

UBTECH

UBTECH ROBOTICS CORP LTD
深圳市優必選科技股份有限公司

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

Stock Code: 9880

2025 Annual Report



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Zhou Jian (周劍先生)
(Chairman of the Board and Chief Executive Officer)

Mr. Liu Ming (劉明先生)
(Employee Representative Director)

Mr. Deng Feng (鄧峰先生) (appointed on June 27, 2025)

Dr. Xiong Youjun (熊友軍博士)
(Deputy General Manager and
Chief Technology Officer)

Ms. Wang Lin (王琳女士) (retired on June 27, 2025)

Non-executive Directors

Mr. Xia Zuoquan (夏佐全先生)

Mr. Zhou Zhifeng (周志峰先生)

Mr. Lu Kuan (陸寬先生) (appointed on June 27, 2025)

Mr. Chen Qiang (陳強先生) (retired on June 27, 2025)

Independent Non-executive Directors

Dr. He Jia (何佳博士)
(appointed on June 27, 2025)

Dr. Yao Xin (姚新博士) (appointed on June 27, 2025)

Dr. Dong Xiuqin (董秀琴博士)
(appointed on June 27, 2025)

Dr. Xiong Hui (熊輝博士) (appointed on June 27, 2025)

Mr. Zhao Jie (趙杰先生) (retired on June 27, 2025)

Mr. Xiong Chuxiong (熊楚熊先生)
(retired on June 27, 2025)

Mr. Poon Fuk Chuen (潘福全先生)
(retired on June 27, 2025)

Mr. Leung Wai Man, Roger (梁偉民先生)
(retired on June 27, 2025)

JOINT COMPANY SECRETARIES

Mr. Zhang Ju (張鉅先生)

Ms. Jian Xuegen (簡雪艮女士)
(appointed on February 21, 2025)

Ms. Ng Wai Kam (伍偉琴女士)
(resigned on February 21, 2025)

AUDIT COMMITTEE

Dr. Dong Xiuqin (董秀琴博士) (Chairperson)
(appointed on July 2, 2025)

Dr. He Jia (何佳博士) (appointed on July 2, 2025)

Dr. Yao Xin (姚新博士) (appointed on July 2, 2025)

Mr. Xiong Chuxiong (熊楚熊先生) (Chairperson)
(retired on June 27, 2025)

Mr. Leung Wai Man, Roger (梁偉民先生)
(retired on June 27, 2025)

Mr. Poon Fuk Chuen (潘福全先生)
(retired on June 27, 2025)

ESG AND SUSTAINABILITY COMMITTEE

Mr. Liu Ming (劉明先生) (Chairperson)

Mr. Deng Feng (鄧峰先生) (appointed on July 2, 2025)

Dr. Dong Xiuqin (董秀琴博士)
(appointed on July 2, 2025)

Ms. Wang Lin (王琳女士) (retired on June 27, 2025)

Mr. Xiong Chuxiong (熊楚熊先生)
(retired on June 27, 2025)

REMUNERATION AND APPRAISAL COMMITTEE

Dr. He Jia (何佳博士) (Chairperson)
(appointed on July 2, 2025)

Mr. Zhou Jian (周劍先生)

Dr. Yao Xin (姚新博士) (appointed on July 2, 2025)

Mr. Poon Fuk Chuen (潘福全先生) (Chairperson)
(retired on June 27, 2025)

Mr. Xiong Chuxiong (熊楚熊先生)
(retired on June 27, 2025)

NOMINATION COMMITTEE

Dr. Xiong Hui (熊輝博士) (Chairperson)
(appointed on July 2, 2025)

Mr. Zhou Jian (周劍先生)

Dr. Dong Xiuqin (董秀琴博士)
(appointed on July 2, 2025)

Mr. Zhao Jie (趙杰先生) (Chairperson)
(retired on June 27, 2025)

Mr. Leung Wai Man, Roger (梁偉民先生)
(retired on June 27, 2025)

STRATEGY COMMITTEE

Mr. Zhou Jian (周劍先生) (Chairperson)

Dr. He Jia (何佳博士) (appointed on July 2, 2025)

Dr. Xiong Hui (熊輝博士) (appointed on July 2, 2025)

Mr. Zhao Jie (趙杰先生) (retired on June 27, 2025)

Dr. Xiong Youjun (熊友軍博士) (retired on June 27, 2025)

AUTHORISED REPRESENTATIVES

Mr. Deng Feng (鄧峰先生) (appointed on July 2, 2025)

Ms. Jian Xuegen (簡雪艮女士)
(appointed on February 21, 2025)

Ms. Wang Lin (王琳女士) (retired on June 27, 2025)

Ms. Ng Wai Kam (伍偉琴女士) (retired on June 27, 2025)



CORPORATE INFORMATION

AUDITOR

PricewaterhouseCoopers Zhong Tian LLP
Recognized Public Interest Entity Auditor
 11/F PricewaterhouseCoopers Center
 Link Square 2, 202 Hu Bin Road
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King & Wood Mallesons
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 Central
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Bird & Bird
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 No. 1001 Xueyuan Avenue
 Changyuan Community
 Taoyuan Street
 Nanshan District
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HONG KONG H SHARE REGISTRAR AND TRANSFER OFFICE

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PRINCIPAL BANKERS

China CITIC Bank Corporation Limited
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 No. 8 Zhong Xin San Road
 Futian District
 Shenzhen

Shanghai Pudong Development Bank Co., Limited
 Shenzhen Branch
 No. 333 Li Yuan Road
 Sungang Street
 Luohu District
 Shenzhen

Industrial and Commercial Bank of China Limited
 Shenzhen Hailrun Sub-branch
 202, 203, 205, 206, 207, 208, 209 and 301B
 Building A, Hailrun Complex
 No. 6021 Shennan Avenue
 Tianan Community
 Shatou Street
 Futian District
 Shenzhen

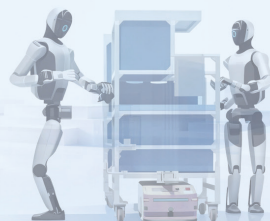
Industrial Bank Co., Limited
 Shenzhen Branch
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STOCK CODE

9880

COMPANY'S WEBSITE

www.ubtrobot.com

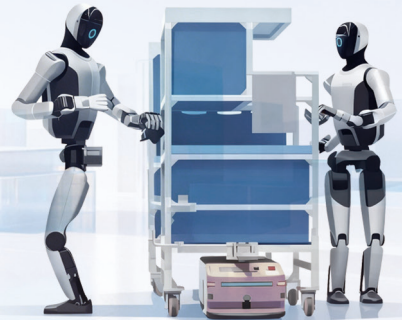




CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

On behalf of the board (the "Board" or "Board of Directors") of directors (the "Directors") of UBTECH ROBOTICS CORP LTD (the "Company") and its subsidiaries (collectively, the "Group", "we", "our" or "us"), I am pleased to present the annual report of the Company for the year ended December 31, 2025.



CHAIRMAN'S STATEMENT

In 2025, the global artificial intelligence sector showed a trend of multi-point breakthroughs on core technologies. Key advancements, particularly in Large Language Models (LLMs), Generative AI, and Embodied Intelligence, are propelling the sector into a new era. Currently, AI technologies are transitioning from the digital realm to the physical world. As a pivotal technology in this shift, Embodied Intelligence deeply integrates AI into physical entities, such as embodied intelligent humanoid robots, endowing them with the ability to autonomously perceive, learn, and interact with their environment in real time. UBTECH continues to ramp up investment in embodied intelligent humanoid robot R&D, with a steadfast focus on industrial applications. We have successively launched the industrial versions of embodied intelligent humanoid robots, Walker S, Walker S1 and Walker S2 (as an embodied intelligence carrier, the Walker S series is designed and iterated to address real-world industrial application needs; in 2025, the Walker S2 series started mass production and delivery officially, and entered a new stage of large-scale scenario application). UBTECH remains committed to advancing key technologies, including the “humanoid brain”, “humanoid cerebellum”, and “high-performance limbs”. These technologies encompass core artificial intelligence technologies such as high-performance servo drive technology, large model technology, semantic VSLAM technology, learning-based motion control technology, visual perception technology, and multimodal interaction technology. The integration of our BrainNet 2.0 with Co-Agent technology establishes an “AI dual-cycle” for industrial embodied intelligent humanoid robots, enabling a spiral evolution of individual robot autonomy and group collaboration. Our full-stack technological advancements enable embodied intelligent humanoid robots to achieve superior task planning, dexterous manipulation, navigation and mobility, and human-computer interaction capabilities. Additionally, UBTECH has pioneered an embodied intelligent humanoid robot application paradigm for multi-tasking environments, and conducted the world's first field trial for the multi-robot, multi-scenario, and multi-task group intelligence. In the meantime, UBTECH has spearheaded the development and establishment of multiple national standards in the field of humanoid robots and embodied intelligence. Serving as the deputy head of the Humanoid Robot Standards Working Group of the National Robotics Standardization Committee, co-leader of the Embodied Intelligence Working Group of the National AI Standardization Subcommittee, and member of the Standardization Committee for Humanoid Robots and Embodied Intelligence/co-leader of the Working Group on Complete Robots and Systems under the Ministry of Industry and Information Technology, UBTECH continued to guide the industry, including spearheading the development of key standards such as the Technical Requirements for Humanoid Robots – Part 5: Operational Tasks and Technical Requirements for Humanoid Robots – Part 6: Positioning and Navigation, and jointly leading the development of Technical Requirements for Humanoid Robots – Part 7: Human-Computer Interaction within the first batch of national standards for humanoid robots.

In 2025, UBTECH continued to focus on the large-scale deployment of our robots in industrial manufacturing scenarios. The field trials for the Walker S series entered the new stage of group intelligence, where multiple robots collaboratively executed production-line-level tasks, linking together a series of workstation tasks such as workbin handling, SPS sorting, parts assembly, process material handling, and quality inspection. As at the end of 2025, UBTECH achieved an annualized production capacity of over 6,000 full-size embodied intelligent humanoid robots, and continued to lead the global embodied intelligent humanoid robot industry in terms of order volume, covering key fields such as automotive manufacturing, smart manufacturing, smart logistics, and embodied intelligent datacenters, marking the official transition of embodied intelligent humanoid robots from field trial to commercial application.



CHAIRMAN'S STATEMENT

A. ROBOTIC TECHNOLOGIES

At the complete robot level, we released the third-generation industrial embodied intelligent humanoid robot, Walker S2, with the innovatively developed hot-swappable, autonomous battery-changing system. This system redefines the energy management paradigm for embodied intelligent humanoid robots with its 3-minute autonomous battery swap and 24-hour continuous operation capabilities. The bionic torso, featuring 52 degrees of freedom (DoF), is capable of performing high-difficulty maneuvers across a full spatial range of 0 to 1.8 meters, including stable load handling of up to 15 kg, flexible floor-reaching actions, extreme squatting, long-distance grasping, and flexible lumbar rotation with a range of $\pm 162^\circ$. We released the wheeled humanoid robot Cruzr S2, featuring a waist-fold mechanism design that enables handling of 15kg payloads across a full spatial range of 0-1.8 meter, with zero-radius rotation in narrow aisles as compact as 0.8 meter and a rotation angle of $\pm 170^\circ$. On the dexterous hand level, we released the fourth- and fifth-generation dexterous hands. In particular, the fourth-generation dexterous hand, with the aid of an 11-DoF structure and a worm gear transmission mechanism, can output a fingertip payload capacity of 12.5N, achieving sub-millimeter-level fine operations. The additional active thumb DoFs enable the dexterous hand to achieve flattening and pinching gestures, improving operational flexibility significantly. The fifth-generation dexterous hand has 19 fully-driven active rotational DoFs, and tactile and visual multimodal sensors, which can adapt to more complex industrial scenarios. At the bottom domain control level of humanoid robots, we have explored and developed a domain control solution that combines the brain and cerebellum of humanoid robots, further improving the integration of their electronic systems. Based on the application practice of the Walker S series in diverse industrial scenarios, we have developed atomic and combinatorial capabilities for humanoid robots, introduced control center nodes innovatively, and achieved efficient reconstruction at the application system level. We are also developing and refining a series of software infrastructure platforms, including an embodied intelligent humanoid robot management cloud platform, a data management platform, a robot training platform, and a simulation management platform, to support evolution toward multi-robot collaboration and group intelligence.

In 2025, we improved the preventive design system for humanoid robots, optimized the manufacturing process, strengthened module and complete robot testing, and tackled quality and delivery challenges in the mass production of full-size humanoid robots. The 1,000-unit-level small-scale mass production and delivery of the Walker S2 marks the maturity and stability of our manufacturing process.

In addition, we have integrated well-developed technologies accumulated through the Walker S series to start the R&D of new-generation full-size humanoid robots for the general commerce and education markets, focusing on functional aesthetic design, highly dynamic motion control, multimodal interactions, and open-source ecology building, etc.



CHAIRMAN'S STATEMENT

B. AI TECHNOLOGIES

For embodied intelligent humanoid robot group collaboration scenarios, we have iterated and upgraded BrainNet 2.0. It comes with our proprietary Co-Agent used specifically for industrial embodied intelligent humanoid robots, which establishes an “AI dual-cycle” for industrial embodied intelligent humanoid robots, and promotes the evolution of industrial scenario applications for embodied intelligent humanoid robots toward refined collaboration. We have independently developed a foundation embodied intelligence large model, Thinker, with hundreds of billions of parameters, and established a “refining and purification” pipeline for multimodal data. By adopting a strategy of “large model-assisted annotation + multi-model cross-validation”, we have achieved end-to-end automated annotation for tasks such as visual scene segmentation, action sequence classification, and instruction intention parsing. Moreover, we have created a data backflow mechanism innovatively, and fed back continuous model evaluation through real-scenario data. We have developed a visual language action model (Thinker-VLA) with closed-loop feedback, achieving millimeter-level precision for loading, generalized grasping, and dual-arm collaborative work bin handling. We have built an AI model generation pipeline, forming an infinite data loop starting from the base large model, and passing through business model optimization, distillation, and quantitative deployment sequentially for lightweight implementation, and then through data governance and difficult case mining, thereby feeding high-quality data back to the base large model, and achieving the continuous iteration and efficient implementation of AI models.

We have made our Thinker visual language base large model for embodied intelligence open-sourced officially with focus on “small parameters, high performance and full open source” to address the core pain points in the transition of humanoid robots from the laboratory to industrial scenarios – spatial measurement inaccuracy and time response delay, providing industrial humanoid robots with fast response and accurate spatial perception capabilities, and their BrainNet and Co-Agent with cognitive and decision-making support. Currently, the model weight, training toolchain and application cases have been fully open-sourced to boost the industry’s technology iteration and popularization.

We have independently developed Thinker-WM, a world model for industrial embodied intelligent humanoid robots. As one of the core foundations of the dual-cycle embodied AI system, it provides comprehensive spatiotemporal modeling of the physical world, long-sequence dynamic prediction, and closed-loop decision-making support for both single-robot operation and multi-robot collaboration scenarios of industrial humanoid robots. Built upon Thinker, a vision-language foundation large model, Thinker-WM establishes core capabilities in multimodal 4D spatiotemporal modeling. By integrating multi-source industrial scene data including vision and proprioceptive sensing, it enables millimeter-precise spatial state perception, causal prediction of long-horizon action sequences, and real-time forecasting of dynamic environmental disturbances. This delivers robust environmental perception and proactive decision-making capabilities for high-precision loading and unloading, generalized grasping, dual-arm collaboration, and multi-robot coordinated operations.

We are building and operating humanoid robot data collection and testing centers in multiple locations, and establishing a one-stop embodied intelligence data collection platform. Through data flywheels, we create a virtuous cycle of “more data – better models – wider applications – even more data”, strengthening our core competitiveness and accelerating the deployment of robots in industrial and commercial settings.



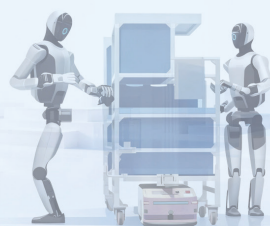
CHAIRMAN'S STATEMENT

C. INTEGRATED ROBOTIC AND AI TECHNOLOGIES

1. Integration of Positioning, Navigation, and AI

We keep iterating multi-camera semantic VSLAM technology and have built an infinite-loop link for feature extraction and matching based on the real-machine data backflow self-supervision model, achieving spatial understanding and spatial memory functions such as multi-camera semantic processing VSLAM, autonomous map updating, generalized Landmark mapping, and DSG multi-layer semantic mapping, improving the stability of localization and mapping in real industrial scenarios comprehensively, and elevating computational efficiency while reducing the occupancy of computing resources significantly. Multi-sensor fusion semantic laser USLAM solves common scenario degradation problems such as large scenarios and high dynamics, achieving significant improvement in scenario range, accuracy and stability, and supporting the practical application of wheeled humanoid robots in industrial scenarios. We have developed an omnidirectional navigation model for embodied intelligent humanoid robots that supports new capabilities such as efficient backward movement, narrow channel lateral movement, and close range obstacle stopping. In terms of 3D spatial perception, we have developed a multimodal and multi-task OD/OCC perception model for humanoid robots independently. By producing high-quality data through a 4D true value system, we have achieved 360-degree look-around spatial perception. We have built an end-to-end navigation simulation training system based on reinforcement learning using ISAAC simulation and self-developed handheld data acquisition devices.

L4 autonomous logistics vehicles have been deployed in multiple industrial parks, and achieved normalized operation on the premise of meeting customers' operational efficiency demand. By leveraging massive data and improving perception models, and optimizing online localization and mapping algorithms with semantic information continuously, we have iterated our multi-lane navigation framework, including integrated driving-parking task decision-making capabilities, scenario-based decision-making capabilities, behavioral intent decision-making capabilities, dynamic obstacle prediction capabilities, dynamic obstacle response capabilities, and lane keeping cruise capabilities. This has strengthened the safety, stability, and operational efficiency of our L4 autonomous logistics vehicles in complex scenarios, laying a foundation for the expansion of autonomous logistics from industrial parks to airports and open roads.



CHAIRMAN'S STATEMENT

2. Integration of Machine Vision and AI Technologies

We have developed leading purely binocular vision technology independently, whose accuracy exceeds that of RGBD cameras, enabling the binocular vision of embodied intelligent humanoid robots to achieve “human eye like” perception, and has been applied to delivery in multiple scenarios. In terms of technology implementation, we have developed an industry-leading passive binocular vision system that uses a deep learning-based binocular depth estimation algorithm to generate high-precision dense depth maps in real time from dual RGB images, providing embodied intelligent humanoid robots with stereo vision perception comparable to human eyes. In terms of technological and functional progress, machine learning technology is used to perform geometric imaging tasks, fully leveraging the scaling law to expand the upper limit of perception, and allowing robots to “see more accurately”; structured light dotting is replaced with RGB pixels to improve the imaging resolution, allowing robots to “see more finely”; the large model is inputted directly into both eyes to create a native spatial intelligence end-to-end large model, allowing robots to “see and think together”. To meet the demand of navigation and manipulation scenarios, we have integrated lightweight model design, a high-precision knowledge distillation framework, and Gaussian-probability-based supervised training innovatively. Combined with our proprietary high-precision data acquisition equipment and multi-scenario datasets, we have achieved industry-leading performance in computational power, precision (sub-millimeter level), and generalization, providing core support for the robot's precise perception and interaction.

We have built a generative pipeline for objects and scenario assets in the simulation platform, which has two generation capabilities – automated generation and 3DGS reconstruction. To date, it has generated tens of thousands of proprietary digital object assets, solving the problem of insufficient asset quantity and generalization. In addition, we have built a data generation pipeline to solve the problem of insufficient generalization in data generation, designed simulation schemes such as normal light, excessive darkness, overexposure, motion blurring, randomly placed objects, and random motions of objects, and generated ten-million-class high-value training data in total. We use data generated by the simulation platform to solve the problem of high annotation costs for real data, design technical solutions for mixed training using simulation data + real data, and build a few shot deployable visual perception capability for industrial scenarios alongside difficult case mining, achieving a positioning accuracy of millimeter at an accuracy of 99.5% in various lighting changing/stack scenarios.



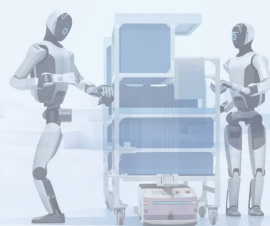
CHAIRMAN'S STATEMENT

3. Integration of Motion Control and AI Technologies

To address the demand for dual-arm dexterous manipulation and high-performance bipedal mobility, we have developed learning-based motion control technologies utilizing imitation learning, reinforcement learning, and generative models. In dexterous manipulation, we have optimized our model-based grasping gesture generation and screening mechanism comprehensively, achieving the continuous and stable grasping of items in work bins. By combining data from model-based grasp generation with manually collected data, we have built the VLA dexterous hand operation model oriented to object generalization, and further enhanced the model's generalization and adaptation to unknown objects by expanding the object dataset using 3D object generation models. In addition, we have applied the capture generation and VLA models to the sorting of complex out-of-order stack materials in industrial SPS and logistics sorting scenarios. In terms of full-body motion control, we have optimized and improved the data-driven hierarchical reinforcement learning framework, achieving multi-source full-body motion data acquisition methods such as motion capture and video extraction, as well as the instant redirection algorithm, and trained trajectory tracking models, achieving high-speed humanoid walking, and full-height dynamic performances such as running, boxing and dancing. In the meantime, a high-level control strategy that integrates complex terrain and interactive information perception is designed to achieve stable robot movements in going upstairs and downstairs, and playing tennis, improving robots' motion performance and adaptability in external environments significantly. Additionally, we keep optimizing work bin handling strategies for bipedal humanoid robots using reinforcement learning technology, achieving work bin handling operations with more stable dynamic loads and more accurate landing points.

As at December 31, 2025, the number of patents granted to us reached 2,985, including 508 overseas licensed patents, reflecting an increase of 11.4% compared to the end of 2024.

In 2025, in terms of honors and awards, UBTECH received the "Advanced Collective Award of Guangdong Province" from the Guangdong Provincial People's Government; became a member unit of the Guangdong Artificial Intelligence and Robotics Industry Alliance and was appointed as a Vice Chairman Unit of the Artificial Intelligence Professional Committee of the China Electronic Chamber of Commerce; UBTECH was selected for the Top 100 Patents List in Shenzhen; and received awarded the title of "Jinge Award – Outstanding Company of the Year" from www.gelonghui.com; awarded the title of "Top 20 Leading Enterprise in Embodied Intelligence" from www.jiqizhixin.com; received the AI Tianma Leading Enterprise Award from the Shenzhen Artificial Intelligence Industry Association and the Guangdong Future Industry Research Institute, the title of "SSE Eagle – Emerging Technological Innovation Enterprise" from the Shanghai Securities News, and the title of "2025 Leading Enterprise in Artificial Intelligence of the Year" from QbitAI.



CHAIRMAN'S STATEMENT

The application and commercialization process of UBTECH humanoid robot products has been recognized widely by the industry: The case of “demonstration application of the industrial version humanoid robot Walker S Lite in the automotive manufacturing field” was included in the list of typical application cases of AI-empowered new-type industrialization by the Ministry of Industry and Information Technology; UBTECH received the title of “Leading Enterprise in Technology Commercialization in the Guangdong-Hong Kong-Macao Greater Bay Area” from www.ifeng.com, the “2025 Embodied Intelligence Scenario Application Award” from www.lanjinger.com, entered the “2025 China Embodied Intelligence Business Potential List” released by Jazzyyear, and awarded the title of “Yanshi – Scenario Application Wisdom Award” from the Humanoid Robot Scenario Application Alliance, and the “Artificial Intelligence Commercial Landing Pioneer Award” from LeadeRobot; the smart tourist guide solution that integrates “humanoid robots + AI + national image communication” created by UBTECH was selected as a typical case for “AI + cultural tourism” application scenarios in Guangdong Province in 2025.

UBTECH has received multiple awards in terms of capital and social responsibility, including the “2025 Golden Hong Kong Stocks Award” from www.zhitongcaijing.com, and the “Zhiyuan Award – Social Responsibility Pioneer Enterprise Award” from www.cls.cn.

On April 19, 2025, at the world’s first humanoid robot half-marathon, the full-size humanoid robot Tiangong Ultra, developed by the Beijing Humanoid Robot Innovation Center with UBTECH being the initiator and general manager, was the first to cross the finish line on the 21.0975-kilometer course, claiming the championship with a total time of 2 hours, 40 minutes and 42 seconds.

At the 2025 World Humanoid Robot Games in August 2025, “Tiangong”, developed by the Beijing Humanoid Robot Innovation Center with UBTECH being the initiator and major shareholder, received the first-ever 100-meter “Flying Man” title in the history of humanoid robots. Tiangong won the 100-meter championship with 21.5 seconds, and was the only athlete to run autonomously without manual remote control in the race.



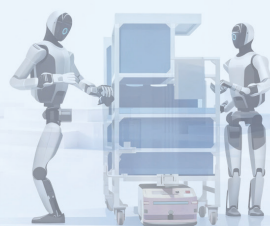
CHAIRMAN'S STATEMENT

2025 ANNUAL BUSINESS REVIEW

I. Full-size embodied intelligent humanoid robot products and services

The year 2025 marked a pivotal turning point for the humanoid robot industry, transitioning from “technical showboating” to “value realization”, and is widely regarded by the industry as the inaugural year for humanoid robots’ entry into industrial manufacturing scenarios. Leveraging its full-stack, self-developed core technologies in embodied intelligent humanoid robots, UBTECH has consistently focused on industrial manufacturing scenarios and successively launched the third-generation industrial embodied intelligent humanoid robot Walker S2 as well as the fourth- and fifth-generation dexterous hands. The Company has also innovatively defined a hot-swappable autonomous battery swapping system for the robot body, providing 7 × 24 continuous operation capabilities for industrial manufacturing scenarios, and enhanced the dexterous hands with 19 fully actuated active rotational degrees of freedom as well as tactile and visual multimodal sensors; meanwhile, based on hundreds of millions of high-quality industrial manufacturing scenario data points accumulated in 2025, we further iterated and upgraded BrainNet 2.0, which is equipped with the self-developed Co-Agent and the dexterous-operation large model Thinker-VLM that integrates reinforcement learning and VLA, thereby providing robots with rapid response and precise spatial perception capabilities and, furthermore, stable environmental cognition and forward-looking decision-making capabilities to enable robots to achieve autonomous millimeter-level precision loading and unloading, generalized grasping, dual-arm collaborative box handling and multi-robot coordinated operations, so as to adapt to more complex industrial manufacturing scenarios. In addition, the Company has actively invested in the research and development of world models and has built the world model Thinker-WM. In 2025, the Company underwent a profound transformation from laboratory parameter competitions to commercial deployment, and full-size embodied intelligent humanoid robots broke through the bottleneck of generalization capabilities at an unprecedented pace.

In 2025, full-size embodied intelligent humanoid robot products and services for all scenarios achieved revenue of approximately RMB820 million, representing a year-on-year increase of approximately 2,203.7%; and achieved sales volume of 1,079 units, representing a year-on-year increase of 35,866.7%.



CHAIRMAN'S STATEMENT

This year, our industrial embodied intelligent humanoid robots underwent “on-the-job” training day after day in real industrial manufacturing scenarios. We focused on three core workstations – handling, sorting and quality inspection – starting from customers’ most pressing needs to address key issues at such workstations, including high staff turnover, difficulties in management and highly repetitive work. At present, empowered by the Thinker embodied intelligence base large model (mimicking the human brain), our embodied intelligent humanoid robot Walker S2 has gradually become capable of taking over specific job tasks previously performed by humans. For handling roles in industrial manufacturing scenarios, our embodied intelligent humanoid robot Walker S2 features autonomous decision-making capabilities for depalletizing and palletizing tasks, full-body coordinated control enabling handling coverage for high-, mid- and low-level totes, as well as autonomous navigation and obstacle avoidance capabilities in confined areas, thereby enabling the robot to tackle the challenge of densely arranged tote handling across multiple layers and columns; for sorting roles in industrial manufacturing scenarios, by accumulating dexterous-manipulation data from both real-robot and simulation environments, our embodied intelligent humanoid robot Walker S2 has developed the capability to grasp stacked materials in constrained environments and to manipulate flexible materials, enabling the completion of complex tasks such as flow-rack sorting in automotive plants and stripping soft protective sleeves from engineering bolts. For quality inspection roles in industrial manufacturing scenarios, our embodied intelligent humanoid robot Walker S2 offers two representative categories of inspection capabilities – vision-based and operation-based – enabling a wide range of inspection types such as SPS kit completeness inspection, charging-gun plug-in/plug-out inspection and air-conditioning leak detection inspection, and is integrated with production and manufacturing systems to achieve timely closed-loop quality data. More importantly, by leveraging over 100 million pieces of industrial manufacturing scenario data accumulated by our embodied intelligent humanoid robots on real production lines to drive iterative technology upgrades, we have enabled robots to evolve from single-robot intelligence to collective intelligence, allowing robot fleets to collaborate like teams of workers and truly become a “never-stopping” new quality productive force.

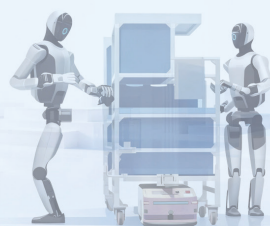


CHAIRMAN'S STATEMENT

This year, in addition to industrial manufacturing applications, we enabled our embodied intelligent humanoid robots to reshape a new ecosystem for education and scientific research. We entered universities and became teaching and research platforms for higher education institutions, and, by establishing embodied intelligence industry colleges as well as data collection and training grounds, we cultivated a large pool of embodied intelligence talent for the industry, enabling developers to build on our capabilities and explore the infinite possibilities of embodied intelligence; we also enabled embodied intelligent humanoid robots to address the challenge of flexible handling. In response to the stringent requirements for efficiency and accuracy in logistics and warehousing, our bipedal humanoid robots and wheeled dual-arm robots, through an integrated “Hardware + Software + Services + Operations” model, completed basic tasks such as sorting and handling in real-world scenarios. Through the embodied intelligent humanoid robot training grounds we deployed in Wuxi and other locations, by collecting and replaying massive volumes of high-quality real-robot data, our embodied intelligent humanoid robots completed “pre-job practical training” prior to taking up their posts, significantly shortening the cycle from deployment to stable value creation; we further enabled embodied intelligent humanoid robots to open a new chapter in commercial customization. From smart commercial service models featuring deep integration of “Technology + Humanities”, to guided-tour services under “Embodied Intelligence + Cultural Tourism”, our robots, as the “Guide Ambassador” of the China Pavilion, successfully completed reception duties at the Osaka World Expo, serving over 1.9 million visitors worldwide. Our embodied intelligent humanoid robot Walker S2, at the opening ceremony of the National Games, served as an opening guest and performed on a millennium-old bronze jùdíng excavated from a Vietnamese royal tomb. We continue to expand into promising vertical-industry applications and to form replicable standardized solutions. Commercial embodied intelligent humanoid robots, leveraging outstanding environmental adaptability, have gradually become a key option for many leading enterprises to address practical scenario applications, truly delivering on the commercial value of “robots replacing humans”.

II. Non-embodied intelligent humanoid robot products and services

In 2025, UBTECH continued to innovate in non-embodied smart humanoid robots. With strong support from independent developed “Dianling (點靈)” agent, AI Wukong (AI 悟空), a humanoid robot product offering the experience of a “digital life companion”, became a new favorite in the consumer market. Meanwhile, the Yanshee educational humanoid robot, serving as a preferred platform for the implementation of embodied smart technology, talent cultivation, and algorithm validation, underwent a profound transformation from a “programming teaching tool” to an “embodied smart research foundation”. This advancement has promoted the development of an AI education ecosystem and fostered interdisciplinary embodied smart technology talents for the future. In 2025, sales of non-embodied intelligent humanoid robot products and services reached 12,759 units.



CHAIRMAN'S STATEMENT

III. Other intelligent robot products and services

1. Education intelligent robot products and services

In 2025, UBTECH continued its core strategy for AI education, driving continuous iterations of hardware and software products, the implementation of teaching scenarios, and international expansion. Through the mature delivery of services and brand market penetration, the Company built a solid foundation for the entire AI education ecosystem.

In the K-12 education sector, we continued to deepen scenario implementation and expand product services. Youth AI and Robot Technological Innovation Education Bases have been completed and delivered in multiple cities. These are expected to serve tens of thousands of local students annually, providing a standardized vehicle for the popularization of regional AI education. We continuously iterated software and hardware, such as the AI Education Cloud, the Yuanxiang PBL platform, and the “Expert Teacher” system. Features like centralized control, FPV, and competitive modes were added to UGOT to enhance out-of-the-box playability. We introduced hardware bases, including the UDECA AI main controller and bionic case library, deeply empowering teaching under the new curriculum standards. We continued to broaden the scope of product services with the release of the C-end (consumer) version of the Yuanxiang PBL platform to meet diverse user needs.

In 2025, UBTECH strengthened its brand influence and industry voice through the dual paths of industry events and tournament ecosystem operations. We successfully participated in industry events, including the 85th China Educational Equipment Exhibition, the 63rd Higher Education Expo China, the World Robot Conference, the IROS International Conference on Intelligent Robots and Systems, and the Guangdong-Hong Kong-Macao Greater Bay Area AI and Robotics Industry Conference. We centrally showcased integrated services for industry-education fusion and scientific innovation education, receiving high praise from the international academic community and effectively enhancing industry recognition and brand penetration. We further optimized and iterated core competition categories within its tournament services, initially building a tournament ecosystem that covers both popularization and elite cultivation, connecting domestic and international stages. Our currently implemented “White List” and self-owned brand tournaments cover nearly 3,500 participating teams, with geographical reach extending to Hong Kong, Macao, and overseas countries such as Malaysia and Russia. The internationalization of these tournaments has significantly increased, and several teams in the “Youchuang Weilai” category were honored as national-level “Innovation Stars.” Simultaneously, we conducted referee training in multiple cities across the country, laying a solid talent foundation for the professional and standardized operation of competitions.



CHAIRMAN'S STATEMENT

2. *Logistics intelligent robot products and services*

In 2025, UBTECH's logistics intelligent robot products and services continued to deepen their presence in five core industries: new energy vehicles, new energy battery production lines, tire manufacturing plants, 3C electronics factories, and e-commerce/3PL. Drawing on our self-developed ACU robot core controller and UPilot robot operating system, complemented by the information system on three cloud platforms: WMS, MES, and CTS, we deepened the implementation of the industry's first full-stack unmanned logistics services, with the core products including the Wali Series U lifting mobile robots, Wali Series T latent towing robots, Wali Series F light- and heavy-load unmanned forklifts, Wali Series H heavy-load omnidirectional robots, Wali Series C stacker robots, and the Chitu L4-level unmanned logistics vehicle. Through integrated indoor and outdoor intelligent scheduling and multi-machine collaborative operations, we overcome the "last 10 meters" challenge in intra-facility logistics. This enables customers to build a fully unmanned logistics ecosystem, covering sorting, transportation, warehousing, and distribution, ultimately achieving a genuine closed-loop unmanned logistics system.

On the R&D front, UBTECH focused our product optimization, upgrades, and new development efforts on meeting client demands for end-to-end logistics scenarios. Our R&D is concentrated on the industrial mobile robots and L4-level unmanned logistics vehicles. We continued to refine our integrated delivery model of "Hardware + Software + Service + Operation", collaborating with clients and industry chain partners to pioneer innovative unmanned logistics applications and create benchmarks for unmanned logistics services. Through product innovation and upgrades, we helped customers achieve a qualitative leap in warehousing and logistics efficiency, transitioning unmanned logistics from merely "usable" to "highly efficient". In the AI field, based on our self-developed VLA framework and large model pre-training data, we advanced multi-modal alignment and the decoupling of "perception-action." This significantly enhanced the controllability and generalization of agents in complex tasks and formed a "Simulation-Teleoperation-Reinforcement Learning" (Sim2Real) closed-loop pipeline. This provides an iterable technical foundation for agents to enter the physical world, realizing the "awakening" of embodied intelligence from algorithmic models.

On the robot product side, UBTECH achieved a transition from scenario depth to all-domain intelligent mobility. We launched the Wali C50L + U50 bin-stacking and mobile robots, directly addressing cost-efficiency and fulfillment pain points in industries such as e-commerce/3PL to achieve high-density storage and efficient flow of bin-level materials. We introduced the Wali H3000 heavy-duty omnidirectional robot, which utilizes omnidirectional motion control technology to perform heavy-load handling tasks in narrow spaces, providing a new solution for building highly flexible and efficient logistics models. We released the next-generation Wali U600/U1500 lifting mobile robots, which cover mainstream load capacities up to 1500 kg through flexible combined applications and meet high-capacity demands across all industries with an exceptional load-to-volume ratio. We also launched the Chitu α , a new generation of outdoor unmanned logistics vehicles, pioneering an in-cabin fusion of LiDAR and binocular perception. Capable of operating in all weather conditions, it enables unmanned logistics from closed campuses to open urban roads and last-mile delivery.



CHAIRMAN'S STATEMENT

On the strategic partnership side, UBTECH transitioned from single-point breakthroughs to ecosystem co-construction. We reached an embodied intelligence cooperation agreement with Volcano Engine (under ByteDance), focusing on multi-modal large models, VLA models, interactive ecosystems, and AI cloud-native infrastructure to accelerate the industrial implementation of large models in the field of embodied intelligence. We entered into a strategic partnership with KENGIC, a subsidiary of Digital China, to jointly build an embodied intelligence application ecosystem for unmanned warehousing, creating a full-stack unmanned logistics application model for the 3PL industry. We collaborated with M8M, a world-renowned smart logistics service provider, focusing on high-potential aviation logistics scenarios to drive the entry of unmanned logistics systems into the airport sector and create benchmark cases for airport unmanned logistics. We partnered with Aurotek Corporation, a smart robot service provider, to deeply explore the Taiwan and global markets, providing flexible unmanned logistics systems and exporting replicable Chinese services for industrial manufacturing upgrades to the world. We also collaborated with Sun Robotics, a Thai automation system integrator, to jointly build a localized product delivery and service network in Thailand, tapping into the “blue ocean” of the Southeast Asian smart manufacturing market.

On the corporate honors side, UBTECH moved from industry validation to authoritative recognition. With our outstanding technical advantages and comprehensive competitiveness in the field of unmanned logistics, we successfully passed the “National High-Tech Enterprise” certification. We received provincial recognition for its specialization, refinement, differentiation, and innovation, earning the title of “Specialized, Refined, Differentiated, and Innovative” enterprise in Jiangsu Province. We joined the ranks of high-growth innovative enterprises in the province, being selected for the “Potential Unicorn” list of Jiangsu in 2025. Our Wali F3000 heavy-duty unmanned forklift achieved cage stacking with millimeter-level positioning accuracy, winning the “Intelligent Stacking Architect” award at the world’s first Unmanned Forklift Application Scenario Competition.

In 2025, the global shipment volume of UBTECH’s logistics intelligent robot products and services reached nearly 3,000 units, cumulatively spanning more than 60 cities and regions across 6 countries. Full-stack unmanned logistics have been implemented in various industries, including automotive manufacturing, new energy, and airports. The Company will continue to increase deployment scale and delivery density, covering more industries and key scenarios. This will enable unmanned logistics to move from indoors to outdoors, from low-speed to high-speed, and from manufacturing to distribution, achieving full-scenario coverage and accelerating the realization of an end-to-end unmanned logistics system. By continuously creating benchmark cases for unmanned factories, unmanned warehouses, and unmanned delivery services, we push forward the intelligent upgrade of industrial manufacturing with resilience and determination, injecting powerful momentum into the new era of global unmanned logistics.



CHAIRMAN'S STATEMENT

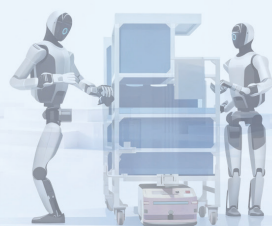
3. *Other sector-tailored intelligent robot products and services*

In 2025, in terms of R&D, leveraging UBTECH's longstanding accumulation in the R&D of industry-specific smart robotic products, it continued to deepen its technological capabilities in embodied intelligence and model applications, iterated on a series of industry-specific smart robotic products and their supporting intelligent service solutions, launched a new large-model version of industry-customized robots, and introduced new products for general-purpose wheeled embodied intelligent robots. Through multimodal interactive design and computing power upgrades, the Company achieved a major breakthrough in industry-level group intelligent operations and adaptive capabilities in complex environments.

In 2025, in terms of market expansion, UBTECH accelerated its global layout and penetration across multiple scenarios: its commercial robot series products were incorporated into the overseas store construction standards of a leading domestic new energy vehicle company, deepening its collaboration in both the domestic market and overseas expansion. The Company signed strategic agreements with ecosystem partners, including listed companies, key laboratories, and industry clients, to jointly explore the application of embodied intelligence through the pathways of "Robot Urbanization" and "Industry Services." Furthermore, by collaborating with strategic corporate clients across more than 50 countries overseas, we continued to expand its global market presence, achieving innovative explorations in the multi-field implementation of sector-tailored intelligent robot products and services.

IV. **Other intelligent hardware devices**

In 2025, UBTECH successfully launched the smart lawnmowers M10 series for yard scenarios, the PC01, PC10, PC20, and PC200 series of pool robots, and the PS100 pool surface cleaning robot. Following these, we developed the smart lawnmowers M20 series, which is set to hit the market soon. We also initiated the R&D of the next-generation high-end flagship, the PC300. This product focuses on "all-domain 3D cleaning" for pools, integrating a smart environment sensing system with AI cleaning planning algorithms to further push the boundaries of high-end products. Currently, a comprehensive pool robot product line has been established, covering various price points and usage scenarios. In the field of smart home, we launched the T25 and T30 smart robot vacuums, along with the cost-effective E10 and the high-end all-in-one station product X1, continuing to broaden the robot vacuum product matrix. Regarding smart pet hardware, we developed and successfully launched the C30 rake-style series and C40 extra-large series of smart cat litter boxes, as well as the F20 series of smart refrigerated dual-temperature pet feeders. Additionally, we introduced more cost-effective products such as the PG01/PG01 Plus series pet grooming vacuum and the PD10 smart drying box. We continued to refine its product layout around fundamental pet care needs. Its product strength has been highly recognized by users and clients, earning the Excellent Partner Award from major overseas channel clients, while the sub-brand Airrobo was honored as a 2025 Forbes China Pet Industry Value Brand.



CHAIRMAN'S STATEMENT

In 2025, on the market side, UBTECH continued to cultivate mainstream domestic and overseas markets, deeply expanding its reach across major online platforms, O2O channels, KA chains, and distribution clients. The Company pushed forward the refined operation of online e-commerce platforms; notably on mainstream platforms like Amazon, several of UBTECH's smart pet hardware products consistently ranked among the top of the sale lists. We also remained active in mapping out offline channel client resources in Europe, America, Australia, and Southeast Asia, establishing stable partnerships with multiple large-scale, well-known distributors. The smart cat litter box series continued to maintain a leading position in global market share.

FUTURE OUTLOOK

UBTECH has been adopting embodied intelligent humanoid robots and AI as the core strategy, focusing strategically on the research and development of embodied intelligence technology and its commercial application, and working hard on the breakthrough towards the commercialization of embodied intelligent humanoid robot technology and AI technology, committed to expanding the reach of embodied intelligent humanoid robots from industrial and commercial applications to every household. Specifically, we will focus on the following areas:

1. Embodied Intelligent Humanoid Robots

We will continue to invest in the R&D and mass production of new models of the Walker S series of industrial embodied intelligent humanoid robots. We will continuously introduce new materials and processes to improve the lightweight and integration level of the complete machine, deeply iterate the generalization and stability of autonomous operation algorithms, and consolidate our leading advantages in the industrial sector. Meanwhile, we will launch a new generation of more intelligent, user-friendly and open commercial and educational versions of embodied intelligent humanoid robots, targeting commercial scenarios such as commercial guidance and reception, corporate image display, and interactive event performances, as well as educational scenarios including university scientific research, system integration development, and AI teaching assistance. We will deeply iterate on the full-stack technology of humanoid robots, make breakthroughs in key embodied intelligence technologies including integrated joints, bionic five-fingered dexterous hands, BrainNet architecture, Co-Agent, foundation large models, world models, learning-based motion control, spatial intelligence, and the ROSA system, and promote the "platformization" of common technologies. Through strategic technical planning and key breakthroughs, we will fully support the synergistic evolution of hardware, software, and services. We aim to continuously enhance the lightweight design, integration level, system stability, swarm coordination, and individual autonomy of embodied intelligent humanoid robots. This will enable deep coordination between robots and their surroundings, providing stable, reliable, safe, and practical services across diverse industrial, commercial, and educational scenarios. We are committed to accelerating the large-scale implementation of embodied intelligence technologies and products, comprehensively elevating the levels of intelligence and flexibility in related fields. Furthermore, we will build a robot developer community and an open robot ecosystem platform, attracting more partners to join the robotic ecosystem and accelerating the "breakthrough" of embodied intelligent humanoid robots from single-scenario applications to multi-scenario integration.



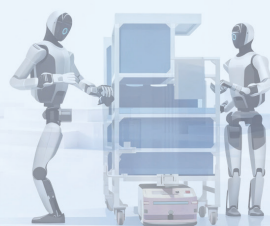
CHAIRMAN'S STATEMENT

2. Industrial Vertical Domain Embodied Intelligence Dataset

We will rely on the multiple national multimodal data collection and testing centers for humanoid robots that we construct and operate to accumulate diverse and high-quality training data for industrial scenarios. We expect to collect more than ten million pieces of industry-scarce data annually. In terms of data collection scenario design, we will focus on typical industrial scenarios with large-scale application potential for humanoid robots, such as handling, sorting, and loading/unloading, while also covering typical commercial scenarios, providing sufficient data “fuel” to achieve “breakthroughs” in these scenarios. The scope of data collection includes not only basic actions such as grasping, placing, and alignment, but also extended long-range complex tasks. Furthermore, based on real-robot teleoperation data collection, we will deploy ontology-free data collection solutions and use world models to continuously generate high-quality simulation data, expanding the sources of embodied intelligence data through multiple routes.

3. Multi-modal Perception and Large Model Technology

Driven by the high-dimensional decision-making demands in complex production line tasks, we will continue to iterate a large multi-modal reasoning model for humanoid robots, which, as the core engine of the super cerebrum, will promote the continuous self-evolution of the BrainNet architecture and Co-Agent and unleash the outburst of collective intelligence. The multi-modal reasoning model of UBTECH humanoid robots will be trained and improved based on hundreds of millions of high-quality industrial data sets accumulated by the Walker S series, quickly training professional work types based on RAG (retrieval-augmented generation) technology. Consequently, the decision-making and generalization capabilities of robots across various workstations will be significantly improved, providing strong support for the large-scale application of embodied intelligent humanoid robots in industrial scenarios. We will explore and develop high-performance, production-grade perception solutions. The core of this effort is to transform laboratory perception algorithms into standardized capabilities suitable for large-scale production and stable delivery. Through multi-modal data reconstruction, performance consistency assurance, and a verifiable delivery system, we will support the stable mass production and rapid iteration of products such as robots and autonomous driving systems in complex scenarios.



