Act, upon giving the Appraisal Right Exercise Notice, the Dissenting TechStar Shareholder will cease to have any right as an TechStar Shareholder (including the Redemption Right to redeem all or part of their holdings of TechStar Class A Shares) except the Appraisal Right, the right under Section 238(12) of the Cayman Companies Act to participate fully in all proceedings until the determination of fair value is reached and the right under Section 238(16) of the Cayman Companies Act to institute proceedings to obtain relief on the ground that the Merger is void or unlawful.

Pursuant to the Business Combination Agreement, Dissenting TechStar Shareholders will also have no right to receive any Successor Company Shares or any other consideration under the De-SPAC Transaction unless and until such Dissenting TechStar Shareholder fails to exercise or who effectively withdraws or otherwise loses its Appraisal Right pursuant to Section 238 of the Cayman Companies Act. The TechStar Shares held by such Dissenting TechStar Shareholders will cease to be Dissenting TechStar Shares and will be deemed to have been converted into the right to receive newly issued Successor Company Shares immediately following the Merger Effective Time pursuant to the Business Combination Agreement. Such Dissenting TechStar Shareholder will not receive any Bonus Shares with respect to all of his, her or its Dissenting TechStar Shares.

Listing Rule 10.08 provides that no further shares or securities convertible into equity securities of a listed issuer (whether or not of a class already listed) may be issued or form the subject of any agreement to such an issue within six months from the date on which securities of a listed issuer first commence dealing on the Stock Exchange. One of the exceptions to Listing Rule 10.08 is the issue of shares or securities pursuant to an agreement entered into before the commencement of dealing, the material terms of which have been disclosed in the listing document issued in connection with the initial public offering. As the issuance of Successor Company Shares to Dissenting TechStar Shareholders who fail to perfect in accordance with the prescribed statutory procedure or withdraw or otherwise lose their Appraisal Right under the Cayman Companies Act, if any, will be pursuant to the Business Combination Agreement the material terms of which have been disclosed in this circular (which is the listing document of the Successor Company), Successor Company Shares may be issued to such Dissenting TechStar Shareholders within six months from the Closing Date.

Notwithstanding any exercise of the Appraisal Right by Dissenting TechStar Shareholders, upon the approval of the Merger and the De-SPAC Transaction by the TechStar Shareholders at the EGM, the TechStar Plan of Merger will be filed with the Cayman Registrar and the Merger will become effective at the Merger Effective Time.

If the De-SPAC Transaction is not completed for any reason, Dissenting TechStar Shareholders will lose their Appraisal Right under the Cayman Companies Act and any notice to exercise the Appraisal Right given by Dissenting TechStar Shareholders will become void.

The TechStar Board recommends that TechStar Class A Shareholders (i) opt for the right to receive Successor Company Shares (by not electing to exercise their Share Redemption Right or Appraisal Right) or (ii) if an TechStar Class A Shareholder's preference is to receive cash rather than Successor Company Shares, to exercise their Share Redemption Right due to the certainty provided by the redemption process compared to the dissenting and fair value appraisal process.

See "Important Notice to TechStar Shareholders and Actions to be Taken – D. Appraisal Right of Dissenting TechStar Shareholders" in this circular for further details of the Appraisal Right. TechStar Shareholders who wish to exercise their Appraisal Right should seek their own advice on the application and procedure to be followed in respect of the appraisal rights under the Cayman Companies Act.

P. PROPOSED ADOPTION OF TECHSTAR PRIVATE COMPANY MEMORANDUM AND ARTICLES

Following the Merger and the withdrawal of listing of the TechStar Class A Shares and the TechStar Listed Warrants, TechStar will become a private unlisted company and a wholly-owned subsidiary of the Successor Company. TechStar Shareholders (excluding the Redeeming TechStar Shareholders and, if applicable, the Dissenting TechStar Shareholders) will become shareholders of the Successor Company (which is bound by the Successor Company Memorandum and Articles as summarized in "Appendix V – Summary of the Constitution of the Successor Company and Cayman Islands Company Law – 2. Articles of Association") upon Closing. As such, the existing Articles of Association of TechStar will no longer be suitable for it being a private company and wholly-owned subsidiary of the Successor Company after the Merger. Subject to the approval by TechStar Shareholders at the EGM, upon the Merger Effective Time, TechStar proposes to adopt the TechStar Private Company Memorandum and Articles which will replace the existing TechStar Articles in their entirety. A summary of the TechStar Private Company Memorandum and Articles is set out in "Appendix VI – Summary of the Private Company Memorandum and Articles of TechStar" in this circular.