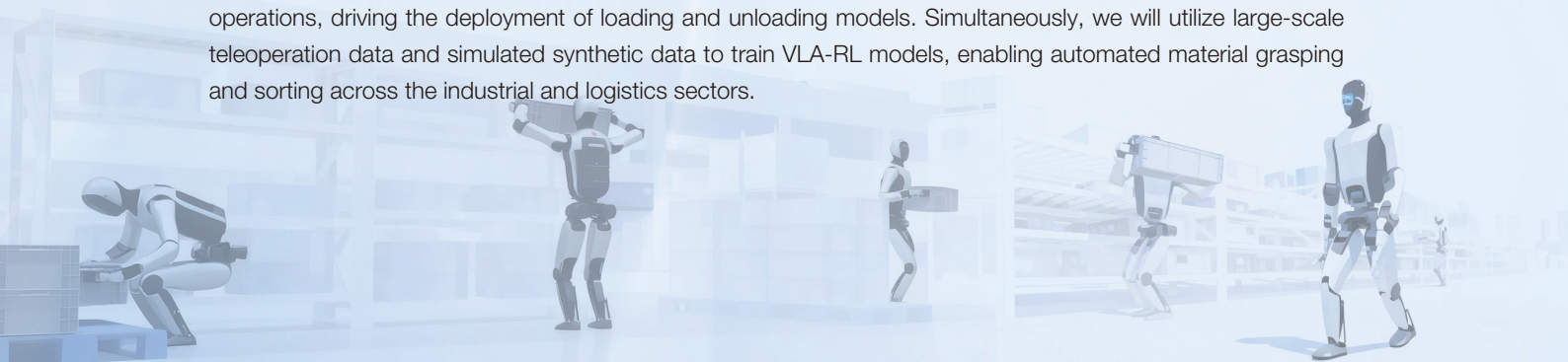
CHAIRMAN'S STATEMENT

4. Embodied Intelligence Decision-Making Technologies

For the scenario of embodied intelligent humanoid robots collaborating in groups, we will continue our investment in the development of group intelligence technology for embodied intelligent humanoid robots to iterate BrainNet architecture. This architecture integrates reasoning nodes and skill nodes, flexibly connected via edge-cloud collaboration, and establishes a collaborative system between the cloud-based super brain and the edge-side intelligent cerebellum. We aim to strengthen the global high-dimensional decision-making capabilities of the super brain based on multi-modal embodied inference large models, while strengthening the reasoning capabilities of the super cerebrum and the skill supply abilities of the intelligent cerebellum. This will improve the cloud-based AI system's efficiency in dynamic task decomposition, multi-robot intelligent scheduling, and global resource optimization for production-line-level tasks. Furthermore, through multi-modal stereoscopic vision perception, dynamic path planning, and collaborative decision-making, typical industrial operations can be implemented, such as autonomous depalletizing and autonomous shelving, increasing the success rate of task planning and accumulating more industrial scenario datasets and multi-scale models. We will continuously iterate the industrial embodied intelligent humanoid robot Co-Agent, enhancing its "spontaneous behaviour chain" capability to empower robots with intent understanding, task planning, tool invocation, and autonomous exception handling. By improving the closed-loop system of "active perception – active reasoning – active action" for diverse tasks, we aim to advance embodied intelligent humanoid robots to a new level of "autonomous perception" from "passive execution", supporting the implementation of large-scale cluster operations and flexible production in industrial scenarios. We will deeply integrate Thinker-WM, the Thinker-VLA vision-language-action model, and the embodied navigation system to form a more reliable intelligent closed loop: "simulation pre-training – real-machine validation – data backflow – model iteration".

5. End-to-End Motion Control Technology

Building on our end-to-end learning-based motion control technologies, we will continue to make breakthroughs in the research and development of task-oriented full-body motion control and dexterous manipulation technologies. This aims to meet the highly generalized operational demands of complex tasks such as handling, loading/unloading, stacking, and sorting, as well as human-robot collaboration. In the direction of full-body motion generation and control, we will expand diverse full-body motion datasets and construct a universal full-body trajectory tracking model to support a wide range of mobile manipulation tasks. We will develop a full-body trajectory generator capable of receiving upper-level commands and environmental information to achieve real-time dynamic motion generation and tracking, leveraging hybrid force/position control at the end-effectors to expand implementation in industrial scenarios. In the direction of industrial handling, we will integrate reinforcement learning to improve handling speed and success rates, training highly efficient handling methods and motion trajectories to achieve autonomous depalletizing and palletizing decision-making with enhanced stability and efficiency. In the direction of palletizing/depalletizing skills, starting with the handling of bins of different sizes, heights, and weights, we will utilize omnidirectional force control to achieve broader and more universal palletizing modes. In the direction of industrial loading and unloading, we will combine traditional model-based control with reinforcement learning to improve the success rate and efficiency of peg-in-hole operations, driving the deployment of loading and unloading models. Simultaneously, we will utilize large-scale teleoperation data and simulated synthetic data to train VLA-RL models, enabling automated material grasping and sorting across the industrial and logistics sectors.



CHAIRMAN'S STATEMENT

6. Embodied Navigation and the Autonomous Driving Technology for L4 Level Driverless Vehicles

Embodied navigation technology will target the commercial implementation of bipedal and wheeled humanoid robots and their large-scale industrial application as its core objectives, focusing on three key areas for intensive iteration: multi-scenario adaptation, high-robustness operation, and cross-platform compatibility. By deeply integrating core capabilities such as 3D perception, spatio-temporal memory models, multi-sensor fusion, and 3D cross-terrain spatial planning, we aim to bridge the upstream and downstream technical chains. This will enable an end-to-end closed loop of “perception-decision-action-feedback” for robots in complex environments. We will strengthen the precise prediction of dynamic obstacles and self-adaptive response, significantly enhancing the operational adaptability of robots in unstructured scenarios. Leveraging large model technology and integrating reinforcement learning, imitation learning, simulation training systems, and real-machine operational data feedback mechanisms, we will continuously optimize model generalization. This will result in a standardized and reusable technical solution, achieving production-grade deployment of this technology in scenarios such as commercial complexes, industrial parks, and industrial production lines.

Focusing on the multi-dimensional spatial intelligence upgrade, we will continue to advance cutting-edge autonomous driving technologies, including spatial memory, spatial perception, spatial cognition & interaction, multi-modal fusion network architecture and multi-modal multitasking. We aim to consistently enhance capabilities in unknown obstacle detection, task decision-making, scenario decision-making, driving task behavioural intent decision-making, dynamic obstacle response, and lane cruising. By integrating game decision-making control with end-to-end technologies, we will comprehensively enhance the autonomous driving safety, stability, and operational efficiency of autonomous vehicles in complicated environments, so that the technology will be rolled out in more scenarios in the park to accelerate the expansion and implementation from parks to open roads.

Yours faithfully,

Zhou Jian

Chairman, Executive Director and Chief Executive Officer

UBTECH ROBOTICS CORP LTD

Shenzhen, the PRC

March 31, 2026



FINANCIAL SUMMARY

Our revenue increased by 53.3% to RMB2,001.0 million for the year ended December 31, 2025 from RMB1,305.4 million for the year ended December 31, 2024. Among these, revenue from full-size embodied intelligent humanoid robot products and services grew rapidly by approximately 2,203.7%, from RMB35.6 million for the year ended December 31, 2024, to RMB820.6 million for the year ended December 31, 2025, becoming UBTECH's largest source of revenue. Our gross profit increased to RMB753.8 million for the year ended December 31, 2025 from RMB374.0 million for the year ended December 31, 2024. Our gross profit margin increased by 9 percentage points to 37.7% for the year ended December 31, 2025 from 28.7% for the year ended December 31, 2024. Our loss decreased to RMB789.8 million for the year ended December 31, 2025 from RMB1,159.9 million for the year ended December 31, 2024.

Upon approval at the 2024 first extraordinary general meeting of the Company convened on February 8, 2024, the Group adopted the China Accounting Standards for Business Enterprises ("CASBE") to prepare its overseas financial statements from the year ended December 31, 2024 and 2023, and restated its consolidated financial statements for 2022 according to CASBE. The consolidated financial statements of the Company for 2021 was prepared in accordance with the Hong Kong Financial Reporting Standards and no adjustments were made thereto.

(Except per share data)	For the year ended December 31,				
	2021	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	817,230	1,008,272	1,055,698	1,305,361	2,000,999
Cost of sales	(561,277)	(611,104)	(722,880)	(931,352)	(1,247,186)
Gross profit	255,953	397,168	332,818	374,009	753,813
Loss before tax	(900,961)	(970,859)	(1,227,229)	(1,149,259)	(774,680)
Loss for the year	(917,519)	(987,368)	(1,264,590)	(1,159,924)	(789,823)
Losses Per Share	(2.41)	(2.50)	(3.05)	(2.67)	(1.55)
Total assets	2,667,245	2,788,002	4,765,635	5,133,525	10,240,808
Total liabilities	1,907,247	1,734,078	2,676,752	2,885,993	2,915,204
Net asset value	759,998	1,053,924	2,088,883	2,247,532	7,325,604



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Overview

We generate revenue primarily from sales of (i) full-size embodied intelligent humanoid robot products and services, (ii) non-embodied intelligent humanoid robot products and services, (iii) other intelligent robot products and services; and (iv) other intelligent hardware devices. Our revenue in 2025 increased by 53.3% to RMB2,001.0 million compared to RMB1,305.4 million in 2024 owing to changes in revenue mix as detailed below.

Revenue by products and services

	Year ended 31 December				
	2025		2024		Year-on-Year Change (%)
	Amount RMB'000	% of Revenue	Amount RMB'000	% of Revenue	
Full-size embodied intelligent humanoid robot products and services	820,557	41.1	35,619	2.7	2,203.7
Non-embodied intelligent humanoid robot products and services	47,963	2.4	41,606	3.2	15.3
Other intelligent robot products and services	628,656	31.4	756,580	58.0	(16.9)
Other intelligent hardware devices	499,207	24.9	468,998	35.9	6.4
Others ^(Note)	4,616	0.2	2,558	0.2	80.5
Total	2,000,999	100.0	1,305,361	100.0	53.3

Note: "Others" primarily included sales of raw materials and spare parts.

Our revenue attributable to full-size embodied intelligent humanoid robot products and services increased by approximately 2,203.7% from RMB35.6 million in 2024 to RMB820.6 million in 2025, primarily due to the comprehensive acceleration of large-scale scenario-based applications, which enabled us to successfully convert our technological accumulation into large-scale order deliveries.

Our revenue attributable to non-embodied intelligent humanoid robot products and services increased by 15.3% from RMB41.6 million in 2024 to RMB48.0 million in 2025, primarily due to the sales launch of new models.

Our revenue attributable to other intelligent robot products and services decreased by 16.9% from RMB756.6 million in 2024 to RMB628.7 million in 2025, primarily due to the fact that certain projects under contract in 2025 for logistics intelligent robots and intelligent robotic services had not yet been delivered and accepted by the end of the year, resulting in a decrease in revenue.



MANAGEMENT DISCUSSION AND ANALYSIS

Our revenue attributable to other intelligent hardware devices increased by 6.4% from RMB469.0 million in 2024 to RMB499.2 million in 2025, primarily due to the continuous launch of new products driving revenue growth.

Adjustments have been made on disclosure categories of revenue due to change in the segments. The breakdown of revenue by category for 2024 is shown in the table below:

		Year ended 31 December				
		2025		2024		Year-on-Year Change (%)
		Amount RMB'000	% of Revenue	Amount RMB'000	% of Revenue	
Education smart robot products and services	Full-size embodied smart humanoid robot products and services	61,039	3.0	-	-	-
	Non-embodied smart humanoid robot products and services	24,367	1.2	33,568	2.6	(27.4)
	Other smart robot products and services	327,690	16.4	329,830	25.2	(0.6)
	Subtotal	413,096	20.6	363,398	27.8	13.7
Logistics smart robot products and services	Full-size embodied smart humanoid robot products	45,134	2.3	-	-	-
	Other smart robot products and services	228,591	11.4	321,664	24.7	(28.9)
	Subtotal	273,725	13.7	321,664	24.7	(14.9)
Other sector-tailored smart robot products and services	Full-size embodied smart humanoid robot products	714,384	35.7	35,619	2.7	1,905.6
	Other smart robot products and services	72,375	3.6	105,086	8.1	(31.1)
	Subtotal	786,759	39.3	140,705	10.8	459.2
Consumer-level robots and other hardware devices	Non-embodied smart humanoid robot products and services	23,596	1.2	8,039	0.6	193.5
	Other smart hardware devices	499,207	24.9	468,997	35.9	6.4
	Subtotal	522,803	26.1	477,036	36.5	9.6
Others ^(Note)	Others ^(Note)	4,616	0.2	2,558	0.2	80.5
Total	Total	2,000,999	100.0	1,305,361	100.0	53.3

Note: "Others" primarily included sales of raw materials and spare parts.



MANAGEMENT DISCUSSION AND ANALYSIS

Gross profit and gross profit margin

Our gross profit increased by 101.6% from RMB374.0 million in 2024 to RMB753.8 million in 2025. Our gross profit margins were 37.7% and 28.7% in 2025 and 2024, primarily due to structural changes, as high-margin full-size embodied intelligent humanoid robot products and services became our largest source of revenue.

Other income

Our other income decreased by 1.6% from RMB37.6 million in 2024 to RMB37.0 million in 2025, primarily due to a decrease in value-added tax refunds.

Selling expenses

Our selling expenses decreased by RMB52.9 million from RMB523.9 million in 2024 to RMB471.0 million in 2025, primarily due to a decrease in share-based payment expenses. As a percentage of the Group's revenue, selling expenses decreased from 40.1% in 2024 to 23.5% in 2025, primarily due to the significant growth in revenue. Employee benefits expenses decreased by RMB33.3 million from RMB237.5 million in 2024 to RMB204.2 million in 2025, primarily due to a decrease in share-based payment expenses. In 2025, other key expenses include advertisement and promotion expenses of RMB129.1 million, sales commissions of RMB46.1 million, travel expenses of RMB26.9 million.

Administrative expenses

Our administrative expenses decreased by RMB34.4 million, from RMB370.0 million in 2024 to RMB335.6 million in 2025, primarily due to a decrease in share-based payment expenses. As a percentage of the Group's revenue, administrative expenses decreased from 28.3% in 2024 to 16.8% in 2025, primarily due to the significant growth in revenue. In 2025, administrative expenses mainly comprised employee remuneration and benefit expenses of RMB240.0 million, depreciation and amortization of RMB19.2 million, office expenses of RMB15.5 million, professional service fees of RMB15.1 million.

Research and development expenses

Our research and development expenses increased by RMB29.4 million from RMB478.1 million in 2024 to RMB507.5 million in 2025, mainly due to the combined effect of increased investment in the research and development of embodied artificial intelligence and robotic technologies and a decrease in share-based payment expenses. As a percentage of our revenue, it decreased from 36.6% in 2024 to 25.4% in 2025, primarily due to an increase in revenue. In 2025, our research and development expenses mainly comprised staff remuneration of RMB409.4 million, software tools and consumer goods of RMB37.7 million, and materials consumed of RMB22 million.

Credit impairment losses

Our net credit impairment losses slightly decreased from RMB156.0 million in 2024 to RMB151.4 million in 2025. Credit impairment losses for the year are primarily due to delayed payments from certain government-related customers, and corresponding impairment was provided in 2025 on a prudent basis.



MANAGEMENT DISCUSSION AND ANALYSIS

Finance income

Our financial income decreased from RMB6.0 million in 2024 to RMB0.6 million in 2025, primarily due to the combined effect of an increase in interest income and an increase in exchange losses.

Income tax expense

Income tax expense increased to RMB15.1 million in 2025 as compared to RMB10.7 million in 2024, primarily due to the increase in the pre-tax income of the subsidiaries subject to taxation.

Loss for the year

As a result of the foregoing, our loss for the year decreased from RMB1,159.9 million in 2024 to RMB789.8 million in 2025, primarily due to the significant growth in revenue (especially from full-size embodied intelligent humanoid robot products and services) and gross profit, as well as the continuous decline in the expense ratio.

Non-GAAP measures

To supplement our consolidated financial statements, which are presented in accordance with PRC GAAP, we also use “adjusted net loss for the year (non-GAAP measure)” and “adjusted EBITDA (non-GAAP measure)” as additional financial measures. We present this financial measure because it is used by our management to evaluate our financial performance. We also believe this non-GAAP measures provide additional information to investors and others in their understanding and evaluating our results of operations in the same manner as they help our management. However, these non-GAAP measures do not have a standardized meaning prescribed by PRC GAAP and therefore, they may not be comparable to similar measures presented by other companies.

We define “adjusted net loss for the year (non-GAAP measure)” as net loss for the year by adding back share-based payments (being non-cash in nature). We define “adjusted EBITDA non-GAAP measure” as “adjusted net loss for the year (non-GAAP measure)” adding back (i) interest expenses, (ii) income tax expense, (iii) credit impairment loss and asset impairment loss; (iv) depreciation of fixed assets and amortization of long-term prepaid expenses, depreciation of right-of-use assets and amortization of intangible assets, which are non-cash in nature, and (v) deducting interest income from it.



MANAGEMENT DISCUSSION AND ANALYSIS

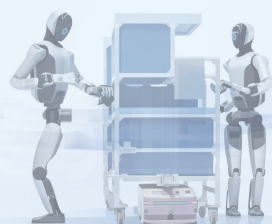
The following table sets forth the reconciliation of net loss and “adjusted net loss for the year (non-GAAP measure)” and “adjusted EBITDA (non-GAAP measure)” for the years ended December 31, 2024 and 2025:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Reconciliation of net loss and “adjusted net loss for the year (non-GAAP measure)” and “adjusted EBITDA (non-GAAP measure)”		
Net loss for the year	(789,823)	(1,159,924)
<i>Add:</i>		
Share-based payments	99,300	245,326
Adjusted net loss for the year (non-GAAP measure)	(690,523)	(914,598)
<i>Add:</i>		
Interest expenses ^(Note)	2,614	26,976
Income tax expense	15,143	10,665
Depreciation of right-of-use assets	27,300	30,802
Depreciation of fixed assets and amortization of long-term prepaid expenses	50,791	46,006
Amortization of intangible assets	8,431	8,339
Credit impairment loss	151,439	156,014
Asset impairment loss	39,272	43,219
<i>Less:</i>		
Interest income	41,971	15,946
Adjusted EBITDA (non-GAAP measure)	(437,504)	(608,523)

Note: Interest expenses included interest expenses on borrowings, net of amount capitalised and interest expenses on lease liabilities.

Liquidity and capital resources

Cash used in operation in 2025 was approximately RMB784.1 million (RMB833.6 million in 2024). As of December 31, 2025, the Group had cash and cash equivalents of approximately RMB4,887.9 million (RMB1,191.0 million as of December 31, 2024) with approximately RMB1,123.0 million of external bank borrowings (RMB1,537.6 million as of December 31, 2024).



MANAGEMENT DISCUSSION AND ANALYSIS

In terms of gearing, the Group's gearing ratios (defined as total interest-bearing borrowings and lease liabilities divided by total equity) as of December 31, 2024 and 2025 were 71.6% and 16.0%, respectively. The current ratios of the Group (defined as total current assets divided by total current liabilities) as of December 31, 2024 and December 31, 2025 were 1.4 times and 3.0 times respectively. As of December 31, 2025, the Group had no material contingent liabilities. With the cash and bank balances in hand and the net proceeds received from the several rounds of placing of new H Shares under the general mandate granted to the Directors to allot, issue and deal with additional H Shares pursuant to a resolution of the Shareholders passed at the annual general meeting of the Company held on May 21, 2025 (the "General Mandate") in 2025 and early 2025, the Group's liquidity position remains strong to meet its working capital requirements.

As of December 31, 2025, our interest-bearing bank and other borrowings were RMB1,123.0 million. Our interest-bearing bank and other borrowings decreased from RMB1,537.6 million as of December 31, 2024 to RMB1,123.0 million as of December 31, 2025 mainly in respect of daily operations and the payments of the construction cost of the headquarter building of the Group located in Shenzhen.

Pledge of assets

As of December 31, 2024 and 2025, 100% equity interest of Shenzhen UBTECH Technology Industrial Co., Ltd.* (深圳市優必選科技實業有限公司), a subsidiary of our Group, and the land use rights held by it and some patent rights owned by the Group, have been pledged to secure bank loans of our Group mainly for our construction of property, plant and equipment.

Treasury policies and exposure to fluctuations in exchange rates

Most of the Group's revenues are denominated in RMB as its operations are mainly located in China. As of December 31, 2025, approximately 30.2% (81.2% as of December 31, 2024) of the Group's bank balances and cash was denominated in RMB and 69.6% (5.0% as of December 31, 2024) was denominated in United States Dollars, which mainly represented the proceeds from the placing of new H Shares under the General Mandate. The remaining 0.2% (13.8% as of December 31, 2024) was denominated in HKD, Euros, Singapore Dollars, Pounds or Japanese Yen. The Group continues to adopt a conservative approach in its foreign exchange exposure management. For the year ended December 31, 2025, the Group did not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group reviews its foreign exchange risks periodically and uses derivative financial instruments to hedge against such risks when necessary.



MANAGEMENT DISCUSSION AND ANALYSIS

Employees and remuneration policy

As of December 31, 2025, we had 2,550 full-time employees, 2,545 of which were based in Chinese Mainland, with the majority working at our headquarter in Shenzhen with the rest located at our other offices in Liuzhou, Beijing, Xiamen, Jiujiang, Shijiazhuang and Hangzhou, etc. Total remuneration cost decreased to RMB914.6 million in 2025, compared to RMB940.7 million in 2024, primarily due to a decrease in share-based payment expenses. We recruit our employees mainly through campus recruitment, internal recruitment, social recruitment, referral by headhunters and internal staff recommendation (also through the open recruitment process). We emphasize that we have always adhered to the principles of equal competition, information disclosure and two-way selection in the open recruitment process. Whether it is in written examination, interview or recruitment conditions, we shall adhere to the principle of equal competition, ensure that recruitment information is disclosed transparently and communicate equally with candidates. We offer competitive remuneration package to our employees, which are generally based on their qualifications, industry experience, position and performance. In order to motivate, retain and reward talents for their contribution to the development of our Group, we have approved and adopted several equity incentive schemes since 2015. We further adopted the 2024 H share incentive scheme (the “H Share Incentive Scheme”) in September 2024 upon approval by our shareholders (the “Shareholders”) in order to, among other things, improve the Company’s incentive mechanism to attract, motivate and retain Directors, supervisors, senior management and employees who have made outstanding contributions to our sustainable operation, development and long-term growth. For further details, please refer to our announcement dated July 31, 2024. We regularly evaluate the performance of our employees and reward the well-performed with bonus and promotion.

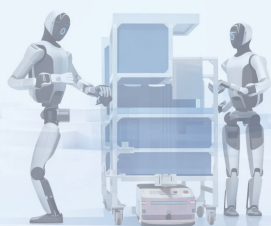
We invest in continuing education and training programs, including regular and tailor-made internal and external training, for our employees to improve their professional knowledge, and management skills, upgrade their skill sets and keep abreast of the industry standards in their respective positions. Pre-employment induction training and orientation is provided to all new hiring. We also organize activities to provide our employees with a deeper understanding of our culture.

Capital expenditures

The Group’s capital expenditure in 2025 was primarily related to the construction of projects such as Shenzhen headquarters building, Hangzhou Lin’an project, Jiujiang industrial park and Wuxi UQI PARK, which was amounting to RMB613.5 million, representing an increase of 53.2% from RMB400.4 million in 2024.

Right-of-use assets and lease liabilities

The related right-of-use assets and lease liabilities are located in the PRC. As of December 31, 2025, the Group’s right-of-use assets were RMB41.2 million (RMB58.1 million as of December 31, 2024) and its lease liabilities were RMB49.4 million (RMB71.9 million as of December 31, 2024). In 2025, depreciation expenses for right-of-use assets amounted to RMB27.3 million and interest expenses on lease liabilities amounted to RMB2.6 million.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Zhou Jian (周劍), aged 49, founder of our Group, currently serves as chairman of the Board, chief executive officer of our Company and an executive Director and is also the single largest shareholder. He was appointed as a Director on March 31, 2012 and as the Chairman of the Board on September 29, 2013 and re-designated as an Executive Director on December 9, 2022. He is responsible for leadership of the Board, corporate governance promotion, strategic planning, and major decision-making for our Group. Mr. Zhou holds positions in various subsidiaries of our Company, including:

Name of subsidiary	Position
Shenzhen UBTECH Technology Industrial Co., Ltd.* (深圳市優必選科技實業有限公司)	Executive director
UBTECH Entertainment (Shenzhen) Co., Ltd.* (優必選娛樂(深圳)有限公司)	General manager and executive director
UBTECH Software Technology (Shenzhen) Co., Ltd.* (優必選軟件技術(深圳)有限公司)	General manager and executive director
UBTECH ROBOTICS LIMITED* (優必選機器人有限公司)	Director
Wuxi Uqi Robotics Technology Co., Ltd. (無錫優奇機器人科技 有限公司)	Chairman

From November 2007 to March 2012, Mr. Zhou founded and served as a director for UNION BROTHER (SHANGHAI) LIMITED* (優鎧(上海)機械有限公司), a company principally engaged in the manufacturing of and supply of solutions for automation equipment production lines for the high-end building materials industry. From May 2000 to December 2005, Mr. Zhou worked as the manager for the Asia Pacific region for Michael Weing AG, a company principally engaged in the manufacturing of and supply of solutions for automation machines and equipment for home building.

Mr. Zhou obtained a Bachelor of Engineering in wood processing from Nanjing Forestry University (南京林業大學) in the PRC in June 1999. Mr. Zhou was elected as a deputy of the 13th People's Congress of Guangdong Province, the PRC on January 22, 2018, for a term of 5 years, and was elected as a member of the Youth Entrepreneurs Committee of APEC China Business Council in November 2018 for a term of 2 years. On May 29, 2019, he was recognised as Local-level Talent by Shenzhen Human Resources and Social Security Administration of Shenzhen Municipality. He was accredited as the chief expert of intelligent robots by Shenzhen Artificial Intelligence Industry Association on July 31, 2019.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Liu Ming (劉明), aged 49, is our executive Director, the Employee Representative Director and vice president of the human resources department. He was appointed as a Director on March 20, 2020, re-designated as an executive Director on December 9, 2022, and elected as the Employee Representative Director on June 27, 2025. He joined our Company as vice president of the human resources department in July 2016 and is responsible for human resources management and administration.

He is also a director of Shenzhen Youshijie Robot Co., Ltd.* (深圳市優世界機器人有限公司), Youdi Health and Wuxi Uqi Intelligent Technology Co., Ltd.* (無錫優奇智能科技有限公司), members of our Group.

Prior to joining our Group, from January 2012 to July 2016, he served as a senior expert of remuneration COE of the human resources management department for Huawei Technologies Co., Ltd.* (華為技術有限公司). From January 2005 to August 2011, he served as a senior consulting director for Hay Group (合益集團), a company principally engaged in providing human resources management consulting services. From February 2003 to December 2004, he worked for Taihe Consulting (太和顧問), a company principally engaged in providing management consultancy services as a consulting director. From February 2002 to March 2003, he served as a senior manager for Shanghai Realize Investment Consulting Co., Ltd.* (上海榮正投資諮詢有限公司), a company principally engaged in providing equity incentive consulting services.

Mr. Liu obtained a bachelor of engineering in management engineering (investment economics) and a master of management in technical economics and management from Tongji University (同濟大學) in the PRC in July 1999 and March 2002 respectively.

Mr. Deng Feng (鄧峰), aged 43, is our executive Director, the Authorized Representative and vice president. He was appointed as an executive Director on June 27, 2025 and appointed as the Authorized Representative on July 2, 2025. He joined the Group in December 2017 as the person-in-charge of the office of the secretary to the Board, served as chairman of the board of supervisors from March 2019 to June 2025, and was appointed general manager of the compliance center in January 2023.

Prior to joining our Group, from 2008 to November 2017, Mr. Deng worked for Hytera Communications Corporation Limited* (海能達通信股份有限公司) (formerly known as Shenzhen Haoyi Tong Technology Co., Ltd.* (深圳市好易通科技有限公司)), a company listed on the Shenzhen Stock Exchange (stock code: 002583) principally engaged in manufacturing wireless communication infrastructure and providing communication services and solutions, with the last position of general manager of infrastructure investment and chairman of the board of supervisors.

Mr. Deng graduated from South-Central Minzu University (中南民族大學) in the PRC with a Bachelor of Laws in June 2004. He then obtained a Master of Business Administration from Shenzhen University (深圳大學) in the PRC in June 2016. Mr. Deng received a national legal professional qualification in February 2008, securities practitioners qualification in March 2012, qualification certificate of board secretaries issued by the Shenzhen Stock Exchange in July 2012 and qualification for serving as the Secretary to the Board from the Shanghai Stock Exchange in October 2019. He also obtained the EXIN Data Protection Officer certification in October 2021 from the Examination Institute for Information Science (EXIN) and obtained the Vocational Training Instructor (Level 2) certification in November 2023. He was granted the Corporate Lawyer Qualification by the Guangdong Provincial Department of Justice in January 2025.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Dr. Xiong Youjun (熊友軍), aged 47, is our executive Director, deputy general manager, and chief technology officer. He was appointed as a Director on June 29, 2020 and re-designated as an executive Director on December 9, 2022. He joined our Company as chief technology officer on June 10, 2012 and is responsible for the management of technology research and development. Mr. Xiong served as an executive director of UBTECH (Puyang) Technology Co., Ltd, a subsidiary of the Company, from November 2022 to April 2024. Currently, he also serves as the general manager of Jiujiang Youbixing Technology Co., Ltd, a subsidiary of the Company.

Dr. Xiong served as a member of the Chinese People's Political Consultative Conference in Nanshan District, Shenzhen from 2017 to 2022.

Dr. Xiong obtained a Bachelor of Engineering in motor vehicles and engines from Wuhan University of Automotive Technology (武漢汽車工業大學) in the PRC (one of the predecessors of Wuhan University of Technology) in June 1999 and obtained a master of engineering in power machinery and engineering from Wuhan University of Technology (武漢理工大學) in the PRC in April 2002. He then obtained a Doctor of Philosophy of engineering in mechanical design and theory from Huazhong University of Science and Technology (華中科技大學) in the PRC in December 2005. In February 2018, he was assessed by the Shenzhen Human Resources and Social Security Administration of Shenzhen Municipality as a reserve professional talent in Shenzhen, the PRC.

NON-EXECUTIVE DIRECTORS

Mr. Xia Zuoquan (夏佐全), aged 62, is our non-executive Director. He was appointed as a Director on August 20, 2015 and re-designated as a non-executive Director on December 9, 2022. He is responsible for providing opinions and judgment to the Board.

Mr. Xia joined BYD COMPANY LIMITED, a company dual listed on the Main Board of Stock Exchange (stock code: 01211) and the Shenzhen Stock Exchange (stock code: 002594) principally engaged in the automobile business, including new energy vehicles and traditional fuel-engine vehicles, handset components and assembly services, as well as the rechargeable battery and photovoltaics business since June 2002 as an executive director and vice president, and currently serves as a non-executive director.

Mr. Xia founded and has been serving as the chairman of Shenzhen Zhengxuan Investment (Holdings) Co., Ltd.* (深圳市正軒投資有限公司), a company principally engaged in investing in high-tech and innovative companies since June 2003. Mr. Xia also served as an independent non-executive director of China YuHua Education Corporation Limited, a company listed on the Main Board of the Stock Exchange (stock code: 6169) principally engaged in operating private schools in the PRC from September 2016 to April 2024.

Mr. Xia served as an independent non-executive director of China Baofeng (International) Limited, a company formerly listed on the Main Board of the Stock Exchange principally engaged in the design of lighting and home furnishing products and the supply chain business which was privatized on September 7, 2020, from February 2016 to September 2020.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Xia obtained a Master of Senior Business Management and administration from the Guanghua School of Management of Peking University (北京大學光華管理學院) in the PRC in July 2007.

Mr. Zhou Zhifeng (周志峰), aged 48, is our non-executive Director. He was appointed as a Director on August 20, 2015, and re-designated as a non-executive Director on December 9, 2022. He is responsible for providing opinions and judgment to the Board.

Mr. Zhou is also a director of Shanghai UBJ Education Technology Co., Ltd.* (上海優必傑教育科技有限公司), a member of our Group.

Mr. Zhou has been serving as a director of Beijing HyperStrong Technology Co., Ltd. (a company listed on the Shanghai Stock Exchange (stock code: 688411.SH)) since June 2020. Mr. Zhou has worked at Qiming Venture Partners (啟明創投), an institution principally engaged in providing venture capital and asset management services since May 2014, and currently serves as a managing partner, focusing on investments in emerging technologies in areas such as artificial intelligence, robotics, AR/VR, semiconductor, autotech, enterprise software, etc.

Mr. Zhou graduated from Harbin Institute of Technology (哈爾濱工業大學) in the PRC with a Bachelor of Engineering in computer science and technology in July 2000, and obtained a Master of Business Administration from Columbia University in the City of New York in the United States in May 2011.

Mr. Lu Kuan (陸寬), aged 37, is our non-executive Director. He was appointed on June 27, 2025.

Mr. Lu brings over 14 years of business management experience. From June 2010 to January 2013, Mr. Lu served as an institutional department manager at Shanghai Roya Investment Services Limited* (上海潤言投資諮詢有限公司). From April 2013 to March 2016, Mr. Lu served as an investment department director for Zhejiang Songan Industrial Co., Ltd.* (浙江松安實業有限公司). From March 2016 to August 2016, he held the position of officer at Jiujiang Hengqiang Trading Co., Ltd.* (九江市恒強商貿有限責任公司). From August 2016 to May 2024, Mr. Lu served as a deputy general manager at Jiujiang Industrial Investment Co., Ltd.* (九江市工業投資有限公司), and he concurrently served as a general manager and an executive director at Jiujiang Industrial Financing Guarantee Co., Ltd.* (九江市工業融資擔保有限公司) from August 2016 to January 2024.

Mr. Lu has been concurrently serving as a supervisor at Jiangxi Huaheng Pet Food Co., Ltd. (江西華亨寵物食品股份有限公司) (stock code: 837995), a company listed on the National Equities Exchange and Quotations, and Jiangxi Aipuruo Technology Co., Ltd.* (江西艾普若科技有限責任公司) since September 2022 and January 2024, respectively. Since May 2024, he has been serving as a deputy director of the investment development department at Jiujiang Industrial Development Group Co., Ltd.* (九江市工業發展集團有限公司). Further, since March 2025, Mr. Lu has also been serving as a director at Jiujiang Zhongke Shengguang Technology Co., Ltd.* (九江中科神光科技有限公司).



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Lu holds an intermediate economist qualification, a securities qualification certificate and a fund qualification certificate. He also received a qualification certificate of senior executives as well as a commodity analyst certificate issued by the Bohai Commodity Exchange (渤海商品交易所).

Mr. Lu graduated from the Zhuhai College of Beijing Institute of Technology (北京理工大學珠海學院) in the PRC with a Bachelor of Information Engineering in June 2010. He also received a Master of Business Administration from the East China University of Technology (東華理工大學) in the PRC in June 2024.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. He Jia (何佳), aged 71, is our independent non-executive Director. He was appointed on June 27, 2025 and appointed as the Chairperson of the Remuneration and Appraisal Committee and is a member of both the Audit Committee and the Strategy Committee on July 2, 2025.

Dr. He has been serving as the chair professor of the Chang Jiang (Yangtze River) Scholars Program of the Ministry of Education of the PRC (中國教育部長江講座教授) since September 2008, and the chair professor at Shandong University (山東大學) in the PRC since October 2021. He has served as the chair of the internet investment and financing working committee of the Internet Society of China* (中國互聯網協會) since February 2022. From August 1998 to July 2015, Dr. He served as the Director of the China Financial Reform and Development Research Center at the Chinese University of Hong Kong, and a professor at the Chinese University of Hong Kong Business School. Dr. He served as a leading professor at the Southern University of Science and Technology (南方科技大學) in the PRC from May 2014 to November 2020. From September 2005 to December 2020, he served as a dual appointed professor at Tsinghua University (清華大學) in the PRC, and from May 2021 to July 2024, he served as the chair professor at the Qiushi College of Zhejiang University (浙江大學求是學院) in the PRC.

Dr. He served as an independent director and chairman of the audit committee of Tsinghua Tongfang Co., Ltd.* (清華同方股份有限公司) (currently known as Tongfang Co., Ltd.* (同方股份有限公司)) (stock code: 600100), a company listed on the Shanghai Stock Exchange, from March 2015 to March 2020. He also served as an independent director and chairman of the connected transaction committee of CITIC Securities Company Limited, a company dually listed on the Main Board of the Stock Exchange (stock code: 06030) and the Shanghai Stock Exchange (stock code: 600030) from December 2015 to April 2021. He served as an independent director and chairman of the corporate governance committee of OP Financial Limited (currently known as Wealthink AI-Innovation Capital Limited) (stock code: 01140), a company listed on the Main Board of the Stock Exchange from February 2003 to April 2022. He served as an independent director and chairman of the remuneration committee of Norinco International Cooperation Ltd. (北方國際合作股份有限公司) (stock code: 000065), a company listed on the Shenzhen Stock Exchange from January 2017 to January 2023. He served as an independent director of the Bank of Tianjin Co., Ltd. (stock code: 1578), a company listed on the Main Board of the Stock Exchange from June 2018 to January 2025.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Dr. He has been serving as an independent director of CGS International Holdings Limited (中國銀河國際控股有限公司) since 2011, an independent non-executive director of China Chengtong Development Group Ltd. (stock code: 00217), a company listed on the Main Board of the Stock Exchange, since September 2015, an independent director of Xinlong Holding Group Co., Ltd. (欣龍控股(集團)股份有限公司) (stock code: 000955), a company listed on the Shenzhen Stock Exchange, since February 2020, and an independent director of Tibet Huayu Mining Co., Ltd.* (西藏華鈺礦業股份有限公司) (stock code: 601020), a company listed on the Shanghai Stock Exchange, from 2013 to 2019 and since December 2024.

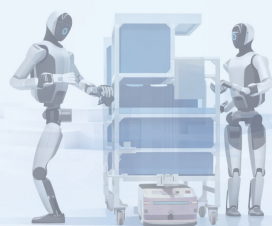
Dr. He studied as a worker-peasant-soldier student (工農兵學員) in the mathematics department of Heilongjiang University (黑龍江大學) in the PRC from October 1975 to July 1978. He received a double Master of Computer and Decision-making from Shanghai Jiaotong University (上海交通大學) in the PRC in December 1983, and obtained a Doctor of Philosophy in finance from the Wharton School of the University of Pennsylvania in the United States in August 1988.

Dr. Yao Xin (姚新), aged 63, is our independent non-executive Director. He was appointed on June 27, 2025 and appointed as a member of both the Audit Committee and the Remuneration and Appraisal Committee on July 2, 2025.

Dr. Yao has extensive experience in the research field specializing in computer science and technology. He has been serving as Vice President (Research and Innovation), and the Tong Tin Sun Chair Professor of Machine Learning of Lingnan University (嶺南大學) in Hong Kong since January 2024. He has taught at Southern University of Science and Technology (南方科技大學) in the PRC from October 2016 to January 2024, University of Birmingham in the United Kingdom from April 1999 to October 2016, University of New South Wales in Australia from September 1992 to March 1999, as a postdoc at CSIRO and Australian National University, and University of Science and Technology of China (中國科學技術大學) from October 1989 to July 1990. Dr. Yao served as the editor-in-chief of IEEE Transactions on Evolutionary Computation from 2003 to 2008. He also served as the president of the IEEE Computational Intelligence Society from 2014 to 2015. He has been among the top 2% of scientists in the world by Stanford University every year since 2021 and one of the “Clarivate Highly Cited Researchers” in 2016, 2020 and 2022–2024.

Dr. Yao was elected as an IEEE Fellow in 2003 and a Fellow of Hong Kong Academy of Engineering in 2024. He won the IEEE Frank Rosenblatt Award in 2020, the Royal Society Wolfson Research Merit Award in 2012, and the IEEE Computational Intelligence Society Evolutionary Computing Pioneer Award in 2013.

Dr. Yao obtained his bachelor degree from University of Science and Technology of China (中國科學技術大學) in June 1982. He further obtained his master degree from North China Institute of Computing Technology (華北計算技術研究所) in October 1985, and a doctor of philosophy in the Department of Computer Science and Technology from University of Science and Technology of China (中國科學技術大學) in May 1990.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Dr. Dong Xiuqin (董秀琴), aged 54, is our independent non-executive Director. She was appointed on June 27, 2025, and appointed as the chairperson of the Audit Committee, as well as a member of the Nomination Committee, and ESG and Sustainability Committee on July 2, 2025.

Since May 2011, Dr. Dong has served as an associate professor in the Department of Accounting at the School of Economics of Shenzhen University (深圳大學) in PRC. From October 2018 to March 2024, January 2019 to January 2025, February 2021 to January 2024 and June 2020 to March 2026, she served as an independent director of Shenzhen Longood Intelligent Electric Co., Ltd. (深圳市朗科智能電氣股份有限公司) (stock code: 300543), Shenzhen JingQuanHua Electronics Co., Ltd. (深圳市京泉華科技股份有限公司) (stock code: 2885), Colorlight Cloud Tech Ltd. (卡萊特雲科技股份有限公司) (stock code: 301391), and ZKTeco Co., Ltd. (熵基科技股份有限公司) (stock code: 301330), respectively, all of which are listed in the Shenzhen Stock Exchange. Dr. Dong also has served as an independent director of Shenzhen Riland Industry Group Co., Ltd. (深圳市瑞凌實業集團股份有限公司) (stock code: 300154) since July 2021.

Dr. Dong graduated from the School of Economics and Management of Jilin University (吉林大學) in the PRC with a Bachelor of Economics in July 1993. She further obtained a Master of Economics from the School of Economics of Xiamen University (廈門大學) in the PRC in July 1996. She further obtained a doctorate degree in management from Xiamen University in the PRC in June 2013. In December 1999, Dr. Dong obtained the qualifications of Certified Accountant in the PRC issued by the Ministry of Finance of the PRC.

Dr. Xiong Hui (熊輝), aged 53, is our independent non-executive Director. He was appointed on June 27, 2025 and appointed as the Chairperson of the Nomination Committee and is a member of the Strategy Committee on July 2, 2025.

Dr. Xiong has extensive experience in the research field specializing in data mining and artificial intelligence, with over 400 papers published in top international journals and conferences such as Nature Communications, IEEE Transactions on Knowledge and Data Engineering, the ACM Transactions on Information Systems, the International Journal on Very Large Data Bases, the Association for the Advancement of Artificial Intelligence, and the Conference on Neural Information Process Systems. He has been serving as a Chair Professor of the Artificial Intelligence Thrust at the Hong Kong University of Science and Technology (Guangzhou) (香港科技大學(廣州)) in the PRC since July 2021. He has been serving as the Associate Vice-President at the Hong Kong University of Science and Technology (Guangzhou) (香港科技大學(廣州)) in the PRC since April 2023. From May 2019 to May 2025, he served as an independent director in Chase Science Co., Ltd.* (福建創識科技股份有限公司) (stock code: 300941), a company listed on the Shenzhen Stock Exchange. Since May 2022, he has been serving as an independent director in Digital China Group Co., Ltd. (神州數碼集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000034). Since May 2024, he has been serving as an independent director in Guangdong Insight Brand Marketing Group Co., Ltd.* (廣東因賽品牌營銷集團股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300781). He formerly served as a tenured distinguished professor at Rutgers University in the United States and was an associate vice president of Baidu Research Institute (百度研究院) from January 2018 to January 2020, overseeing five laboratories.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Dr. Xiong has received a number of recognitions, including recognition as an Association for Computing Machinery (ACM) Distinguished Scientist in 2014, an American Association for the Advancement of Science (AAAS) Fellow in 2020, an Institute of Electrical and Electronics Engineers (IEEE) Fellow in 2020, a Fellow of the Chinese Association of Artificial Intelligence (CAAI) in 2024 and an Association for the Advancement of Artificial Intelligence (AAAI) Fellow in 2025. In 2018, he received the “Ram Charan Management Practice Award” by the Chinese edition of Harvard Business Review, the Grand Prize of the entire event, and in 2017, he received the IEEE International Conference on Data Mining Outstanding Service Award.

Dr. Xiong received a Bachelor of Engineering from University of Science and Technology of China (中國科學技術大學) in July 1995. He further obtained a Master of Science from the National University of Singapore in August 2000, and a Doctor of Philosophy from University of Minnesota in August 2005.

SENIOR MANAGEMENT

Mr. Zhou Jian (周劍) is our executive Director, chief executive officer and the chairman of the Board. See “Executive Directors” in this section for the biographical details of Mr. Zhou.

Dr. Xiong Youjun (熊友軍) is our executive Director, chief technology officer and deputy general manager. See “Executive Directors” in this section for the biographical details of Dr. Xiong.

Mr. Zhang Ju (張鉅), aged 50, is our deputy general manager, the chief financial officer and a secretary to the Board. He was re-elected to his executive positions on July 2, 2025. He is mainly responsible for the overall finance and accounting functions and the Board and capital markets affairs of our Group.

Prior joining our Group, Mr. Zhang served as a director, deputy general manager, chief financial officer and secretary of the board of directors for Hytera Communications Corporation Limited* (海能達通信股份有限公司) (formerly known as Shenzhen Haoyi Tong Technology Co., Ltd.* (深圳市好易通科技有限公司)), a company listed on the Shenzhen Stock Exchange (stock code: 002583) from July 2006 to December 2017, a financial controller of Beijing Sigma Jinghua Microelectronics Co., Ltd.* (北京希格瑪晶華微電子有限公司) from May 2004 to May 2006, a financial manager at Wal-Mart (China) Investment Co., Ltd. (沃爾瑪(中國)投資有限公司) from December 2003 to March 2004, a senior audit associate at PricewaterhouseCoopers Zhong Tian LLP from January 2000 to September 2002, and a civil servant in the Shenzhen Luohu District Government from June 1998 to December 1999.

Mr. Zhang obtained a Bachelor of Economics in international accounting from Shenzhen University (深圳大學) in the PRC in June 1998. He then obtained a Master of Science in accounting and finance from The University of Manchester Institute of Science and Technology and the University of Manchester in England in November 2003. Mr. Zhang received a qualification certificate of board secretary issued by the Shenzhen Stock Exchange in October 2013.

Mr. Zhang was recognised as a Reserve Professional Talent by Shenzhen Human Resources and Social Security Administration of Shenzhen Municipality in January 2020.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

JOINT COMPANY SECRETARIES

Mr. Zhang Ju (張鉅) is the secretary of the Board and was appointed as the joint company secretary of our Company on December 27, 2022. See “Senior Management” above for the biographical details of Mr. Zhang.

Ms. Jian Xuegen (簡雪艮) has been appointed the joint company secretary of the Company on February 21, 2025. Ms. Jian is currently a vice president of SWCS Corporate Services Group (Hong Kong) Limited. Ms. Jian obtained her bachelor’s degree of accounting from the South China University of Technology in July 2008. She is a member of the Hong Kong Institute of Certified Public Accountants. She is also a member of the Chinese Institute of Certified Public Accountants. Ms. Jian has over 14 years of experience in accounting, finance, and the corporate secretary field.



CORPORATE GOVERNANCE REPORT

The Board hereby presents this corporate governance report (the “Corporate Governance Report”) in the Company’s annual report for the year ended December 31, 2025.

CORPORATE GOVERNANCE CULTURE

Built on our vision, values and culture, we are committed to developing a positive corporate governance culture that allows employees across the Group to thrive, meet their full potential, and that enables our Company to deliver long-term sustainable growth and success.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining high corporate governance standards.

The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the shareholders of the Company (the “Shareholder(s)”), enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the “CG Code”) on the Stock Exchange as the basis of the Company’s corporate governance practices.

The Board is of the view that during the year ended December 31, 2025 (the “Relevant Period”), the Company has complied with all the applicable code provisions as set out in the CG Code, except for Code Provision C.2.1 described in the paragraph headed “Chairman and Chief Executive Officer”. The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim to maintaining a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

Since the Company’s Shares were listed on the Stock Exchange on the Listing Date, the provisions regarding compliance with the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix C3 to the Listing Rules are only applicable to the Company since the Listing Date.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company by the Directors and the supervisors of the Company (prior to the abolishment of the Supervisory Committee in June 2025) (the “Supervisors”), and the Group’s employees who, because of his/her office or employment, are likely to possess inside information in relation to the Group or the Company’s securities. Specific enquiries have been made to all Directors and Supervisors and the Directors and Supervisors have confirmed that they have complied with the required standards set out in the Model Code during the Relevant Period (in the case of Directors) or up to the abolishment of the Supervisory Committee (in the case of Supervisors).



CORPORATE GOVERNANCE REPORT

No incident of non-compliance of the Model Code by the employees was noted by the Company for the Relevant Period.

BOARD OF DIRECTORS

The Company is headed by an effective Board which assumes responsibility for its leadership and control and be collectively responsibility for promoting the Company's success by directing and supervising the Company's affairs. Directors take decisions objectively in the best interests of the Company.

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business and regularly reviews the contribution required from a Director to perform his responsibilities to the Company and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

BOARD COMPOSITION

The composition of the Board as at the date of this annual report is as follows:

Executive Directors

Mr. Zhou Jian (周劍先生) (*Chairman of the Board and Chief Executive Officer*)
 Mr. Liu Ming (劉明先生) (*Employee Representative Director*)
 Mr. Deng Feng (鄧峰先生)
 Dr. Xiong Youjun (熊友軍博士) (*Deputy General Manager and Chief Technology Officer*)

Non-executive Directors

Mr. Xia Zuoquan (夏佐全先生)
 Mr. Zhou Zhifeng (周志峰先生)
 Mr. Lu Kuan (陸寬先生)

Independent Non-executive Directors

Dr. He Jia (何佳博士)
 Dr. Yao Xin (姚新博士)
 Dr. Dong Xiuqin (董秀琴博士)
 Dr. Xiong Hui (熊輝博士)

On June 25, 2025, each Director has obtained the legal opinion required under Rule 3.09D of the Listing Rules and confirmed that he/she understand his/her obligations as a director of a company listed on the Stock Exchange.



CORPORATE GOVERNANCE REPORT

The biographical information of the Directors is set out in the section headed “Biographical Details of Directors and Senior Management” on pages 32 to 39 of this annual report. There is no relationship (including financial, business, family or other material/relevant relationship(s)) between the Board members.

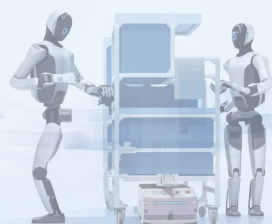
BOARD MEETINGS

Regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of Directors. In addition, Code Provision C.2.7 of the CG Code stipulates that the chairman should at least annually hold meetings with the independent non-executive directors without the presence of other directors.

During the Relevant Period, the Board held 16 Board meetings.

The attendance record of each Director during their respective tenure of office at the Board meeting of the Company held during the Relevant Period is set out in the table below:

Name of Director	Attendance/ Number of board meetings
Executive Directors	
Mr. Zhou Jian (<i>Chairman of the Board and Chief Executive Officer</i>)	16/16
Mr. Liu Ming	16/16
Mr. Deng Feng (<i>appointed on June 27, 2025</i>)	10/10
Dr. Xiong Youjun	16/16
Ms. Wang Lin (<i>retired on June 27, 2025</i>)	6/6
Non-executive Directors	
Mr. Xia Zuoquan	16/16
Mr. Zhou Zhifeng	16/16
Mr. Lu Kuan (<i>appointed on June 27, 2025</i>)	10/10
Mr. Chen Qiang (<i>retired on June 27, 2025</i>)	6/6
Independent Non-executive Directors	
Dr. He Jia (<i>appointed on June 27, 2025</i>)	10/10
Dr. Yao Xin (<i>appointed on June 27, 2025</i>)	10/10
Dr. Dong Xiuqin (<i>appointed on June 27, 2025</i>)	10/10
Dr. Xiong Hui (<i>appointed on June 27, 2025</i>)	10/10
Mr. Zhao Jie (<i>retired on June 27, 2025</i>)	6/6
Mr. Xiong Chuxiong (<i>retired on June 27, 2025</i>)	6/6
Mr. Poon Fuk Chuen (<i>retired on June 27, 2025</i>)	6/6
Mr. Leung Wai Man, Roger (<i>retired on June 27, 2025</i>)	6/6



CORPORATE GOVERNANCE REPORT

GENERAL MEETING

During the Relevant Period, the Company held seven general meetings (including the 2024 annual general meeting of the Company held on May 21, 2025) and the attendance record of each Director is set out in the table below:

Name of Director	Attendance/ Number of general meetings
Executive Directors	
Mr. Zhou Jian (<i>Chairman of the Board and Chief Executive Officer</i>)	7/7
Mr. Liu Ming	7/7
Mr. Deng Feng (<i>appointed on June 27, 2025</i>)	4/4
Dr. Xiong Youjun	7/7
Ms. Wang Lin (<i>retired on June 27, 2025</i>)	3/3
Non-executive Directors	
Mr. Xia Zuoquan	7/7
Mr. Zhou Zhifeng	7/7
Mr. Lu Kuan (<i>appointed on June 27, 2025</i>)	4/4
Mr. Chen Qiang (<i>retired on June 27, 2025</i>)	3/3
Independent Non-executive Directors	
Dr. He Jia (<i>appointed on June 27, 2025</i>)	4/4
Dr. Yao Xin (<i>appointed on June 27, 2025</i>)	4/4
Dr. Dong Xiuqin (<i>appointed on June 27, 2025</i>)	4/4
Dr. Xiong Hui (<i>appointed on June 27, 2025</i>)	4/4
Mr. Zhao Jie (<i>retired on June 27, 2025</i>)	3/3
Mr. Xiong Chuxiong (<i>retired on June 27, 2025</i>)	3/3
Mr. Poon Fuk Chuen (<i>retired on June 27, 2025</i>)	3/3
Mr. Leung Wai Man, Roger (<i>retired on June 27, 2025</i>)	3/3

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board should assume responsibility for leadership and control of the Company, and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound corporate governance, internal control and risk management systems are in place.



CORPORATE GOVERNANCE REPORT

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

The Company has arranged appropriate insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Zhou Jian is both the chairman of the Board and the chief executive officer of the Company. Since establishment of our Group in 2012, Mr. Zhou has been a key leadership figure of our Group and has been deeply involved in the formulation of business strategies for and the determination of the overall direction of our Group. Taking into account the continuation of management and the implementation of our business strategies, our Directors (including our independent non-executive Directors) consider that it would be most suitable for Mr. Zhou to hold both the positions of chief executive officer and the chairman of the Board, and that the existing arrangements are beneficial to the management of our Group and are in the interests of our Company and our Shareholders as a whole. The balance of power and authority is ensured by the operation of the senior management and our Board, both of which comprises experienced and high-calibre individuals. Our Board comprises four executive Directors (including Mr. Zhou), three non-executive Directors and four independent non-executive Directors and therefore has a strong independence element in its composition.

In light of the above, the Board considers that the deviation from Code Provision C.2.1 of the CG Code is appropriate in the circumstances of the Company. The Board will continue to review the current structure from time to time and consider the appropriate move to take when appropriate.



CORPORATE GOVERNANCE REPORT

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the Relevant Period, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his/her independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

BOARD INDEPENDENT EVALUATION

The Company has established a Board Independence Evaluation Mechanism which sets out the processes and procedures to ensure a strong independent element on the Board, and allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests.

The objectives of the evaluation are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions of the Company need to be taken to maintain and improve the Board performance, for instance, addressing individual training and development needs of each Director.

Pursuant to the Board Independence Evaluation Mechanism, the Board has conducted annual review on its independence during the Relevant Period.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Under the Articles of Association of the Company (the "Articles of Association"), Directors (including non-executive Directors) shall be elected at the general meeting with a term of three years, commencing from the date of their appointment. Directors shall be eligible to offer themselves for re-election. Each of the current non-executive Directors and independent non-executive Directors have been appointed at the following dates:

Directors	Appointment Period
Executive Directors	
Mr. Zhou Jian	June 27, 2025 (first appointed on December 9, 2022)
Mr. Liu Ming	June 27, 2025 (first appointed on December 9, 2022)
Mr. Deng Feng	June 27, 2025
Dr. Xiong Youjun	June 27, 2025 (first appointed on December 9, 2022)



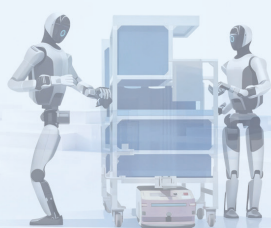
CORPORATE GOVERNANCE REPORT

Directors	Appointment Period
Non-executive Directors	
Mr. Xia Zuoquan	June 27, 2025 (first appointed on August 20, 2015) to June 26, 2028
Mr. Zhou Zhifeng	June 27, 2025 (first appointed on August 20, 2015) to June 26, 2028
Mr. Lu Kuan	June 27, 2025 to June 26, 2028
Independent Non-executive Directors	
Dr. He Jia	June 27, 2025 to June 26, 2028
Dr. Yao Xin	June 27, 2025 to June 26, 2028
Dr. Dong Xiuqin	June 27, 2025 to June 26, 2028
Dr. Xiong Hui	June 27, 2025 to June 26, 2028

A Director may serve consecutive terms if re-elected upon the expiry of his/her term. A Director shall continue to perform his duties in accordance with the laws, administrative regulations and Articles, the Articles of Association and regulations until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his term of office, or if the resignation of directors results in the number of directors being less than the quorum. The Articles of Association also provides that each Director appointed to fill a casual vacancy or as addition to the Board shall hold office until the first annual general meeting after his/her appointment and shall be eligible for re-election.

Each of the executive Directors, non-executive Directors and independent non-executive Directors has entered into a service contract or appointment letter with the Company with a specific term. Such service contracts are for a term commencing from the date of appointment to the expiry of the current session of the Board. Accordingly, the term of appointment of all Directors of the Company are valid until the expiry of the current session of the Board (i.e. June 27, 2028), and subject to renewal after the expiry of the then current term.

Save as disclosed above, the Company did not sign any relevant unexpired service contract which is not terminable within a year without payment of any compensation, other than statutory compensation.



CORPORATE GOVERNANCE REPORT

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director has received a formal and comprehensive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements. Such induction shall be supplemented by visits to the Company's key plant sites and meetings with senior management of the Company.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally facilitated briefings for Directors would be arranged and reading material on relevant topics would be provided to Directors where appropriate.

All Directors are encouraged to attend relevant training courses at the Company's expenses.

During the Relevant Period, the Company organised all Directors to continuously learn regulatory information related to Directors' duties and responsibilities. In addition, relevant reading materials covering Directors' duties and responsibilities have been provided to the Directors for their reference and studying.

The training records of the Directors during the Relevant Period and up to date of this annual report are summarised as follows:

Directors	Type of Training ^{Note}
Executive Directors	
Mr. Zhou Jian	A, B
Mr. Liu Ming	A, B
Mr. Deng Feng	A, B
Dr. Xiong Youjun	A, B
Non-executive Directors	
Mr. Xia Zuoquan	A, B
Mr. Zhou Zhifeng	A, B
Mr. Lu Kuan	A, B
Independent Non-executive Directors	
Dr. He Jia	A, B
Dr. Yao Xin	A, B
Dr. Dong Xiuqin	A, B
Dr. Xiong Hui	A, B



CORPORATE GOVERNANCE REPORT

Note:

Types of Training

A: Attending training sessions, including but not limited to briefings, seminars, conferences and workshops

B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications

BOARD COMMITTEE

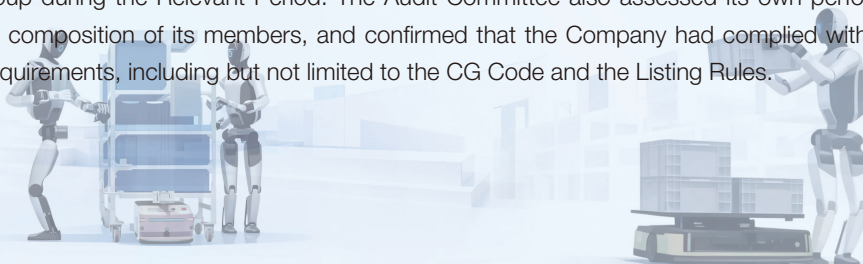
The Board has established five committees, namely, Audit Committee, ESG and Sustainability Committee, Remuneration and Appraisal Committee, Nomination Committee and Strategy Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Audit Committee, the ESG and Sustainability Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy Committee are published on the Company's website and the Stock Exchange's website and are available to Shareholders upon request.

Audit Committee

The Audit Committee currently comprises three independent non-executive Directors, being Dr. Dong Xiuqin, Dr. He Jia and Dr. Yao Xin. Dr. Dong Xiuqin holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. Dr. Dong Xiuqin was appointed to serve as the chairperson of the Audit Committee.

Written terms of reference of the Audit Committee have been adopted in compliance with Rule 3.22 of the Listing Rules and Code Provision D.3.3 of the CG Code and are of no less exacting terms than those set out in the CG Code and applicable laws of the PRC. The primary duties of the Audit Committee include (a) to make recommendations to the Board on the appointment, reappointment and removal of the external auditor, to consider and approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal; (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee shall discuss with the external auditors the nature and scope of the audit and reporting obligations before the audit commences; (c) to develop and implement policy on engaging an external auditor to provide non-audit services; (d) to monitor internal audit system of the Company and ensure the implementation of such systems; (e) to facilitate communications between the internal audit department and external auditors; (f) to review the financial information and relevant disclosures of the Company; and (g) to monitor the Company in respect of financial reporting system, risk management and internal controls system. The Audit Committee shall report to the Board on its work, including but not limited to the above matters, and consider such other matters as defined by the Board.

During the Relevant Period, the Audit Committee has reviewed the annual results for the year ended December 31, 2024 and the interim results for the six months ended June 30, 2025, and reviewed the internal systems of the Group including financial reporting system, risk management, internal control systems, whistleblowing policy and anti-corruption policy. The Audit Committee evaluated the reasonableness of the continuing connected transactions conducted by the Group during the Relevant Period. The Audit Committee also assessed its own performance, its working rules and the composition of its members, and confirmed that the Company had complied with applicable laws and regulatory requirements, including but not limited to the CG Code and the Listing Rules.



CORPORATE GOVERNANCE REPORT

During the Relevant Period, four Audit Committee meetings were held and the external auditors attended three times to discuss audit issues. The attendance records of each Audit Committee member is set out in the table below:

Name of Director	Attendance/ Number of meetings
Dr. Dong Xiuqin (<i>Chairperson</i>) (<i>appointed on July 2, 2025</i>)	2/2
Dr. He Jia (<i>appointed on July 2, 2025</i>)	2/2
Dr. Yao Xin (<i>appointed on July 2, 2025</i>)	2/2
Mr. Xiong Chuxiong (<i>Chairperson</i>) (<i>retired on June 27, 2025</i>)	2/2
Mr. Leung Wai Man, Roger (<i>retired on June 27, 2025</i>)	2/2
Mr. Poon Fuk Chuen (<i>retired on June 27, 2025</i>)	2/2

ESG and Sustainability Committee

The ESG and Sustainability Committee currently comprises two executive Directors (being Mr. Liu Ming and Mr. Deng Feng) and one independent non-executive Director (Dr. Dong Xiuqin). Mr. Liu Ming was appointed as the chairperson of the ESG and Sustainability Committee.

The primary functions of the ESG and Sustainability Committee are to (i) formulate our ESG and sustainability vision, objectives, strategies and management systems, and advise our Board on related work; (ii) identify important stakeholders of our Group and important ESG issues, and study and make recommendations on sustainable development related business with our stakeholders; and (iii) review the key trends in ESG and related risks and opportunities, follow up on the implementation of our ESG and sustainability efforts and ensure that our position and performance on ESG and sustainability issues are in compliance with relevant regulations and standards.

During the Relevant Period, the ESG and Sustainability Committee has reviewed the ESG report of the Company for the year ended December 31, 2024.

During the Relevant Period, one ESG and Sustainability Committee meeting was held and the attendance records of each ESG and Sustainability Committee member is set out in the table below:

Name of Director	Attendance/ Number of meeting
Mr. Liu Ming (<i>Chairperson</i>)	1/1
Mr. Deng Feng (<i>appointed on July 2, 2025</i>)	0/0
Dr. Dong Xiuqin (<i>appointed on July 2, 2025</i>)	0/0
Ms. Wang Lin (<i>retired on June 27, 2025</i>)	1/1
Mr. Xiong Chuxiong (<i>retired on June 27, 2025</i>)	1/1



CORPORATE GOVERNANCE REPORT

Remuneration and Appraisal Committee

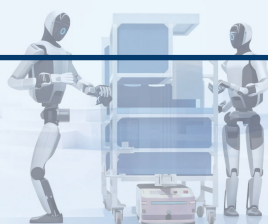
The Remuneration and Appraisal Committee currently comprises one executive Director (Mr. Zhou Jian) and two independent non-executive Directors (being Dr. He Jia and Dr. Yao Xin). Dr. He Jia was appointed as the chairperson of the Remuneration and Appraisal Committee.

Written terms of reference of the Remuneration and Appraisal Committee have been adopted in compliance with Rule 3.26 of the Listing Rules and Code Provision E.1.2 of the CG Code and are of no less exacting terms than those set out in the CG Code and applicable laws of the PRC. The primary functions of our Remuneration and Appraisal Committee include (a) to make recommendations to the Board on our Company's remuneration policy and structure for all Directors and senior management, and on the establishment of a formal and transparent procedure for developing the remuneration policy; (b) to review and approve the remuneration proposals of senior management with reference to the Board's corporate goals and objectives; (c) to make recommendations to the Board on the remuneration packages of the executive Director and senior management, which shall include benefits in kind, pension rights and compensation payments (including compensation for loss or termination of their office or appointment); (d) to make recommendations to the Board on the remuneration of non-executive Directors; (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in our Group; (f) to review and approve the compensation payable to the executive Director and senior management for their loss or termination of office or appointment to ensure that such compensation is consistent with the contractual terms and is otherwise fair and not excessive; (g) to review and approve the compensation arrangements relating to dismissal or removal of the Directors for misconduct to ensure that such compensation is consistent with the contractual terms and is otherwise fair and not excessive; (h) to ensure that no Director or any of his associates is involved in deciding his own remuneration; and (i) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

During the Relevant Period, the work performed by Remuneration and Appraisal Committee primarily included (a) reviewing and making recommendations to the Board on the remuneration package of the Directors and senior management; (b) reviewed and made recommendations to the Board on the Company's policy and structure for the remuneration of the Directors and senior management; (c) reviewed the performance of duties of Directors and senior management of the Company; and (d) reviewed matters in relation to the implementation of the H Share Incentive Scheme.

The remuneration of the Directors and senior management of the Company, whose biographical details are included in section headed "Biographical Details of Directors and Senior Management" of this annual report, for the year ended December 31, 2025 falls within the following bands:

Remuneration (RMB'000)	Number of Individuals
0-1,000	7
1,000-5,000	1
5,000-10,000	3
10,000-20,000	-
20,000-30,000	1



CORPORATE GOVERNANCE REPORT

The Company's remuneration policy is to ensure that the remuneration offered to the Directors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company's affairs. The remuneration and compensation packages of the Directors and senior management are also determined with reference to account salaries paid by comparable companies, time commitment and responsibilities of the Directors and the performance of the Group. The remuneration for the Directors comprises fees, salaries, allowances, benefits in kind, performance-related bonuses, equity-settled share-based compensation expense and pension scheme contributions. Non-executive Directors and independent non-executive Directors shall not receive options and awards to be granted under the Company's share option scheme and share award scheme. Individual Directors and senior management have not been involved in deciding their own remuneration.

During the Relevant Period, one Remuneration and Appraisal Committee meeting was held and the attendance records of the Remuneration and Appraisal Committee member is set out in the table below:

Name of Director	Attendance/ Number of meeting
Dr. He Jia (<i>Chairperson</i>) (<i>appointed on July 2, 2025</i>)	0/0
Mr. Zhou Jian	1/1
Dr. Yao Xin (<i>appointed on July 2, 2025</i>)	0/0
Mr. Poon Fuk Chuen (<i>Chairperson</i>) (<i>retired on June 27, 2025</i>)	1/1
Mr. Xiong Chuxiong (<i>retired on June 27, 2025</i>)	1/1

Nomination Committee

The Nomination Committee currently comprises one executive Director (Mr. Zhou Jian) and two independent non-executive Directors (being Dr. Xiong Hui and Dr. Dong Xiuqin). Dr. Xiong Hui was appointed as the chairperson of the nomination committee.

Written terms of reference of the Nomination Committee have been adopted in compliance with Code Provision B.3.1 of the CG Code and are of no less exacting terms than those set out in the CG Code and applicable laws of the PRC. The primary functions of our Nomination Committee include (a) to review the structure, size and composition of the Board (including the skills, knowledge and experience) at least annually and make recommendations on any proposed changes to the Board to complement our Company's corporate strategy; (b) to identify individuals suitably qualified to become board members and select and make recommendations to the Board on the selection of individuals nominated for directorships; (c) to assess the independence of the independent non-executive Directors; and (d) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors (in particular the chairman of the Board and the chief executive officer).

During the Relevant Period, the Nomination Committee convened a Nomination Committee meeting in accordance with the Articles of the Association, and reviewed qualifications of preliminary candidates pursuant to the requirements for the positions for the Directors and managers and submitted the same to the Board for consideration and decision, and deliberated the election for new session.



CORPORATE GOVERNANCE REPORT

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity Policy. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's relevant criteria as set out in the Board Diversity Policy that are necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

During the Relevant Period, one Nomination Committee meeting was held and the attendance records of each Nomination Committee member is set out in the table below:

Name of Director	Attendance/ Number of meeting
Dr. Xiong Hui (<i>Chairperson</i>) (<i>appointed on July 2, 2025</i>)	0/0
Mr. Zhou Jian	1/1
Dr. Dong Xiuqin (<i>appointed on July 2, 2025</i>)	0/0
Mr. Zhao Jie (<i>Chairperson</i>) (<i>retired on June 27, 2025</i>)	1/1
Mr. Leung Wai Man, Roger (<i>retired on June 27, 2025</i>)	1/1

STRATEGY COMMITTEE

The Strategy Committee currently comprises one executive Director (Mr. Zhou Jian) and two independent non-executive Directors (being Dr. He Jia and Dr. Xiong Hui). Mr. Zhou Jian was appointed as the chairperson of the strategy committee.

The primary functions of our Strategy Committee include (i) conducting research and making recommendations for the long-term strategic development plans of our Group; (ii) conducting research and making recommendations for major investment plans which are subject to the approval of our Board; (iii) conducting research and making recommendations for major capital operation and asset operation projects which are subject to the approval of our Board; (iv) reviewing the annual investment plan of our Group; (v) conducting research and making recommendations for major investment programs which are subject to the approval of our Board; and (vi) other duties as conferred by our Board.

During the Relevant Period, Strategy Committee did not held any meeting. This was because that there was no material adjustment on strategy in 2025 due to the Company's clear and stable overall strategic plans.



CORPORATE GOVERNANCE REPORT

SUPERVISORY COMMITTEE

The Supervisory Committee was a supervisory body of the Company which was responsible for the supervision of the Board and its members and senior management so as to prevent them from the misuse of authority and infringement upon lawful rights of the Shareholders, the Company and the Company's employees. Prior to its abolishment on June 3, 2025, the Supervisory Committee comprised three supervisors, of whom one was an employee representative democratically elected by the employees of the Company (being Ms. Wang Xingru) and two were shareholders representatives (being Mr. Deng Feng and Mr. Ben Cangsang). Mr. Deng Feng was appointed as the chairman of the Supervisory Committee.

In accordance with the Company Law of the People's Republic of China, the Guidelines to the Articles of Association of Listed Companies (《上市公司章程指引》) and other relevant provisions recently revised by the China Securities Regulatory Commission, the responsibilities of the supervisory committee of a listed company will transition to the audit committee, and the role of supervisors will no longer be mandatory. Accordingly, on May 19, 2025 the Board proposed to amend the Articles of the Association to abolish the Supervisory Committee, dismiss the shareholder representative supervisors of the Company and provide for the audit committee of the Company to exercise the powers and functions of the Supervisory Committee as provided for under the Company Law. Such resolution was passed in the 2025 second extraordinary general meeting of the Company held on June 3, 2025 and the Supervisory Committee was abolished with effect from the same date. For further details, please refer to the announcements of the Company dated May 19, 2025 and June 3, 2025.

BOARD DIVERSITY POLICY

The Company has adopted a Board Diversity Policy in order to enhance the effectiveness of the Board and to maintain a high standard of corporate governance.

Pursuant to the Board Diversity Policy, the Company seeks to achieve diversity of the Board through the consideration of a wide range of factors, including but not limited to gender, age, cultural and educational background, industry experience, technical capabilities, professional qualifications and skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Board have a balanced mixed of knowledge and skills, including overall management and strategic development, finance, accounting and risk management in addition to industry experience in cosmetics. The Directors obtained degrees in various majors. The Company have four independent non-executive Directors with different industry background, representing more than one-third of the members of the Board.



CORPORATE GOVERNANCE REPORT

For the purpose of implementation of the Board Diversity Policy, the Board has set the following measurable objectives to implement the Board Diversity Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives:

- (A) at least one of the members of the Board shall be female;
- (B) at least one-third of the members of the Board shall be independent non-executive Directors;
- (C) at least one of the members of the Board shall have obtained accounting or other professional qualifications/ knowledge of environmental issues.

An analysis of the Board's current composition based on the measurable objectives is set out below:

Gender

Male:	10 Directors
Female:	1 Director

Designation

Executive Directors:	4 Directors
Non-executive Directors:	3 Directors
Independent Non-executive Directors:	4 Directors

Business Experience

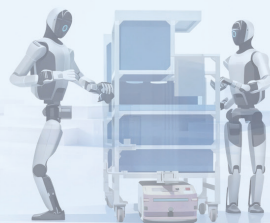
Accounting & Finance:	2 Directors
Legal:	1 Director
Experience Related to the Company's Business:	5 Directors
Company Management	3 Directors

The Nomination Committee and the Board are of the view that the current composition of the Board has achieved the objectives set in the Board Diversity Policy.

The Nomination Committee will review the Board Diversity Policy annually to ensure its effectiveness.

GENDER DIVERSITY

The Company values gender diversity across all levels of the Group. The Company has taken, and will continue to take, steps to promote gender diversity at all levels of the Company, including but not limited to the Board and the senior management levels.



CORPORATE GOVERNANCE REPORT

The following table sets out the gender ratio in the workforce of the Group as at December 31, 2025:

	Female	Male
Board	9.1% (1)	90.9% (10)
Senior management (including 2 members of the senior management who are also Directors)	0% (0)	100% (3)
Other employees	30.4% (773)	69.6% (1,772)
Overall workforce (excluding the non-executive Directors and independent non-executive Directors, being non-employee Directors)	30.3% (773)	69.7% (1,777)

The Company will continue to work to enhance gender diversity in the Board, senior management and other employees of the Group. The Board will use its best endeavours to appoint female Directors to the Board and the Nomination Committee will use its best endeavours to identify and recommend suitable female candidates to the Board for its consideration of appointment of Directors. The Company will also continue to ensure that there is gender diversity when recruiting staff from mid to senior level, such that it will have a pipeline of female management and potential successors to our Board in due time to ensure gender diversity of the Board. The Group will continue to emphasise training of female talents and provide long-term development opportunities for the female staff.

DIRECTOR NOMINATION POLICY

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination Committee of the Company.

The Company has adopted a Director Nomination Policy, as contained in the terms of reference of the Nomination Committee, which sets out the selection criteria and nomination process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The nomination process of appointment of new Director set out in the Director Nomination Policy is as follows:

- (i) the Nomination Committee shall actively communicate with relevant departments of the Company, analyse the demand of the Company for new Directors and managers, and prepare a written report;
- (ii) the Nomination Committee may extensively identify candidates for the Directors and managers inside the Company and its branch companies as well as the talent market;



CORPORATE GOVERNANCE REPORT

- (iii) collect the information on preliminary candidates, including career, academic degree, job title, detailed working experience and all part-time positions, and prepare a written report;
- (iv) seek the consent of nomination from the nominees regarding the nomination; otherwise, such nominees shall not be considered as the candidates for Directors and managers;
- (v) convene a meeting of the Nomination Committee, and review qualifications of preliminary candidates pursuant to the requirements for the positions for the Directors and managers;
- (vi) submit suggestions and relevant documents related to the candidates for the Directors and those for new managers to the Board of Directors one to two months before the election of new Directors and appointment of new managers; and
- (vii) carry out other follow-up work according to the decisions and feedbacks from the Board of Directors.

The Nomination Committee shall submit its decisions, recommendations and/or proposals to the Board for consideration and decision. Among which, the nomination of director candidates must be submitted to the general meeting of shareholders for review and approval after being reviewed by the Board and before implementation.

The criteria for assessing the suitability and the potential contribution to the Board of a proposed candidate as set out in the Board Diversity Policy are, including but not limited to, the following: gender, age, cultural and educational background, industry experience, technical capabilities, professional qualifications and skills, knowledge and length of service.

During the Relevant Period, there were changes in the composition of the Board following the election of members of the third session of the Board effected at the extraordinary general meeting of the Company to be held on June 27, 2025, and the retirement of certain Directors on the same date.

The Nomination Committee is of the view that the nomination process of Directors elected as members of the third session of the Board comply with the Director Nomination Policy, and that the third session of the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The Nomination Committee will review the Director Nomination Policy as appropriate to ensure its effectiveness.

CORPORATE GOVERNANCE FUNCTIONS

In accordance with Code Provision A.2.1 of the CG Code, the Board is responsible for performing the corporate governance duties including:

- to develop and review the Company's policies and practices on corporate governance;



CORPORATE GOVERNANCE REPORT

- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual applicable to employees; and
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

The Board has performed the above duties during the Relevant Period.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness.

The Board has established a risk management and internal control system in accordance with the requirements of Code Provision D.2 under Part II of the CG Code, which is responsible for independently reviewing the adequacy and effectiveness of the risk management and internal control system of the Company, and continuously monitoring and reviewing the effectiveness of its operation at least once a year. The system aims to manage rather than eliminate the risk of failure to achieve business objectives, promote effective and efficient operations, reasonably ensure the reliability of financial reports and comply with applicable laws and regulations and protect the assets of the Group. The Board can only give reasonable but not absolute assurance that there will be no material misrepresentation or loss.

CHARACTERISTICS OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

In accordance with the requirements of Code Provision D.2 under Part II of the CG Code, the Group has established a sound risk management and internal control system which includes the Board, the Audit Committee, the Supervisory Committee, the management of the Group, the office of the Board, the legal department and other departments to ensure that the Group has sufficient resources, qualified and experienced staffs, sufficient training courses and related budget for risk management and internal audit. The various departments of the Group are the first line of defence for risk management and internal control; the office of the Board and the management of the Group are the second line of defence; while the legal department, the Audit Committee and the Supervisory Committee are the third line of defence. The Board bears the ultimate responsibility for the establishment and improvement of the Group's risk management and internal control system as well as the effective implementation of the risk management work, and serves as the highest decision maker for the Group's risk management and internal control.



CORPORATE GOVERNANCE REPORT

IMPLEMENTATION OF RISK MANAGEMENT AND INTERNAL CONTROL

The Group is committed to establishing and maintaining sound risk management and internal control systems, it reviews the effectiveness of the risk management and internal control systems every year and assesses all important monitoring aspects including supervision on financial, operation and compliance affairs, etc. based on the elements of internal control such as the internal environment, risk assessment, control activities, information and communication as well as internal supervision, and optimizes and updates the risk control mechanism.

The Group has been committed to promoting a compliance culture and will adopt policies and procedures on various compliance matters, including the Stock Exchange's requirements on corporate governance and environmental, social and governance matters. The Board will be responsible for the establishment and operations of mechanisms in relation to corporate governance and environmental, social and governance. The Directors are involved in the formulation of such mechanisms and the related policies.

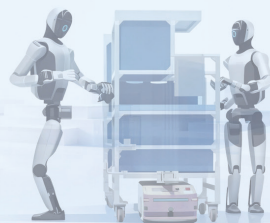
After risk assessment, the Group's major risks during the Relevant Period mainly involve business risks, financial risks, compliance risks, inside information and internal control risks. According to our actual situation, the Group has formulated practical and feasible response plans to effectively manage risks.

Operational Risk Management

The Group has established a series of internal procedures to manage such risk. The Group takes a comprehensive approach with regard to operational risk management, and implement a mechanism with detailed and decentralised responsibilities and clear rewards and punishment systems. Our finance department, internal control department, legal department, compliance center, talent momentum center and operations management center are collectively responsible to ensure the compliance of our operations with internal procedures. In the event of a major adverse event, the matter will be escalated to our general manager and/or the Board to take appropriate measures. The Group expects to control operational risks within a reasonable range by identifying, measuring, monitoring and containing operational risks to reduce potential losses.

Compliance Risk Management

Compliance risk refers to the risk of being subject to legal and regulatory sanctions, and the risk of major financial and reputational losses as a result of the Group's failure to comply with relevant laws, regulations, rules and guidelines. Compliance management refers to the dynamic managing processes of the Group's effective identification and management of compliance risks and proactively preventing the occurrence of risk events. Compliance risk management is the core of our risk management activities, the foundation for effective internal controls and an important aspect of our corporate culture. As part of the comprehensive risk management system, the board of directors of the Group attaches great importance to compliance management. The general manager takes the lead in establishing a compliance committee, which has established a three-level compliance management structure: decision-making, management, and execution. The compliance center of the permanent establishment is responsible for improving and perfecting the compliance risk management framework to achieve effective identification and management of compliance risk, and ensure that our operations are in compliance with applicable laws and regulations.



CORPORATE GOVERNANCE REPORT

Information Security and Data Privacy Risk Management

The Group attaches the greatest importance to data security and protection. The Group has adopted our standard protective measures including confidentiality categorisation, access control, data encryption and data masking to prevent unauthorised access, leakage, improper use or modification of, damage to or loss of data and personal information. The management of data security and personal information protection is led by the compliance center, and supervised by various business departments, information centers, and talent momentum centers. The Group has built up a comprehensive personal information management system and formulated a series of technical standards and specifications to ensure data and personal information security throughout their life cycle.

Intellectual Property Risk Management

The Group has implemented a set of comprehensive measures to protect our intellectual property. The Group implements unified and centralised intellectual property management through the intellectual property department. Any application, implementation, authorisation or transfer of intellectual property rights of the Group shall be approved by the intellectual property department and the legal department.

Anti-corruption Risk Management

The Group has established anti-corruption risk management policies prohibiting any corruption activities by the employees, either for the pursuit of improper personal benefits or improper interests of the Group. The Group has established an anti-commercial bribery management committee under the compliance committee, with representatives appointed by the compliance department, finance department, legal department, internal control department, human resources department, procurement department, information center, general manager's office and other departments to jointly improve and perfect the Company's anti-corruption management mechanism. The Group conducts routine internal trainings and require all suppliers to execute anti-corruption commitments before engagement. The Group has zero tolerance for corruption. Once an employee engages in corrupt behaviour, the Company will terminate their labour contract relationship. Once it is discovered that a business partner has engaged in corrupt behaviour, the Group will terminate its cooperation with such business partner. The Group aims to continuously improve and optimise anti-corruption management mechanisms through various forms, including actively participating in anti-corruption experience exchanges with relevant industry self-discipline associations, and obtaining Certification of Anti-bribery Management System (ISO37001).

FORMATION OF LONG-TERM MECHANISM FOR RISK MANAGEMENT AND INTERNAL CONTROL

We continue to improve risk management policies and procedures, specify the risk management structure and responsibilities. We identify major risks that hinder the achievement of objectives and control them within acceptable levels to ensure the achievement of business objectives, the improvement of operational efficiency, the reliability of financial reports and compliance with national regulations and other compliance requirements. We evaluate and check the effectiveness of our risk management and internal control systems through channels such as the management, business units in the risk management system, audit and inspection teams of the Group, external auditors, and external legal advisor to improve risk response measures. Meanwhile, in order to ensure the effective operation of the risk management system, the Audit Committee reviews and supervises the risk management work.



CORPORATE GOVERNANCE REPORT

The Company does not have an internal audit function to carry out independent reviews of the adequacy and effectiveness of its risk management and internal control systems. The risk management and internal controls are self-assessed by the management and reviewed by the Board on an on-going basis. The Company would appoint independent consultancy firm to conduct a thorough review of risk management and internal control systems of the Company and its subsidiaries on regular intervals basis when necessary.

The Company's management focuses on business risks, financial risks and compliance risks. Through agile audits, it achieves more comprehensive and accurate risk control, identifies potential risks more quickly, and promotes the improvement in management and system processes to support the achievement of the mid- to long-term vision and strategic goals of the Company. The Group's management procedures for financial reporting and information disclosure, etc. are in strict compliance with the requirements of the Listing Rules. Office of the Board conducts information reporting, reviewing and disclosure in strict accordance with the Information Disclosure Management formulated by the Company. Prior to disclosing relevant information to the public, the Group will ensure that such information is kept confidential properly and will perform the obligation to inform and supervise the insiders of inside information as required.

The Board reviewed the risk management and internal control during the Relevant Period and concluded that there had been no deficiency in material risk control nor any defaults in material risk control based on the outcome of the risk management and internal control work implemented by the Group as of December 31, 2025. The Board was of the view that the risk management and internal control system of the Group is effective and sufficient.

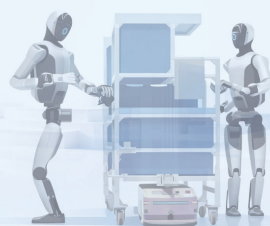
WHISTLEBLOWING POLICY

The Company has in place the Whistleblowing Policy for employees of the Company and those who deal with the Company to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matters related to the Company.

ANTI-CORRUPTION POLICY

The Company has also in place the Anti-Corruption Policy to safeguard against corruption and bribery within the Company. The Company has an internal reporting channel that is open and available for employees of the Company to report any suspected corruption and bribery. Employees can also make anonymous reports according to the procedures as set out in the Whistleblowing Policy.

During the year ended December 31, 2025, We investigated and handled 2 cases of employee fraud and 5 cases of supplier fraud within the Group. Details are set out in the Environmental, Social and Governance Report on page 123 of this annual report.



CORPORATE GOVERNANCE REPORT

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements with the support of the accounting and finance team.

The Directors have prepared the financial statements for the year ended December 31, 2025 in accordance with the China Accounting Standards for Business Enterprises (the "CASBE").

Appropriate accounting policies have been used and applied consistently except the adoption of revised standards, amendments to standards and interpretation.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The financial statements of the Company are prepared on a going concern basis, the Directors are of the view that they give a true and fair view of the financial position, performance and cash flow of the Group for the year ended December 31, 2025, and the disclosure of other financial information and report therein complies with relevant legal requirements.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report of this annual report.

AUDITORS' REMUNERATION

The remuneration paid and payable to the external auditors of the Company in respect of audit services and non-audit services for the year ended December 31, 2025 is set out below:

Service Category	Fees Paid/Payable (RMB'000)
Audit Services	5,120
Non-audit Services	135
Total	5,255

JOINT COMPANY SECRETARIES

The Company has appointed Mr. Zhang Ju, a full-time employee of the Company, and Ms. Ng Wai Kam, a senior manager of corporate services of Tricor Services Limited, a global professional services provider specialising in integrated business, corporate and investor services, as the Company's joint company secretaries. Upon resignation of Ms. Ng on February 21, 2025, the Company has on February 21, 2025 further appointed Ms. Jian Xuegen, an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited who meets the requirements under Note 1 to Rule 3.28 of the Listing Rules, as the Company's joint company secretary.



CORPORATE GOVERNANCE REPORT

All Directors have access to the advice and services of the joint company secretaries on corporate governance and board practices and matters. Mr. Zhang, who is also the secretary to the Board, has been designated as the primary contact person at the Company which would work and communicate with Ms. Ng Wai Kam (prior to her resignation) and Ms. Jian on the Company's corporate governance and secretarial and administrative matters.

For the year ended December 31, 2025, each of Mr. Zhang and Ms. Jian have undertaken not less than 15 hours of relevant professional training respectively in compliance with Rule 3.29 of the Listing Rules. The biographies of Mr. Zhang and Ms. Jian are set out in the section headed "Biographical Details of Directors and Senior Management" of this annual report.

SHAREHOLDERS' RIGHTS

Convening an Extraordinary General Meeting

Pursuant to the Article 57 of the Articles of Association, Shareholders who individually or collectively hold more than 10% of the shares of the Company have the right to request the Board of Directors to hold an extraordinary general meeting, and shall put forward such request to the Board of Directors in writing and include proposals in the agenda of the meeting. The Board of Directors shall, in accordance with the laws and regulations, the Listing Rules and the Articles of Association, provide written feedback within ten days after receiving the request, whether it agrees or does not agree to convene an extraordinary general meeting.

If the Board of Directors does not agree to convene an extraordinary general meeting, or does not provide feedback within ten days after receiving the request, Shareholders, individually or collectively, holding more than 10% of the shares of the Company shall have the right to propose to the Audit Committee the convening of an extraordinary general meeting, and shall submit their request in writing to the Audit Committee.

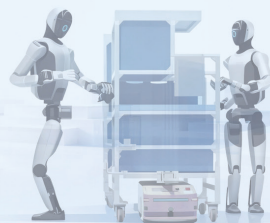
If the Audit Committee fails to issue a notice of a general meeting within the prescribed period, it shall be deemed not to convene and preside over the general meeting. Shareholders who individually or collectively hold more than 10% of the shares of the Company for more than 90 consecutive days may convene and preside over the general meeting on their own. The shareholding of the convening shareholder shall not be less than 10% before the announcement of the resolution of the general meeting.

Putting Forward Proposals at General Meetings

Pursuant to the Article 63 of the Articles of Association, the Board, the Audit Committee and Shareholders individually or collectively holding more than 1% of the total voting shares of the Company may make a provisional proposal and submit it in writing to the convener ten days before the convening of the general meeting. The convener shall issue a supplementary notice of the general meeting within two days upon receipt of the proposal and announce the contents of the provisional proposal.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.



CORPORATE GOVERNANCE REPORT

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Room 2201, Building C1, Nanshan Smart Park, No. 1001 Xueyuan Avenue,
Changyuan Community, Taoyuan Street, Nanshan District, Shenzhen, PRC
(For the attention of the Board of Directors/Company Secretary)

Telephone: +86 755 8347 4428 ext. 8188

Email: investor@ubtrobot.com

For the avoidance of doubt, Shareholders must despatch and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. According to paragraph L(d) of Part 1 of the Code and Code Provision F.1.1, during the reporting period, the Board has engaged in constructive interactions with shareholders to understand their views on matters affecting the Company, including the Company's governance and performance of corporate strategy. The nature of shareholder interactions includes general meetings, targeted research briefings, results presentations, and roadshow activities, covering both institutional and retail shareholders of the Company. During the reporting period, the Company conducted interactive exchanges, in which representatives of the Company, including the chairman, executive Directors, independent non-executive Directors, and senior management, participated from time to time. Leveraging a diversified investor communication mechanism, the Company has followed up on the results of shareholder interactions by conducting investor satisfaction surveys, periodically collecting and reviewing shareholder inquiries, and providing timely professional responses and answers.

To safeguard Shareholder interests and rights, separate resolution should be proposed for each substantially separate issue at general meetings, including the election of individual Director. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

SHAREHOLDERS COMMUNICATION POLICY

The Company has in place a Shareholders Communication Policy. The policy aims at promoting effective communication with Shareholders and other stakeholders, encouraging Shareholders to engage actively with the Company and enabling Shareholders to exercise their rights as Shareholders effectively.

The Board has considered and reviewed the Shareholders Communication Policy and considers it to be effective.



CORPORATE GOVERNANCE REPORT

The Company has established a number of channels for maintaining an on-going dialogue with its Shareholders as follows:

(a) Corporate Communication

“Corporate Communication” as defined under the Listing Rules refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to the following documents of the Company: (a) the Directors’ report, annual accounts together with a copy of the auditor’s report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form. The Corporate Communication of the Company will be published on the Stock Exchange’s website (www.hkexnews.com.hk) in a timely manner as required by the Listing Rules. Corporate Communication will be provided to Shareholders and non-registered holders of the Company’s securities in both English and Chinese versions or where permitted, in a single language, in a timely manner as required by the Listing Rules. Shareholders and non-registered holders of the Company’s securities shall have the right to choose the language (either English or Chinese) or means of receipt of the Corporate Communication (in printed form or through electronic means).