Pursuant to the existing Articles of Association of Techstar, the adoption of the TechStar Private Company Memorandum and Articles, which will become effective upon the Merger Effective Time, shall be approved by special resolution by the existing TechStar Shareholders. Therefore, the TechStar Directors recommend the TechStar Shareholders to vote in favor of the special resolution to be proposed at the EGM to approve the adoption of the TechStar Private Company Memorandum and Articles.

Q. EGM AND VOTING

The De-SPAC Transaction (including the terms of the Business Combination Agreement, the Bonus Share Issue, the PIPE Investments and the Permitted Equity Financing (where applicable)), the withdrawal of the listing of TechStar Class A Shares and TechStar Listed Warrants, are subject to approval of the TechStar Shareholders at the EGM by ordinary resolutions.

The Merger is subject to approval by special resolution of two-thirds of the votes cast by the holders of the TechStar Shares present in person or by proxy and entitled to vote at the EGM and the adoption of the TechStar Private Company Memorandum and Articles by TechStar is subject to approval by special resolutions of three-fourths of the votes cast by the holders of the TechStar Shares present in person or by proxy and entitled to vote at the EGM. As the Merger forms part of the De-SPAC Transaction, in the event that the Merger or the adoption of the TechStar Private Company Memorandum and Articles by TechStar is not approved by the TechStar Shareholders at the EGM by special resolution, the De-SPAC Transaction will not be effected.

A notice convening the EGM to be held at Unit No. 1506B, Level 15, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Monday, December 1, 2025 at 9:00 a.m., is set out on pages EGM-1 to EGM-4 of this circular.

Pursuant to the Listing Rules and the TechStar Articles, any vote of shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolutions to be considered and, if thought fit, approved at the EGM will be voted by way of poll by the TechStar Shareholders. An announcement on the poll results will be published by TechStar after the EGM in the manner prescribed under the Listing Rules.

The Promoters and their respective close associates and any TechStar Shareholders and their close associates who have a material interest in the De-SPAC Transaction are required to abstain from voting on the relevant resolutions to be proposed at the EGM. The Promoters (who will be issued Successor Company Shares upon the TechStar Class B Conversion and Closing) and Wealth Strategy (which is a PIPE Investor and holder of certain TechStar Class A Shares) will be required to abstain and will procure their respective close associates to abstain from voting on resolution 1 as set out in the notice of the EGM with respect to the De-SPAC Transaction and the transactions contemplated thereunder. As at the date of this circular, the Promoters are interested in 25,000,000 TechStar Class B Shares (which represent approximately 19.98% of the issued shares of TechStar and 100% of the issued TechStar Class B Shares) and Wealth Strategy is interested in 30,910,000 TechStar Class A Shares (which represent approximately 24.71% of the issued shares of TechStar and 30.88% of the issued TechStar Class A Shares). Save for the foregoing, to the best knowledge of the TechStar Directors, as at the date of this circular, no other TechStar Shareholders and their close associates will be required to abstain from voting on the resolutions at the EGM.

The forms of proxy for use at the EGM are enclosed with this circular and published on the websites of the Stock Exchange at **www.hkexnews.hk** and TechStar at **www.TechStaracq.com**. Whether or not you intend to attend the EGM, if you are a registered TechStar Shareholder, you are requested to complete and sign the enclosed forms of proxy in accordance with the instructions printed thereon and return it to TechStar's Hong Kong Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM (i.e. not later than 9:00 a.m. on Saturday, November 29, 2025) or any adjournment thereof (as the case may be).