(b) Announcements and Other Documents pursuant to the Listing Rules

The Company shall publish announcements (on inside information, corporate actions and transactions etc.) and other documents (e.g. Articles of Association) on the Stock Exchange’s website in a timely manner in accordance with the Listing Rules.

(c) Corporate Website

Any information or documents of the Company posted on the Stock Exchange’s website will also be published on the Company’s website (www.ubtrobot.com). Other corporate information about the Company’s corporate governance will also be available on the Company’s website.

(d) Shareholders’ Meetings

The annual general meeting and other general meetings of the Company are the primary forum for communication between the Company and its Shareholders. The Company shall provide Shareholders with relevant information on the resolutions(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable Shareholders to make an informed decision on the proposed resolution(s). Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at the meetings for and on their behalf if they are unable to attend the meetings. Where appropriate or required, the Chairman of the Board and other Board members, the chairmen and deputy chairman of board committees or their delegates, and the external auditors should attend general meetings of the Company to answer Shareholders’ questions (if any). The chairman of the independent board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent Shareholders’ approval.



CORPORATE GOVERNANCE REPORT

(e) Shareholders' Enquiries

Enquiries about Shareholdings

Shareholders should direct their enquiries about their shareholdings to the Company's H share registrar, Tricor Investor Services Limited, via its online holding enquiry service at www.tricoris.com, or send email to is-enquiries@hk.tricorglobal.com or call its hotline at (852) 2980 1333, or go in person to its public counter at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

AMENDMENTS TO CONSTITUTIONAL DOCUMENTS

By a special resolution passed at the 2025 second extraordinary general meeting held on June 3, 2025, the Articles of Association was amended to reflect, among other things, the abolishment of the Supervisory Committee and the increase in the number of shares and registered capital upon allotment and issue of new H Shares under the February 2025 Placing (as defined below). Details of the amendments are set out in the circular of the Company dated May 19, 2025.

By a special resolution passed at the 2025 fourth extraordinary general meeting held on August 19, 2025, the Articles of Association was amended to reflect the increase in number of shares and registered capital upon allotment and issue of new H Shares under the July 2025 Placing (as defined below). Details of the amendments are set out in the circular of the Company dated August 4, 2025.

An up-to-date version of the Company's Articles of Association is available on the Company's website and the Stock Exchange's website.

DIVIDEND POLICY

In relation to the dividend policy of the Company, please refer to "Report of the Board of Directors" in this annual report for details.



REPORT OF THE BOARD OF DIRECTORS

The Board is pleased to present the annual report together with the audited consolidated financial statements of the Group for the year ended December 31, 2025 (the “Consolidated Financial Statements”).

CORPORATE INFORMATION

The Company was incorporated in the PRC as a limited liability company on March 31, 2012 and converted into a joint stock company with limited liability on March 29, 2019. The H Shares were listed on the Main Board of the Stock Exchange on December 29, 2023.

The basic information of the Company is set out on pages 2 to 3 in the “Corporate Information” of this annual report.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Group is dedicated to the design, production, commercialisation, sales and marketing and research development (R&D) of smart service robotic products and services.

The activities and particulars of the Company’s principal subsidiaries are shown under note 5 to the Financial Statements.

A fair review of the Group’s business during the year ended December 31, 2023, including an analysis of which using financial key performance indicators and the outlook of the Group’s business are provided in the sections headed “Chairman’s Statement” and “Management Discussion and Analysis” of this annual report, which forms part of this “Report of the Board of Directors”.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds from the Global Offering and the partial exercise of the over-allotment option amounted to approximately HK\$931.21 million (the “Proceeds from the Initial Public Offering of H Shares”). As at December 31, 2025, the Group had fully utilized the Proceeds from the Initial Public Offering of H Shares, amounting to approximately HK\$931.21 million.



REPORT OF THE BOARD OF DIRECTORS

As disclosed in the announcement of the Company dated May 15, 2024, the Board, based on the principle of prudence, after careful consideration and detailed evaluation of the progress of execution of the future plans and business strategy of the Group, resolved to change the use of the Proceeds from the Initial Public Offering of H Shares. The utilization of the Proceeds from the Initial Public Offering of H Shares up to December 31, 2025 was as below:

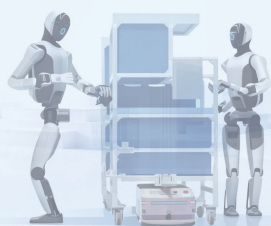
Use of proceeds	Proposed	Unutilized amount as of April 30, 2024	New	Unutilized amount as of December 31, 2024	Used amount during the Reporting Period	Unutilized amount as of December 31, 2025
	use of proceeds according to the prospectus		reallocation of the unutilized net proceeds			
	(HK\$' million)	(HK\$' million)	(HK\$' million)	(HK\$' million)	(HK\$' million)	(HK\$' million)
Further advance our R&D capabilities to enhance our core technologies and products and services offerings	425.76	394.80	425.76	212.66	212.66	-
Repayment of bank loans	175.74	141.60	263.43	-	-	-
Enhance our R&D infrastructure to improve our R&D capabilities and efficiencies	71.56	70.16	71.56	46.41	46.41	-
Enhance brand awareness and market penetration	86.06	78.39	23.00	-	-	-
Further optimize our management and operational efficiency	56.16	56.16	-	-	-	-
General working capital	115.93	34.32	147.46	-	-	-
Total	931.21	775.43	931.21	259.07	259.07	-



REPORT OF THE BOARD OF DIRECTORS

USE OF PROCEEDS FROM PLACINGS OF NEW H SHARES UNDER THE GENERAL MANDATE

The Company has conducted several rounds of placing under the General Mandate, namely (i) the placing of 5,060,000 new H Shares at the placing price of HK\$86.18 per H Share under the placing agreement entered into between the Company, Guotai Junan Securities (Hong Kong) Limited, CLSA Limited and TradeGo Markets Limited (collectively, the “Placing Agents”) dated October 23, 2024, which was completed on October 29, 2024, and the closing price of the shares was approximately HK\$111.90 on October 23, 2024 (being the date of the agreement of the October 2024 Placing) (the “October 2024 Placing”); (ii) the placing of 7,000,000 new H Shares at the placing price of HK\$83.88 per H Share under the placing agreement entered into between the Company and the Placing Agents dated November 20, 2024, which was completed on November 26, 2024 (the “November 2024 Placing”), and the closing price of the shares was approximately HK\$103.30 on November 20, 2024 (being the date of the agreement of the November 2024 Placing); (iii) the placing of 10,155,099 new H Shares at the placing price of HK\$90.00 per H Share under the placing agreement entered into between the Company and the Placing Agents dated February 20, 2025, which was completed on February 27, 2025 (the “February 2025 Placing”), the closing price of the Shares on 20 February 2025 (being the date of the placing agreement in respect of the February 2025 Placing) was approximately HK\$94.70; (iv) the placing of 30,155,450 new H Shares at the placing price of HK\$82.00 per H Share under the placing agreement entered into between the Company and the Placing Agents dated July 22, 2025 (the “July 2025 Placing”), which was completed on July 28, 2025, and the closing price of the shares was approximately HK\$85.10 on July 22, 2025 (being the date of the agreement of the July 2025 Placing); and (v) the placing of 31,468,000 new H Shares at the placing price of HK\$98.80 per H Share under the placing agreement entered into between the Company and the Placing Agents dated November 25, 2025, which was completed on December 2, 2025 (the “November 2025 Placing”; the closing price of the shares was approximately HK\$110.60 on November 25, 2025 (being the date of the agreement of the November 2025 Placing), collectively with the October 2024 Placing, the November 2024 Placing, the February 2025 Placing, and the July 2025 Placing, the “Placings”). For further details, please refer to the announcements of the Company dated October 23, 2024, October 29, 2024, November 20, 2024, November 26, 2024, February 20, 2025, February 24, 2025, February 27, 2025, July 22, 2025, July 28, 2025, November 25, 2025 and December 2, 2025.



REPORT OF THE BOARD OF DIRECTORS

Reasons for and benefits of the Placings

The Group is principally engaged in design, production, commercialization, sales and marketing and research development (R&D) of smart service robotic products and services. The Group's offerings ranging from consumer-level robots and appliances, enterprise-level smart service robotic products and services tailored for education, logistics and other sectors, are equipped to different extents with smart features that sense, interact, analyze and process human instructions and external environment such as mapping, temperature measurement and facial recognition.

The Directors consider that the Placings represent opportunities to replenish capital for continuous optimization and iteration and future large-scale commercialization in the global market of the products of the Group (mainly embodied intelligent humanoid robots) while broadening its Shareholders and capital base.

The Directors are of the view that the Placings would strengthen the financial position of the Group and provide more efficient funding support to the Group.

The Directors consider that the November 2025 Placing aims to integrate the upstream and downstream supply chains, consolidate and strengthen the Group's leading position in the humanoid robot industry chain, thereby strengthening the Group's strategic layout in industrial manufacturing application scenarios, seizing the historic opportunity of the implementation of humanoid robots in industrial manufacturing application scenarios, and enhancing the Company's core competitiveness, technological strength, sales revenue and profitability.

The Directors consider that the terms of each of the placement agreements under the respective Placings (including the respective placing prices) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.



REPORT OF THE BOARD OF DIRECTORS

The net proceeds from the October 2024 Placing, the November 2024 Placing, the February 2025 Placing, the July 2025 Placing and the November 2025 Placing amounted to approximately HK\$407.73 million, HK\$551.88 million, HK\$876.32 million, HK\$2,410.26 million, and HK\$3,055.71 million, respectively. The planned use of the proceeds from the Placings is consistent with the plans previously disclosed by the Company. The utilization of the proceeds from the October 2024 Placing, the November 2024 Placing, the February 2025 Placing, the July 2025 Placing and the November 2025 Placing up to December 31, 2025 was as below:

Use of proceeds	Net proceeds to be applied (HK\$' million)	Utilized net proceeds as of December 31, 2024 (HK\$' million)	Unutilized net proceeds as of December 31, 2024 (HK\$' million)	Utilized net proceeds during the Reporting Period (HK\$' million)	Utilized net proceeds as of December 31, 2025 (HK\$' million)	Unutilized net proceeds as of December 31, 2025 (HK\$' million)
October 2024 Placing						
Business operation and development	254.49	220.95	33.54	33.54	254.49	-
– Working capital and general corporate purposes	253.97	220.43	33.54	33.54	253.97	-
(a) Salaries, social insurance, housing fund, and other human resource expenses	56.74	47.34	9.40	9.40	56.74	-
(i) For R&D personnel	13.47	9.52	3.95	3.95	13.47	-
(ii) For selling and marketing personnel	16.12	13.55	2.57	2.57	16.12	-
(iii) For management personnel	21.72	20.34	1.38	1.38	21.72	-
(iv) For production personnel	5.43	3.93	1.50	1.50	5.43	-
(b) Payment to suppliers and service providers	179.33	156.57	22.76	22.76	179.33	-
(i) Procurement of materials for core business	132.76	115.82	16.94	16.94	132.76	-
(ii) Procurement of services for core business	13.01	11.43	1.58	1.58	13.01	-
(iii) Traveling and administrative services	7.99	7.88	0.11	0.11	7.99	-
(iv) Storage and logistics services	14.20	13.28	0.92	0.92	14.20	-
(v) Marketing and business development services	10.46	7.29	3.17	3.17	10.46	-
(vi) Human resources related services	0.91	0.87	0.04	0.04	0.91	-
(c) Other operating expenses	17.90	16.52	1.38	1.38	17.90	-
– Offshore and onshore investments ^(Note 1)	0.52	0.52	-	-	0.52	-
Repayment of amounts due under the credit facilities	153.24	153.24	-	-	153.24	-
Total	407.73	374.19	33.54	33.54	407.73	-



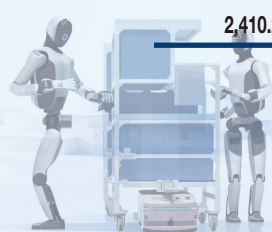
REPORT OF THE BOARD OF DIRECTORS

Use of proceeds	Net proceeds to be applied (HK\$' million)	Utilized net proceeds as of December 31, 2024 (HK\$' million)	Unutilized net proceeds as of December 31, 2024 (HK\$' million)	Utilized net proceeds during the Reporting Period (HK\$' million)	Utilized net proceeds as of December 31, 2025 (HK\$' million)	Unutilized net proceeds as of December 31, 2025 (HK\$' million)
November 2024 Placing						
Business operation and development	192.92	-	192.92	192.92	192.92	-
- Working capital and general corporate purposes	191.94	-	191.94	191.94	191.94	-
(a) Salaries, social insurance, housing fund, and other human resource expenses	46.72	-	46.72	46.72	46.72	-
(i) For R&D personnel	12.98	-	12.98	12.98	12.98	-
(ii) For selling and marketing personnel	13.99	-	13.99	13.99	13.99	-
(iii) For management personnel	14.34	-	14.34	14.34	14.34	-
(iv) For production personnel	5.41	-	5.41	5.41	5.41	-
(b) Payment to suppliers and service providers	117.45	-	117.45	117.45	117.45	-
(i) Procurement of materials for core business	75.75	-	75.75	75.75	75.75	-
(ii) Procurement of services for core business	15.10	-	15.10	15.10	15.10	-
(iii) Traveling and administrative services	8.82	-	8.82	8.82	8.82	-
(iv) Storage and logistics services	9.12	-	9.12	9.12	9.12	-
(v) Marketing and business development services	7.40	-	7.40	7.40	7.40	-
(vi) Human resources related services	1.26	-	1.26	1.26	1.26	-
(c) Other operating expenses	27.77	-	27.77	27.77	27.77	-
- Offshore and onshore investments ^(Note 1)	0.98	-	0.98	0.98	0.98	-
Repayment of amounts due under the credit facilities	358.96	-	358.96	358.96	358.96	-
Total	551.88	-	551.88	551.88	551.88	-



REPORT OF THE BOARD OF DIRECTORS

Use of proceeds	Net proceeds to be applied (HK\$' million)	Utilized net proceeds during the Reporting Period (HK\$' million)	Utilized net proceeds as of December 31, 2025 (HK\$' million)	Unutilized net proceeds as of December 31, 2025 (HK\$' million)	Expected timeline of use of unused amount
February 2025 Placing					
Business operation and development	586.38	558.68	558.68	27.70	By March 31, 2026
– Working capital and general corporate purposes	466.61	443.45	443.45	23.16	By March 31, 2026
(a) Salaries, social insurance, housing fund, and other human resource expenses ^(Note 2)	103.26	97.96	97.96	5.30	By March 31, 2026
(b) Payment to suppliers and service providers ^(Note 3)	335.78	319.60	319.60	16.18	By March 31, 2026
(c) Other operating expenses	27.57	25.89	25.89	1.68	By March 31, 2026
– Project construction and renovation	92.62	88.08	88.08	4.54	By March 31, 2026
– Offshore and onshore investments ^(Note 1)	27.15	27.15	27.15	–	N/A
Repayment of amounts due under the credit facilities	289.94	275.44	275.44	14.50	By March 31, 2026
Total	876.32	834.12	834.12	42.20	By March 31, 2026
July 2025 Placing					
Business operation and development	1,933.91	841.62	841.62	1092.29	By September 30, 2026
– Working capital and general corporate purposes	1,765.82	794.46	794.46	971.36	By September 30, 2026
(a) Salaries, social insurance, housing fund, and other human resource expenses ^(Note 2)	573.66	205.22	205.22	368.44	By September 30, 2026
(b) Payment to suppliers and service providers ^(Note 3)	1,085.58	530.98	530.98	554.60	By September 30, 2026
(c) Other operating expenses	106.58	58.26	58.26	48.32	By September 30, 2026
– Project construction and renovation	146.35	25.42	25.42	120.93	By September 30, 2026
– Offshore and onshore investments ^(Note 1)	21.74	21.74	21.74	–	N/A
Repayment of amounts due under the credit facilities	476.35	449.14	449.14	27.21	By September 30, 2026
Total	2,410.26	1,290.76	1,290.76	1,119.50	By September 30, 2026



REPORT OF THE BOARD OF DIRECTORS

Use of proceeds	Net proceeds to be applied (HK\$' million)	Utilized net proceeds during the Reporting Period (HK\$' million)	Utilized net proceeds as of December 31, 2025 (HK\$' million)	Unutilized net proceeds as of December 31, 2025 (HK\$' million)	Expected timeline of use of unused amount
November 2025 Placing					
Investment in or acquisition of potential upstream or downstream targets in the Group's business value chain, or integration with related industries or establish joint operating entities					
	2,291.78	112.03	112.03	2,179.75	By the end of 2027
Business operation and development					
– Working capital and general corporate purposes	319.47	–	–	319.47	By the end of 2027
(a) Salaries, social insurance, housing fund, and other human resource expenses ^(Note 2)	64.00	–	–	64.00	By the end of 2027
(b) Payment to suppliers and service providers ^(Note 3)	250.47	–	–	250.47	By the end of 2027
(c) Other operating expenses	5.00	–	–	5.00	By the end of 2027
– Project construction and renovation	29.00	–	–	29.00	By the end of 2027
– Offshore and onshore investments ^(Note 1)	109.89	109.89	109.89	–	N/A
Repayment of amounts due under the credit facilities					
	305.57	–	–	305.57	By the end of 2027
Total	3,055.71	221.92	221.92	2,833.79	By the end of 2027

Notes:

- (1) The offshore and onshore investments mainly comprise the fees to be incurred for identification of potential target companies and relevant investment amount.
- (2) "Salaries, social insurance, housing fund, and other human resource expenses" mainly include the relevant expenses for R&D personnel, selling and marketing personnel, management personnel and production personnel. The exact allocation will be determined based on the actual situation.
- (3) "Payment to suppliers and service providers" mainly include the relevant payment for procurement of materials for core business, procurement of services for core business, traveling and administrative services, storage and logistics services, marketing and business development services, and human resources related services. The exact allocation will be determined based on the actual situation.



REPORT OF THE BOARD OF DIRECTORS

RESULTS AND DIVIDENDS

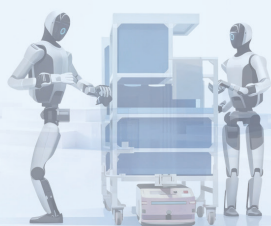
The results of the Group for the year ended December 31, 2025 and the state of affairs of the Group as at December 31, 2025 are set out in the Consolidated Financial Statements on pages 182 to 302.

The Board did not recommend the payment of any final dividend for the year ended December 31, 2025 (for the year ended December 31, 2024: nil).

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to the Group's businesses. The following are the key risks and uncertainties identified by the Group. There may be other risks and uncertainties in addition to those shown below which are not known to the Group or which may not be material now but could turn out to be material in the future.

- There are uncertainties in the future market demand of smart service robotic products and services and we cannot assure that we will continue to generate the same level of revenue and that our business will continue to grow.
- Developments in alternative technologies and products may adversely affect the demand for smart service robotic products and services.
- The growth of robotic and AI technologies commercialization or the usage of AI technologies in the smart service robotic products and services industry may not meet expectation, and our business, growth and prospects may be significantly affected as a result.
- The standards of and applications for robotic and AI technologies are constantly evolving. Any inappropriate use or flaws of such technologies, whether actual or perceived, intended or inadvertent, or committed by us or by other third parties, could have negative impact on our business and the public's acceptance of smart service robotic products or services.
- The smart service robotic products and services industry is becoming increasingly competitive. If we fail to compete successfully, our business, financial condition and results of operations may be materially and adversely affected.



REPORT OF THE BOARD OF DIRECTORS

SHARE CAPITAL

As of December 31, 2025, the total share capital of the Company was RMB503,401,373 each with par value of RMB1.00 (including 70,665,977 Domestic Shares and 432,735,396 H Shares).

Details of movements in share capital of the Company during the year ended December 31, 2025 are set out in note 4(32) to the Financial Statements.

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Group are set out in the consolidated statement of changes in equity of this annual report. As at December 31, 2025, the Company has no reserves available for distribution (as at December 31, 2024: nil).

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate revenue attributable to the Group's largest customer for the year ended December 31, 2025 accounted for approximately 9.7% (2024: 14.4%) of the Group's total revenue. The aggregate revenue attributable to the Group's five largest customers for the year ended December 31, 2025 accounted for approximately 31.0% (2024: 34.3%) of the Group's total revenue.

The aggregate purchases attributable to the Group's largest supplier for the year ended December 31, 2025 accounted for approximately 6.7% (2024: 8.5%) of the Group's total purchases. The aggregate purchases attributable to the Group's five largest supplier for the year ended December 31, 2025 accounted for approximately 21.1% (2024: 24.9%) of the Group's total purchases.

During the year ended December 31, 2025, none of the Directors or any of their associates or any Shareholders (which to the best knowledge of the Directors owned more than 5% of the Company's issued share capital) had a material interest in the Group's five largest customers or in the Group's five largest suppliers.

DIVIDEND POLICY

The Company has adopted a Dividend Policy on payment of dividends. The Company do not have any pre-determined dividend payout ratio. Depending on the financial conditions of the Company and the Group and the conditions and factors as set out in the Dividend Policy, dividends may be proposed and/or declared by the Board during a financial year and any final dividend for a financial year will be subject to the Shareholders' approval.



REPORT OF THE BOARD OF DIRECTORS

SUBSIDIARIES OF THE COMPANY

The details of the subsidiaries of the Company are set out in note 5(1) to the Financial Statements on pages 269 to 278 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

During the year ended December 31, 2025, the Group's total capital expenditure amounted to approximately RMB613.5 million (2024: RMB400.4 million) which is primarily attributable to the construction of projects such as Shenzhen headquarters building, Hangzhou Lin'an project, Jiujiang industrial park and Wuxi UQI PARK.

The details of the property, plant and equipment and other fixed assets of the Group and their movements during the year ended December 31, 2025 are set out in note 4(14) to the Consolidated Financial Statements.

BORROWINGS

Particulars of borrowings of the Group as at December 31, 2025 and the details of the charging on the Group's assets are set out in note 4(20) and (28) to the Consolidated Financial Statements.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSAL

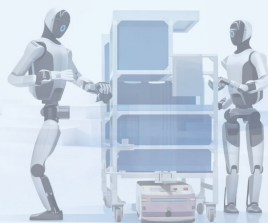
During the year ended December 31, 2025, the Group did not have any significant investments, material acquisitions or disposals of subsidiaries, associates or joint ventures.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance with such requirements could lead to the termination of operating licences. The Group has been allocating system and staff resources to ensure ongoing compliance with rules and regulations and to maintain cordial working relationships with regulators effectively through effective communications. During the year ended December 31, 2025, to the best knowledge of the Directors, there was no material breach of or non-compliance with applicable laws and regulations, that have a significant impact on the business and operations of the Group, by the Group.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in "Use of Proceeds from the Global Offering", "Use of Proceeds from Placings of New H Shares under the General Mandate" and "Events After the Financial Period" in this annual report, the Group did not have plan for material investments and capital assets as of the date of this annual report.



REPORT OF THE BOARD OF DIRECTORS

DIRECTORS

The Directors during the year ended December 31, 2025 and up to the date of this annual report were as follows:

Executive Directors

Mr. Zhou Jian (周劍先生) (*Chairman of the Board and Chief Executive Officer*)
 Mr. Liu Ming (劉明先生) (*Employee Representative Director*)
 Mr. Deng Feng (鄧峰先生) (*appointed on June 27, 2025*)
 Dr. Xiong Youjun (熊友軍博士) (*Deputy General Manager and Chief Technology Officer*)
 Ms. Wang Lin (王琳女士) (*retired on June 27, 2025*)

Non-executive Directors

Mr. Xia Zuoquan (夏佐全先生)
 Mr. Zhou Zhifeng (周志峰先生)
 Mr. Lu Kuan (陸寬先生) (*appointed on June 27, 2025*)
 Mr. Chen Qiang (陳強先生) (*retired on June 27, 2025*)

Independent Non-executive Directors

Dr. He Jia (何佳博士) (*appointed on June 27, 2025*)
 Dr. Yao Xin (姚新博士) (*appointed on June 27, 2025*)
 Dr. Dong Xiuqin (董秀琴博士) (*appointed on June 27, 2025*)
 Dr. Xiong Hui (熊輝博士) (*appointed on June 27, 2025*)
 Mr. Zhao Jie (趙杰先生) (*retired on June 27, 2025*)
 Mr. Xiong Chuxiong (熊楚熊先生) (*retired on June 27, 2025*)
 Mr. Poon Fuk Chuen (潘福全先生) (*retired on June 27, 2025*)
 Mr. Leung Wai Man, Roger (梁偉民先生) (*retired on June 27, 2025*)

As disclosed in the section headed “Corporate Governance Report – Supervisory Committee” of this annual report, the Supervisory Committee has been abolished on June 3, 2025 and the Company ceased to have any supervisor from such date onwards.

The biographical details of the Directors and the senior management of the Group are disclosed in the section headed “Biographical Details of Directors and Senior Management” on pages 32 to 40 of this annual report.



REPORT OF THE BOARD OF DIRECTORS

SERVICE CONTRACT AND LETTER OF APPOINTMENT OF THE DIRECTORS

Pursuant to Article 104 of the Articles of Association, the term for Directors shall be three years. Each of the Directors has entered into a service contract or a letter of appointment with the Company for a term of three years.

Save as disclosed above, there are no service contracts or letters of appointment between the Company or its subsidiaries and any of the Directors which is not determinable by the Company within one year without payment of compensation apart from statutory compensation.

The Company has received annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules and the Company considers all of them to be independent.

CHANGE IN DIRECTORS' INFORMATION

Save as disclosed in this annual report, during the year ended December 31, 2025 and up to the date of this annual report, no other information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

MANAGEMENT CONTRACTS

Other than the Directors' service contracts and appointment letters, no contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year or subsisted at the end of the year ended December 31, 2025.

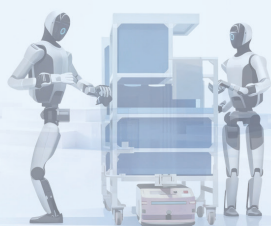
EMOLUMENT POLICY

The emoluments of the Directors and senior management of the Group are determined by the Board with reference to the respective responsibilities and duties, experience, individual performance, and time devoted to the Group and may be adjusted upon the recommendation of the Remuneration and Appraisal Committee. The Remuneration and Appraisal Committee was set up for reviewing the Company's emolument policy and structure of all remuneration of the Directors and senior management of the Company. Save as disclosed in this annual report, no long-term incentive schemes have been adopted by the Company.

BASIC PENSION INSURANCE

The Group's employees participated in the basic social pension insurance organised and implemented by local labour and social security bureau. The Group pays pension insurance contributions to the local social basic pension insurance administration agency on a monthly basis, using the contribution base and rates stipulated by local regulations.

After retirement, local labour and social security bureau is responsible for paying the pension benefit to the retired employees. The amounts based on the above calculations are recognised as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.



REPORT OF THE BOARD OF DIRECTORS

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and five highest paid individuals of the Group are set out in notes 7(4)(e) and 7(4)(g) to the Financial Statements on pages 283 to 284 of this annual report.

The number of five highest paid employees during the years ended December 31, 2024 and 2025 (excluding Directors) whose remuneration fell within the following bands is as follows:

	Number of employees	
	For the year ended December 31,	
	2025	2024
HKD7,000,000 to HKD7,500,000	1	0
HKD7,500,001 to HKD8,000,000	0	1
HKD8,000,001 to HKD8,500,000	1	1
HKD10,000,001 to HKD10,500,000	1	1
HKD15,000,001 to HKD15,500,000	0	1
HKD23,500,001 to HKD24,000,000	0	1
HKD26,000,000 to HKD26,500,000	1	0

The five highest paid employees during 2025 included one Director, namely Mr. Deng Feng (2024: none), details of whose remuneration are set out in note 7(4)(g) to the Financial Statements and have not been set out in the above table.

For the year ended December 31, 2025, no emoluments were paid by the Group to any Director or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors has waived any emoluments for the year ended December 31, 2025.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or his or her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year under December 31, 2025 or at any time during the year ended December 31, 2025.

NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

No non-competition agreements or arrangement has been provided by any of the substantial Shareholders at any time during the Relevant Period or as at December 31, 2025.



REPORT OF THE BOARD OF DIRECTORS

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance in respect of legal actions arising out of corporate activities against the current Directors and senior management of the Company and its associated companies and the Directors and senior management of the Company and its associated companies who resigned during the year ended December 31, 2025. The permitted indemnity provision is in force for the benefit of the Directors as required by the provisions of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the year ended December 31, 2025, the Group had the following connected transactions and continuing connected transactions, details of which are disclosed in compliance with the requirements of Chapter 14A of the Listing Rules.

The connected transactions or continuing connected transactions under the related party transactions disclosed in note 7(4)(b) to (d) to the Financial Statements are set out below. In respect of such transactions, the Company has complied with all the relevant requirements under Chapter 14A of the Listing Rules. For the avoidance of doubt, all other related party transactions disclosed in note 7(4)(b) to (d) to the Financial Statements do not constitute connected transactions or continuing connected transactions under the Listing Rules.

The Company entered into the following connected transactions and continuing connected transaction with the connected persons as defined in the Listing Rules, and transactions have been conducted in accordance with the agreed terms.

1. MASTER PURCHASE AGREEMENT

Parties

- (1) Wuxi Uqi Intelligent Technology Co., Ltd.* (無錫優奇智能科技有限公司) (“Wuxi Uqi”)
- (2) Miracle Automation Engineering Co., Ltd.* (天奇自動化工程股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002009.SZ) (“MAE”)

Principal terms

On November 23, 2023, Wuxi Uqi and MAE entered into a Project Engineering Services and Products Framework Agreement (the “Framework Agreement”), pursuant to which Wuxi Uqi agreed to supply, and MAE agreed to purchase relevant smart robotic products and services required for the completion of MAE’s contracted engineering projects, including but not limited to the engineering design, implementation and delivery in relation to such projects (the “MAE Products and Services”), for a term commencing on the Listing Date until 31 December 2025.



REPORT OF THE BOARD OF DIRECTORS

Reasons for the transaction

Our Group entered into business arrangements with MAE and its subsidiaries (collectively, the “MAE Group”) given that the MAE Group has long history of operation with a large customer base which is our targeted customer group (i.e. automobile manufacturers). As we only entered into the logistics and mobile smart robotic products and services industry in late 2020, we believe that we would be able to leverage the clientele of the MAE Group to achieve a quick expansion. During the past few years, our revenue from logistics smart robotic products and services business increased significantly since the launching our logistics smart robotic products and services business.

Amount

The aggregate amounts incurred by the MAE Group for the purchase of the MAE Products and Services from Wuxi Uqi amounted to approximately RMB128.8 million for the year ended December 31, 2025.

Pricing policy of the Framework Agreement

As disclosed in the section headed “Connected Transactions” of the Prospectus, pursuant to the Framework Agreement, Wuxi Uqi agreed to supply the MAE Products and Services to MAE at prices to be determined by negotiations according to the principles of fairness and reasonableness, with references to the following factors: (i) the prevailing market prices of similar products and services supplied to MAE by independent third parties, (ii) the total contract amounts involved, (iii) the specifications of equipment required, (iv) the amount of personnel required and (v) the time required to supply the MAE Products and Services.

The parties agreed that they may enter into further agreements setting out additional specific terms and conditions pertaining to the MAE Products and Services; however, the terms and conditions set out in the Existing Framework Agreement (including as to pricing and the term) shall be deemed to be included in any such further agreements. The Framework Agreement also specifically provided that such further agreements shall be entered into on normal commercial terms, which shall be no less favourable to Wuxi Uqi as a service provider as compared to the terms it offered to independent third parties for the same category of services or equipment, and the price stipulated under such agreements shall not be lower than the prices at which Wuxi Uqi supplies the same category of services or equipment to independent third parties.

Annual caps

References are made to the announcement of the Company dated December 11, 2025. Due to the rising market demand for MAE Group’s products and services, and given that the Group is one of the few AI and robotics companies in China with the necessary experience and technical expertise to meet the product and service requirements of its global conglomerate clients, the Group anticipates an increasing demand for its logistics smart robotic products and services from the MAE Group. Therefore, the Board resolved on December 11, 2025 to revise and increase (the “Revision”) the existing annual caps for the year ended December 31, 2025 (the “2025 Annual Cap”).



REPORT OF THE BOARD OF DIRECTORS

The amounts to be incurred by the MAE Group for the purchase of the MAE Products and Services from Wuxi Uqi for the year ended December 31, 2025 (reflecting the Revision) shall not exceed RMB250.0 million.

Basis of caps

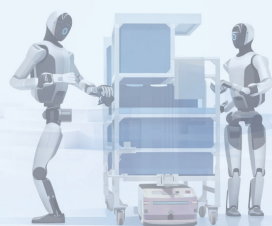
The aforementioned 2025 Annual Cap (reflecting the Revision) was determined by the Board with reference to the following factors:

1. the historical transaction amounts attributable to the transactions under the Framework Agreement, including those for the eleven months ended November 30, 2025;
2. the recent estimation of the demand of MAE Group for the MAE Products and Services in view of increasing customer demands for smart robotic products and services in the provision of intelligent equipment automation services as a result of improved production efficiency and increased labour costs and the fact that the Directors expect the Group's sales, including that for its logistics smart robotic products and services, to peak in the fourth quarter based on its track record; and
3. the expected growing business scale of MAE Group after taking into consideration the transaction amounts under the Framework Agreement for the eleven months ended November 30, 2025 and the market trend of the automation industry in the PRC and worldwide.

Reasons for and benefits of the Revision

Through revision of the 2025 Annual Cap to the Revised Annual Cap, Wuxi Uqi will be able to fulfil the expected demand of MAE Group for the MAE Products and Services in the remaining period of the year ended December 31, 2025. As MAE Group is a well-established intelligent equipment automation service provider with expertise in automotive intelligent equipment and lithium battery recycling, the Directors believe that the continuation of sales to MAE Group and maintaining of business relationship with MAE Group can enhance the business and reputation of the Group taking into account, among other things, the substantial revenue contribution from customers in the automobile and auto-parts industry.

On the above basis, the Directors consider that the Group will benefit from the further revision of the 2025 Annual Cap to the Revised Annual Cap. The Directors (including the independent non-executive Directors) considered that revision of the 2025 Annual Cap is on normal commercial terms and in the ordinary and usual course of business of the Group, fair and reasonable and in the interests of the Company and the Shareholders as a whole.



REPORT OF THE BOARD OF DIRECTORS

Listing Rules implications

Wuxi Uqi is regarded as our subsidiary under the Listing Rules. As at the date of this annual report, we held approximately 41.49% shareholding interests in Wuxi Uqi. In addition, pursuant to the shareholders' agreement entered into between the shareholders of Wuxi Uqi in December 2022, (i) Shenzhen Quantum Leap Investment Limited Partnership (深圳量子躍遷投資合夥企業(有限合夥))* (“Shenzhen Quantum Leap”), a shareholder then holding approximately 16.66% interests, agreed that for the period it was holding equity interest in Wuxi Uqi; and (ii) Suzhou Zhengxuan Qianzhan Zhihe Venture Capital (Limited Partnership) (蘇州市正軒前瞻志合創業投資合夥企業(有限合夥))* (“Suzhou Zhengxuan”) and Guangzhou Zhengxuan Qianzhan Ruiyuan Venture Capital Limited Partnership* (廣州市正軒前瞻睿遠創業投資合夥企業(有限合夥)) (“Guangzhou Zhengxuan”), two shareholders then holding approximately 6.64% and 5.43% interests, respectively, agreed that for the period of six years since the date they started holding equity interest in Wuxi Uqi, being December 31, 2021, they would act consistently with our Company in respect of matters of the shareholders meeting (the “Wuxi Uqi Shareholders’ Undertakings”). As at the date of this annual report, Shenzhen Quantum Leap, Suzhou Zhengxuan and Guangzhou Zhengxuan held approximately 15.86%, 6.33% and 5.18% shareholding interests in Wuxi Uqi, respectively. As a result of the Wuxi Uqi Shareholders’ Undertakings, we have continued to hold more than 50% voting rights in Wuxi Uqi despite that our shareholding in Wuxi Uqi is below 50%. According to the articles of Wuxi Uqi, approval of Wuxi Uqi’s shareholders resolutions in general requires more than 50% of shareholders’ votes. As such, we have continued to obtain control of Wuxi Uqi and it has continued to be regarded as our subsidiary since its establishment up to the date of this annual report.

As MAE directly and indirectly holds a total of 22.49% of the equity interest in Wuxi Uqi, MAE is a substantial shareholder of our subsidiary and thus a connected person of our Company at subsidiary level. By virtue of Rule 14A.101 of the Listing Rules, as (i) MAE is a connected person of the Company at the subsidiary level; (ii) the transactions contemplated under the Framework Agreement (as amended under the Revision) (the “MAE Transactions”) are on normal commercial terms; and (iii) the Board (including all the independent non-executive Directors) has approved the MAE Transactions, and confirmed that the MAE Transactions are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, the MAE Transactions are subject to the reporting and announcement requirements but are exempted from the circular, independent financial advice and Shareholders’ approval requirements under the Listing Rules.

For further details regarding the background of Wuxi Uqi and the Group’s relationship with MAE, please refer to the sections headed “History, Development and Corporate Structure”, “Business – Overlapping of Customers and Suppliers – Overlapping relationship with MAE Group” and “Connected Transactions” in the Prospectus.



REPORT OF THE BOARD OF DIRECTORS

2. THE ACQUISITION OF 7% EQUITY INTERESTS IN WUXI UQI

Parties

- (1) The Company (as the purchaser)
- (2) MAE (as the seller)
- (3) Wuxi Uqi (as the target company)

Principal terms

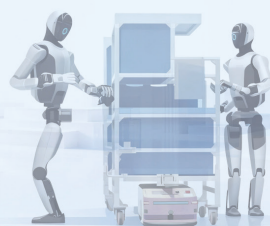
On November 25, 2025, the Company, as the purchaser, will enter into the share transfer agreement with MAE, as the seller, and Wuxi Uqi, as the target company, pursuant to which, the Company agrees to purchase 7% of the equity interests in Wuxi Uqi held by MAE at a consideration of RMB130,130,000 (inclusive of tax). The consideration is to be determined after arm's length negotiations between the Company and MAE taking into account a number of factors including but not limited to the valuation of Wuxi Uqi of RMB1,855,000,000 as of September 30, 2025, as appraised by the independent valuer using the market approach, and the commercial benefits to the Company as mentioned in the "Reasons for and benefits of the acquisition". The consideration is payable in the following manners: (i) within 10 business days from the effective date of the share transfer agreement, the Company shall pay 50% of the consideration to MAE; (ii) before December 31, 2025, the Company shall pay the remaining balance (i.e. 50% of the Consideration) to MAE.

Reasons for and benefits of the acquisition

The acquisition is based on the Company's assessment of the future development prospects of the embodied intelligent humanoid robot industry. Upon completion, the Company's equity stake in Wuxi Uqi will increase, which is beneficial for further implementation of the application scenarios of embodied intelligent humanoid robots in the smart logistics industry. This will promote the strategic development of the large-scale deployment of embodied intelligent humanoid robots in industrial settings, which is beneficial to the Group and aligns with the Company's overall strategic planning. The Board (including the independent non-executive Directors) considers that the terms and conditions of the share transfer agreement and the acquisition are on normal commercial terms, fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

Amount

During the year ended December 31, 2025, the Group paid a cash consideration of RMB130,130,000 to purchase 7% of the equity interests in Wuxi Uqi, a subsidiary, held by MAE.



REPORT OF THE BOARD OF DIRECTORS

Listing Rules implications

As MAE is a substantial shareholder of Wuxi Uqi, a non-wholly owned subsidiary of the Company, MAE is a connected person of the Company at the subsidiary level. Therefore, the acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the acquisition exceeds 0.1% but is less than 5%, the acquisition constitutes a connected transaction of the Company and is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from independent shareholders' approval requirement. In addition, since (i) MAE is a connected person at the subsidiary level of the Company only; (ii) the Board has approved the share transfer agreement and the acquisition; and (iii) all the independent non-executive Directors have confirmed the terms of the share transfer agreement and the acquisition are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the acquisition is subject to reporting and announcement requirements under Chapter 14A of the Listing Rules but exempt from the circular, independent financial advice and independent shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

ANNUAL REVIEW BY THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors have reviewed the continuing connected transactions set out in the section headed "Connected Transactions and Continuing Connected Transactions" in this annual report and the continuing connected transactions among the related-party transactions set out in note 7(4)(b) to (d) to the Financial Statements in this annual report, and are of the view that the transactions have been entered into under the following circumstances:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or on terms no less favourable to the Group than terms offered to/by independent third parties; and
- (3) in accordance with the relevant agreements governing those transactions on terms that are fair and reasonable and in the interest of the Shareholders of the Company as a whole.



REPORT OF THE BOARD OF DIRECTORS

CONFIRMATION FROM THE COMPANY'S INDEPENDENT AUDITORS

PricewaterhouseCoopers Zhong Tian LLP, the Company's independent auditors, were engaged to report on the Group's continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules.

In respect of the continuing connected transactions disclosed (the "Disclosed Continuing Connected Transactions"), the Company's auditors confirmed that, with respect to those entered into during the financial year ended December 31, 2025 or before:

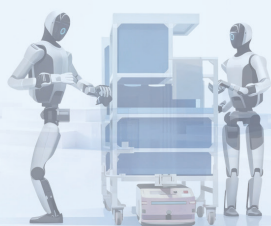
- a. nothing has come to its attention that causes it to believe that the Disclosed Continuing Connected Transactions have not been approved by the Board;
- b. for transactions involving the provision of goods or services by the Group, nothing has come to its attention that causes it to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- c. nothing has come to its attention that causes it to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- d. with respect to the aggregate amount of the continuing connected transactions set out in the list of continuing connected transactions as disclosed above, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

A copy of the auditors' letter confirming the above matters has been provided to the Board.

CONVERTIBLE SECURITIES, SHARE OPTIONS, WARRANTS OR SIMILAR RIGHTS

During the year ended December 31, 2025, the Company did not issue any convertible securities, share options, warrants or similar rights.

During the year ended December 31, 2025 and up to the date of this annual report, save for the H Share Incentive Scheme as disclosed in the section headed "H Share Incentive Scheme" in this annual report, the Group has no share scheme (including any share option scheme) subject to the provisions of Chapter 17 of the Listing Rules.



REPORT OF THE BOARD OF DIRECTORS

DIRECTORS' AND CHIEF EXECUTIVE INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at December 31, 2025, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO")) as notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is keen to taken or deemed to have under such provisions of the SFO), or as recorded in the registered maintained by the Company under Section 352 of the SFO, or as notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Interest in the Company

Name of Director	Class of Shares	Nature of Interest	Number of Shares held/interested	Approximate percentage in the relevant class of Shares of the Company ⁽²⁾	Approximate percentage in the Company ⁽²⁾
Mr. Zhou Jian	Domestic Shares	Beneficial owner	33,186,040 (L)	46.96%	6.59%
	Domestic Shares	Interest in controlled Incorporation ⁽³⁾	1,538,600 (L)	2.18%	0.31%
	H Shares	Beneficial owner	70,574,350 (L)	16.31%	14.02%
	H Shares	Interest in controlled Incorporation ⁽³⁾	13,000,000 (L)	3.00%	2.58%
Mr. Xia Zuoquan	H Shares	Beneficial owner	19,903,300 (L)	4.60%	3.95%
Dr. Xiong Youjun	Domestic Shares	Beneficial owner	2,630,743 (L)	3.72%	0.52%
	H Shares	Beneficial owner	5,681,300 (L)	1.31%	1.13%
Mr. Liu Ming ⁽⁵⁾	H Shares	Beneficial owner	1,500 (L)	0.00%	0.00%

Notes:

- (1) (L) denotes long position.
- (2) The calculation is based on a total of 503,401,373 Shares in issue as at December 31, 2025, which comprised 70,665,977 Domestic Shares and 432,735,396 H Shares.
- (3) As at December 31, 2025, Shenzhen Sanciyuan Enterprise Management Consulting Limited Partnership* (深圳三次元企業管理諮詢合夥企業(有限合夥)) ("Shenzhen Sanciyuan") directly held 1,538,600 Domestic Shares and 13,000,000 H Shares, and Mr. Zhou Jian held 73.96% of the partnership interests in Shenzhen Sanciyuan. By virtue of the SFO, Mr. Zhou Jian is deemed to be interested in all the Shares held by Shenzhen Sanciyuan.
- (5) Ms. Gu Ming and Mr. Liu Ming are spouses, and therefore Ms. Gu Ming is deemed to be interested in all of Mr. Liu Ming's interest in our Company by virtue of the SFO.



REPORT OF THE BOARD OF DIRECTORS

Interest in associated corporation of the Company

Name of Director	Name of associated corporation	Nature of Interest	Approximate shareholding percentage
Mr. Xia Zuoquan	Wuxi Uqi ⁽¹⁾	Interest in controlled corporation ⁽²⁾	11.51%

Notes:

- (1) Wuxi Uqi is a subsidiary of the Company. See “Connected Transactions and Continuing Connected Transactions” for further details.
- (2) As at December 31, 2025, Suzhou Zhengxuan Qianzhan Zhihe Venture Capital (Limited Partnership)* (蘇州市正軒前瞻志合創業投資合夥企業(有限合夥)) (“Suzhou Zhengxuan”) and Guangzhou Zhengxuan Qianzhan Ruiyuan Venture Capital Limited Partnership* (廣州市正軒前瞻睿遠創業投資合夥企業(有限合夥)) (formerly known as Shenzhen Zhengxuan Qianzhan Ruiyuan Venture Capital Limited Partnership* (深圳市正軒前瞻睿遠創業投資合夥企業(有限合夥))) (“Guangzhou Zhengxuan”) directly held approximately 6.33% and 5.18% shareholding interest in Wuxi Uqi respectively. The general partners of Suzhou Zhengxuan and Guangzhou Zhengxuan are Shenzhen Zhengxuan Qianzhan Zhihe Investment Company Limited* (深圳市正軒前瞻志合投資有限公司) and Shenzhen Zhengxuan Lihang Venture Capital Limited Partnership* (深圳市正軒勵行創業投資合夥企業(有限合夥)) respectively, which are both ultimately controlled by Mr. Xia Zuoquan.

Save as disclosed above, as at December 31, 2025, to the knowledge of the Board, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO); (ii) recorded in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

EQUITY INCENTIVE SCHEMES

Since 2015, we have approved and adopted the equity incentive schemes (the “Equity Incentive Schemes”) for the purpose of motivating, retaining and rewarding talents for their contribution to the development of our Group and linking the interests of the participants under the equity incentive schemes with those of our Company and our Shareholders. Given that no shares or options over shares in our Company or subsidiaries are granted pursuant to the terms the equity incentive schemes, and no Awards (as defined below) will be further granted after the Listing, there will not be any dilution effect to the issued Shares after Listing and the terms of the Equity Incentive Schemes are not subject to the provisions of Chapter 17 of the Listing Rules.

As at December 31, 2025, all the Shares underlying the Equity Incentive Schemes have been issued and granted, and to the extent that there is any change to the grants under the Equity Incentive Schemes after the Listing, the Company will comply with the applicable Listing Rules (including the requirements under Chapter 14A of the Listing Rules applicable to grants to connected persons, if any).



REPORT OF THE BOARD OF DIRECTORS

Equity Incentive Schemes Platform

Shenzhen Evolution, a limited partnership, was established as the “direct level incentive shareholding platform” for the purpose of the equity incentive schemes, and held approximately 4.12% of the issued Shares in our Company as of December 31, 2025. A number of other limited partnerships were established as the “indirect level incentive shareholding platforms” which act as the limited partners of Shenzhen Evolution. Participants under the equity incentive schemes may be granted partnership interest in the indirect level incentive shareholding platforms (the “Awards”). As the indirect level incentive shareholding platforms own partnership interest in Shenzhen Evolution which in turn owns our Shares directly, the participants would be indirectly interested in our Shares.

As at December 31, 2025, Ms. Jiang Shuyuan was the general partner of Shenzhen Evolution, while Ms. Wang Lin was the general partner of all the indirect level incentive shareholding platforms. The above arrangement of the equity incentive schemes could offer incentives to the participants through granting them indirect interest in our Shares while allowing our core management team to retain control on the voting rights of the incentive shareholding platforms in respect of our Shares.

The general principal terms of the equity incentive schemes are summarised below.

(a) Purpose

The equity incentive schemes were established for the purpose of motivating, retaining and rewarding talents for their contribution to the development of our Group and linking the interests of the participants under the equity incentive schemes with those of our Company and our Shareholders.

(b) Participants

Participants include the directors, supervisors (if any), senior management and other core employees of our Group and other designated persons.

(c) Grant of Awards

The participants may be granted Awards in the indirect level incentive shareholding platforms at a consideration specified under the grant agreements, and each becomes a limited partner of the indirect level incentive shareholding platforms upon grant of the Awards.

(d) Administration of the equity incentive schemes

The equity incentives schemes are subject to approval of the shareholders and the Board. Mr. Zhou Jian is responsible for matters pertaining to the implementation of the equity incentive schemes, including but not limited to determining the identity of grantees and the number and considerations of grants.



REPORT OF THE BOARD OF DIRECTORS

(e) Lock-up period and return of granted Awards

Subject to requirements which may vary among each equity incentive schemes, the granted Awards may be bound by a lock-up period, and the participants may also be requested to return the granted Awards upon the occurrence of certain events.

(f) Details of Awards

As at December 31, 2025, (i) 41 indirect level incentive shareholding platforms have been established for the purpose of the equity incentive schemes; (ii) there is an aggregate number of 796 participants holding partnership interest in the indirect level incentive shareholding platforms; and (iii) none of our Directors held more than one-third of the partnership interest in any of the indirect level incentive shareholding platforms. For details of the Awards during the Relevant Period, see note 6 to the Financial Statements.

Movements of Awards under the Equity Incentive Schemes

Category of grantees	Unvested	Unvested awards as of December 31, 2025	Granted during the Relevant Period	Vested during the Relevant Period	Cancelled during the Relevant Period	Lapsed during the Relevant Period
	awards at the December 31, 2024					
Directors:						
Mr. Zhou Jian	20,000	-	-	20,000	-	-
Mr. Liu Ming	291,000	-	-	291,000	-	-
Mr. Deng Feng	180,000	-	-	180,000	-	-
Dr. Xiong Youjun	300,000	-	-	300,000	-	-
Mr. Xia Zuoquan	-	-	-	-	-	-
Mr. Zhou Zhifeng	-	-	-	-	-	-
Mr. Lu Kuan	-	-	-	-	-	-
Dr. He Jia	-	-	-	-	-	-
Dr. Yao Xin	-	-	-	-	-	-
Dr. Dong Xiuqin	-	-	-	-	-	-
Dr. Xiong Hui	-	-	-	-	-	-
Five highest paid individuals						
(Note)	750,000	-	-	750,000	-	-
Other grantees	6,082,450	-	-	5,568,700	513,750	-

Note: The above data is based on the five highest paid individuals in 2025. Due to the difference in the identities of the five highest paid individuals in 2024 and 2025, the number of unvested awards as of December 31, 2024 may not be consistent with the figures disclosed in the 2024 annual report. During the year ended December 31, 2025, certain forfeited Awards were transferred to other employees under the Equity Incentive Schemes. No new Awards were granted.



REPORT OF THE BOARD OF DIRECTORS

H SHARE INCENTIVE SCHEME

The Shareholders have approved the adoption of the 2024 H Share Incentive Scheme (the “H Share Incentive Scheme”) at the 2024 fifth extraordinary general meeting held on September 12, 2024 (the “Adoption Date”) for the purpose of (i) promoting the achievement of long-term sustainable development and performance goals of the Company; (ii) closely aligning the interests of the grantees with those of the Shareholders, investors and the Company to enhance the cohesion of the Company and to facilitate the maximisation of the value of the Company; and (iii) improving the Company’s incentive mechanism to attract, motivate and retain Directors, senior management and employees who have made outstanding contributions to the sustainable operation, development and long-term growth of the Company.

Eligible Participants

Persons who are eligible to participate in the H Share Incentive Scheme include any director (excluding the independent non-executive Directors), supervisor, senior management or employee of the Group (including any person to whom any award of H Shares granted pursuant to the H Share Incentive Scheme (the “Award Shares”) are granted under the H Share Incentive Scheme as an inducement to enter into a contract of employment) (the “Eligible Participants”).

A person shall not be considered as an Eligible Participant if, as at the Grant Date:

- (i) he/she has been publicly censured or declared as an ineligible candidate by securities regulatory institutions in the last 12 months;
- (ii) he/she has been imposed with administrative penalties by securities regulatory institutions in the last 12 months due to material non-compliance of laws or regulations;
- (iii) he/she is prohibited from participating in the H Share Incentive Scheme as required by laws and regulations;
- (iv) he/she has committed other material violation of relevant requirements of the Group or caused material damage to the interest of the Group as determined by the Board; or
- (v) there exists any other circumstances prescribed by the Board for the purpose of safeguarding the Group’s interests and ensuring the Group’s compliance with applicable laws and regulations relating to the operation of the Scheme.

The Board and/or the delegatee(s) may select any Eligible Participant to be a grantee of the H Share Incentive Scheme in accordance with the Scheme Rules.



REPORT OF THE BOARD OF DIRECTORS

Scheme Limit

In any event, the maximum number of Awarded Shares which may be granted under the H Share Incentive Scheme shall not exceed 10% of the Company's total Shares in issue as at the Adoption Date (the "Scheme Limit"), which is 41,814,282 H Shares. The Board and/or the Delegatee(s) shall not make any further grant of Awarded Shares which will result in the Scheme Limit being exceeded without Shareholders' approval.

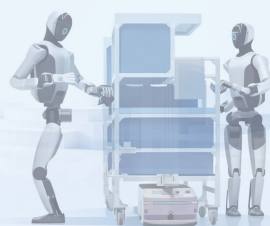
Maximum Entitlement to Each Eligible Participants

According to the H Share Incentive Scheme, there are no restrictions on the maximum entitlement of Share Awards to be granted to an Eligible Participant (save for any requirements under the Listing Rules).

Where any grant of options or awards to an Eligible Participant except for a Director (other than an independent nonexecutive Director) or chief executive of the Company (or any of their associates), would result in the Shares issued and to be issued in respect of all options and share awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the H Share Incentive Scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue (the 1% individual limit), such grant must be separately approved by Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting.

Where any grant of awards (excluding grant of options) to a Director (other than an independent non-executive Director) or chief executive of the Company (or any of their associates) would result in the number of Shares issued and to be issued in respect of all awards involving issue of new Shares already granted under the H Share Incentive Scheme and any other share scheme(s) of the Company (excluding any awards lapsed in accordance with the terms of the H Share Incentive Scheme or any other share scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the total number of Shares in issue as at the date of grant, such further grant of awards shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting.

Where any grant of options or awards to a substantial shareholder of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued in respect of all options and awards involving issue of new Shares already granted under the H Share Incentive Scheme and any other share scheme(s) of the Company (excluding any awards lapsed in accordance with the terms of the H Share Incentive Scheme or any other share scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the total number of Shares in issue as at the date of grant, such further grant of awards shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting.



REPORT OF THE BOARD OF DIRECTORS

Duration

Subject to any early termination as may be determined by the Board according to the rules governing the operation of the H Share Incentive Scheme as well as the implementation procedure (as amended from time to time) (the “Scheme Rules”), the H Share Incentive Scheme shall be valid and effective for a term of ten years commencing on the Adoption Date (the “Scheme Period”), after which no additional Awards shall be granted, provided that the H Share Incentive Scheme will remain in full force in all other respects.

As at the date of this report, the remaining life of the H Share Incentive Scheme is approximately eight years and five months.

Grant of Awarded Shares

Subject to the terms and conditions of the H Share Incentive Scheme, the Board and/or the Delegatee(s) may at their absolute discretion and on such terms and conditions as the Board and/or the Delegatee(s) thinks fit, grant the Awarded Shares to any Eligible Participant at the grant price, which shall be determined by the Board and/or the Delegatee(s). The consideration shall be paid by the relevant grantee when the Awarded Shares are vested.

Vesting of Awarded Shares

Subject to all applicable laws, rules or regulations, the Board and/or the Delegatee(s) may determine the vesting criteria and conditions and the vesting periods for the Awarded Shares to be granted to each grantee pursuant to the H Share Incentive Scheme. Save for the circumstances described below, the vesting period in respect of any Awarded Shares granted shall be no less than 12 months from (and including) the date on which the Awarded Shares are granted to a grantee (the “Grant Date”).

Awarded Shares granted may be subject to a shorter vesting period in the following circumstances at the sole discretion of the Remuneration Committee:

- (i) grants of “make-whole” Awards to new joiners to replace the share awards or options forfeited when leaving their previous employers;
- (ii) grants that are made in batches during a year for administrative or compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but ended up having to wait for a subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Award would have been granted;
- (iii) grants with a mixed or accelerated vesting schedule such as where the Awarded Shares may vest evenly over a period of 12 months, or where the Awarded Shares may vest by several batches with the first batch vesting within 12 months of the Grant Date and the last batch vesting 12 months after the Grant Date;



REPORT OF THE BOARD OF DIRECTORS

- (iv) grants with performance-based vesting conditions provided in the Scheme or as specified in the award letter in lieu of time-based vesting criteria; and
- (v) grants with a total vesting and holding period of more than 12 months.

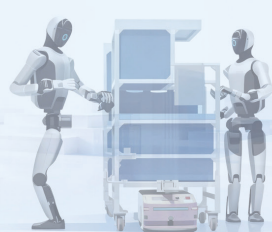
Movements of Awards under the H Share Incentive Scheme

As at December 31, 2025, no Share has been granted or awarded to the Eligible Participants under the H Share Incentive Scheme.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at December 31, 2025, so far is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons/entities had an interest or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or are directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

Name of Substantial Shareholder	Class of Shares	Nature of Interest	Number of Shares ⁽¹⁾	Approximate percentage in the relevant class of Shares of the Company ⁽²⁾	Approximate percentage in Shares in issue of the Company ⁽²⁾
Mr. Zhou Jian	Domestic Shares	Beneficial owner	33,186,040 (L)	46.96%	6.59%
	Domestic Shares	Interest in controlled Incorporation ⁽³⁾	1,538,600 (L)	2.18%	0.31%
	H Shares	Beneficial owner	70,574,350 (L)	16.31%	14.02%
	H Shares	Interest in controlled Incorporation ⁽³⁾	13,000,000 (L)	3.00%	2.58%
Ms. Wang Lin ⁽⁴⁾	Domestic Shares	Beneficial owner	2,621,880 (L)	3.71%	0.52%
	Domestic Shares	Interest in controlled incorporation ⁽⁵⁾	3,705,280 (L)	5.24%	0.74%
	H Shares	Beneficial owner	5,636,450 (L)	1.30%	1.12%
	H Shares	Interest in controlled incorporation ⁽⁵⁾	17,012,650 (L)	3.93%	3.38%
Ms. Jiang Shuyuan (蔣舒媛)	Domestic Shares	Interest in controlled corporation ⁽⁶⁾	3,705,280 (L)	5.24%	0.74%
	H Shares	Interest in controlled corporation ⁽⁶⁾	17,012,650 (L)	3.93%	3.38%



REPORT OF THE BOARD OF DIRECTORS

Name of Substantial Shareholder	Class of Shares	Nature of Interest	Number of Shares ⁽¹⁾	Approximate percentage in the relevant class of Shares of the Company ⁽²⁾	Approximate percentage in Shares in issue of the Company ⁽²⁾
Shenzhen Evolution	Domestic Shares	Beneficial owner	3,705,280 (L)	5.24%	0.74%
	H Shares	Beneficial owner	17,031,600 (L)	3.94%	3.38%
Liuzhou State-owned Assets Supervision and Administration Commission ("Liuzhou SASAC")	Domestic Shares	Interest in controlled Incorporations ⁽⁷⁾	15,212,982 (L)	21.53%	3.02%
Liuzhou Industrial Guidance Fund Investment Management Company Limited (柳州市產業引導基金投資管理有限公司) ("Liuzhou Industrial Fund")	Domestic Shares	Beneficial owner ⁽⁷⁾	12,677,485 (L)	17.94%	2.52%
Mr. He Huojian (賀火箭)	Domestic Shares	Interest in controlled Incorporations ⁽⁶⁾	5,689,081 (L)	8.05%	1.13%
Haikun Shanghai	Domestic Shares	Beneficial owner ⁽⁶⁾	5,689,081 (L)	8.05%	1.13%

Notes:

- (1) (L) denotes long position.
- (2) The calculation is based on a total of 503,401,373 Shares in issue as at December 31, 2025, which consists of 70,665,977 Domestic Shares and 432,735,396 H Shares.
- (3) As at December 31, 2025, Shenzhen Sanciyuan Enterprise Management Consulting Limited Partnership* (深圳三次元企業管理諮詢合夥企業(有限合夥)) ("Shenzhen Sanciyuan") directly held 1,538,600 Domestic Shares and 13,000,000 H Shares of the Company, and Mr. Zhou Jian held 73.96% of the partnership interests in Shenzhen Sanciyuan. By virtue of the SFO, Mr. Zhou Jian is deemed to be interested in all the Shares held by Shenzhen Sanciyuan.
- (4) Mr. Hou Zongfang and Ms. Wang Lin are spouses, and therefore Mr. Hou Zongfang is deemed to be interested in all of Ms. Wang Lin's interest in our Company by virtue of the SFO.
- (5) As at December 31, 2025, Shenzhen Evolution Investment Limited Partnership* (深圳市進化論投資合夥企業(有限合夥)) ("Shenzhen Evolution") directly held 3,705,280 Domestic Shares and 17,012,650 H Shares. By virtue of the SFO, Ms. Wang Lin is deemed to be interested in all of the Shares held by Shenzhen Evolution.
- (6) Ms. Jiang Shuyuan is the general partner of Shenzhen Evolution. By virtue of the SFO, Ms. Jiang Shuyuan is deemed to be interested in all of the Shares held by Shenzhen Evolution in our Company.



REPORT OF THE BOARD OF DIRECTORS

- (7) As of December 31, 2025, Liuzhou Industrial Fund and Liuzhou Government Investment Guidance Fund Management Company Limited (柳州市政府投資引導基金管理有限公司) (“Liuzhou Government Investment Fund”) directly held 12,677,485 and 2,535,497 Domestic Shares, and each of them was owned as to 95.12% by Liuzhou SASAC. Therefore, for the purpose of the SFO, Liuzhou SASAC is deemed to be interested in the Shares held by Liuzhou Industrial Fund and Liuzhou Government Investment Fund.
- (8) As at December 31, 2025, Haikun Business Consulting (Shanghai) Co., Ltd.* (海鯤商務諮詢(上海)有限公司) (“Haikun Shanghai”) directly held 5,689,081 Domestic Shares of the Company, which is in turn wholly-owned by Mr. He Huojian. By virtue of the SFO, Mr. He Huojian is deemed to be interested in all the Shares held by Haikun Shanghai.

Save as disclosed above, as at December 31, 2025, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

COMPETITION AND CONFLICT OF INTERESTS

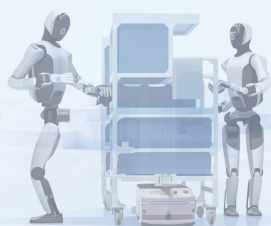
During the Relevant Period, none of the Directors or Controlling Shareholders or any of their respective associates has any interests in any business that competes or may compete, directly or indirectly, with the business of the Group or has any other conflict of interests with the Group.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as disclosed in this annual report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

CONTRACT OF SIGNIFICANCE WITH CONTROLLING SHAREHOLDERS

No contract of significance (including contract of significance for the provision of services) was entered into between the Company or its subsidiaries and the Controlling Shareholders or any of its subsidiaries during the year ended 31 December 2025 or subsisted as at 31 December 2025.



REPORT OF THE BOARD OF DIRECTORS

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

References are made to the Company's announcements dated January 19, 2025, January 24, 2025, and March 31, 2025 in relation to the purchase of H shares by the trustee of the Company under the H Share Incentive Scheme from the secondary market (the "Share Purchase"). On January 24, 2025 and March 31, 2025, Yunnan International Trust Co., Ltd.* (雲南國際信託有限公司), the trustee of the H Share Incentive Scheme, purchased 419,200 H shares and 396,750 H shares, respectively, from the market in accordance with the terms and conditions of the H Share Incentive Scheme, representing approximately 0.097% and 0.090% of the total issued shares of the Company on the respective dates. These shares are held in trust for the benefit of the Eligible Participants of the H Share Incentive Scheme, with total considerations of approximately HK\$30.7 million and HK\$31.3 million, respectively. For the avoidance of doubt, the Company itself did not purchase, sell, or redeem any H shares under the Share Purchase.

Save as disclosed above, during the year ended December 31, 2025 and up to the date of this report, there was no purchase, sale or redemption of any listed securities of the Company (including the disposal of treasury shares (as defined in the Listing Rules)) by the Company or any of its subsidiaries. Save as disclosed in this report, as at December 31, 2025, the Company did not hold any treasury shares (as defined in the Listing Rules).

TAXATION

During the year ended December 31, 2025, the Group's statutory tax rate in the PRC is 25%, while some PRC subsidiaries of the Group are subject to preferential tax rates of 5% and 15%. Subsidiaries in Hong Kong are subject to an income tax rate of 16.5%. The relevant details are set out in note 3 to the Financial Statements on pages 223 to 224 of this annual report.

TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the shares of the Company.

PRE-EMPTIVE RIGHTS

There is no provision for the pre-emptive rights under the Articles of Association or the PRC laws, which would oblige the Company to offer new shares on a pro-rata basis to its existing Shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and to the knowledge of the Directors, not less than 25% of the Shares in issue are held by the public at all times during the year ended December 31, 2025 and up to the date of this report as required by the Listing Rules.



REPORT OF THE BOARD OF DIRECTORS

CORPORATE GOVERNANCE

The Company is committed to ensuring high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the principles and code provisions of the Corporate Governance Code on the Stock Exchange as the basis of the Company's corporate governance practices.

The Board is of the view that during the Relevant Period, the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code, except for Code Provision C.2.1 described in the Corporate Governance Report.

Details of the Group's corporate governance practices can be found in the Corporate Governance Report contained on pages 41 to 66 of this annual report.

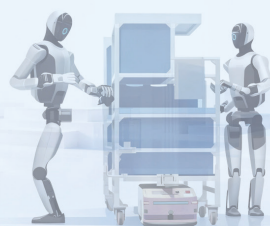
ENVIRONMENTAL, SOCIAL AND CORPORATE RESPONSIBILITY

As a responsible corporation, the Group is committed to maintaining the highest environmental and social standards to ensure sustainable development of its business. The Group has not noted any material non-compliance with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment, anti-corruption and the environment. The Group understands that a better future depends on everyone's participation and contribution. The Company has encouraged employees, customers, suppliers and other stakeholders to participate in environmental and social activities which benefit the community as a whole. Further, the Group has adopted policies, charters and code of conducts to govern the environmental, social and governance (ESG) aspects of our day-to-day operations, ranging from reducing energy and water consumption caused by our operations, health and work safety, and social contribution to environmental protection and corporate governance. The Group endeavours to maintain the relationships with its employees, suppliers and customers to ensure sustainable development. For further details of the Group's environmental policies and performance, compliance with relevant laws and regulations and relationship with its employees, suppliers and customers, please refer to our standalone Environmental, Social and Governance Report.

The Company's Environmental, Social and Governance Report is published in electronic form only at the same time on the websites of the Company at www.ubtrobot.com under the section "Investor Relations" and the Stock Exchange at www.hkexnews.hk. If you wish to receive a printed copy of the Environmental, Social and Governance Report, you may submit your request to the Hong Kong H Share Registrar by post at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

KEY RELATIONSHIP WITH STAKEHOLDERS

The Group recognises that various stakeholders including employees, customers, suppliers and other stakeholders are key to the Group's success. The Group strives to achieve corporate sustainability through engaging, collaborating, and cultivating strong relationship with them.



REPORT OF THE BOARD OF DIRECTORS

The Group believes that it is vital to attract, recruit and retain quality employees. To maintain the quality, knowledge and skill levels of the Group's workforce, the Group provides employees with periodic training, including introductory training for new employees, technical training, professional and management training and health and safety training. The Group believes that it maintains a good relationship with its employees and the Group did not experience any significant labor disputes or any difficulty in recruiting staff for its operations.

We strive to establish long-term, reliable and mutually beneficial cooperative relationship with our suppliers. We make all-out efforts to ensure that all suppliers deliver high-quality raw materials and that they are on the same page with us in terms of providing high-quality products to customers. We select suppliers in a prudent manner and assess their performance based on factors, including but not limited to quality, cost, delivery and services, in order to make sure that their quality standards are in line with the Group's requirements. Meanwhile, we also encourage suppliers to improve environmental, social and governance performance with us with a goal to grow and develop together.

A customer complaint handling mechanism is in place to receive, analyse and study complaints and make recommendations on remedies with the aim of improving service quality. The Group is in good relationship with its employees, suppliers and customers and conducts a fair and strict appraisal of its suppliers on an annual basis. For details of an account of the Company's key relationships with its employees, customers, suppliers and others that have a significant impact on the Company is set out in the separate Environmental, Social and Governance Report.

EQUITY-LINKED AGREEMENTS

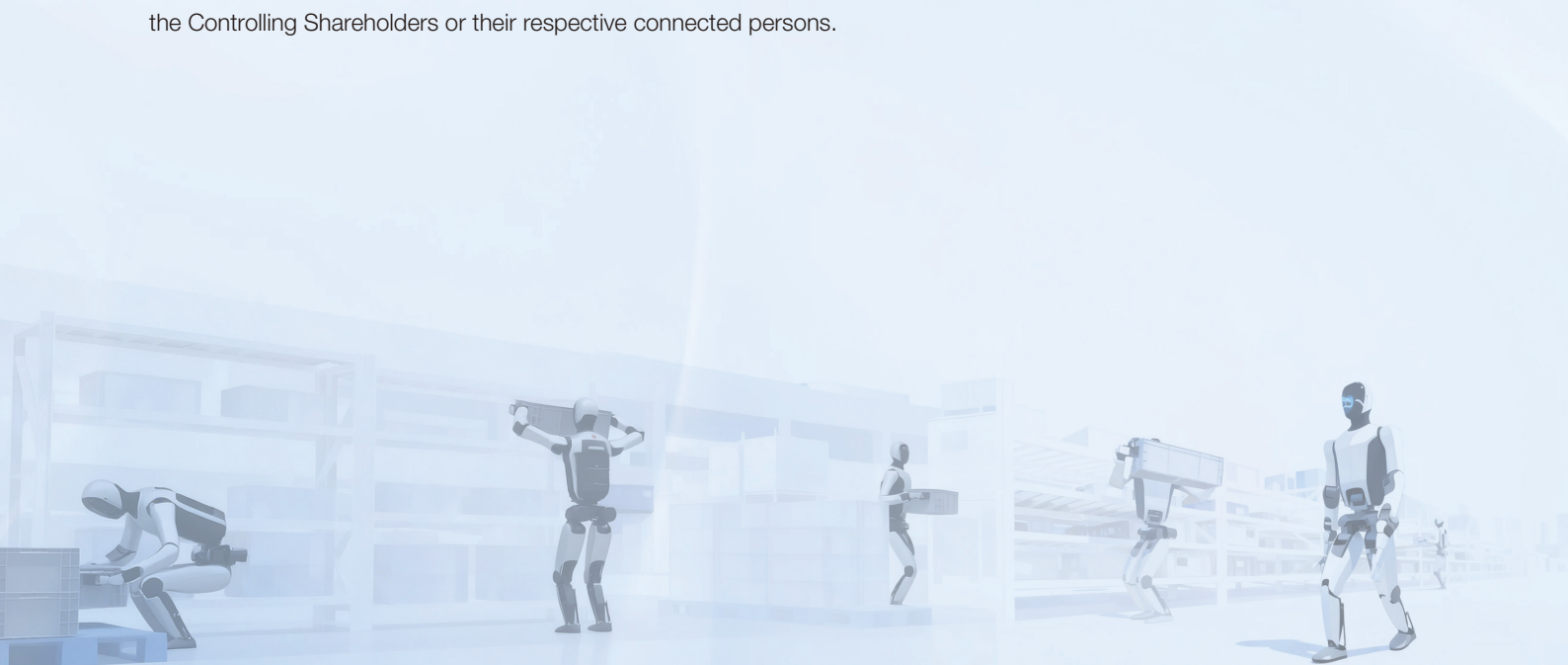
Save as disclosed in this annual report, the Company has not entered into any equity-linked agreement during the year ended December 31, 2025.

MATERIAL LEGAL PROCEEDINGS

The Group was not involved in any material legal proceedings during the year ended December 31, 2025.

LOAN AND GUARANTEE

Save as disclosed in this annual report, during the year ended December 31, 2025, the Group had not made any loan or provided any guarantee for loan, directly or indirectly, to the Directors, senior management of the Company, the Controlling Shareholders or their respective connected persons.



REPORT OF THE BOARD OF DIRECTORS

CLOSURE OF THE REGISTER OF MEMBERS

To determine the eligibility of the Shareholders to attend and vote at the AGM to be held on May 7, 2026, the register of members will be closed from May 4, 2026 to May 7, 2026, both days inclusive, during which period no transfer of shares will be effected. Shareholders whose names appear on the register of members of the Company on May 7, 2026 will be entitled to attend and vote at the AGM. In order to be entitled to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration before 4:30 p.m. on April 30, 2026.

ANNUAL GENERAL MEETING

The AGM will be held on May 7, 2026. Shareholders should refer to details regarding the AGM in the circular of the Company dated April 14, 2026 and the notice of meeting and form of proxy accompanying thereto.

AUDITORS

As disclosed in the circular of the Company dated April 30, 2025, in line with the requirements of the Articles of Association and the auditing tasks of the Company, on April 30, 2025, the Board, with the recommendation from the audit committee of the Company, has resolved that PricewaterhouseCoopers Zhong Tian LLP be reappointed as the auditor of the Company for the year of 2025 and to hold office until the conclusion of the coming annual general meeting of the Company. As disclosed in the poll results announcement of the Company dated May 21, 2025, the aforementioned appointment has been approved by the Shareholders at the 2024 annual general meeting of the Company held on May 21, 2025.

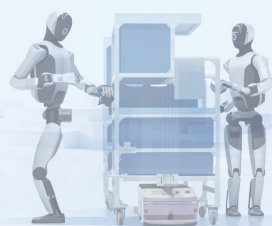
Save as disclosed above, there has been no change in the Company's auditors during the three years preceding the date of this annual report. A resolution to re-appoint the retiring auditors, PricewaterhouseCoopers Zhong Tian LLP, is to be proposed at the forthcoming AGM.

AUDIT COMMITTEE

The Audit Committee has reviewed the consolidated annual results of the Group for the year ended December 31, 2025. The Audit Committee considered that the consolidated annual results of the Group for the year ended December 31, 2025 are in compliance with the applicable accounting standards, laws and regulations.

DONATION

Approximately RMB1.13 million of charitable or other donations were made by the Group during the year ended December 31, 2025. For further details, please refer to the Environmental, Social and Governance Report.



REPORT OF THE BOARD OF DIRECTORS

EVENTS AFTER THE FINANCIAL PERIOD

On January 22, 2026, the Company entered into a partnership agreement (the “Partnership Agreement”) with Liuzhou Industrial Holding Fund Investment Management Co., Ltd.* (柳州產控基金投資管理有限責任公司) and Liuzhou Industrial Guidance Fund Investment Management Company Limited* (柳州市產業引導基金投資管理有限責任公司), pursuant to which the parties agreed to establish a partnership (the “Partnership”) to conduct investments within the intelligent robot industry chain with a focus on the existing industrial base of Liuzhou City. Pursuant to the terms of the Partnership Agreement, the total capital contribution amount to be paid by all partners of the Partnership shall be RMB660 million, of which the Company shall contribute RMB300 million. The purpose of the Partnership is to invest in upstream and downstream sectors, core components, and intelligent infrastructure, with the intelligent robot industry chain as its core and focusing on the existing industrial base of Liuzhou City. It aims to create a new highland for the artificial intelligence and robotics industries. The Partnership is jointly established by all partners, and through portfolio investment, it seeks to generate reasonable economic returns for its partners. For further details, please refer to the Company’s announcement dated January 22, 2026.

On March 10, 2026, the acquisition of 29.99% equity interest in Zhejiang Fenglong Electric Co., Ltd. (“Target Company”) and partial offer to acquire 13.02% equity interest in the Target Company have been duly passed at the 2026 first extraordinary general meeting held by the Company. All of the conditions precedent to the Share Transfer Agreement in relation to the payment of the first instalment have been satisfied, including that the SZSE has issued a Share Transfer Agreement Confirmation of Listed Company in respect of the transfer of the Sale Shares on March 10, 2026. In addition, on March 11, 2026, China Securities Depository has handled and registered all the sale shares to the Company’s A-share securities account and has provided to the Company with a Securities Transfer Registration Confirmation on March 12, 2026. As a result, as of March 12, 2026, the Group holds 29.99% equity interest in the Target Company and becomes a controlling shareholder of the Target Company (taking into account the giving up of voting rights in relation to the pre-acceptance shares by the vendors as detailed in the circular dated February 16, 2026). As at the date of this announcement, the partial offer has not yet been completed. The Company will publish further announcements in due course in accordance with the Listing Rules to update, among other things, the latest progress in relation to the partial offer, if necessary. For further details, please refer to the Company’s announcement dated March 10, 2026 and March 12, 2026.

Saved as disclosed above, there are no events causing significant impact on the Group from the balance sheet date to the date of this report.

Best regards,

Zhou Jian

Chairman of the Board and Chief Executive Officer

UBTech Robotics Corp Ltd

深圳市優必選科技股份有限公司

Shenzhen, the PRC

March 31, 2026

* For identification purpose only



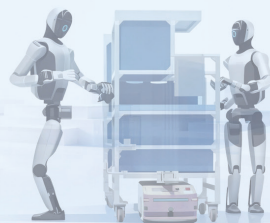
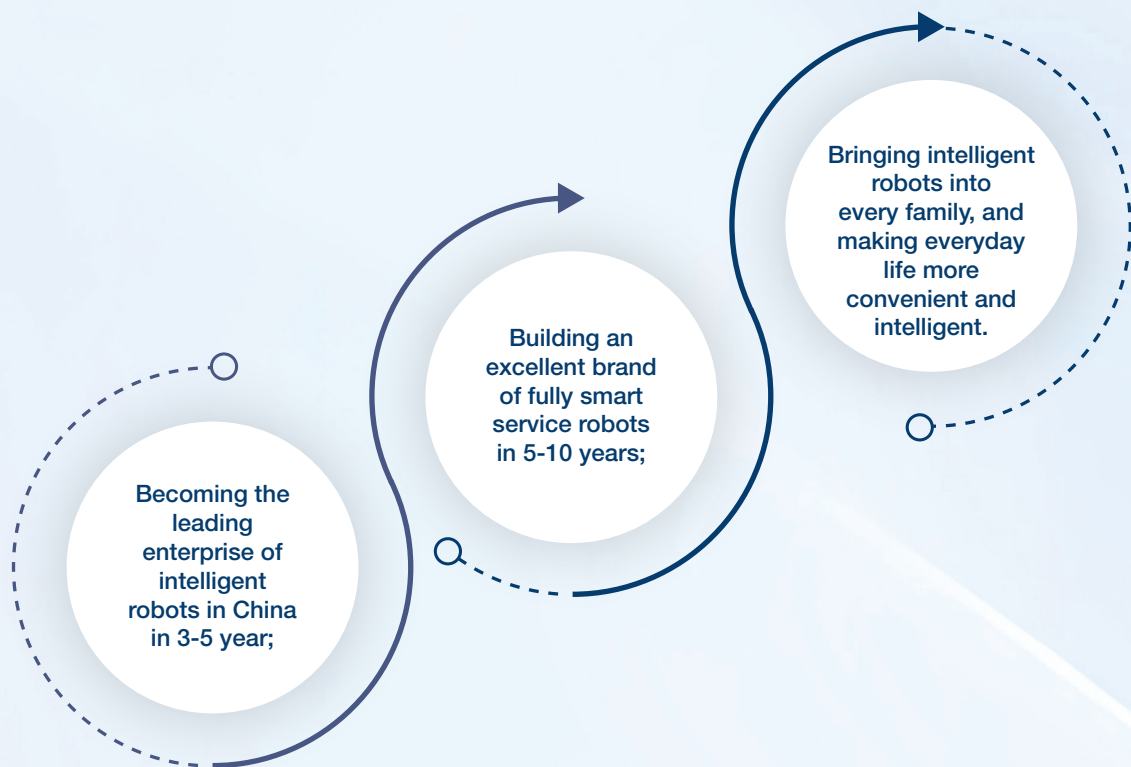
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT UBTECH

Established in March 2012, UBTECH CORP LTD (“the Group”, “UBTECH” or “We”) is a leading humanoid robots and smart service robots company. It is one of the very few companies in the world with full-stack technological capabilities in humanoid robots, including industry-leading hardware and control technologies for humanoid robots, artificial intelligence technologies, and integrated robotics and AI technologies. Its independently developed humanoid robot Walker is China’s first commercialized biped life-sized humanoid robot. We have always upheld the mission of “bringing intelligent robots into every household and making human life more convenient, intelligent and user-friendly”. We serve multiple sectors including AI education, smart logistics and commercial services, and offer a variety of intelligent service robot solutions featuring “hardware + software + services + operation”. By December 31, 2025, we have 2,985 authorized patents worldwide, of which over 500 are overseas patents, and invention patents account for over 55%. We have participated in drafting and publishing nearly 49 standards for intelligent robots and artificial intelligence (AI), including 4 international standards and 22 national standards.

We believe that the future of human lies in human-robot coexistence. With an unwavering commitment to innovations and technology, we envisage to bring UBTECH robots to every home and industry, marching towards a society where human and robots coexist.

Our vision and mission



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A LETTER FOR STAKEHOLDERS

Thank you for your attention to the Environmental, Social and Governance (ESG) Report of UBTECH in 2025.

In 2025, core technologies in the global artificial intelligence sector have gradually achieved breakthroughs across multiple fronts. Core technological breakthroughs represented by large language models, generative artificial intelligence and embodied intelligence have driven the entire industry into a new era. We continue to focus on developing key technology clusters including “humanoid brain”, “humanoid cerebellum” and “high-performance limbs”, established an application paradigm of embodied intelligence humanoid robots for multi-task scenarios, and conducted the world’s first group intelligent collaborative training involving multiple robots across multiple scenarios and tasks. We concentrate on technological fields including robot technology, artificial intelligence technology and integrated robot and artificial intelligence technology, laying a solid foundation for the commercialization of embodied intelligence humanoid robots in industrial application scenarios. In the field of artificial intelligence education, Version 1.0 of our AI general education platform has been officially launched, utilizing cutting-edge AIGC teaching and practice to fill the gap in general AI teaching tools. In the field of logistics intelligent robots, we have realized the truly closed-loop unmanned logistics by breaking through the “last 10 metres” of in-facility logistics through integrated indoor and outdoor intelligent scheduling and multi-type robot collaborative operation. Meanwhile, we have developed and launched a series of new products around various application scenarios such as commercial service robots and consumer-grade robots, further optimizing our product matrix and laying the groundwork for humanoid robots to enter thousands of households in the future. We promote green and low-carbon operations through intelligent manufacturing and unmanned logistics technologies, lower technical barriers via our artificial intelligence education platform to advance education equity and talent development, and drive sustainable industrial upgrading and responsible governance through a sound commercial layout.

We clearly recognize that people are the foundation of technological innovation. The wisdom and dedication of every employee constitute the cornerstone for UBTECH to keep moving forward and build core competitiveness. Therefore, we have always placed talent attraction and retention at a strategic level, committed to building a remuneration and benefits system that ensures fair pay and equity for outstanding talents, attaching importance to the physical and mental health and work experience of every partner, and striving to foster an open, inclusive and vibrant organizational culture. We not only focus on technological breakthroughs but also empower every individual who strives for them.

We believe that business operations are closely linked to the natural environment. To this end, we have set clear environmental objectives, systematically regulated the Company’s environmental practices across all aspects, and fully integrated the green and low-carbon concept into office and production processes. Through continuous optimization of energy structure and improvement of resource utilization efficiency, we are committed to reducing power and water consumption and effectively cutting greenhouse gas and pollutant emissions. At present, a number of our subsidiaries and production bases have obtained GB/T24001-2016/ISO14001:2015 environmental management system certification. Facing the increasingly urgent challenges of climate change, we have systematically identified relevant risks and opportunities, formulated corresponding response strategies, and continuously enhanced environmental management capabilities to contribute to sustainable development.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

On the path to pursuing excellence, we actively fulfil our corporate citizenship responsibilities and give back to society through technology. Leveraging our technological and platform advantages, we have collaborated with various organizations and institutions to continuously carry out diverse public welfare activities covering areas including care for vulnerable groups, popularization of artificial intelligence knowledge and environmental protection. These practices not only convey our firm commitment to society but also vividly demonstrate the responsibility and accountability upheld by us as a technology enterprise. During the year, the Company has taken the lead in formulating national technical standards for the operation, positioning and navigation, and human-machine interaction of humanoid robots, and participated in the drafting and issuance of more than 40 standards in the fields of intelligent robots and artificial intelligence. We have collaborated with industry stakeholders to continuously promote standardization in areas including basic commonality, key technologies, core components, complete machines and systems, applications and safety of humanoid robots and embodied intelligence. Meanwhile, the Company has joined the Technical Committee on Humanoid Robots and Embodied Intelligence under the Ministry of Industry and Information Technology, and was appointed as Vice Leader of the Humanoid Robot Standard Working Group of the National Robotics Standardization Committee and Co-Vice Leader of the Embodied Intelligence Working Group of the National Subcommittee on Artificial Intelligence, continuously empowering the industry.

UBTECH has always taken embodied intelligence humanoid robots and artificial intelligence as the Company's core strategy, with the research and development of embodied intelligence technology and commercial application as its strategic mainline, committed to driving embodied intelligence humanoid robots from industrial and commercial application scenarios to thousands of households. We sincerely thank you for your long-term attention and support for UBTECH. We look forward to continuing our journey with you, reaching for the stars of technology while keeping our feet firmly on the ground, to jointly compose a more brilliant chapter in the intelligent era.

Zhou Jian

Chairman and CEO of the Board of Directors



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

AWARDS AND HONORS

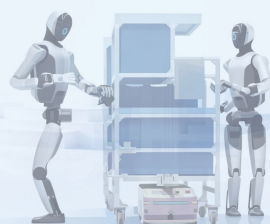
UBTECH is committed to the innovative development and application of intelligent robots, which earns widespread acclaim across multiple sectors. This year, the Group has won the following honors:

Awarding date	Honors	Awarding unit
January 2025	Typical Application Case of AI-Enabled New Industrialization	Office of Ministry of Industry and Information Technology
February 2025	UBTECH was included in the Humanoid 100 – Morgan Stanley’s List of Global Humanoid Enablers	Morgan Stanley
March 2025	Award for Innovation and Creativity in New Productive Forces	Hong Kong Chamber of Commerce in Guangdong
April 2025	Guangdong Advanced Group Award	People’s Government of Guangdong Province
	Top 100 Shenzhen Enterprise Patent Innovation Capability List in 2024	Shenzhen Intellectual Property Protection Center
	Embodied Intelligence Application Benchmark and Pioneer Award	Robot Lecture Hall
May 2025	Member of Guangdong Artificial Intelligence and Robotics Industry Alliance	Guangdong Artificial Intelligence and Robotics Industry Alliance
August 2025	Vice Chairman Unit of the Artificial Intelligence Professional Committee of China Electronics Chamber of Commerce	Artificial Intelligence Professional Committee of China Electronics Chamber of Commerce
September 2025	“Artificial Intelligence + Culture and Tourism” Application Scenario Incubation Project of Guangdong	Department of Culture and Tourism of Guangdong Province and Department of Industry and Information Technology of Guangdong Province
November 2025	GGII Golden Globe Awards	GGII Humanoid Robot
	Cailian Press Zhi Yuan Award – Social Responsibility Pioneer Enterprise Award	Cailian Press (https://www.cls.cn)



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Awarding date	Honors	Awarding unit
December 2025	Leading Enterprise of Technology Commercialization in Greater Bay Area	Jointly awarded by ifeng.com, Greater Bay Area Technology Innovation Service Center, China Singapore International Joint Research Institute, and International Technology Transfer Network
	Artificial Intelligence Annual Leading Enterprise in 2025	QbitAI
	TOP 20 Leading Enterprises in Embodied Intelligence in 2025	Synced
	China Embodied Intelligence Business Potential List in 2025	JAZZYEAR
	AI Pegasus Leading Enterprise Award	Shenzhen Artificial Intelligence Industry Association
	SSE Eagle • Cutting-edge Enterprise in Technology Innovation	Shanghai Securities News
	Jin Ge Award • Outstanding Company of the Year	Ge Long Hui
	Golden Hong Kong Stock Award 2025	Zhitongcaijing.com
	Humanoid Robot Commercial Implementation Pioneer Award	LeadeRobot
	Yan Shi • Scenario Application Ingenious Intelligence Award	Humanoid Robot Scenario Application Alliance
	Guangdong High-valued Trademark Brand	Guangdong Trademark Association
	Embodied Intelligence Scenario Application Award	Blue Whale News
	Guangdong Outstanding Artificial Intelligence and Robotics Award	Guangdong Society of Artificial Intelligence and Robotics
	2025 Extraordinary Employer in Guangdong	Liepin












ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

 <p>Typical Application Case of AI-Enabled New Industrialization</p>	 <p>UBTECH was included in the Humanoid 100 – Morgan Stanley's List of Global Humanoid Enablers</p>	 <p>Award for Innovation and Creativity in New Productive Forces</p>																																				
 <p>Guangdong Advanced Group Award</p>	<table border="1"> <thead> <tr> <th>排名</th> <th>企业名称</th> <th>产业</th> </tr> </thead> <tbody> <tr><td>1</td><td>华为技术有限公司</td><td>网络与通信、人工智能、智能制造</td></tr> <tr><td>2</td><td>腾讯科技(深圳)有限公司</td><td>软件与信息服务、人工智能</td></tr> <tr><td>3</td><td>中兴通讯股份有限公司</td><td>网络与通信、人工智能、智能制造</td></tr> <tr><td>4</td><td>比亚迪股份有限公司</td><td>新能源、智能网联汽车</td></tr> <tr><td>5</td><td>荣耀终端有限公司</td><td>智能制造</td></tr> <tr><td>6</td><td>平安科技(深圳)有限公司</td><td>人工智能、软件与信息服务</td></tr> <tr><td>7</td><td>腾讯股份有限公司</td><td>高新技术服务</td></tr> <tr><td>8</td><td>华为数字能源技术有限公司</td><td>新能源</td></tr> <tr><td>9</td><td>深圳迈瑞生物医疗电子股份有限公司</td><td>高端医疗器械</td></tr> <tr><td>10</td><td>TCL华星光电技术有限公司</td><td>半导体与集成电路、超高清视频显示</td></tr> <tr><td>11</td><td>深圳市优必选科技股份有限公司</td><td>智能机器人、人工智能</td></tr> </tbody> </table> <p>Top 100 Shenzhen Enterprise Patent Innovation Capability List in 2024</p>	排名	企业名称	产业	1	华为技术有限公司	网络与通信、人工智能、智能制造	2	腾讯科技(深圳)有限公司	软件与信息服务、人工智能	3	中兴通讯股份有限公司	网络与通信、人工智能、智能制造	4	比亚迪股份有限公司	新能源、智能网联汽车	5	荣耀终端有限公司	智能制造	6	平安科技(深圳)有限公司	人工智能、软件与信息服务	7	腾讯股份有限公司	高新技术服务	8	华为数字能源技术有限公司	新能源	9	深圳迈瑞生物医疗电子股份有限公司	高端医疗器械	10	TCL华星光电技术有限公司	半导体与集成电路、超高清视频显示	11	深圳市优必选科技股份有限公司	智能机器人、人工智能	 <p>Embodied Intelligence Application Benchmark and Pioneer Award</p>
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3	中兴通讯股份有限公司	网络与通信、人工智能、智能制造																																				
4	比亚迪股份有限公司	新能源、智能网联汽车																																				
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 <p>Member of Guangdong Artificial Intelligence and Robotics Industry Alliance</p>	 <p>Vice Chairman Unit of the Artificial Intelligence Professional Committee of China Electronics Chamber of Commerce</p>	 <p>"Artificial Intelligence + Culture and Tourism" Application Scenario Incubation Project of Guangdong</p>																																				



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

 <p>GGII Golden Globe Awards</p>	 <p>Cailian Press Zhi Yuan Award – Social Responsibility Pioneer Enterprise Award</p>	 <p>Leading Enterprise of Technology Commercialization in Greater Bay Area</p>
 <p>Artificial Intelligence Annual Leading Enterprise in 2025</p>	 <p>TOP 20 Leading Enterprises in Embodied Intelligence in 2025</p>	 <p>China Embodied Intelligence Business Potential List in 2025</p>
 <p>AI Pegasus Leading Enterprise Award</p>	 <p>SSE Eagle • Cutting-edge Enterprise in Technology Innovation</p>	 <p>Jin Ge Award • Outstanding Company of the Year</p>



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Golden Hong Kong Stock Award
2025



Humanoid Robot Commercial
Implementation Pioneer Award



Yan Shi • Scenario Application
Ingenious Intelligence Award



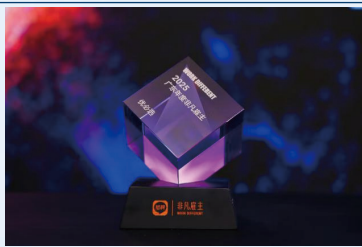
Guangdong High-valued Trademark
Brand



Embodied Intelligence Scenario
Application Award



Guangdong Outstanding Artificial
Intelligence and Robotics Award



2025 Extraordinary Employer in
Guangdong



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ANNUAL KEY PERFORMANCES

Environmental performance

<p>Total greenhouse gas emission</p> <p>3,591.48 tons of carbon dioxide equivalent</p>	<p>Water consumption intensity</p> <p>11.43 cubic meters/ million Hong Kong dollars revenue</p>	<p>Major environmental pollution violations</p> <p>0</p>
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Social performance

<p>Rate of work-related deaths in the past three years</p> <p>0%</p>	<p>Number of working days lost due to work-related injuries this year</p> <p>0 Day</p>	<p>Proportion of female employees</p> <p>30.3%</p>	<p>Total donation this year</p> <p>RMB 1,132,365</p>
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Governance performance

<p>Cases of fraud that have been investigated and handled</p> <p>7</p>	<p>Hours of anti-corruption training for directors</p> <p>8 hours</p>	<p>Diversified background of the Board of Directors</p> <p>The Board of Directors has 5 committees whose members possess rich backgrounds in technology, investment, strategy and human resource management</p>
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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1. ESG GOVERNANCE SYSTEM

UBTECH deeply integrates the concept of sustainable development into its corporate strategy and daily operations. It has established a comprehensive ESG management system to guide its business development and support the Group in achieving long-term and stable operation. We have formulated and continuously optimized multiple management policies and procedures focusing on key areas such as environmental management, talent development, customer service, and business ethics to systematically enhance ESG governance levels and overall performance.