Completion and return of the form(s) of proxy will not preclude you from attending and voting in person at the EGM if you so wish. If you are a beneficial owner whose TechStar Class A Shares are deposited in CCASS and registered under the name of HKSCC Nominees Limited, you should, unless you are admitted to participate in CCASS as an Investor participant, contact your broker, custodian, nominee or other relevant person who is, or has in turn deposited such Shares with, a HKSCC participant regarding voting instructions to be given to such persons.

R. RECOMMENDATION

Having taken into account the reasons for and benefits of the De-SPAC Transaction as set out in "E. Reasons for, and Benefits of, the De-SPAC Transaction" above, the TechStar Directors consider that the terms of the De-SPAC Transaction and the transactions contemplated thereunder (including the terms of the Business Combination Agreement, the Bonus Share Issue, the PIPE Investments and the Permitted Equity Financing (where applicable)), the withdrawal of the listing of TechStar Class A Shares and TechStar Listed Warrants, the Merger and the adoption of the TechStar Private Company Memorandum and Articles are fair and reasonable and in the interests of the TechStar Shareholders as a whole.

If the De-SPAC Transaction is not approved by TechStar Class A Shareholders at the EGM or completed for any reason, (i) TechStar will not redeem any TechStar Class A Shares and all Share Redemption requests will be canceled; and (ii) subject to the deadlines under the Listing Rules, the listings of the TechStar Class A Shares and TechStar Listed Warrants on the Stock Exchange will be maintained; **however**, TechStar will not have sufficient time to identify another de-SPAC target and negotiate a de-SPAC transaction before it is required to be delisted by the Stock Exchange as provided for in the Listing Rules.

Accordingly, the TechStar Directors recommend the TechStar Shareholders to vote "FOR" in favor of the resolutions to be proposed at the EGM to approve the De-SPAC Transaction and the transactions contemplated thereunder (including the terms of the Business Combination Agreement, the Bonus Share Issue, the PIPE Investments and the Permitted Equity Financing (where applicable)), the withdrawal of the listing of TechStar Class A Shares and TechStar Listed Warrants, the Merger and the adoption of the TechStar Private Company Memorandum and Articles by TechStar EVEN IF you intend to elect to redeem some or all of your TechStar Class A Shares.

Interests of TechStar Directors in the De-SPAC Transaction

Mr. NI Zhengdong, Mr. LI Zhu and Mr. LAU Wai Kit (who are TechStar Directors and also Individual Promoters who will be issued Successor Company Shares upon the TechStar Class B Conversion and Closing) abstained from voting on the relevant resolutions of the TechStar Board approving the De-SPAC Transaction.

Save as disclosed above, none of the TechStar Directors had a material interest in the De-SPAC Transaction and the transactions contemplated thereunder and no TechStar Director has abstained from voting on the relevant resolutions of the TechStar Board.

TechStar Directors who are Individual Promoters have certain interests which are different from, or in addition to, those of TechStar Class A Shareholders, the details of which are set out in "Risk Factors – The Promoters' economic interests or other conflicts of interest may incentivize them to complete the De-SPAC Transaction which may not be in the best interests of TechStar Shareholders." In considering the recommendation of the TechStar Board to vote in favor of the De-SPAC Transaction and other resolutions at the EGM, TechStar Shareholders should consider these interests.

S. CONSEQUENCES IF THE DE-SPAC TRANSACTION IS NOT APPROVED

If the De-SPAC Transaction is not approved by TechStar Class A Shareholder, Closing does not occur or the De-SPAC Transaction does not comply with the applicable Listing Rule requirements (including the requirement for the Successor Company to have a minimum number of 100 Professional Investors at the time of listing, unless a waiver from strict compliance with any of these requirements is granted by the Stock Exchange), it is intended that (i) TechStar will not redeem any TechStar Class A Shares and all Share Redemption requests will be canceled; and (ii) the listings of the TechStar Class A Shares and TechStar Listed Warrants on the Stock Exchange will be maintained, subject to the scenarios below however, TechStar will not have sufficient time to identify another De-SPAC target and negotiate a De-SPAC transaction before it is required to be delisted by the Stock Exchange as provided for in the Listing Rules.