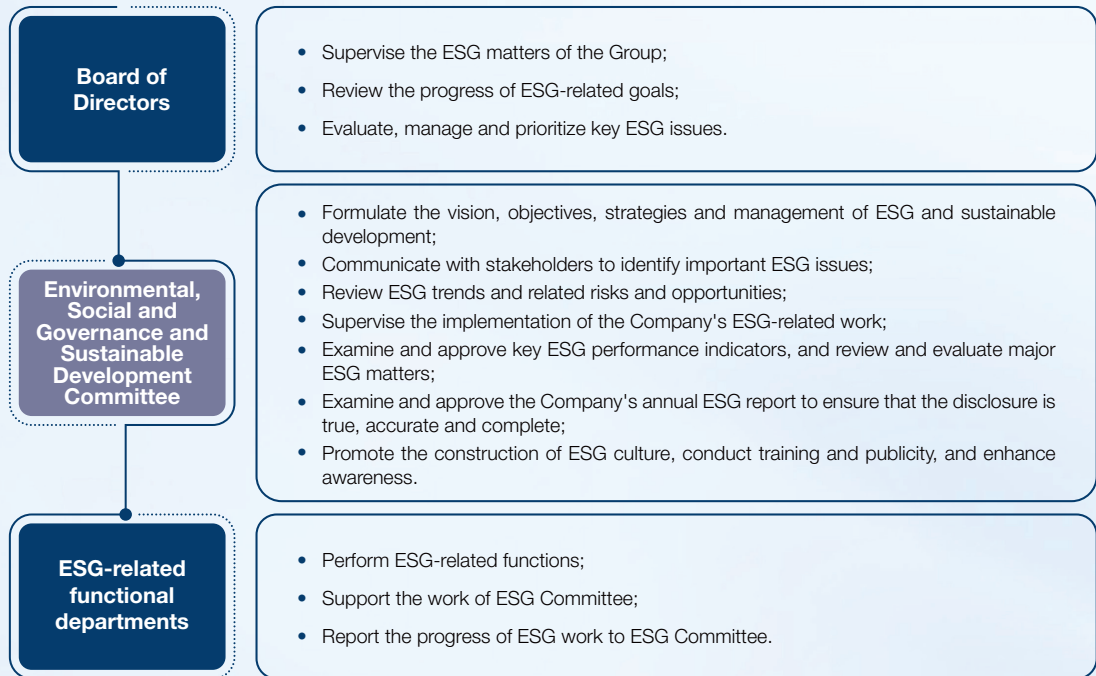
<p>Risk management </p> <ul style="list-style-type: none"> • Management Procedures of Risks, Opportunities and Countermeasures; • Control Procedures of Identification and Evaluation of Environmental Factors; • Hazard Identification and Risk Assessment Control Procedure, etc. 	<p>Anti-bribery </p> <ul style="list-style-type: none"> • Anti-bribery Management System; • Gift Management System; • Measures for Administration of Anti-bribery, etc. 	<p>Product quality </p> <ul style="list-style-type: none"> • Management Specification for Calibration of Instruments and Meters; • Production and Service Control Procedure; • Code for Quality Management of Production Site; • Management Measures for Routine Inspection, Process Inspection and Confirmation Inspection, etc.
<p>Customer service </p> <ul style="list-style-type: none"> • Global Customer Complaint Handling Process; • Analysis Process of Passenger Exit; • Market Product Quality Exception Handling Process; • Customer Inspection Management Specifications, etc. 	<p>Intellectual property rights </p> <ul style="list-style-type: none"> • Management Procedures of Intellectual Property Rights; • Procedures of Handling Intellectual Property Right Disputes; • Management Procedures of Intellectual Property Right Risks; • Provisions on Administration of Intellectual Property Rights in Marketing; • Provisions on Administration of Intellectual Property Rights in Production Innovation, etc. 	<p>Information security </p> <ul style="list-style-type: none"> • Specification for Personal Information Desensitization; • Data Compliance Management System; • Data Security Management Manual; • Measures for Administration of Data Security Education and Training; • Management System for Business Secrets of the Research Institute, etc.
<p>Supply and procurement </p> <ul style="list-style-type: none"> • Management Process of Supplier Selection and Fair Value Judgment; • Standard for Daily Management of Suppliers; • Supplier Import Process, etc. 	<p>Talent management </p> <ul style="list-style-type: none"> • Employee Manual; • Measures for Administration of Recruitment; • Performance Management Manual; • UBTECH Talent Development Framework, etc. 	<p>Environmental management </p> <ul style="list-style-type: none"> • Environmental/Occupational Health and Safety Operational Control Procedure; • Management Manual of Quality, Environment and Occupational Health and Safety Operation; • Control Procedures of Identification and Evaluation of Environmental Factors, etc.



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1.1. ESG management structure

UBTECH has set up a three-level ESG management structure, with the Board of Directors as the highest leadership body, and established ESG and Sustainable Development Committee under the structure, whose members include Mr. Liu Ming and Mr. Deng Feng (executive directors) and Dr. Dong Xiuqin (independent non-executive director), perform the duties of formulating the Group’s objectives and policies on ESG and sustainable development, integrate ESG issues into the company’s business, and report to the Board of Directors. Our ESG management structure and responsibilities are as follows:



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1.2. Statement of the Board of Directors

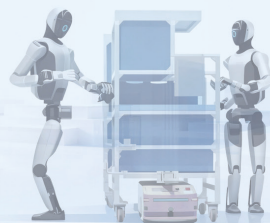


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1.3. Stakeholder communication

We regard the opinions and expectations of our stakeholders as a key basis for determining the strategic direction of the Company's development. Through continuously improving our two-way communication mechanisms, we actively listen to and gather suggestions from all parties, and systematically incorporate these feedbacks into the decision-making cycle of policy formulation, target setting and action implementation. This enables us to effectively drive the continuous enhancement of our ESG performance.

Major stakeholders	Expectations and requirements	Communication channels
Customers	<ul style="list-style-type: none"> • Product innovation technology • Responsible marketing • Customer service • Quality and safety of products • Information security and privacy protection • Anti-corruption 	<ul style="list-style-type: none"> • Social media interaction • Product publicity and promotion • Telephone • Mailbox
Shareholders/investors	<ul style="list-style-type: none"> • Corporate governance • Risk management • Supplier management • Product innovation technology • Responsible marketing • Anti-corruption 	<ul style="list-style-type: none"> • Annual general meeting of shareholders and other general meetings of shareholders • Regularly disclosure of financial and business information • Corporate communication such as letters/circulars to shareholders and notices of meetings • Performance announcement • Shareholders' visits • Investors' meeting • Senior management meeting
Employees	<ul style="list-style-type: none"> • Corporate governance • Employee rights and interests • Compensation and benefits • Community participation • Diversification and inclusiveness 	<ul style="list-style-type: none"> • Employee right and interest protection mailbox • Performance evaluation • Group discussion • Meeting interview • Business briefing • Seminar/workshop/lecture • Publications (such as employee newsletters)



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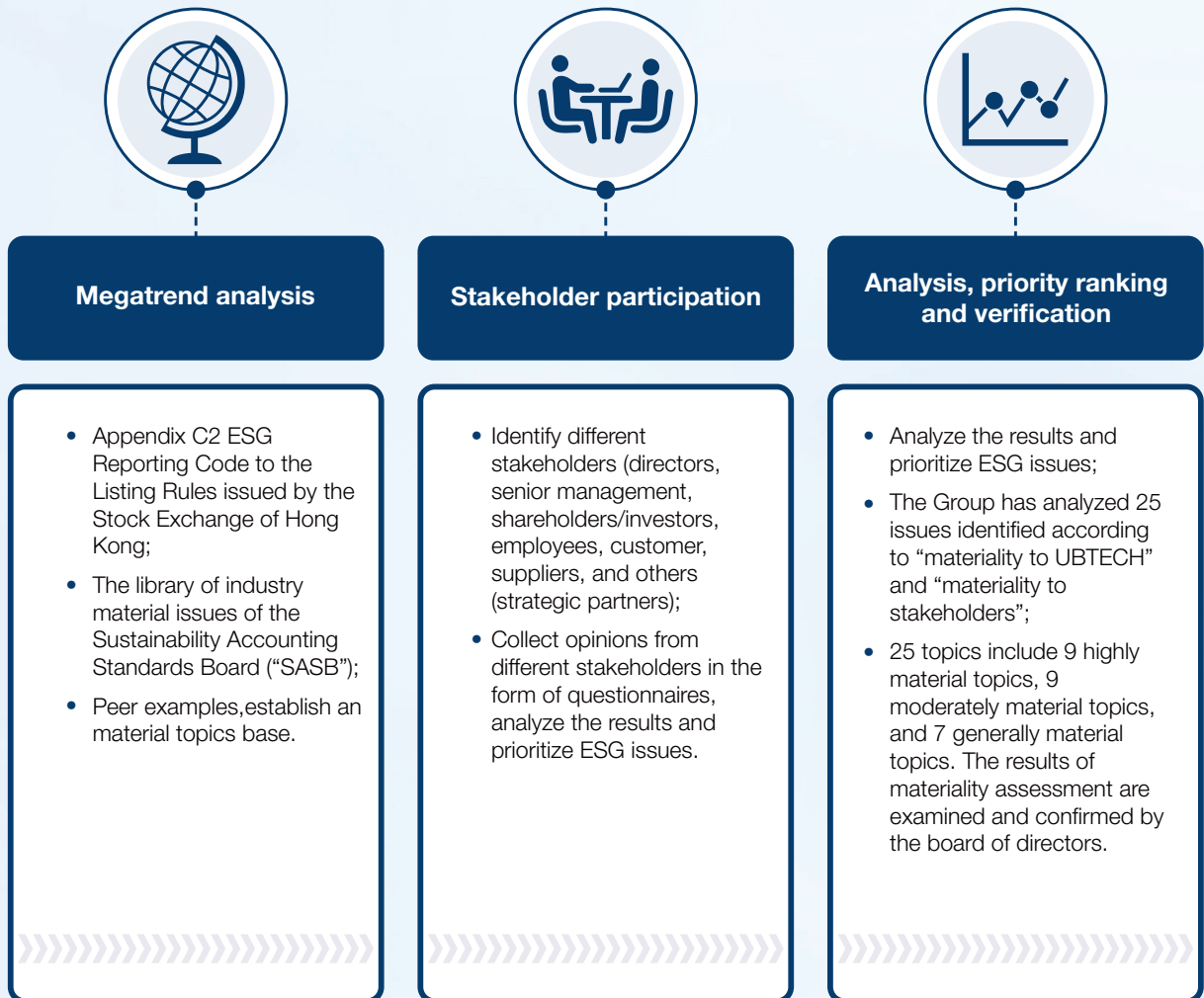
Major stakeholders	Expectations and requirements	Communication channels
Government/regulatory body	<ul style="list-style-type: none"> • Compliance requirements • Innovative research and development • Product safety and quality management • Information security • Environmental protection • Occupational health and safety 	<ul style="list-style-type: none"> • Meetings • Visitor reception • Regular reporting • Intellectual property
Media	<ul style="list-style-type: none"> • Innovative research and development • Product safety and quality management • Diversification and inclusiveness • Corporate governance • Environmental protection • Climate change • Employee training and development 	<ul style="list-style-type: none"> • Press conference • Press release • Senior management visit • Media gathering • Social media
Community/nongovernment team	<ul style="list-style-type: none"> • Compliance requirements • Employee rights and interests • Community participation • Employee training and development 	<ul style="list-style-type: none"> • Trade union and enterprises visit and exchange meeting • Trade union activities • Lecture training • Donation (scholarship/products/technologies)
Peers	<ul style="list-style-type: none"> • Innovative research and development • Information security 	<ul style="list-style-type: none"> • Communication conference
Supplier	<ul style="list-style-type: none"> • Product safety and quality management • Compliance requirements • Innovative research and development • Financial situation • Anti-commercial bribery • Employee training and development 	<ul style="list-style-type: none"> • Supplier management procedure • Conference exchange • Supplier/contractor evaluation system • Field inspection



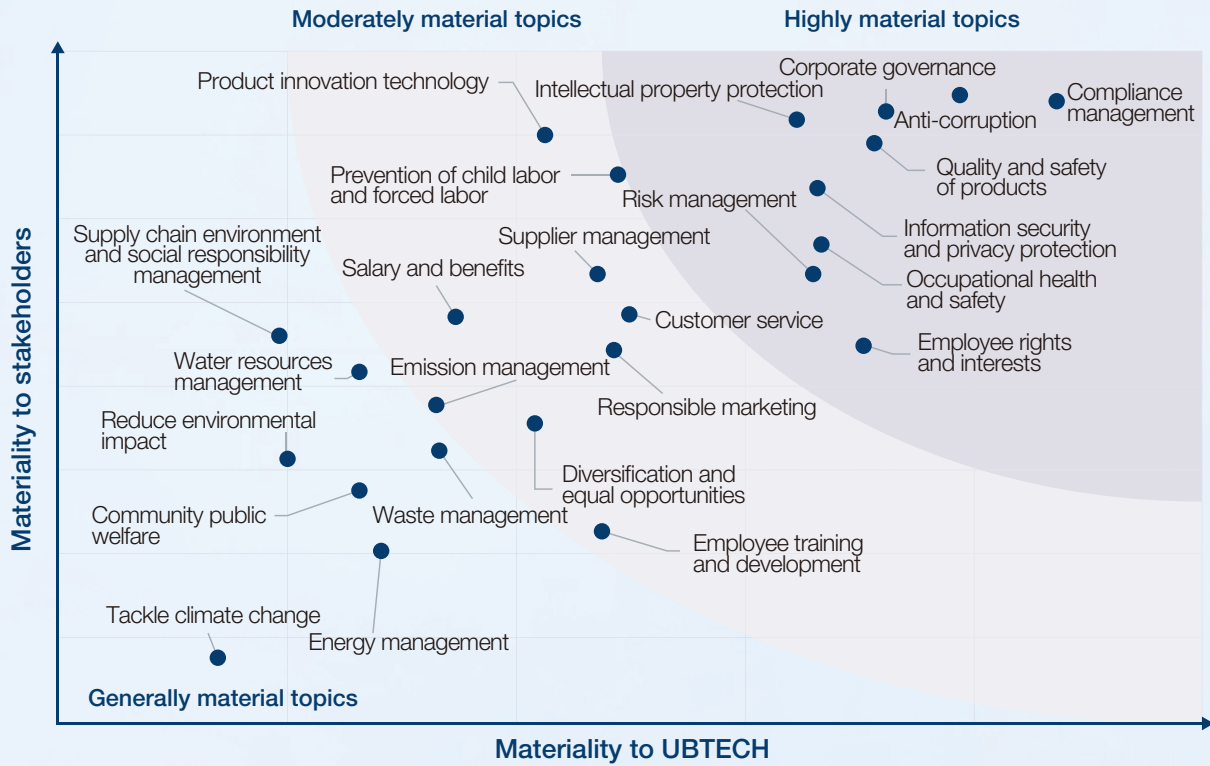
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1.4. Materiality assessment

We have made reference to the Stock Exchange’s ESG Reporting Code, the Sustainability Accounting Standards Board (“SASB”) and peer issues to evaluate the Group’s ESG material issues. During the year, the Group collected opinions from internal and external stakeholders through online questionnaires. After analysis and evaluation, the Group identified the material ESG issues for the year, including 9 highly material issues, 9 moderately material issues and 7 generally material topics.



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Highly material topics	Moderately material topics	Material topics
<ul style="list-style-type: none"> • Compliance management • Anti-corruption • Corporate governance • Quality and safety of products • Intellectual property protection • Information security and privacy protection • Occupational health and safety • Risk management • Employee rights and interests 	<ul style="list-style-type: none"> • Prevention of child labor and forced labor • Product innovation technology • Supplier management • Customer service • Responsible marketing • Salary and benefits • Diversification and equal opportunities • Employee training and development • Emission management 	<ul style="list-style-type: none"> • Water resources management • Waste Management • Supply chain environment and social responsibility management • Community public welfare • Reduce environmental impact • Energy management • Tackle climate change



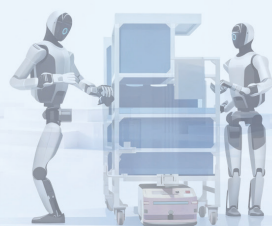
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For 9 highly material issues identified by the results of materiality assessment, we will describe relevant policies and measures in the following chapters, and we will also regularly review the progress of relevant work and make continuous improvements.

Highly material issues	Corresponding chapter
Compliance management	1. ESG GOVERNANCE SYSTEM
Anti-corruption	1.6 Anti-corruption system
Corporate governance	1. ESG GOVERNANCE SYSTEM
Quality and safety of products	2. QUALITY PRODUCTS AND SERVICES
Intellectual property protection	2.4 Protecting intellectual property
Information security and privacy protection	2.5 Information security barrier
Occupational health and safety	3.4 Employee occupational health
Risk management	1.5 Risk management
Employee rights and interests	3. PROFESSIONAL TALENT CULTIVATION

1.5. Risk management

To establish a systematic risk management framework, the Group, based on a thorough assessment of the market environment and its business characteristics, has formulated and implemented a series of risk management procedures, including the Management Procedures of Risks, Opportunities and Countermeasures, Management Procedures of Intellectual Property Right Risks, Control Procedures of Identification and Evaluation of Environmental Factors, and Control Procedures of Identification and Evaluation of Bribery Risks. These procedures cover key areas such as intellectual property, environmental factors and business ethics, thereby establishing a comprehensive and forward-looking risk prevention and control framework. To further strengthen risk and opportunity management measures and internal control, we have clearly defined the responsibilities of the General Manager and relevant departments within the Group, and established a Risk and Opportunity Assessment Team. The Team employs scientific methods to identify, analyse and assess the severity and likelihood of risks. By preparing risk management plans and formulating response measures, the Group effectively manages risk factors arising in the course of its business operations. At the same time, we have incorporated factors such as environmental protection, occupational health and safety, and product quality into the risk management system, and have set corresponding targets to deploy relevant strategies.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- ***Intellectual Property Risk***

We have established a strict intellectual property risk control system to systematically prevent related risks that may arise in daily operations, thereby safeguarding the Group's business security and asset integrity. Based on an in-depth examination of the Group's business model and core processes, we have identified intellectual property risk points in key workflows such as R&D, procurement, sales and personnel changes. To this end, we continuously conduct forward-looking assessments of various risk factors, covering key aspects including infringement risk review of the Group's intellectual property and clarification of ownership in suppliers' products and services. By comprehensively evaluating the probability and potential impact of risks, the risk value can be calculated in a scientific manner. This provides an accurate basis for us to judge the degree of risk and take countermeasures.

- ***Environmental risk***

To systematically enhance the Group's capability to predict and respond to environmental risks, we have formulated the Control Procedures of Identification and Evaluation of Environmental Factors. These procedures specify that when new equipment, new materials, new processes are introduced, environmental laws and regulations are updated, environmental improvement measures are implemented, or requests from relevant parties arise, the Group's quality system organisation shall initiate the assessment mechanism. Taking the quantity, occurrence probability, controlled status and hazard level of pollutants as core parameters, a comprehensive assessment is conducted on environmental factors arising from production and operation activities, including waste, hazardous waste, sewage, exhaust gas, resource consumption and noise. Based on the comprehensive identification, the Group further screens out important environmental factors to prioritise key areas for environmental protection. Targeted management policies are then formulated. Through measures such as formulating environmental objectives, enhancing operation control, improving emergency control procedures, and setting environmental control points, the Group can exercise key control over significant environmental risks.

- ***Business ethics risk***

Business ethics risks such as corruption and bribery are among the core areas of the Group's risk prevention and control efforts. The Group has established a systematic review mechanism to rigorously examine employees in key departments and positions, relevant documents, methods of obtaining business, job responsibilities and authorities, and the transparency of partners, etc., regularly examine our business activities and key nodes such as product and service delivery. On this basis, the Group integrates multidimensional factors such as the personnel involved in the risk, timing, potential incentives and business scenarios to scientifically calculate the risk value and determine the risk level. Differentiated preventive and corrective measures are then taken to achieve systematic control and continuous mitigation of related risks.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

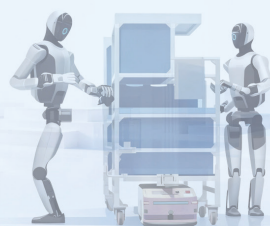
1.6. Anti-corruption system

The Group adheres to the principle of “fair, honest and transparent business operation; don’t bribe or accept bribes in any way to obtain commercial or personal benefits”, strictly abide by Anti-unfair Competition Law of the People’s Republic of China and Criminal Law of the People’s Republic of China, other laws and regulations, formulate and implement internal policies and control procedures related to anti-corruption and anti-money laundering such as Anti-bribery Management System, Bribery Incident Reporting and Investigation Procedure, Commercial, Contract and Procurement Standard Control Procedure and Anti-money Laundering Internal Control System, and establish comprehensive anti-corruption system. During the year, the Group issued the Conflict of Interest Management Policy, establishing control mechanisms to address the risks of fraud, corruption or unfair decision-making that may arise from conflicts between personal interests and the interests of the Company, its clients or other third parties, thereby safeguarding the Company’s interests.

- ***Anti-commercial bribery system***

The Group has set up the Anti-commercial Bribery Management Committee, with the Compliance Center and the Internal Control Department jointly responsible for providing professional guidance on anti-commercial bribery regulations. The Committee holds at least one working meeting each year to ensure the integrity, transparency and fairness of the Group’s business activities. The Group regulates the integrity and compliance of business activities in anti-commercial bribery of the leadership, anti-bribery of purchasing and selling funds, and anti-commercial bribery of accountants and cashiers. The Company will regularly conduct anti-commercial bribery assessments on key personnel, such as financial personnel, purchase personnel and sales personnel, and take the assessment results as one of the factors for rewarding and punishing each unit. The Group has established corresponding procedures to identify and evaluate bribery risks, and assesses the risk level based on the frequency, severity and scope of impact of the risks, with corresponding control measures adopted.

In accordance with the Group’s Gift Management System and Code of Business Conduct for Employees, gifts are explicitly classified into cash gifts, non-cash regular gifts and non-cash precious gifts. We request employees to refuse all kinds of gifts in person as a matter of principle, and clearly stipulate the handling modes of all kinds of gifts to completely put an end to all forms of bribery, thereby maintaining a clean and compliant business environment.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group has officially joined the Working Committee of Enterprise Anti-Fraud Alliance and the Sunshine Integrity Alliance, continuously improving its internal anti-corruption governance system, and has successfully obtained the ISO37001:2016 certificate of anti-bribery management system. This year, we have provided anti-corruption and anti-bribery training for 2 directors and 40 employees. The total training durations are 8 hours and 160 hours respectively.



ISO37001:2016 anti-bribery management system certificate

- **Anti-corruption report**

UBTECH has always been committed to creating an open, transparent and honest business environment, and adheres to the principle of “zero tolerance and strict crackdown” on any form of commercial bribery and fraud. To strengthen internal governance and external supervision, we continuously expand our anti-fraud reporting channels, including a dedicated reporting email address, reporting hotline, enterprise WeChat reporting account, and online reporting channel on the integrity public account, and ensure the smooth and efficient operation of each channel. All reported incidents will be handled independently by the Inspection Department, ensuring that every lead is faithfully recorded and rigorously investigated. We will keep relevant information of the informant and all personal privacy and business secrets involved in the investigation strictly confidential, thereby effectively fulfilling our corporate integrity and social responsibility.

During the reporting period, we investigated and handled 2 cases of employee fraud and 5 cases of supplier fraud within the Group. Among the 2 employee fraud cases, one employee of the Group was subject to criminal prosecution, and the other employee of the Group was dismissed and compensated the Group for economic losses. In the 5 supplier fraud cases, the Group strictly pursued the suppliers' liability for breach of contract in accordance with the anti-commercial bribery clauses in the contracts signed between the suppliers and the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group believes that the discovery and proper handling of the above cases reflect the effective operation of the Group's anti-fraud system and reporting mechanism. The Group will continue to improve its integrity risk prevention and control system, strengthen compliance management and integrity culture, and prevent the recurrence of similar incidents.



Enterprise Anti-fraud Alliance Work Committee



Sunshine Integrity Alliance

UBTECH Compliance Annual Report – Compliance Protection Value (2024–2025)

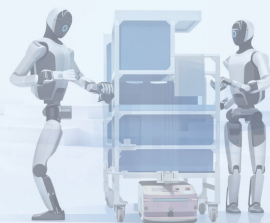
The Group always adheres to the core value of “putting compliance obligations above the commercial interests of the company”. It continues to prepare and publicly release an annual compliance report, proactively accepting social supervision. This year, we further strengthened the construction of a high-quality compliance system and fully implemented risk prevention and control measures in key compliance areas such as anti-commercial bribery, privacy and data security, import and export control and business secret protection.

Anti-commercial bribery: We systematically promote the construction of an integrity culture, broaden reporting channels, improve inspection and audit mechanisms, and achieve full-process control over fraud risks.

Privacy and data protection: Based on the Privacy Impact Assessment (PIA) and Privacy by Design (PbD) frameworks, we systematically identify and mitigate privacy risks in products and services, while continuously strengthening the development of data security and AI governance systems.

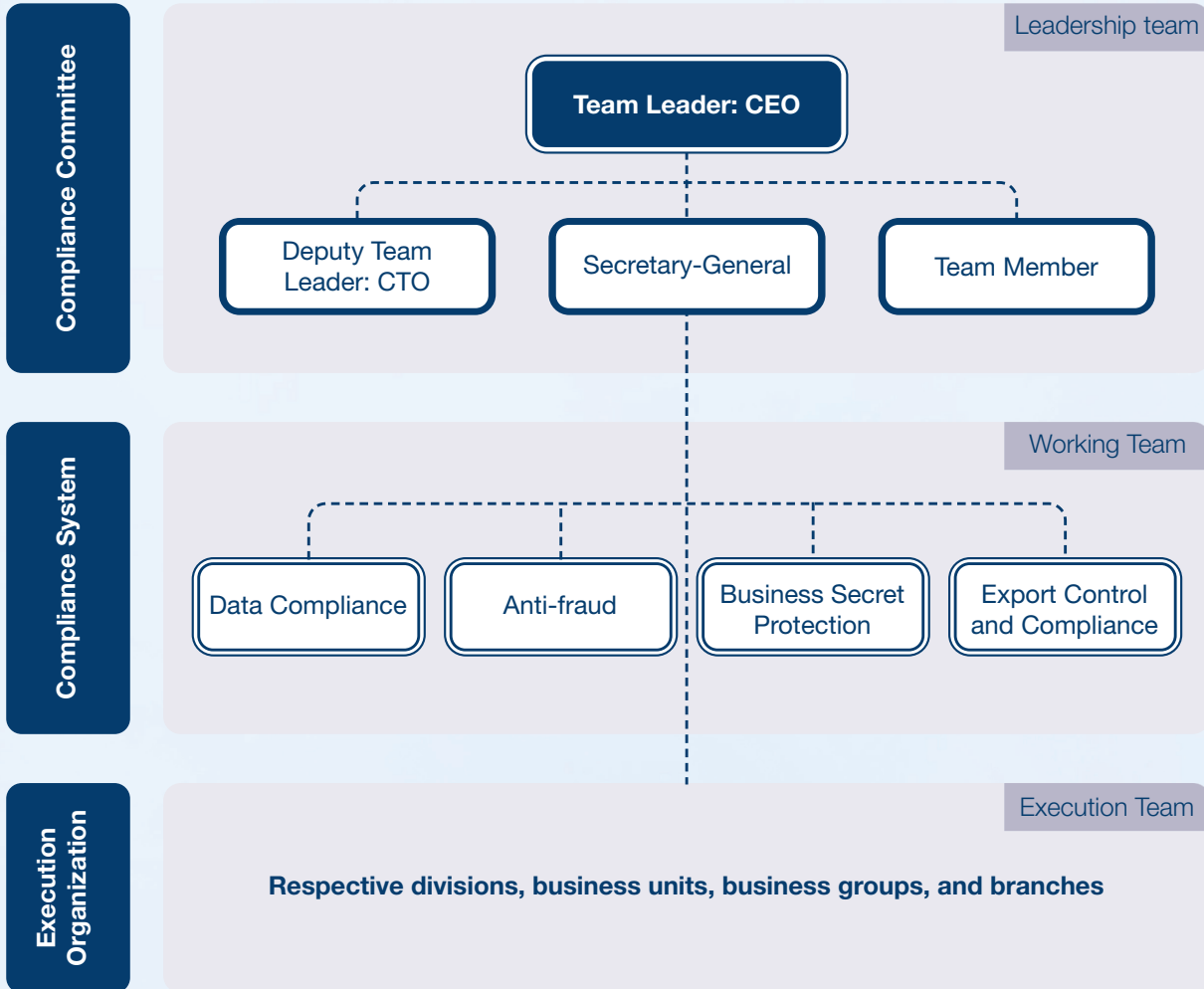
Import and export control: We incorporate compliance control points into key business processes such as R&D, sales, procurement, operations, human resources, and finance to ensure all transactional activities comply with domestic and international regulatory requirements.

Business secret protection: We establish a dedicated compliance working group, systematically improve business secret protection mechanisms, and, through the exemplary role of senior management, comprehensively enhance employees' awareness of confidentiality and their sense of responsibility.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

UBTECH's Compliance Governance Structure:



2. QUALITY PRODUCTS AND SERVICES

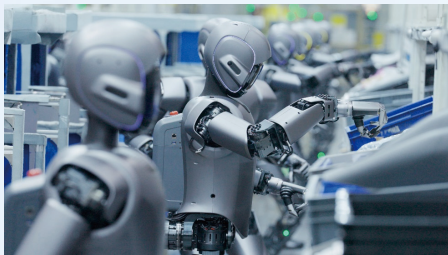
As a leading robot company in Chinese robot industry, UBTECH always focuses on three core application scenarios: industrial manufacturing, commercial service and family companionship. Driven by continuous technological innovation, it is committed to promoting intelligent robot products and solutions in the key fields of education, logistics, and general service. We also strived to enable our robots to enter all walks of life and thousands of households, promoted in-depth integration of robots and human society, jointly creating a blueprint featuring more convenient, intelligent and humanized.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

While driving technological progress and product iteration, we have always prioritized safety and quality. This year, we continue to enrich the robot application ecosystem, deepen collaborative innovation with external institutions, and accelerate the high-quality transformation of technological achievements. The following chapters will display our key innovative achievements this year.

Case-UBTECH conducted the world's first collaborative training of multiple humanoid robots across multiple scenario and multiple tasks in Zeekr

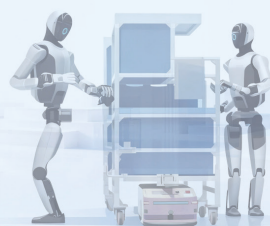


Collaborative training of humanoid robot in Zeekr's 5G smart factory

UBTECH carried out the world's first collaborative training of multiple humanoid robots across multiple scenario and multiple tasks in Zeekr's 5G smart factory. This initiative explored the development of a general-purpose humanoid robot group solution for multi-task industrial scenarios, liberating workers from high-intensity and high-risk tasks. Meanwhile, its flexible collaborative solution drives the evolution of intelligent manufacturing toward a sustainable governance model characterized by resource efficiency and high-efficient collaboration, advancing humanoid robots from stand-alone autonomy to group intelligence.

In this training, UBTECH introduced group intelligence technology to humanoid robots for the first time, enabling multi-robot collaborative operations. Using the humanoid robot group as a physical carrier, UBTECH explored advanced embodied intelligence that emerges from dense interactions between group behavior and the external physical environment. To this end, UBTECH innovatively proposed a BrainNet software architecture for humanoid robots and designed an Internet of Humanoids (IoH), providing a replicable pathway for the hardware and software implementation of group intelligence.

Aimed at humanoid robot group collaboration scenarios, UBTECH's BrainNet architecture flexibly links cloud-coordinated reasoning nodes and skill nodes, redefining the "brain" of humanoid robots at both high and low levels. This series of breakthroughs extends the task scope from a single humanoid robot to production-line-level flexible demands that require multiple robots to work together. It not only promotes multi-dimensional, multi-scenario group intelligence but also lays a solid foundation for efficient collaboration among humanoid robots in complex industrial environments, opening the path to the advanced evolution of intelligent manufacturing.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Case-UBTECH and national teams launch full-size scientific research humanoid robot “Walker Tienkung”



UBTECH and Innovation Center launched full-size scientific research and education humanoid robot – Walker Tienkung

UBTECH, together with the Beijing Humanoid Robot Innovation Center (hereinafter referred to as the “Innovation Center”), has released the Walker Tienkung, a full-size humanoid robot designed for scientific research and education. Not only does it deliver powerful performance, but it also reshapes the humanoid robot ecosystem for research and education with high cost-effectiveness, significantly lowering the barriers to humanoid robot research, promoting equitable distribution of educational resources, and fostering sustainable development of industrial innovation.

UBTECH and the Innovation Center conducted surveys among thousands of universities, research institutions, and application-development organizations across the country, and found that full-size humanoid robots (above 1.6 meters) are much closer to research needs and can support a broader range of research topics. Currently, most humanoid robots on the market are medium-size (1.1–1.3 meters), offering limited developmental potential. The application of full-size humanoid robots in research and education faces obstacles such as high prices, limited open-source access, and a scarcity of scenario-specific data. Moreover, research-grade humanoid robots require outstanding performance in experimental accuracy, efficiency, and stability, placing relatively high demands on product performance and parameters.

To lower the threshold for applying humanoid robots in the research field and jointly cultivate original technologies in embodied intelligence, UBTECH and the Innovation Center have co-launched the Walker Tienkung – a full-size humanoid robot platform for scientific research and education, priced starting from RMB299,000. It is the industry’s first research-grade humanoid robot priced within RMB300,000, featuring six high-level attributes: high bionics, high strength, high performance, high stability, high scalability, and high openness.



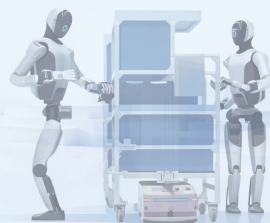
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Case – UBTECH took the lead, first batch of national standards for humanoid robots officially established



Under the overall coordination of Beijing Research Institute of Automation for Machinery Industry Co., Ltd., the secretariat of the National Robot Standardization Technical Committee (TC591), UBTECH, together with Beijing Humanoid Robot Innovation Center, Shanghai Artificial Intelligence Laboratory and other institutions, jointly initiated this series of national standards, taking the lead in formulating the technical requirements for operational tasks. These standards regulate technical requirements for operational tasks such as dexterous manipulation, leg movement operations, dual-arm manipulation, long-sequence execution, multi-robot collaboration, operation obstacle avoidance, and endurance, promoting the official approval and establishment of the national standards series for humanoid robot technical requirements.

This is the first batch of national standards in the field of humanoid robots in China, covering multiple technical requirements including environmental perception, decision-making and planning, motion control, and operational tasks. The humanoid robot industry is in a period of rapid development, and standardization has become an important driving force for industrial development. A systematic and complete standard system can lower technical barriers and facilitate the transformation and popularization of technological achievements. By promoting the standardized development of the humanoid robot industry, UBTECH hopes to provide technical guidance for the R&D and application of humanoid robots.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Case – UBTECH assisted Tiangong Robot in becoming the world's first humanoid robot half-marathon champion



Tiangong Robot crossed the finish line to win the championship

The world's first humanoid robot half-marathon champion was born at the Beijing National Xinchuang Park. The full-sized humanoid robot Tiangong Ultra, developed by the Beijing Humanoid Robot Innovation Center with UBTECH serving as the initiating and general managing entity, crossed the finish line first, triumphantly winning the championship with an outstanding time of 2 hours, 40 minutes, and 42 seconds over a distance of 21.0975 kilometers.

The champion, Tiangong Ultra, stands approximately 1.8 meters tall and weighs about 55 kilograms. In 2025, it not only increased its speed from 6 km/h to a peak speed of 12 km/h, but also became smarter by incorporating the "Hui Si Kai Wu" general-purpose embodied intelligence platform, which features "one brain for multiple abilities" and "one brain for multiple machines." Through efficient collaboration between its embodied brain and cerebellum, Tiangong Ultra continuously optimizes its strategies and adaptive capabilities, achieving high-precision control of joint coordination to maintain body balance during sustained running. This robot features high-power integrated joints and a low-inertia leg structure design, providing explosive speed, while its lightweight design, combined with joint heat conduction technology and air-cooled heat dissipation, allows the joints to reach thermal equilibrium, enabling the robot to run continuously for extended periods.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Case – UBTECH's self-developed humanoid robot's most powerful brain, "Thinker", ranked first globally

Results												
#	User	Enter	Date of Last Entry	Team Name	AP A	AP B	AP C	AP D	AP E	AP F	AP G	AP H
					AP A	AP B	AP C	AP D	AP E	AP F	AP G	AP H
					1st	2nd	3rd	4th	5th	6th	7th	8th
1	UBTECH Thinker	1	09/08/25	UBTECH Thinker	0.58	0.81	0.64	0.75	0.60	0.38	0.84	0.67
2	zonghuofan	5	12/29/24	SenseTime Basemodell	0.57	0.80	0.63	0.72	0.60	0.42	0.83	0.40
3	lzw123	3	10/05/24	PKU/DIG	(3)	(4)	(3)	(3)	(2)	(1)	(2)	(2)
4	Gangqi	2	04/22/23	Shanghai AI Lab	0.56	0.81	0.62	0.70	0.59	0.41	0.84	0.40
5	BAAI	3	11/7/23	Cascade Mask R-CNN	0.56	0.80	0.61	0.72	0.58	0.36	0.80	0.39

UBTECH's self-developed most powerful brain for the humanoid robot Walker – a multi-modal large model with tens of billions of parameters: UBTECH Thinker – has secured four global number one rankings in three major international authoritative benchmarks for robot perception and planning: the MS COCO Detection Challenge, RoboVQA, and Egoplan-bench2, initiated and proposed by Microsoft, Google, and others respectively, covering 21 scenarios and 4 major types of task planning. These leaderboards attract top global teams, including NVIDIA, Beijing Academy of Artificial Intelligence, and Shanghai AI Lab, making the competition intense. UBTECH's achievements not only demonstrate its comprehensive technological leadership in complex environment perception, semantic understanding, and long-horizon task planning for its robots but also signify a key evolution of the "most powerful brain" of the Walker S series humanoid robots, enhancing the accuracy and safety of task execution in industrial and daily life scenarios.

Results												
#	User	Enter	Date of Last Entry	Team Name	AP A	AP B	AP C	AP D	AP E	AP F	AP G	AP H
					AP A	AP B	AP C	AP D	AP E	AP F	AP G	AP H
					1st	2nd	3rd	4th	5th	6th	7th	8th
1	CVC_Detection	12	10/11/23	SenseTime Basemodell	0.55	0.83	0.73	0.79	0.69	0.50	0.82	0.45
2	zonghuofan	3	07/15/25	SenseTime Basemodell	0.55	0.83	0.73	0.79	0.69	0.50	0.82	0.44
3	UBTECH Thinker	1	09/08/25	UBTECH Thinker	0.55	0.83	0.73	0.79	0.69	0.50	0.82	0.45
4	InternImage-D2W3	3	03/16/23	PKU/DIG	0.56	0.82	0.72	0.79	0.68	0.51	0.83	0.42
5	metastar	7	04/25/25	IDEACAR R	0.45	0.82	0.72	0.78	0.68	0.49	0.82	0.44
6	BAAI	4	11/7/23	DVA w/ Cascade Mask R-CNN	0.55	0.82	0.72	0.78	0.68	0.48	0.82	0.44

	RoboVQA					Egoplan-bench2				
	Bleu-1	Bleu-2	Bleu-3	Bleu-4	Bleu-avg	Dailylife	Work	Recreation	Hobbies	Overall
Qwen2.5-VL-72B[4]	62.2	54.6	48.7	45.0	52.6	31.4	26.7	29.5	28.6	29.1
CPT-IV	32.2	26.5	24.7	23.9	26.8	36.7	27.7	33.9	32.5	32.6
Cosmos-Brower1-7B[5]	/	/	/	/	/	30.7	31.6	20.3	20.3	26.8
ThinkAct-7B[6]	69.1	61.8	56.0	52.1	59.8	50.1	49.8	41.8	45.2	48.2
RoboBrain[8]	72.05	65.35	59.39	55.05	69.2	/	/	/	/	/
RoboBrain-2-7B[9]	/	/	/	/	/	39.41	32.20	33.88	26.98	33.23
RoboBrain2-12B[9]	/	/	/	/	/	44.03	33.22	37.92	32.18	37.23
UBTECH Thinker	72.7	65.7	59.5	56.0	63.5	63.78	54.95	61.20	52.54	58.21

UBTECH secured four global number one rankings

2.1. AI ethics

UBTECH is constantly exploring the boundaries of intelligent applications of robot technology, promoting deep integration of robots in scenarios such as industrial manufacturing and family life, empowering social progress and daily experiences with technology. We clearly recognise that the current development of AI technology is still in a rapid growth phase, and relevant laws, regulations, and ethical frameworks are continuously being refined, with its development direction accompanied by extensive discussion from all sectors of society. In this context, we deeply understand that opportunities and risks coexist with the development of AI. To systematically address and mitigate ethical risks, we strictly comply with national laws and regulations such as the Ethical Code of New Generation Artificial Intelligence and have formulated the Ethical Code of Robots and Artificial Intelligence within the Group based on this, comprehensively governing ethical conduct in the design, R&D, and application of robot and artificial intelligence technologies. This code particularly focuses on the identification mechanism of ethical risks, the criteria for determining deviations, and the basis for compliance implementation, dedicated to promoting the synergistic development of innovation and responsibility.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Throughout the entire R&D and application process of robotics and artificial intelligence technologies, UBTECH strictly adheres to national laws, regulations, and socialist core values, consistently upholding the AI governance principle of "people orientation, controllable technology, and sustainable development". We are committed to ensuring that every product and service fully respects and accommodates the history, culture, social structure, and moral consensus of different countries and regions, achieving an organic integration of technological application and regional values. On this basis, we explicitly require that no system, product, or technology infringe upon fundamental human rights and public interests, including personal safety, privacy, and property rights, thereby defining the ethical boundaries for technological innovation and commercial practice. Facing intelligent technologies with self-replication or self-evolution capabilities, we always maintain a prudent attitude, systematically assess potential risks of losing control, and pre-set emergency response mechanisms and procedures within our systems. Once an ethical or safety risk emerges, the system will promptly initiate intervention to minimise the scope of impact, adhering firmly to the fundamental direction of technology serving human welfare.

2.2. Quality management system

High-quality products and services form the cornerstone of UBTECH's sustainable development. We place customer satisfaction at the forefront and are committed to delivering high-standard and reliable products and services through a robust quality management system. We have established and strictly implemented a comprehensive suite of quality management documents, including the Procurement, Arrival and Acceptance Processes, Instrument and Meter Calibration Management Specification, Production and Service Control Procedure, Quality Management Specification for Production Site, Management Measures for Routine Inspection, Process Inspection and Confirmation Inspection, and Guidelines for OQC Shipping Operation. These documents enable standardised control across the entire value chain from raw material procurement and manufacturing to finished goods delivery and after-sales services, ensuring that each stage meets quality requirements and consistently delivers value to our customers.

- **Product supply**

To ensure sustained and stable product quality, we have formulated standard operating processes for steering engine manufacturing, humanoid robot assembly and other critical production processes. Before the commencement of production, we will rigorously compare the materials and the list of materials, with engineers promptly rectifying any discrepancies against established standards. During production, precise calibration and process alignment are performed at each workstation to ensure seamless execution throughout the workflow. When requires product replacement or major engineering changes, we pay special attention to the quality performance of the first batch of products so as to carry out multidimensional inspection. We will not approve mass production until all of them meet the standards. Besides, regular inspections are conducted in the subsequent project process to mitigate potential compliance risks. Where non-conformities are identified, dedicated root cause analyses are conducted immediately, and corrective actions are implemented. In supply chain management, all suppliers are required to provide inspection reports accompanying each delivery. Incoming materials are verified against contractual specifications and inspection results. Products failing to meet acceptance criteria must be rectified by the supplier and resubmitted for inspection until full compliance with our quality standards is achieved.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- **Manufacturing**

Upon receipt of customer orders, the planning team coordinates cross-functional reviews with relevant departments. Dedicated working groups collaborate to develop standard operating procedures (SOPs), ensuring stringent control over production processes, shipment inspections, in-process quality, production equipment, labelling and traceability. We implement the *Quality Management Specification for Production Site*, to clearly define roles and responsibilities, process flows, and the management of materials and equipment, thereby safeguarding product quality in a comprehensive manner.

To ensure the continuous delivery of safe and reliable products that meet customer expectations, we have established a multi-tier inspection system covering the entire production lifecycle, including routine inspections, in-process inspections and verification inspections. These procedures comprehensively address product appearance, functional performance, labelling compliance, material quality, structural safety (such as protrusion risks), packaging and auxiliary materials (including plastic bags and films), and protection of flexible wires and cables. During verification inspections, inspection timing and frequency are systematically recorded to establish traceable quality records. Where inspection results indicate non-compliance, production processes are immediately suspended, and materials and finished goods from the same batch are recalled. Production resumes only after root causes have been fully identified and effective corrective measures implemented, thereby ensuring product consistency and usage safety.

Following completion of production, we conduct systematic quality inspections for warehousing and shipment strictly in accordance with the *Guidelines for OQC Shipping Operation*. Inspection scope includes verification of work order details, finished product material number, quantities and applicable national specifications, as well as comprehensive checks on battery capacity, packaging information of outer box, actual weight, labels and all the QR codes of product and package. Clear carton packing standards are also enforced to ensure product integrity during transportation and to maintain consistent quality from factory dispatch to final delivery.

- **Quality inspection**

We have formally implemented the *Quality Data Management Specification*. Led by the Quality Management Department, relevant departments are coordinated annually to establish methodologies for calculating quality control indicators, data collection mechanisms and a comprehensive annual quality KPI framework. This forms a closed-loop quality feedback system encompassing indicator collection, monthly and quarterly performance reporting, and continuous improvement initiatives for underperforming units. For newly procured instruments and equipment, particularly quantitative testing devices, the procurement department and testing department jointly conduct comprehensive verification of structural integrity and performance stability, based on which calibration cycles are scientifically determined. Any non-compliant equipment is immediately returned. For instruments requiring external calibration, we adhere strictly to applicable national and international standards. In cases of non-compliance, calibration plans are promptly adjusted, re-inspections are conducted, and upstream records are traced. Effective corrective and preventive actions are implemented to contain quality risks and ensure the accuracy and reliability of testing results.



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Each year, the Quality Center of the Group will formulate key performance indicators (KPIs) across four dimensions: quality, efficiency, cost and innovation. These indicators are assigned differentiated weightings and further broken down into baseline and stretch targets, providing clear direction for the planning and execution of quality initiatives throughout the year. At present, several of our subsidiaries and production bases have obtained GB/T 19001-2016/ISO 9001:2015 quality management system certification, covering the entire value chain, including robot manufacturing, design and development, sales and services, and management support, demonstrating our systematic capabilities and high standards in quality management practices.



GB/T 19001-2016/ISO 9001:2015 quality management system certification certificate

2.3. Delivering satisfactory customer service

UBTECH has always placed customer needs at the core of its business development and attaches great importance to establishing and maintaining long-term and healthy communication mechanisms with customers. To this end, we have formulated and strictly implemented Global Customer Complaint Handling Process, Returned Product Analysis Process and Market Product Quality Abnormality Handling Process to ensure prompt and professional responses to and resolution of customer feedback and complaints regarding products and services, thereby continuously enhancing customer satisfaction.



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Adhering to the principle of "Rapid Response, Minimal Impact, and Reasonable Investment", we classify customer complaints by severity and scope of impact into different tiers, define corresponding responsibilities for staff across departments and relevant positions, and require resolution in accordance with stipulated procedures and response times. A crisis team will be formed to handle complaints when necessary. Upon receiving a customer complaint, staff are required to verify the specific details and customer demands immediately and escalate the case to the complaint specialist of the customer service department in time. The Customer Service Department categorizes complaints into three tiers – general complaints, serious complaints, and major complaints – based on their nature and handles them strictly in line with the corresponding procedures. If a complaint escalates to a major complaint, it will be reported to the customer service director and synchronized with the brand center. The customer service director will take the lead in setting up a crisis case handling team, collaborate with relevant departments to clarify accountability, advance issue resolution in a divided manner, actively seek customer understanding, and develop reasonable solutions to ensure effective control of the situation.

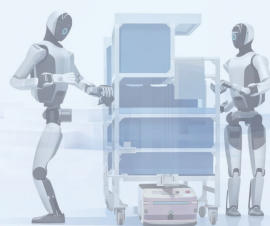
Pursuant to our Returned Product Analysis Process, staff in relevant roles have clear responsibilities and division of labor in the processing of returned equipment. After receiving the returned product, our quality engineers and other relevant personnel will conduct a series of systematic tests, organize cross-departmental analysis meetings, propose and implement improvement measures, and continuously follow up on remediation effects. We are committed to fundamentally preventing the recurrence of similar issues and driving continuous enhancement of product and service quality.

This year, the Group received 40 complaints about products, all of which were properly resolved. No products needed to be recycled for safety and health reasons.

This year, the customer satisfaction rate reached **98.75%**.

- **Responsible Marketing**

The Group strictly abides by Advertising Law of the People's Republic of China and other laws and regulations related to commercial publicity, and has formulated the Group's Basic Guidelines for Advertising Compliance in Commercial Publicity to standardize the advertising language and caliber of our products and services in marketing activities. We uphold the transmission of product and service information in a truthful and clear manner, reject the use of absolute terms, require clear sourcing of all cited data, and resolutely prohibit any form of false or misleading promotion. This year, the Group did not violate relevant laws and regulations on advertising and labeling.



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2.4. Protecting intellectual property

As an innovation-driven technology enterprise, we consistently respect and protect our own and others' intellectual property. We strictly abide by the Patent Law of the People's Republic of China, Trademark Law of the People's Republic of China, Copyright Law of the People's Republic of China, Civil Code of the People's Republic of China and other applicable laws and regulations. We have also developed and implemented a set of internal systems, including the Management Procedures of Intellectual Property, Patent Management Procedure, Trademark Management Procedure, Procedures of Handling Intellectual Property Disputes, Intellectual Property Manual and Intellectual Property Incentive Measures, to fully regulate the creation, utilization, protection, and management of intellectual property, providing solid institutional support for sustainable innovation. During the year, we issued the Trade Secret Management Institution of the Research Institute, which classifies trade secrets and clarifies management responsibilities, further strengthening the protection of the Research Institute's trade secret assets.

Our Intellectual Property Manual sets out our intellectual property policy of "protecting independent intellectual property and guaranteeing the company's development" and outlines the intellectual property management system, stipulating the responsibilities of intellectual property-related personnel, investment and financing, training, and incentives across the Group. We are accelerating the achievement of our five-year (2022–2027) and long-term intellectual property goals, continuously increasing our patent application volume, and refining the intellectual property management system to fully protect the Group's diverse intellectual property assets, including patents, trademarks, copyrights, business secrets and layout designs of integrated circuits. To systematically standardize intellectual property information management, we have established a comprehensive intellectual property management structure centered on the Intellectual Property Department, comprising an intellectual property Director, managers, patent experts, and engineers. This structure covers intellectual property information collection channels from internal and external sources, with unified storage and maintenance in accordance with regulations. Such information provides critical references for key processes such as project initiation, product development, design avoidance, and risk early warning, effectively preventing infringement of third-party intellectual property and protecting our own intellectual property from loss or infringement caused by staff turnover. In addition, to further reduce and avoid intellectual property disputes, we have formulated the Management Procedures of Intellectual Property Right Risks to predict the likelihood and consequences of potential risks in the Group's R&D, procurement, production, and sales stages, assess risk tiers, and formulate corresponding countermeasures. In the event of an intellectual property dispute or infringement, we will respond in accordance with the Procedures of Handling Intellectual Property Disputes: the Intellectual Property Department, Legal Department, and other relevant departments will lead the formation of an emergency response team, collect evidence such as patent information, discuss countermeasures, and safeguard the Group's reputation and rights from infringement.



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To incentivize company-wide participation in innovation, our Intellectual Property Incentive Measures establish reward mechanisms for invention patents of different tiers and types. We select “Excellent Inventor” and “Excellent Group Award” annually, and integrate R&D achievements into the employee performance rating and promotion evaluation system, fostering an organizational culture of proactive innovation and continuous improvement within the Group. We attach high importance to cultivating employees’ intellectual property awareness and organize targeted training for all staff based on the requirements of different business areas and positions, with particular focus on clarifying the intellectual property rights and obligations of new hires and departing employees. Meanwhile, we have clearly defined intellectual property ownership in the Management Procedures of Intellectual Property: patent rights for service inventions belong to the Company, while non-service inventions belong to the inventors or creators, clarifying the rights boundaries between service and non-service innovations.

This year, the number of patents held by the Group is **2,985**.

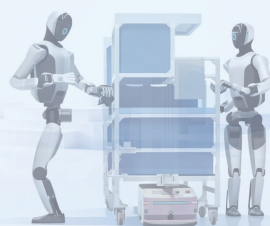
305 new patents have been licensed.

Case: UBTECH Selected for the 2024 Top 100 Shenzhen Enterprises in Patent Innovation Strength

In April 2025, ahead of World Intellectual Property Day, the Shenzhen Intellectual Property Protection Center officially released the 2024 Top 100 Shenzhen Enterprises in Patent Innovation Strength at the Shenzhen AI Industry Intellectual Property Achievements Conference. UBTECH was successfully included in the list, ranking 11th. Other selected companies include well-known local enterprises such as Huawei, Tencent, and BYD. All listed companies operate in strategic emerging industries and future-oriented industries, with UBTECH ranking first among the robotics companies on the list.

2.5. Information security barrier

UBTECH continuously optimizes the intelligence of its products always based on vast amounts of customer information and data to meet the diverse needs of different users. We strictly comply with domestic and international laws and regulations, including the Law of the People’s Republic of China on Protection of Personal Information and Data, the Law of the People’s Republic of China on Network Security, the Law of the People’s Republic of China on Data Security, and the EU General Data Protection Regulations. We prioritize group-level information security and customer privacy protection as the cornerstone of technological development and user trust. Through our persistent efforts, we have obtained certification from the China Academy of Information and Communications Technology (CAICT) Zhuoxin Big Data Plan and have passed the Q/SFC-GF-DSMC-2023 technical specification for data security management capability certification.



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This year, we have not been informed of or received any related claims from any third party, or received any related penalties from the supervision department.



Q/SFC-GF-DSMC-2023 data security management capability certification

- **Information and data security**

To systematically establish an information security defense line, we have developed the Information Security Management System, which provides comprehensive regulations across six key dimensions: network security management, data backup and security management, account and access control management, personnel security, and daily office security. This system covers all business links such as product research and development, third-party collaborations, and employee behaviors, thereby laying a solid institutional foundation for our information security system. Furthermore, we have established a cross-departmental joint working group for data compliance, which is composed of a leading group, a coordination group and an implementation group, and set the dedicated roles for supervisory committee, system guarantee committee and data assets committee, etc., to form a top-down governance structure with clearly defined responsibilities to collectively lead, supervise, and execute data compliance and information security protection across the Group.



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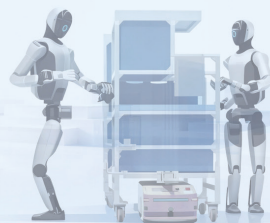
In terms of data security management, we have formulated a comprehensive policy system covering compliance governance, organization construction, partners management, classification and grading, audit and inspection, training and education, and emergency response. At the product development stage, we set up full-time positions to input or output data in strict accordance with the compliance process. In business operations, we divide data assets into three categories, further divided them into four security levels according to the principle of independent grading, and take a differentiated protection strategy throughout the entire data lifecycle and realize accurate management and control. We have also implemented the Emergency Management Measures for Data Security, which requests that when an information security incident occurs, the emergency response committee should immediately trace the source, determine the severity level, and coordinate with responsible departments to take mitigation measures and contain the risk. Additionally, all employees are required to sign confidentiality agreements and receive data security training for no less than 20 hours per year covering regulations, processes, and technical essentials, with assessments to reinforce implementation. To foster a culture of collective oversight, we have established complaint reporting and reward-and-punishment mechanisms to encourage employees to actively participate in information security governance.

Regarding partners management, we strictly enforce the Measures for Administration of Data Partners, requiring suppliers to complete security compliance questionnaires and due diligence, and to pass a Data Protection Impact Assessment before collaboration. For the key partners, we carry out regular and irregular audit reviews and return visits to ensure the continued effectiveness of their data protection measures, thereby comprehensively mitigating data asset risks arising from external collaborations.

- ***Customer privacy protection***

When collecting personal information of customers, the Group strictly adheres to the "minimum necessity principle". That is, we collect only the information necessary to fulfill service purposes and that which has the least impact on individual rights. We classify the collected information into three categories: necessary information, unnecessary but related personal information and irrelevant personal information. We clearly communicate to users the rules, purposes and privacy policies regarding information collection and use, commit to not obtaining any personal information unrelated to our services, and implement strict controls over the information collected.

After information is collected, we process it using technical measures such as encryption, masking and de-identification, supplemented by measures such as access controls, secure storage and security audit to strictly restrict the access, use and dissemination of personal information. Upon expiration of the agreed retention period, the information will be deleted in accordance with laws. If it is necessary to share data with a third party, we will clarify the information processing rules and protection responsibilities of both parties in advance, specify the purpose and method of information acquisition and obtain the consent of customers.



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The Group fully respects and guarantees customers' rights to know, choose, delete, correct and interpret their personal data. In order to prevent and respond to emergencies of personal information disclosure, we have developed the Emergency Plan for Personal Information Emergencies, covering scenarios including security incidents, supervision and inspection rectification, public opinion and user complaints, and government investigation. When the incident happens, the discoverer shall immediately take emergency measures to control the situation and report it to the Compliance Department in time. The Compliance Department will evaluate the incident level based on the actual circumstances and organize activities such as investigation and evidence collection, impact assessment, external notification, and system recovery. After the incident is resolved, we will prepare a disposal report based on the severity of the incident, implement rewards or penalties for relevant personnel, and improve policies and procedures to prevent recurrence of similar incidents.

2.6. Supplier management

The Group attaches great importance to the stability and quality of its supply chain. To this end, we have formulated and implemented a series of regulations such as Management Process of Supplier Selection and Fair Value Judgment, Standard for Daily Management of Suppliers, Supplier Import Process and Sustainable Procurement Policy. These systematically regulate supplier conduct at key stages such as supplier access, audit and performance evaluation, and continuously promote the professionalization and sustainable development of supply chain management.

- **Supplier access**

We select suppliers in accordance with the Supplier Import Process. When external resources are required during product development, we will make a request for quotations to suppliers and select at least 3 qualified suppliers as candidates. The sourcing team then initiates preliminary discussions with the suppliers, which include signing Confidentiality Agreement, collecting the suppliers' qualification documents, and commencing the importing assessment. At this stage, we require suppliers to provide relevant documentation such as business licenses, tax registration certificates and environmental protection certifications. We also verify whether they have established management systems for hazardous substances, such as RoHS and REACH, and whether they conduct environmental management training for their staff. Subsequently, the sourcing team will collaborate with the relevant functional departments and management teams to conduct written or on-site assessments on the suppliers, and will proceed with the approval process based on the assessment results. Suppliers that pass the approval process will be formally incorporated into the Group's supply chain system.



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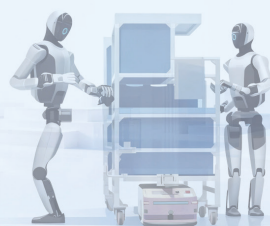
- **Daily management**

We conduct systematic performance evaluations of suppliers every year, assigning quantitative scores and comprehensive rankings based on key indicators such as technical capability, development and engineering strength, quality system, delivery and logistics level, and sustainability performance. Participating suppliers will be informed of the detailed score breakdown and are required to submit corrective measures for items that fail to meet the standards. We also regularly organize supplier performance communication meetings to help them analyze the root causes of problems and continuously track improvement progress, thereby driving the overall compliance level and performance improvement of the supply chain. For suppliers that still fail to meet the standards after multiple rectifications, we will take measures such as reducing order share or eliminating them from the supply chain in accordance with the policies.

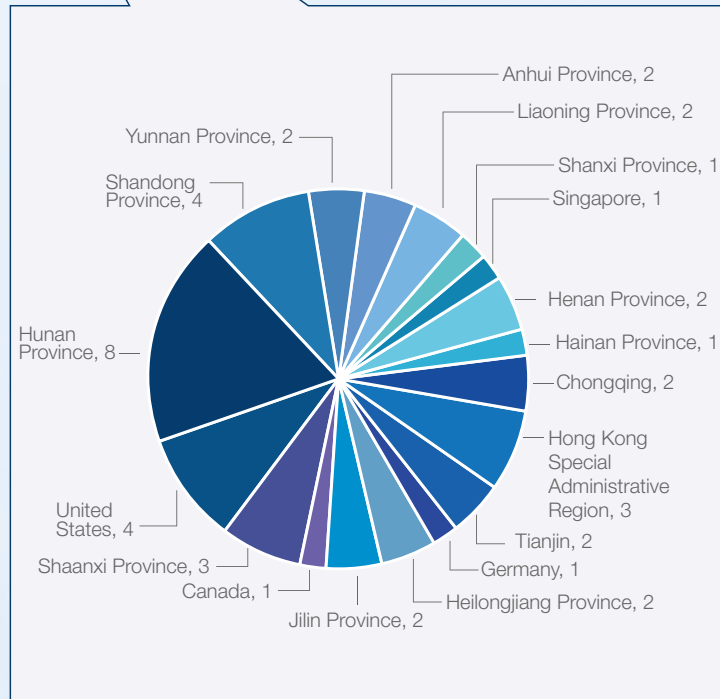
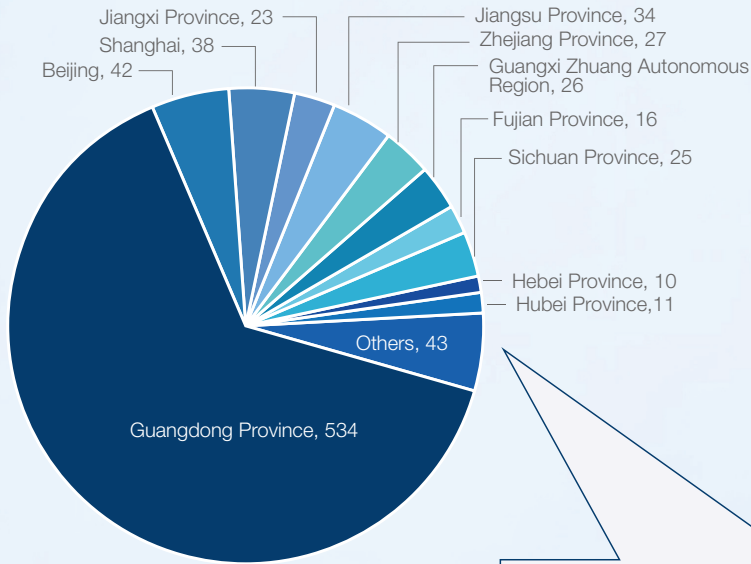
- **Sustainable procurement**

We actively practice the concept of sustainable development, continuously improving the environmental protection and social responsibility management systems within the supply chain, and are committed to reducing the environmental carbon footprint and promoting responsible and ethical procurement practices. In daily operations, we advocate for the procurement of low-carbon, environmentally friendly new energy products, implement paperless office practices, and try to avoid purchasing products that have negative impacts on the environment and society. At the same time, we extend sustainability requirements to the supply chain, explicitly requiring suppliers to comply with environmental, social and governance related regulations in the "Sustainable Procurement Policy", giving priority to partners that have obtained internationally recognized ESG management system certification, and prioritizing the procurement of energy-saving and environmentally friendly electronic products. We regularly evaluate suppliers' performance in environmental, social and governance aspects, covering multiple dimensions such as employee rights protection and labor dispute handling, and issue rectification requirements for identified environmental and social risks, or adjust their procurement strategy level accordingly. For potential suppliers that have not yet been included in the supply chain, we also provide improvement suggestions to help them enhance their sustainability capabilities, jointly building a responsible and sustainable supply chain ecosystem.

This year, we have 829 suppliers, of which 341 major suppliers have been audited. These suppliers provide us with electronic parts, structural parts, infrastructure, finished products, OEM and non-production services, etc. The locations of suppliers are shown in the following figure.



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Regional distribution of suppliers



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3. PROFESSIONAL TALENT CULTIVATION

The Group fully complies with relevant national and local laws and regulations, including the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Constitution of the People's Republic of China, the Civil Code of the People's Republic of China, the Law on the Protection of Women's Rights and Interests of the People's Republic of China, and the Shenzhen Special Economic Zone Regulations on the Promotion of Gender Equality, and actively builds a safe and healthy workplace. We value the attraction, retention, and cultivation of talent. By providing a competitive compensation and benefits system, we support employees' career growth, promote work-life balance, and effectively safeguard the legitimate rights and interests of every employee. During the year, we did not experience any illegal or non-compliant incidents related to remuneration and dismissal, recruitment and promotion, working hours, leave, diversity, anti-discrimination, equal opportunities, or other treatment and benefits.

3.1. Compliance employment

- ***Recruitment and resignation***

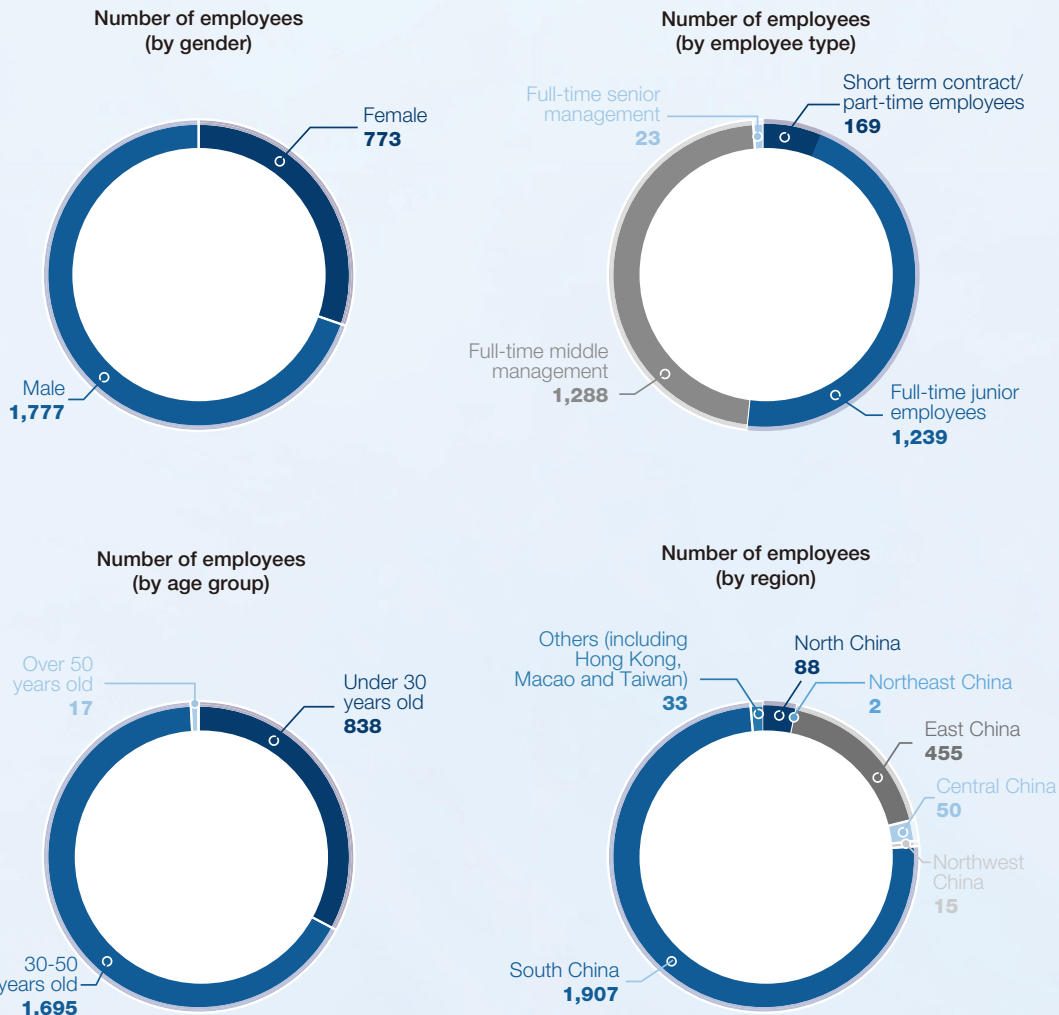
We value every job seeker who applies to join the Group. We strictly comply with national laws and regulations and have formulated the Measures for Administration of Recruitment and the Measures for Administration of UBTECH Recruitment accordingly. All recruitment activities are conducted in accordance with established procedures and standards. Each year, various business departments develop human resource plans based on their development goals and actual needs, and advance talent allocation through a combination of internal selection and external recruitment. Since internal employees are already familiar with the business and generally demonstrate a relatively high level of loyalty, internal transfers and promotions are given priority when vacancies arise. For external recruitment, we conduct both campus recruitment and social recruitment through multiple channels, including media recruitment, internal employee referrals, job fairs and headhunting firms. Regardless of the recruitment channel used, we consistently adhere to the principles of openness and transparency, fair competition and two-way selection. We place emphasis on candidates' overall qualifications and their suitability for the position, and hiring decisions are not influenced by irrelevant factors such as gender, age or marital status.

During the recruitment review stage, our talent recruitment center verifies relevant documents of candidates, including identity, educational qualifications, and social security and housing provident fund cards, in order to prevent the employment of child labor and ensure that the information provided by the recruited personnel is authentic and meets the job requirements. After candidates successfully complete all recruitment procedures and formally join the Company, they will sign a labor contract, which clearly specifies policies related to the probation period, attendance management, salary and promotion, job adjustments, and resignation procedures. At the same time, the Company will issue an Employee Handbook to employees for convenient reference and learning, helping new members quickly understand the Group's systems and protection policies.



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During the year, we continued to strengthen talent development and team growth. Among our R&D personnel, the proportion of technical staff related to humanoid robots increased from 36% to 44%, further strengthening our competitive advantage in both technology and talent. During the year, the Group had a total of 2,550 employees, categorized as follows:



The Company respects every employee’s career choices. Regarding resignation procedures, both the Employee Handbook and the Resignation Procedures clearly outline the relevant process. Employees who intend to resign are required to submit a resignation application to their direct supervisor and the Human Resources Department. Subsequently, the department supervisor and the Human Resources Department will communicate with the employee to understand the reasons for resignation. They will also assist in completing the work handover and handling the resignation formalities, ensuring the confidentiality of the Company’s client data and business information, while using the feedback received to further improve the Company’s talent retention system.



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- ***Anti-child labor and forced labor***

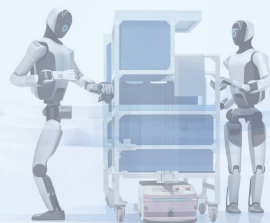
The Group solemnly commits that it does not employ minors under the age of 18 and strictly prohibits any form of forced labor. These principles are clearly stipulated and prohibited through internal regulations. Our Regulations on Administration of Staff Attendance and Holidays provides detailed provisions on the Company's leave system, including statutory holidays, annual leave, and working hours. If employees need to work overtime during statutory holidays, weekends, or other rest periods, they must submit an application through the Overtime Application Process in advance. Only after receiving the Company approval can the overtime hours be counted as working hours. In addition, an Employee Rights and Interests Committee composed of employees conducts regular supervision and inspections in daily operations to identify and address potential infringement issues. These include matters related to employees' physical and mental health, personal privacy, and workplace sexual harassment, among others, thereby effectively safeguarding the legitimate rights and interests of employees. For any violations, the Group will take appropriate measures to address them.

This year, the Group did not have any cases of child labor and forced labor violations.

3.2. Employee salary and benefits

To effectively attract and retain core talent, the Group has established a comprehensive compensation and benefits system with strong industry competitiveness. In accordance with internal policies such as the Compensation Management Measures and the UBTECH Salary Adjustment Process, the compensation structure is divided into several components, including base salary, performance-based salary, overtime pay, various allowances, business commissions, and project bonuses. Regarding overtime pay, it is categorized into three types, namely weekday overtime, weekend overtime, and statutory holiday overtime, with payment made at different multiples accordingly. Project bonuses serve as an incentive mechanism to recognize employees who make outstanding contributions. While safeguarding employees' legitimate rights and interests, these incentives also effectively motivate the team. The Company also makes statutory contributions for employees to the "Five Social Insurances and One Housing Fund", namely pension insurance, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance, and the housing provident fund. In addition, the Company provides various subsidies, including phone allowances, housing and transportation subsidies, marriage allowances, and trainee program subsidies, helping to ease employees' living expenses. In terms of leave arrangements, in addition to statutory holidays and standard annual leave, the Company offers several types of fully paid leave, including maternity leave, marriage leave, paternity leave, and bereavement leave, supporting employees in achieving a healthy work – life balance.

The Group also places great importance on fostering a positive team atmosphere. To this end, it carefully organizes a variety of employee activities, including sports and cultural competitions, festive events, and the Company's annual gathering. These activities aim to create more opportunities for employees to interact outside of work, helping to relieve stress while strengthening team cohesion and collaboration.



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“Passing on Love • Building Children’s Dreams Together” Charity Flea Market Event

In May 2025, UBTECH, in collaboration with the Ministry of Civil Affairs, launched the “Passing on Love • Building Children’s Dreams Together” charity flea market event, alongside a public welfare initiative titled the “Robot Dream Classroom”. Children aged 8 to 12 from local welfare institutions were specially invited to visit the robot exhibition hall. Through interactive experiences, the children were able to feel the warmth of technology firsthand, while engaging explanations helped spark their curiosity and creativity. By adopting the innovative approach of combining “public welfare + science education”, the initiative not only opened a window for the children to glimpse the future but also demonstrated the Company’s commitment to corporate social responsibility and humanistic care through concrete actions. In this way, both compassion and dreams were nurtured and brought together through the inspiration of technology.



YouAI Initiative – “Orange” Reveals Beauty, Inspiring Young Minds through Volunteer Teaching | ESG Public Welfare Themed Event

In December 2025, our Group's employees went to Ganzhou to carry out a public welfare journey of supporting farmers and volunteer teaching: from collaborative picking in orange orchards to heartwarming interactions with children on campus. Through our actions, we conveyed kindness and fulfilled our responsibilities with a sense of commitment. While bringing warmth and assistance to the local community, this journey was also deeply rewarding due to its profound ESG practices.



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United We Stand, Boldly "Foot" Forward | UBTECH Football Club 2025 Year-End Tournament

On December 24, the UBTECH Football Club's 2025 Year-End Tournament, themed "United We Stand, Boldly "Foot" Forward", came to a successful close in a lively atmosphere. The tournament brought together four teams for intense competition. Through seamless coordination, the players demonstrated team spirit, and with their tenacious efforts, they ignited the passion for competition. This event not only marked a thrilling conclusion to the year's football activities but also further strengthened team cohesion, serving as a vivid illustration of the company's commitment to enriching employees' after-work lives and fostering a corporate spirit of "unity and perseverance".



3.3. Employee cultivation and development

- ***Training and education***

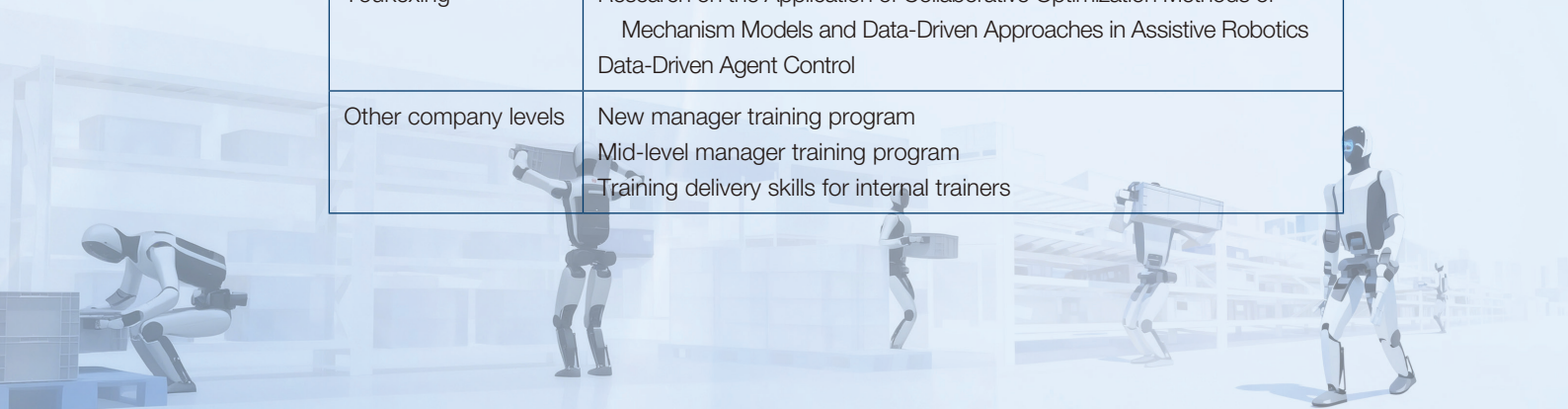
As a leading humanoid robot enterprise in China, the Group is at the forefront of artificial intelligence and technological innovation. To keep pace with continuously evolving technological and functional requirements, we are committed to enhancing employee capabilities to meet the demands of business development. Therefore, the Group has established a learning and development framework based on a number of internal policies, including the Professional Talent Promotion Process, Training Demand Application Process, Human Resources Control Procedure, UBTECH Talent Development Framework, and UBT Employee Performance Management Manual. The Group has established a "Professional + Management" dual-track career development path. Every year, the Personnel Center provides different types of training programs based on job requirements and rank levels. For example, newly recruited employees receive orientation training covering company introduction, information security, safety knowledge, product technology introduction, and robot research review to accelerate their integration into the Company. Department heads provide training on professional skills such as dynamics, voice dialogue and ChatGPT. In addition, the Company's technical support and other related staff provide all employees with explanations on intellectual property and product knowledge. In addition, the Company engages external experts as needed and supports employees in participating in external training courses. To ensure the effectiveness of training, we evaluate training outcomes based on assessment results, which are used to measure learning effectiveness. Employees who do not pass the assessments will be interviewed, and a reinforcement plan will be developed for them.

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We have also developed differentiated leadership enhancement programs for managers at different levels of maturity and hierarchy, such as the "Management Turnaround Program", "Talent Excellence Program", and "Talent Excellence Plus Program". These initiatives are designed to match appropriate growth resources for junior and mid-level managers, thereby strengthening the sustainable development capabilities of our management team. In addition, we promptly draw on external innovative concepts and practices by introducing training formats such as scenario-based simulation sandboxes, improvisational comedy, and baseball leadership. These approaches are tailored to the characteristics of participants across different age groups and maturity levels, ensuring that empowerment and enjoyment go hand in hand.

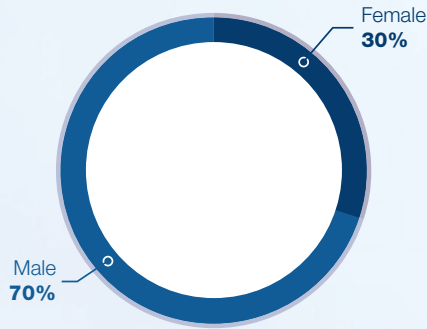
This year, we have successfully carried out a number of training programs, such as new employee training, Youkexing, U-TALK, etc. The training contents are as follows:

Unit	Course/lecture project
New employees	<p>New employees recruited from society: Enterprise Information Security Training Code of Conduct Corporate Culture of U Plants Shenzhen Exhibition Hall Learning & Exchange Introduction to UBTECH Product & technology introduction Basic knowledge of compliance Safety knowledge</p> <p>New employees recruited from campuses: A Tour to the Corporate Culture of U Plants Employee Policies and Procedures Humanoid Robot Product Analysis Scenario-Based Workshop Dream Exploration Moment Multi-Scenario Communication and Collaboration Practical Workshop</p> <p>Mentor training: IDP overview and application Mentoring and communication skills</p>
U-TALK	Professional Image Power – Posture Aesthetics and High-Quality Dressing Principles
Youkexing	Research on the Application of Collaborative Optimization Methods of Mechanism Models and Data-Driven Approaches in Assistive Robotics Data-Driven Agent Control
Other company levels	<p>New manager training program Mid-level manager training program Training delivery skills for internal trainers</p>

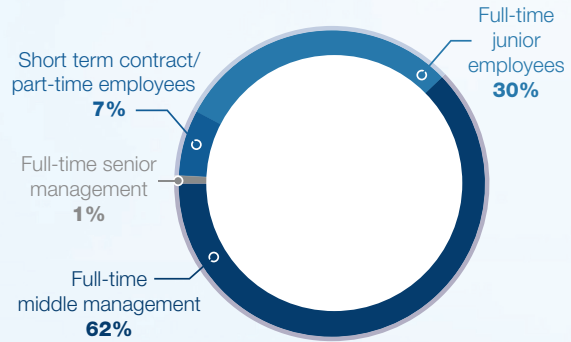


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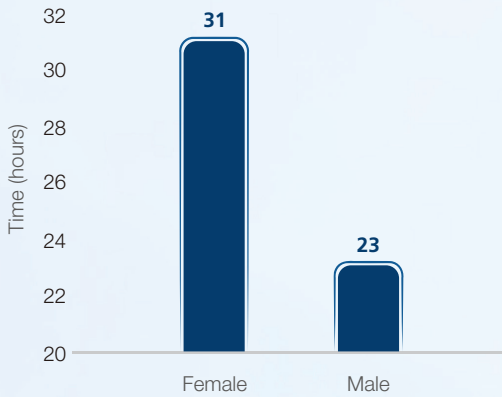
Percentage of employees trained (by gender)



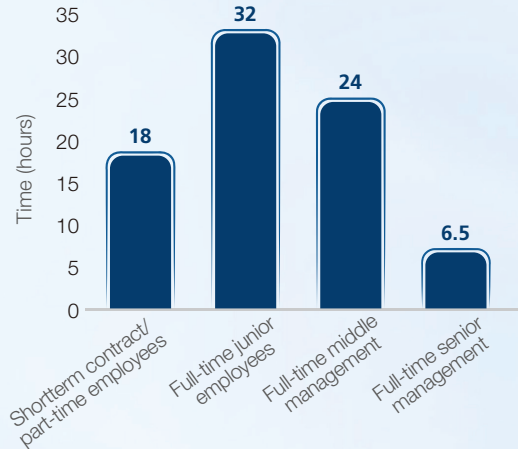
Percentage of employees trained (by employee type)



Average training hours of employees (by gender)



Average training hours of employees (by employee type)



- Assessment and promotion**

The Company is committed to building a fair and transparent talent promotion channel to motivate employees to constantly improve themselves. We regularly sign Performance Contract with employees according to Employee Performance Management Manual, and urge employees to achieve their goals during the assessment period. In the promotion evaluation, we take into account various factors, including the employee's comprehensive assessment results, professional capability, and punishment history. Those who meet the criteria will be included in the candidate shortlist and must successfully pass a promotion defense session and a management review before being promoted. Our training, assessment, and promotion systems work in synergy to ensure that the Company's outstanding talents can grow together with the Group.



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3.4. Employee occupational health

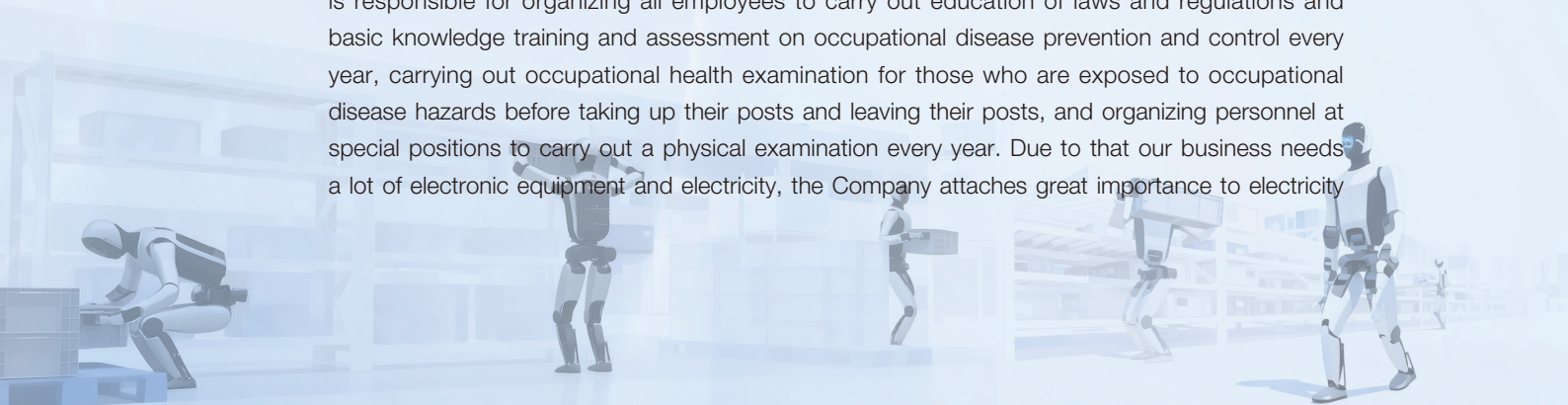
The occupational health and safety of employees is one of the key areas of focus for the Group. We strictly abide by Safety Production Law of the People's Republic of China, and have formulated and implemented internal systems such as Compilation of Safety Production Systems, Control Procedures of Hazard Identification and Risk Assessment, and Environmental/Occupational Health and Safety Operational Control Procedure. In terms of specific measures, the Group has established special funds for safety production, arranged scientific research funds for safety production, set up funds and equipment for safety supervision, and regularly organized safety training and emergency drills, among various other safety assurance measures. We are committed to safeguarding employees' work safety and overall physical and mental health from multiple perspectives. Through continuous efforts, we have built an increasingly robust occupational health and safety management system, which has successfully obtained ISO 45001:2018 international standard certification.

- ***Hazard source identification***

The Group highly value of the importance of controlling safety risks at the source. To strengthen the defence line for occupational health and safety, we request the quality department to take the lead and all departments cooperate to complete the identification and evaluation of various risk sources of the Group, including physical, chemical, biological, psychological and other hidden dangers that may cause harm to employees and suppliers, strive to identify and solve them at the source to avoid causing substantial dangers. We test the air, noise and water sources in the workshops of production plants at least once a year, check the firefighting and electrical equipment at least once a month, and organize the health check of relevant personnel regularly to prevent problems before they happen. For the identified safety and health risk points, we will carry out professional risk assessment, calculate their risk values from the possibility, frequency and accident consequences, and draw different risk levels according to the risk values, and take corresponding prevention and treatment measures for different levels of risks.

- ***Security risk management***

In Compilation of Safety Production Systems, the Group defined a number of systems related to fire safety, electricity safety, safety training and education, and maintenance of equipment and facilities, and adopted comprehensive measures to ensure the health of personnel. The general manager of the Group takes the ultimate responsible for the occupational health and hygiene management of the company. The safety leading group is responsible for supervising and training relevant staff, requiring regular inspection and maintenance of firefighting facilities in the park, conducting fire drills at least twice a year. We strictly limit the discharge of toxic gases and waste materials in factories and living quarters, and keep the noise within the specified range. The Administration Department is responsible for organizing all employees to carry out education of laws and regulations and basic knowledge training and assessment on occupational disease prevention and control every year, carrying out occupational health examination for those who are exposed to occupational disease hazards before taking up their posts and leaving their posts, and organizing personnel at special positions to carry out a physical examination every year. Due to that our business needs a lot of electronic equipment and electricity, the Company attaches great importance to electricity



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safety and fire safety, and request electricians to have relevant professional qualifications and wear protective equipment. We continuously strengthen employees' risk awareness, hold those responsible for unsafe acts accountable, and provide recognition and rewards to employees who proactively identify and eliminate major hazards.

In response to various potential emergencies, the Group has established a comprehensive response protocol when formulating the Emergency Rescue Management System, which covers multiple procedures, including information reporting, initial containment, emergency response, and termination of rescue operations. Throughout the entire process, safeguarding employee safety remains the top priority. Following an incident, we conduct a review of its root causes, enhance preventive mechanisms, hold relevant parties accountable in accordance with established regulations, and draw lessons from the event to prevent recurrence of similar incidents.

This year, there were no complaints or lawsuits about the violation of health and safety laws of the Group. In the past three years, the number of deaths of the Group due to work was zero. This year, the number of days lost due to work-related injuries was 0.



GB/T 45001-2020/ISO45001: 2018
Certificate of occupational health and safety management system



Three-level enterprise (mechanical) certificate of safety production standardization



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4. GREEN OPERATION

The Group has always regarded environmental protection and sustainable development as one of the core responsibilities underpinning its long-term growth. Adhering to the green development philosophy of "promoting energy conservation and consumption reduction, achieving pollution prevention, complying with laws and regulations, and protecting the global environment," we integrate low-carbon and environmentally friendly concepts into all aspects of product R&D, manufacturing, supply chain management, and daily operations. Through the continuous iteration of green technologies, the selection of eco-friendly materials, the optimisation of energy mix, and the enhancement of environmental awareness among all employees, we are committed to minimising our impact on the natural environment while pursuing business growth, striving to achieve harmonious coexistence between humanity and nature. The Group strictly complies with national laws and regulations, including the Environmental Protection Law of the People's Republic of China, the Law on the Prevention and Control of Atmospheric Pollution of the People's Republic of China, and the Energy Conservation Law of the People's Republic of China, as well as local environmental regulations. The Group has established and continuously improves internal management system documents such as the Environmental/Occupational Health and Safety Operational Control Procedure, the Quality, Environment, Occupational Health and Safety Management Manual, and the Environmental Factor Identification and Evaluation Control Procedure. These documents provide clear operational guidelines and assessment criteria for key environmental issues, including energy consumption control, compliant transfer of hazardous waste, and emissions management. Currently, the environmental management systems of a number of the Group's subsidiaries and major production bases have obtained GB/T 24001-2016/ISO 14001:2015 certification, demonstrating the Group's systematic approach, standardisation, and continuous improvement capabilities in environmental management.

To further clarify direction and drive implementation, the Group has set and disclosed a number of quantifiable short-term environmental targets, including:

- In or before 2025 and based on 2023, the growth rate of energy consumption is about 5%-10% lower than that of production, achieving the target this year;
- In or before 2025, the water consumption density is reduced by about 7% compared with 2023, achieving the target this year;
- The transfer rate of classified disposal of hazardous wastes reaches 100%, achieving the target this year.

During the reporting period, all of the Group's production and operational activities were in full compliance with national and local environmental protection laws and regulations. No environmental violations or non-compliant incidents occurred, nor were there any accidents causing significant environmental impact or damage to natural resources. The Group did not receive any environmental administrative penalties, liability lawsuits for environmental pollution, or related regulatory notices.