Pursuant to the Listing Rules and the TechStar Articles, if:

(i) TechStar is unable to (a) publish an announcement of the terms of a De-SPAC Transaction by December 22, 2024, being 24 months from the date of listing of the TechStar Class A Shares and TechStar Listed Warrants on the Stock Exchange, or (b) complete a De-SPAC transaction by December 22, 2025, being 36 months from the date of listing of the TechStar Class A Shares and TechStar Listed Warrants on the Stock Exchange, unless an extension is approved by an ordinary resolution of the TechStar Class A Shareholders and granted by the Stock Exchange; or

(ii) TechStar fails to obtain the requisite approvals in respect of the continuation of TechStar following a material change in the Promoters or TechStar Directors as provided for in the Listing Rules,

(a) TechStar will cease all operations except for the purpose of winding up pursuant to requirements under the TechStar Articles; (b) trading of the TechStar Class A Shares and the TechStar Listed Warrants will be suspended; (c) as promptly as reasonably possible but no more than one month after the date that trading in the TechStar Class A Shares is suspended, TechStar will redeem the TechStar Class A Shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Escrow Account (including interest and other income earned on the funds held in the escrow account of TechStar), divided by the number of then issued and outstanding TechStar Class A Shares on a pro rata basis (provided that the redemption price per TechStar Class A Share must not be less than HK$10.00), such redemption will completely extinguish the rights of the holders of the TechStar Class A Shares as TechStar Shareholders (including the right to receive further liquidation distributions, if any), subject to applicable law; and (d) as promptly as reasonably possible following such redemption, subject to the approval of remaining TechStar Shareholders and the TechStar Board, TechStar will be liquidated and dissolved, subject, in the case of paragraphs (c) and (d), to TechStar's obligations under Cayman Islands law to provide for claims of creditors and in all cases subject to the other requirements of applicable law and the Promoter Agreement.

In all circumstances, TechStar Class A Shareholders will be paid no less than HK$10.00 per Share Redemption.

There will be no redemption rights or liquidating distributions with respect to the TechStar Warrants, which will expire worthless if we fail to announce a De-SPAC Transaction within such 24 month period or complete the De-SPAC Transaction within such 36 month period (or within the extension period if any) from the date of listing of TechStar Class A Shares or if we fail to obtain the requisite approvals in respect of the continuation of TechStar following a material change in the Promoters or the TechStar Directors as provided for in the Listing Rules.

The Promoters have irrevocably agreed to waive their rights, title, interest or claims of any kind in or to any money in the escrow account of TechStar in all circumstances, including their rights to liquidating distributions from the escrow account of TechStar with respect to their TechStar Class B Shares.

For consequences on the Share Redemption and the Appraisal Right if the De-SPAC Transaction is not completed for any reason, see "Important Notice to TechStar Shareholders and Actions to be Taken – B. TechStar Redemption Right – 5. Consequences if the De-SPAC Transaction is not approved or completed" and "Important Notice to TechStar Shareholders and Actions to be Taken – D. Appraisal Right of Dissenting TechStar Shareholders – 3. Consequences of exercising the Appraisal Right".

T. ACTIONS TO BE TAKEN AND FURTHER INFORMATION

Your attention is drawn to "Important Notice to TechStar Shareholders and Actions to be Taken" for details of actions which you should take as an TechStar Shareholder or a Beneficial Owner whose TechStar Class A Shares are held by a Registered Shareholder or deposited in CCASS in relation to the EGM.

Your attention is also drawn to other sections of and appendices to this circular, which contain further information on the De-SPAC Transaction, the Target Group and the Successor Group and other information required to be disclosed under the Listing Rules.

By order of the TechStar Board
TechStar Acquisition Corporation
NI Zhengdong
Chairman of the TechStar Board