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GB/T24001-2016/ISO14001:2015 environmental management system certificate

4.1. Reducing resource consumption

As a high-tech manufacturing enterprise with intelligent robots as its core business, UBTECH Group fully understands the significance of efficient utilization of energy, water resources and various materials to its long-term competitiveness. We have continuously promoted refined energy-saving management across the entire group, reducing resource consumption at the source, improving usage efficiency throughout processes, and strengthening recycling at the end stage, striving to create greater social and economic value with fewer resource inputs. In terms of electricity consumption management, we continuously optimize the energy efficiency of air conditioning, lighting and production equipment: regularly organizing professional teams to conduct in-depth cleaning and maintenance of central and split air conditioning systems to ensure heat exchange efficiency; flexibly adjusting office dress codes under safe and comfortable conditions, allowing lighter attire in summer to appropriately reduce air conditioning load; suspending air conditioning cooling in certain areas during non-critical periods or seasons, and controlling indoor temperatures within nationally recommended energy-saving ranges; extensively replacing lighting with high-efficacy, low-power LED fixtures, and implementing intelligent control by zone, time, and scenario; promoting the practice of "turning off lights when leaving and shutting down equipment when departing," and promptly identifying and correcting waste such as unnecessary lighting and standby equipment through inspections.



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In terms of water consumption management, all of our production and domestic water is sourced from the stable municipal water supply, and no issues concerning water extraction permits or water source pollution have occurred. We regularly engage professional organizations to conduct comprehensive inspections and maintenance of the water supply pipelines, valves, faucets and other facilities in our factory and office areas, promptly repairing any leaks or drips. Conspicuous water-saving reminder signs are posted in high-frequency water usage areas such as restrooms and pantry areas, and we are gradually replacing fixtures with water-efficient models. The use of reclaimed water or recycled water is encouraged for scenarios such as cleaning water and landscaping water to reduce the consumption of fresh water. In terms of paper usage, we encourage employees to give priority to electronic communication and office systems for correspondence and document transmission. Where paper printing is necessary, double-sided printing should be used whenever possible to reduce unnecessary paper consumption.

We place great importance on the environmental compliance of materials used in electronic and electrical equipment throughout our production process, and expand our green influence through rigorous review and supply chain management. We exercise strict control over production materials, selecting environmentally friendly materials that comply with the requirements of regulations such as the EU ROHS, REACH and WEEE. We have formulated the "Management Specification for Material Certification Attributes in the PLM System", requiring engineers to review environmental data provided by suppliers to ensure green standards across the supply chain. Through these measures, we continuously promote the application of environmentally friendly materials, injecting sustained impetus into product sustainability and the green transformation of the industry.

During the Year, the Group's resource consumption was as follows:

Electricity Consumption	Unit	2025
Total electricity consumption	MWh	6,765.53
Electricity consumption per square meter	MWh/m ²	0.07
Electricity consumption per million RMB of revenue	MWh/million RMB revenue	3.38

Water Consumption	Unit	2025
Total water consumption	m ³	22,866.76
Water consumption per square meter	m ³ /m ²	0.25
Water consumption per million RMB of revenue	m ³ /million RMB revenue	11.43



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4.2. Reducing pollutant emission

The Group places great emphasis on the compliance management of pollutant emissions and actively adopts international standards to optimize emission control measures. The Group strictly complies with relevant laws and regulations to control greenhouse gas emissions, and conducts greenhouse gas accounting for its subsidiaries and production bases in accordance with the Greenhouse Gas Protocol established by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), as well as ISO 14064-1. The accounting of air pollutant emissions follows the How to Prepare an ESG Report – Appendix II: Reporting Guidance on Environmental KPIs published by the Hong Kong Stock Exchange. For detailed greenhouse gas emission data, please refer to the "Tackling climate change" in this section. The air pollutant emission data for the reporting period are set out as follows:

Air Pollutant Discharge	Unit	2025
Nitrogen oxides	kg	20.21
Sulphur oxides	kg	0.01
Particulate matters	kg	1.31

Management of exhaust gas and wastewater emission

The Group consistently prioritizes compliance management of pollutant emissions, and continuously optimizes its environmental performance through professional monitoring and control measures. The Group conducts comprehensive registration and management of pollutant discharge activities from stationary pollution sources in strict accordance with relevant pollutant regulations. To ensure the professionalism and accuracy of this process, we engage qualified third-party organizations to carry out regular testing and provide technical support where necessary, thereby ensuring that emission concentrations remain within the statutory and contractually agreed limits.

Pursuant to the Environmental/Occupational Health and Safety Operational Control Procedure, the Group has established clear control measures for exhaust gas emissions. Treatment processes such as on-site absorption devices and activated carbon adsorption are adopted before exhaust gases are discharged at high altitude, leveraging atmospheric dispersion to further reduce the impact on the near-ground environment and public health. The Group also places emphasis on the environmental management of vehicles, requiring that its vehicles undergo inspections in accordance with the annual vehicle inspection system, and only those vehicles that meet environmental standards and have passed the annual inspection are permitted to operate. With respect to wastewater disposal, the Group strictly prohibits the discharge of untreated or non-compliant wastewater into rainwater pipelines and is firmly committed to implementing rainwater and sewage diversion. Oily wastewater generated from air compressor rooms must first be treated by professional oil-water separation equipment before being subsequently disposed of or utilized as a resource by qualified suppliers. Furthermore, to enhance the environmental awareness and low-carbon practices of all employees, the Group encourages the reduction of business travel where feasible and conducts regular or ad hoc low-carbon environmental protection training.



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Thanks to a series of effective measures taken by us, all the emissions of the Group meet the standards this year.

Waste discharge and recycling

We always adhere to the attitude of being responsible for the environment, and classify the wastes generated in the production process of the Company into non-recyclable general wastes, recyclable general wastes and hazardous wastes. In particular, hazardous waste is divided into waste engine oil, waste circuit board and waste tin slag. We sort out the sites where waste is placed, and set up different signs and rain-proof, leakage-proof facilities to ensure that waste will not leak when being placed. We sign contracts with qualified third-party companies and entrust them to recycle or treat according to regulations to minimize the negative impact on the environment. Through these efforts, we are committed to promoting green practices in waste management.

This year, the Group produced 546.590 tonnes non-hazardous waste. Hazardous waste was 10.00 kg waste wiper water, 1.00 kg waste tin slag, 20 waste ink cartridges and waste toner cartridges, all of which were properly disposed of. As for packaging materials, the Group used 801,739.25 kg cartons, 220.91 kg paper, 1,591.83 kg plastics, and 109,615.91 kg packaging bags.

4.3. Tackling climate change

Climate change has become a common global risk faced by all industries. The Group recognizes that climate risks may have multifaceted impacts on our business operations, supply chain stability, and financial performance. As a result, we proactively conduct systematic identification and assessment to clarify relevant risks and opportunities. We classify the identified risks based on their severity and the timeframe of their occurrence, defining short-term, medium-term, and long-term time horizons, and formulate corresponding countermeasures. We strive to keep climate-related financial and operational risks within a controllable range while seizing potential business opportunities arising from low-carbon transformation and climate services.

Governance

We systematically integrate climate factors into our decision-making and oversight processes through a three-tier structure consisting of the board of directors, the ESG and Sustainability Committee and ESG-related functional departments. The board of directors assumes overall leadership and oversight responsibilities for ESG-related work, including approving the formulation and implementation progress of the Group's overall ESG and climate strategies, and receiving regular reports from the ESG and Sustainability Committee to stay informed about the identification and response progress of climate risks and opportunities. The ESG and Sustainability Committee is responsible for specifically advancing and supervising the implementation of ESG and climate-related work, assisting in overall planning and cross-departmental coordination, and ensuring that climate actions are implemented across all business units at the operational level. During the reporting period, we provided climate-related training to our directors.



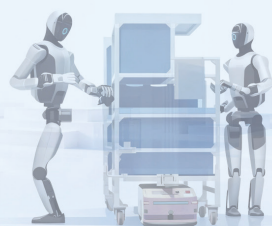
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Strategy

The Group closely monitors developments in climate and market regulations, and has sorted and classified physical risks, transition risks, and potential opportunities related to climate change. We grade these risks based on their severity and time dimensions, and formulate corresponding countermeasures in light of our business realities. Our response strategies include complying with national and industry regulations on carbon emissions, establishing and conducting emergency drills to enhance operational resilience, continuously tracking policy and regulatory changes to ensure compliance, and identifying and assessing short-term (within 5 years), medium-term (5 to 15 years), and long-term (over 15 years) climate-related risks and opportunities to continuously optimize our response mechanisms. Specific climate change risks/opportunities and corresponding countermeasures are as follows:

Climate change risk

Risk type	Risk level	Time range	Impact on business model, value chain and finance	Countermeasures
Physical risk-extremely high temperature	Low	Short term	<ul style="list-style-type: none"> • Extreme high temperatures may affect employee health and normal commuting, reducing R&D and production efficiency, and potentially increasing operating costs. • Suppliers' production capacity may be weakened, leading to shortages or delays in the supply of key components, which may increase procurement costs. • The increase in refrigeration demand will increase energy consumption and power consumption, which will lead to an increase in operating costs, or cause regional power supply restrictions, which will increase supply and operating costs. 	<p>We have formulated Emergency Plan for Personal Accidents of Heatstroke and taken the following actions:</p> <ul style="list-style-type: none"> • Improve workers' understanding on high temperature heatstroke and ensure that they master basic knowledge of heatstroke prevention and cooling. • Adjust production shifts, increase night shifts when necessary, reduce day shifts, and avoid working in high temperature environment during daytime. • When establishing new or expanding existing R&D and manufacturing bases in the future, climate resilience will be incorporated into the site selection evaluation criteria. • Implement energy-saving upgrades to the cooling systems at R&D and production facilities to enhance energy efficiency and reduce consumption.



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Risk type	Risk level	Time range	Impact on business model, value chain and finance	Countermeasures
Physical risk – flood	Low	Short term	<ul style="list-style-type: none"> Flood will damage infrastructure offices and assembly sites (indoor factories) in some low-lying areas, which will lead to the increase of maintenance and operation costs. Floods may lead to work stoppages, causing order delays, triggering compensation issues, reducing revenue, and affecting cash flow. 	<p>We have also formulated Emergency Plan for Flood Control and Disaster Reduction and taken the following actions:</p> <ul style="list-style-type: none"> Flexibly adjust production shifts and transfer production lines and warehouses to other locations, reduce the workload interruption caused by disaster-stricken areas, and maintain production plans. Inform all workers in the production base in time, send personnel to the production site, assist flood fighting and disaster relief work, and conduct a comprehensive audit for emergency actions taken after the flood disaster. For facilities located in flood-risk areas (such as low-floor warehouses), evaluate and implement engineering measures including the installation of flood barriers, water-proof sealing, and elevation of critical equipment.
Physical risk – mountain fire	Low	Short term	<ul style="list-style-type: none"> Mountain fire may affect road traffic and adversely affect the punctuality of product transportation. 	<p>We have formulated Emergency Plan for Fire Accidents, aiming at strengthening production safety and establishing a comprehensive management system. The plan includes the following measures:</p> <ul style="list-style-type: none"> Ensure that the quantity and variety of firefighting equipment are sufficient. Strengthen the inspection and supervision of important fire safety workplaces and areas. Conduct comprehensive fire safety education for workers, with an aim to improve the fire safety awareness and self-help capability of personnel.



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Risk type	Risk level	Time range	Impact on business model, value chain and finance	Countermeasures
Transformation risk (policy and regulation) – tightening of Chinese government supervision	Low	Short term, medium term and long term	<ul style="list-style-type: none"> China will continue to formulate policies and regulations to deal with climate change, which will increase the cost of compliance operation. Regulators are expected to impose stricter environmental requirements on us. 	<ul style="list-style-type: none"> We will continuously improve our knowledge and understanding on the regulatory environment in China and reduce potential regulatory risks. We will actively use energy-saving electrical equipment and production facilities to raise employees' awareness of energy conservation and emission reduction. We will reduce emission and resource consumption, and prevent compliance costs from increasing due to excessive emission.
Transformation risk (policy and supervision) – strengthening the obligation to declare greenhouse gas emission	Low	Short term	<ul style="list-style-type: none"> The regulatory authorities are gradually strengthening the requirements for listed companies to disclose climate risk information and stipulating stricter information disclosure obligations. In order to meet these requirements, operating cost will increase. The need to collect, verify and manage daily carbon data may increase operating cost. 	<ul style="list-style-type: none"> We have hired third-party environmental, social and governance consultant to provide services and monitor the latest situation of environmental, social and governance and climate reporting guidelines, laws and regulations. Gradually establish a greenhouse gas emissions accounting system covering Scope 1, Scope 2 and key Scope 3 emissions, laying the foundation for compliance reporting and internal management.
Transformation risk (policy and supervision) – implementing carbon pricing regulations	Low	Medium term	<ul style="list-style-type: none"> With the implementation of carbon pricing, more and more carbon pricing regulations (such as carbon tax) and market-based mechanisms (such as cap and trade) will be adopted, which will increase additional financial costs. 	<ul style="list-style-type: none"> We can reduce the additional financial costs related to carbon pricing or carbon tax by strictly observing the latest laws and regulations of local and regional carbon markets and implementing strict control and monitoring measures for carbon emission.
Transformation risk (market) – customer preference change	Low	Medium term	<ul style="list-style-type: none"> Customers' preference for environmentally friendly/low carbon products may prompt the Group to develop a green supply chain. Failure to meet customers' expectations for these products may lead to a decrease orders and revenue. 	<ul style="list-style-type: none"> In order to cater to users' preference for environmentally friendly products, we have implemented Sustainable Procurement Policy to promote the green supply chain and give priority to the use of environmentally friendly products. Actively develop products that are energy-efficient and meet green requirements.



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Risk type	Risk level	Time range	Impact on business model, value chain and finance	Countermeasures
Transformation risk (reputation) – carbon emission is closely concerned by all stakeholders	Low	Medium term and long term	<ul style="list-style-type: none"> Any noncompliance or excessive emission of the Group will have a negative impact on the brand image and reputation. This may result in additional costs related to maintaining brand image and reputation. 	<ul style="list-style-type: none"> We are committed to strictly abide by the national and industrial laws and regulations related to carbon emission and strictly implement the environmental protection system. We closely monitor carbon emission and take effective measures to solve any problems that arise. Systematically disclose the Company's carbon emissions, as well as its efforts and progress in low carbon technologies, product energy efficiency and supply chain management, in the annual report, on the official website and at investor meetings.
Transformation risk (technology) – unable to keep up with new technology trends	Low	Short term and medium term	<ul style="list-style-type: none"> In order to effectively control the carbon emission of products, we must strengthen the development of environmental protection processes, the use of new technologies, and upgrade cleaner production equipment to meet the requirements of low-emission products. Related work may lead to an increase in operating cost. 	<ul style="list-style-type: none"> We will pay close attention to the latest technological progress of equipment manufacturers and actively explore and implement the new energy development strategy driven by artificial intelligence. We will also deal with any technical risks that may arise. Actively establish cooperative relationships with universities and research institutions, promote industry technology exchanges, and strategically plan for key green technologies in advance.

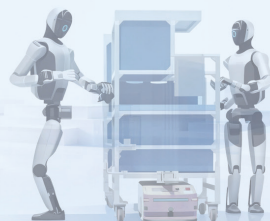
The above risks are expected impacts. Preliminary assessments during the reporting period did not identify any significant risks that would require a material adjustment to the carrying amounts of assets or liabilities in the next reporting year. As key assumptions and parameters are still subject to verification, qualitative disclosure is primarily provided for the current year. In the future, we will gradually enhance the scope and quality of quantitative disclosure based on accumulated expertise and resource allocation.



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Opportunities of climate change

Opportunity type	Time range	Potential impact on business model, value chain and finance	Countermeasures
Entering new markets	Medium term and long term	<ul style="list-style-type: none"> Medium-and Long-Term Plan for the Development of Hydrogen Energy Industry (2021–2035) issued in April 2022 emphasized that hydrogen energy is an important part of the future national energy system and a key development field. The Company has the opportunity to develop new revenue growth drivers, increasing the sales proportion and profit margin of high value-added products. 	<ul style="list-style-type: none"> Hydrogen energy has the advantage of zero carbon emission during consumption. We are actively exploring the application of new energy sources such as hydrogen energy to our products so as to achieve the goal of “carbon dioxide peaking and carbon neutrality” and promote the green and high-quality economic development. Focusing on themes such as new energy, research and develop artificial intelligence technologies and robotics products to form low carbon solutions.
Resource efficiency	Short term	<ul style="list-style-type: none"> Improving the utilization efficiency of resources (including energy, water and other resources) while minimizing consumption can greatly help enterprises reduce their operating cost and capital expenditure. 	<ul style="list-style-type: none"> Actively adopt green office and operation measures. Implement various energy-saving and water-saving measures to increase energy and water efficiency. Enhance competitiveness through product energy efficiency and material optimisation. Help customers improve efficiency through intelligent logistics and automation solutions. Improve industrial efficiency using Internet of Things and artificial intelligence technologies.
Energy sources	Long term	<ul style="list-style-type: none"> The declining cost of renewable energy alleviates pressure on capital expenditure. 	<ul style="list-style-type: none"> Actively respond to the domestic renewable energy electricity marketisation trading policy, gradually shifting the power supply towards green energy sources such as solar and wind power.



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Risk management

In accordance with the Group's overall risk management system, we integrate climate risk management into our business operations, forming a management process that encompasses risk identification, risk assessment, risk response and the execution of response strategies. We will regularly review and monitor climate-related physical and transition risks.

In order to effectively cope with the potential impact of climate risks on our business, we have implemented strict climate risk management processes at the Group level. The Group identifies and classifies various climate-related risks based on historical records of natural disasters in each operating location, the physical risk profile of the region, as well as changes in regulatory and market policies, and continuously optimizes the risk management system to ensure that the measures taken can effectively avoid or mitigate the adverse impacts of climate change.

We identify and evaluate climate-related risks through the following steps:

- Use historical data, scientific research and industry reports to identify climate change risks that may affect business operations, including physical risks (such as extreme weather events and sea level rise) and transformation risks (such as carbon pricing, regulatory changes and shifts in market demand);
- Qualitatively evaluate the identified risks to determine their potential impact and occurrence probability;
- Divide risks into short-term, medium-term and long-term risks according to their nature and impact time so as to formulate corresponding coping strategies.

We have embedded climate risk management into the Group's overall risk management system, promoting coordinated responses across all business and functional departments. Key initiatives include: establishing a cross-departmental climate risk working group and holding regular meetings to share risk intelligence and management experience; conducting regular climate risk and response training to enhance employees' risk identification and handling capabilities, ensuring full employee participation; and regularly disclosing climate-related identification, assessment and management measures in accordance with established disclosure mechanisms to enhance transparency and maintain the trust of stakeholders.



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Indicators and targets

We have continuously disclosed our Scope 1 and Scope 2 greenhouse gas emissions data in our ESG reports over the years. We have now preliminarily commenced data collection and verification work with relevant functional departments, and have begun to identify Scope 3 emission categories that are material to the Group's business, in preparation for future disclosure.

Greenhouse gas emission ^{1 2}	Unit	2025
Direct greenhouse gas emission (scope 1)	tCO ₂ e	3.48
Greenhouse gas reduction of newly planted trees (scope 1)	tCO ₂ e	1.79
Indirect greenhouse gas emission (scope 2)	tCO ₂ e	3,589.79
Total greenhouse gas emission (scopes 1 and 2)	tCO ₂ e	3,591.48
Greenhouse gas emission intensity per square meter (scopes 1 and 2)	tCO ₂ e/m ²	0.04
Greenhouse gas emission per million RMB revenue (scopes 1 and 2)	tCO ₂ e/million RMB revenue	1.79

We regularly compile and disclose our total greenhouse gas emissions and emission intensity, continuously monitor key indicators and implement multiple emission reduction initiatives, striving to achieve our established carbon reduction targets while promoting business development. For more information on our initiatives to achieve our greenhouse gas emission targets, please refer to the "GREEN OPERATION" section of this chapter.

The Group has made disclosures in accordance with the climate-related disclosure requirements set out in Appendix C2 Part D, and has applied the "reasonable information relief" on a "comply or explain" basis where applicable. For certain disclosure items that are still at the stage of developing methodologies and data systems (such as scenario analysis, quantification of expected financial impacts, and the integration of climate factors into decision-making and incentive mechanisms), the Group has provided explanations and formulated plans, including refining the emission boundaries of data, introducing scenario analysis methodologies and establishing a financial impact quantification framework, with a view to continuously improving the completeness and comparability of its disclosures.

¹ The greenhouse gas emission calculation methodology references the "Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard" published by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

² We use the operational control approach to set the accounting boundary for greenhouse gas emissions and adopt a location-based method for calculation.



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5. SUPPORTING COMMUNITY PUBLIC WELFARE

UBTECH actively fulfills its corporate social responsibility and is committed to giving back to society through the promotion of education and community services. This year, we collaborated with a number of organizations to jointly promote various initiatives, such as the establishment of the "Production Process Industrial Humanoid Robot Data Collection Centre" with the China Vocational and Technical Education Society. This year, we donated a total of RMB1,132,365 for community public welfare, talent cultivation and enterprise social responsibility, among other areas.

Establishment of the "Production Process Industrial Humanoid Robot Data Collection Centre" with the China Vocational and Technical Education Society

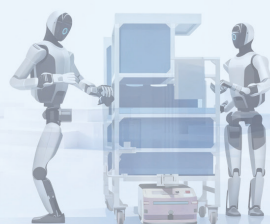
On 23 September 2025, the Group entered into a strategic cooperation agreement with the China Vocational and Technical Education Society. The parties will carry out a series of collaborations centred around "co-cultivating high-skilled talents in the field of humanoid robots", including the joint establishment of an independent talent cultivation system for artificial intelligence and embodied intelligence, as well as the "Production Process Industrial Humanoid Robot Data Collection Centre", with a view to establishing a nationwide collaborative network for the collection of industrial humanoid robot data. The Group will work with the China Vocational and Technical Education Society in the future to promote the aggregation and open sharing of data resources, thereby supporting talent cultivation, technological innovation and industrial upgrading in the field of robotics.



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Nanshan District Public Welfare Training for Service Robot Application Technicians

In September 2025, the "2025 'Skills Advancement • Career in Nanshan' Public Welfare Vocational Skills Training – Service Robot Application Technician Training Course" hosted by UBTECH ROBOTICS CORP LTD was successfully completed. This public welfare training offered a total of 56 class hours over 7 days, attracting 50 trainees, including in-service employees from enterprises in Nanshan District, local residents, fresh graduates from full-time ordinary colleges and universities, as well as key groups such as persons with disabilities, veterans, registered unemployed persons, and youth from Hong Kong, Macao and Taiwan. The training was equipped with a lecturer team composed of the Company's senior engineers and technical experts, provided training equipment including Creabot, Cruzr and Walker Tienkung, and opened an advanced robot operation platform, enabling trainees to not only systematically master core knowledge such as the basic principles, operation and maintenance, and application integration of service robots, but also acquire practical skills to solve real problems through hands-on practice.



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Supporting Fire Rescue and Post-Disaster Assistance in Hong Kong

In November 2025, UBTECH ROBOTICS CORP LTD donated HKD1,000,000 and small-size humanoid companion robots valued at HKD500,000 to support fire rescue and post-disaster reconstruction efforts in Hong Kong, providing companionship for the elderly and children. We will continue to monitor rescue progress and stand in solidarity with our fellow citizens in Hong Kong to overcome this difficult time.



APPENDIX I: ABOUT THE REPORT

Introduction to the report

This report is the third environmental, social and governance (“ESG”) report published by UBTECH ROBOTICS CORP LTD (“the Group”, “UBTECH” and “We”). This Report discloses the Group’s policies, principles, objectives and measures on ESG, and shares our work and efforts on sustainable development with all stakeholders. We will continue to make changes and promote the development of social enterprises.

Reporting standard

This Report is prepared in accordance with the mandatory disclosure requirements and “Explanation in Case of Noncompliance” in Appendix C2 ESG Reporting Guide of Listing Rules issued by the Stock Exchange of Hong Kong, following the four reporting principles in the guidelines.

- Importance: This Report has identified and disclosed the process of important ESG topics, the criteria for selecting these topics, and the process of describing the participation of stakeholders.



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- **Consistency:** The statistical methods used to disclose data in this Report are consistent. If there is any change, it will be clearly stated in the Report.
- **Quantification:** The statistical standards, methods, assumptions and calculation tools used for ESG key performance indexes (KPIs) and related data disclosed in this Report as well as the sources of conversion factors are all explained in the Report.
- **Balance:** This is the third Report of the Group. If there are any changes in the statistical methods or key performance indexes, or any other relevant factors that affect the meaningful comparison, the Group will disclose them in subsequent reports.

Scope of the report

The disclosure time of this Report is from January 1 to December 31, 2025 (“this year”). The social disclosure scope of this Report is the same as that of the annual report, and the environmental disclosure scope covers the production bases and offices of the Group, including Shenzhen Nanshan Office, Shenzhen Factory, Liuzhou Factory, Wuxi Office and Factory, Jiujiang Youbixing Factory, Beijing Office, Xiamen Factory, Shijiazhuang Factory and Hangzhou Factory.

Report language

This Report is published in Chinese and English. In case of any discrepancy, the Chinese version shall prevail.

Confirmation and approval

This Report was confirmed by the management, reviewed and approved by the board of directors of the Group on April 14, 2026.

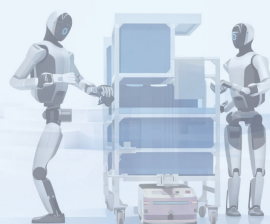
Report feedback

The Group attaches great importance to your opinions and suggestions for this Report, and welcomes your feedback on the contents of the report. If you have any queries or suggestions, please contact us in the following ways.

Address: 22F, Building C1, Nanshan Smart Park, No. 1001, Xueyuan Avenue, Nanshan District, Shenzhen

Tel: 0755-83474428

Email: investor@ubtrobot.com



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APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA

Environment	Unit	2025
Air pollution emission³		
Nitrogen oxides	kg	20.21
Sulphur oxides	kg	0.01
Particulate matters	kg	1.31
Greenhouse gas emission³		
Direct greenhouse gas emission (scope 1)	tCO ₂ e	3.48
Greenhouse gas reduction of newly planted trees (scope 1)	tCO ₂ e	1.79
Indirect greenhouse gas emission (scope 2)	tCO ₂ e	3,589.79
Total greenhouse gas emission (scopes 1 and 2)	tCO ₂ e	3,591.48
Greenhouse gas emission intensity (per square meter) (scopes 1 and 2)	tCO ₂ e/m ²	0.04
Greenhouse gas emission per million RMB revenue (scopes 1 and 2)	tCO ₂ e/million RMB revenue ⁴	1.79
Energy consumption		
Purchased power consumption	MWh	6,765.53
Purchased power consumption intensity (per square meter)	MWh/m ²	0.07
Purchased power consumption per million RMB revenue	MWh/million RMB revenue ⁴	3.38
Gasoline consumption	Litre	300
Diesel consumption	Litre	1,019
Water consumption		
Total water consumption	m ³	22,866.76
Water consumption intensity (per square meter)	m ³ /m ²	0.25
Water consumption per million RMB revenue	m ³ /million RMB revenue ⁴	11.43
Paper consumption		
Total paper consumption	kg	6,510.38
Per capita paper consumption	kg/person	2.55
Waste generation		
Total non-hazardous waste produced	Ton	546.59
Per capita non-hazardous waste produced	Ton/person	0.21
Waste tin slag	kg	1.00
Waste wiper water	kg	10.00
Waste ink cartridges and waste toner cartridges	Piece	20
Packaging material consumption		
Carton	kg	801,739.25
Paper	kg	220.91
Plastics	kg	1,591.83
Packaging bag	kg	109,615.91

³ The calculation of air pollution emission refers to How to Prepare Environmental, Social and Governance Reports – Appendix II: Guidelines for Reporting Environmental Key Performance Indexes issued by the Hong Kong Stock Exchange. The air pollution emission and greenhouse gas emission of the Group are calculated.

⁴ The operating revenue data comes from the annual report 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Social category	Unit	2025
Number of employees		
Total number of employees	Number of employees	2,550
Number of employees (by gender)		
Female	Number of employees	773
Male	Number of employees	1,777
Number of employees (by employee type)⁵		
Short-term contract/part-time employees	Number of employees	169
Full-time junior employee	Number of employees	1,239
Full-time middle management	Number of employees	1,288
Full-time senior management	Number of employees	23
Number of employees (by age group)		
Under 30 years old	Number of employees	838
31–50 years old	Number of employees	1,695
Over 50 years old	Number of employees	17
Number of employees (by region)		
North China	Number of employees	88
Northeast China	Number of employees	2
East China	Number of employees	455
Central China	Number of employees	50
Northwest China	Number of employees	15
South China	Number of employees	1,907
Others (including Hong Kong, Macao and Taiwan)	Number of employees	33
Turnover rate⁶		
Total turnover rate of employees	%	23.86
Turnover rate of employees (by gender)		
Female	%	23.92
Male	%	23.83
Turnover rate of employees (by age group)		
Under 30 years old	%	27.51
31–50 years old	%	22.07
Over 50 years old	%	5.56
Turnover rate of employees (by region)		
North China	%	13.73
Northeast China	%	33.33
East China	%	28.68
Central China	%	28.57
Northwest China	%	21.05
South China	%	22.70
Others (including Hong Kong, Macao and Taiwan)	%	34.00

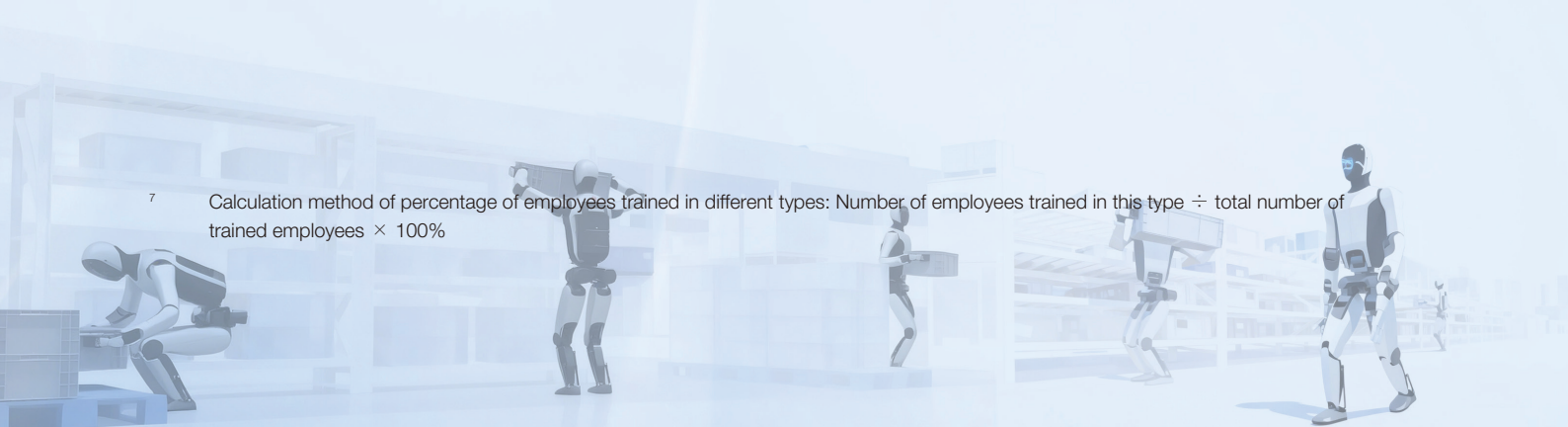
⁵ Other employee types (gender, age and region) and turnover rate of employees exclude short-term contract/part-time employees.

⁶ Calculation method of turnover rate of employees in different types: $\text{Number of resigned employees} \div (\text{number of resigned employees} + \text{number of employees at the end of the year}) \times 100\%$

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Social category	Unit	2025
Occupational health and safety		
Number of work-related deaths in each of the past three years (including the reporting year)	Number of employees	0
The rate of work-related deaths in each of the past three years (including the reporting year)	%	0
Number of working days lost due to work-related injuries	Number of days	0
Development and training		
Percentage of employees trained by gender⁷		
Female	%	29.95
Male	%	70.05
Percentage of employees trained by employee type⁷		
Short-term contract/part-time employees	%	6.70
Full-time junior employees	%	30.48
Full-time middle management	%	62.02
Full-time senior management	%	0.80
Average training hours of employees by gender		
Female	Hour	31
Male	Hour	23
Average training hours of employees trained by employee type		
Short-term contract/part-time employees	Hour	18.00
Full-time junior employee	Hour	32.00
Full-time middle management	Hour	24.00
Full-time senior management	Hour	6.50

⁷ Calculation method of percentage of employees trained in different types: Number of employees trained in this type ÷ total number of trained employees × 100%



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

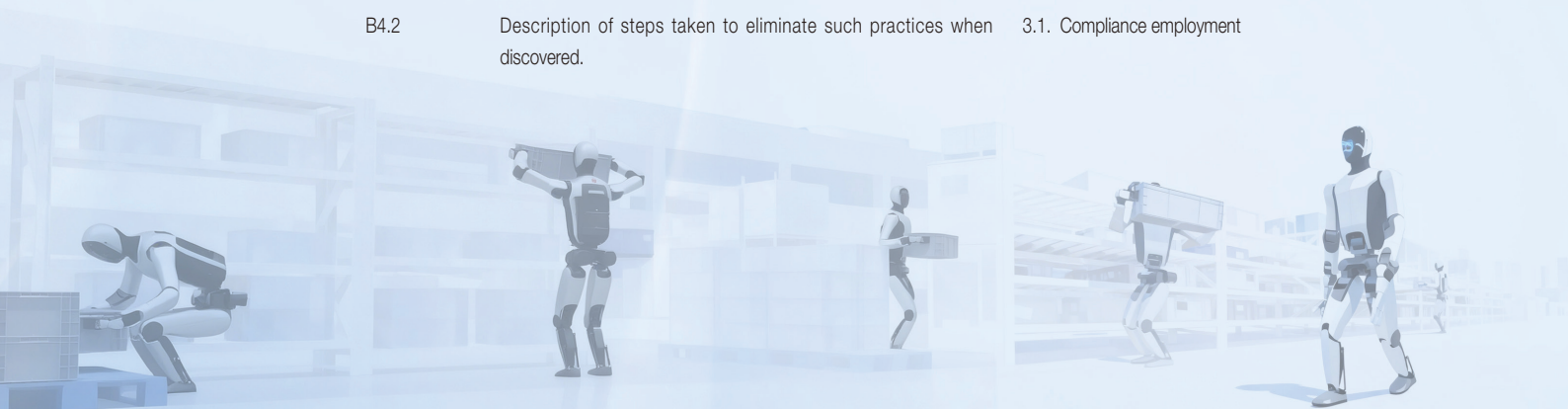
APPENDIX III: INDEX OF GUIDELINES FOR ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT ISSUED BY THE STOCK EXCHANGE OF HONG KONG

Index content		Related chapters	
A. Environmental category			
A1. Emissions	General disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to waste gas and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	4. GREEN OPERATION
	A1.1	Types of emissions and related emission data.	APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
	A1.2	Deleted on January 1, 2025	
	A1.3	Total amount and intensity of hazardous wastes generated.	APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
	A1.4	Total amount and intensity of non-hazardous waste generated.	APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
	A1.5	Describe the emission targets set and the steps taken to achieve them.	4.2 Reducing pollutant emission
	A1.6	Describe the methods of treating hazardous and nonhazardous wastes, and describe the waste reduction targets set and the steps taken to achieve them.	4.2 Reducing pollutant emission
A2. Use of Resources	General disclosure	Policies for the effective use of resources (including energy, water and other raw materials).	4.1 Reducing resource consumption
	A2.1	Total direct and/or indirect energy consumption and intensity by type.	APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
	A2.2	Total water consumption and intensity.	APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
	A2.3	Describe the energy efficiency goals set and the steps taken to achieve them.	4. GREEN OPERATION
	A2.4	Describe any problems in finding suitable water sources as well as the water consumption efficiency goals and steps taken to achieve them.	4. GREEN OPERATION 4.1 Reducing resource consumption
	A2.5	Total amount of packaging materials used in finished products and the proportion per production unit.	APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
A3. Environment and natural resources	General disclosure	Policies to reduce the issuer's significant impact on the environment and natural resources.	4. GREEN OPERATION
	A3.1	Describe the significant impact of business activities on the environment and natural resources and the actions taken to manage the impact.	4. GREEN OPERATION



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Index content		Related chapters
B. Social		
Employment and labor practice		
B1. Hiring	General disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.
	B1.1	Total number of employees by gender, type of employment (such as full-time or part-time), age group and region.
	B1.2	Turnover rate of employees by gender, age group and region.
B2. Health and safety	General disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.
	B2.1	Number and rate of work-related deaths in each of the past three years (including the reporting year).
	B2.2	Number of working days lost due to work-related injuries.
	B2.3	Describe the occupational health and safety measures adopted and the related implementation and monitoring methods.
B3. Development and training	General disclosure	Policies on improving employees' knowledge and skills in performing their duties. Describe the training activities.
	B3.1	Percentage of employees trained by gender and employee type (e.g. senior management, and middle management).
	B3.2	Average hours of training completed by employees by gender and employee type.
B4. Labour Standards	General Disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.
	B4.1	Description of measures to review employment practices to avoid child and forced labour.
	B4.2	Description of steps taken to eliminate such practices when discovered.
		3. PROFESSIONAL TALENT CULTIVATION
		APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
		APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
		3.4 Employee occupational health
		APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
		APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
		3.4 Employee occupational health
		3.3 Employee cultivation and development
		APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
		APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
		3.1. Compliance employment
		3.1. Compliance employment
		3.1. Compliance employment



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Index content		Related chapters	
Operating Practices			
B5. Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	2.6 Supplier management
	B5.1	Number of suppliers by geographical region.	2.6 Supplier management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	2.6 Supplier management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	2.6 Supplier management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	2.6 Supplier management
B6. Product Responsibility	General Disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	2. QUALITY PRODUCTS AND SERVICES
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	2.3 Delivering satisfactory customer service
	B6.2	Number of products and service related complaints received and how they are dealt with.	2.3 Delivering satisfactory customer service
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.4 Protecting intellectual property
	B6.4	Description of quality assurance process and recall procedures.	2.2 Quality management system 2.3 Delivering satisfactory customer service
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	2.5 Information security barrier
B7. Anticorruption	General Disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	1.6. Anti-corruption system
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	1.6. Anti-corruption system
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.6. Anti-corruption system
	B7.3	Description of anti-corruption training provided to directors and staff.	1.6. Anti-corruption system



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Index content		Related chapters	
B8. Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	5. SUPPORTING COMMUNITY PUBLIC WELFARE
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	5. SUPPORTING COMMUNITY PUBLIC WELFARE
	B8.2	Resources contributed (e.g. money or time) to the focus area.	5. SUPPORTING COMMUNITY PUBLIC WELFARE

Part D: Climate-related Disclosures

(I) Governance	19. An issuer shall disclose information about:	4.3. Tackling climate change
	<p>(a) the governance body(s) (which can include the board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate related risks and opportunities.</p> <p>(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.</p>	
(II) Strategy	20. Climate-related risks and opportunities	4.3. Tackling climate change
	An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term.	
	21. Business model and value chain	4.3. Tackling climate change Adopt reasonable information relief
	An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain.	
	22. Strategy and decision-making	4.3. Tackling climate change Adopt reasonable information relief
An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:		
information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation.		
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	4.3. Tackling climate change Adopt reasonable information relief	



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Index content

Related chapters

24. Financial position, financial performance and cash flows**Current financial effect**

An issuer shall disclose qualitative and quantitative information about:

- (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and
- (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.

25. Anticipated financial effect

The issuer shall provide qualitative and quantitative disclosures about:

- (a) how the issuer expects its financial performance to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration.
- (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.

26. Climate resilience

An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range.

27. An issuer shall disclose information about:

- (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks.
- (b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and
- (c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.

4.3 Tackling climate change

Adopt financial effects relief

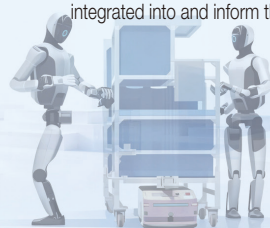
4.3 Tackling climate change

Adopt capabilities relief

4.3 Tackling climate change

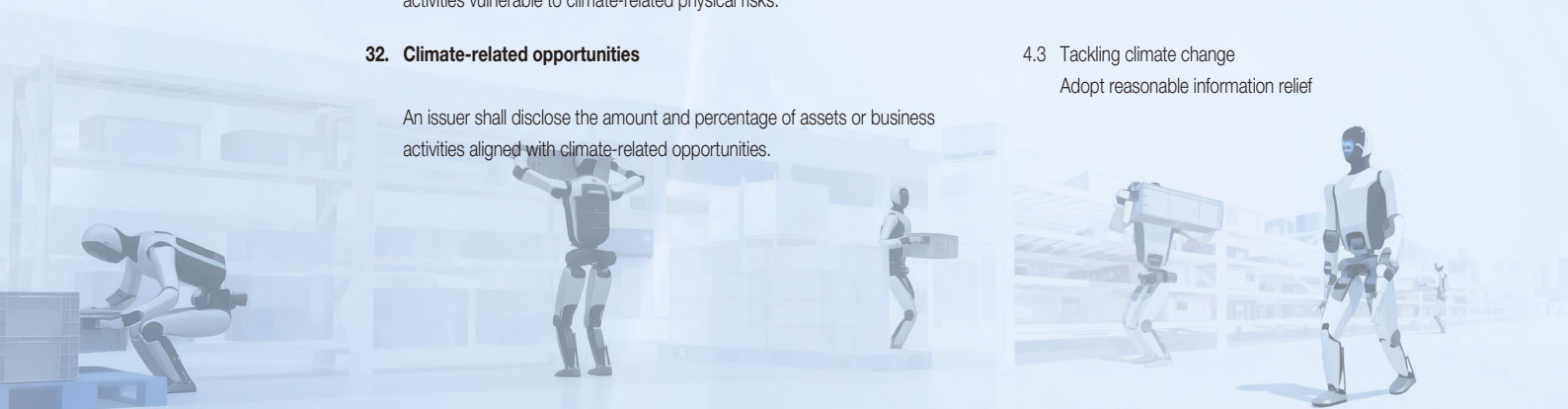
Adopt reasonable information relief

4.3 Tackling climate change

(III) Risk management

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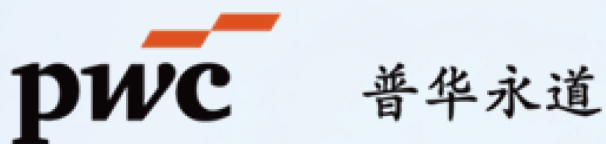
Index content		Related chapters
(IV) Metrics and targets	28. Greenhouse gas emissions An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO ₂ equivalent, classified as: <ul style="list-style-type: none"> (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions. 	4.3 Tackling climate change APPENDIX II: SUMMARY OF SUSTAINABLE DEVELOPMENT DATA
	Reasonable Information Relief – In the future, we will continue to collect more comprehensive data to gradually expand and improve the disclosure coverage of each Scope 3 sub-category that has a material impact on the Group's business.	
	29. An issuer shall: <ul style="list-style-type: none"> (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011). 	4.3 Tackling climate change Adopt reasonable information relief
	30. Climate-related transition risks An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	4.3 Tackling climate change Adopt reasonable information relief
	31. Climate-related physical risks An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	4.3 Tackling climate change Adopt reasonable information relief
	32. Climate-related opportunities An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	4.3 Tackling climate change Adopt reasonable information relief



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Index content	Related chapters
<p>33. Capital deployment</p> <p>An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.</p>	<p>4.3 Tackling climate change Adopt reasonable information relief</p>
<p>34. Internal carbon prices</p> <p>An issuer shall disclose:</p> <p>(a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and</p> <p>(b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;</p> <p>or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.</p>	<p>4.3 Tackling climate change The Group has not yet applied carbon prices in its decision-making.</p>
<p>35. Remuneration</p> <p>An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).</p>	<p>4.3 Tackling climate change The Group has not yet incorporated climate-related considerations into its remuneration policy.</p>
<p>36. Industry-based metrics</p> <p>An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry.</p>	<p>4.3 Tackling climate change We do not disclose any industry-based metrics at present, but will explore the feasibility in the future.</p>
<p>37. Climate-related targets</p> <p>An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.</p>	<p>4.3 Tackling climate change</p>
<p>38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.</p>	<p>4.3 Tackling climate change</p>
<p>39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.</p>	<p>4.3 Tackling climate change</p>
<p>40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39.</p>	<p>4.3 Tackling climate change</p>
<p>41. Applicability of cross-industry metrics and industry-based metrics</p> <p>In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).</p>	<p>4.3 Tackling climate change Adopt reasonable information relief – We do not disclose any industry-based metrics at present, but will explore the feasibility in the future.</p>

AUDITOR'S REPORT



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TO THE SHAREHOLDERS OF UBTECH ROBOTICS CORP LTD (深圳市優必選科技股份有限公司),

I. OPINION

(I) What we have audited

We have audited the accompanying financial statements of UBTECH ROBOTICS CORP LTD (深圳市優必選科技股份有限公司) (hereinafter "UBTECH"), which comprise: the consolidated and company balance sheets as at December 31, 2025; the consolidated and company income statements for the year then ended; the consolidated and company cash flow statements for the year then ended; the consolidated and company statements of changes in shareholders' equity for the year then ended; and notes to the financial statements.

(II) Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company's financial position of UBTECH as at December 31, 2025, and their financial performance and cash flows for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises ("CASs").

II. BASIS FOR OPINION

We conducted our audit in accordance with Chinese Auditing Standards for Certified Public Accountants ("CSAs"). Our responsibilities under those standards are further described in the Certified Public Accountant's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of UBTECH in accordance with China Independence Standard for Certified Public Accountants No. 1 – Independence for Audit and Review Engagements and China Code of Ethics for Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code. The independence requirements for audits of public interest entities have been applied in our audit.

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AUDITOR'S REPORT

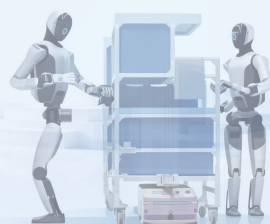
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III. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit relate to the measurement of expected credit loss on accounts receivables and long-term receivables.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Measurement of expected credit loss on accounts receivables and long-term receivables</p> <p>Please refer to notes 2 (9), 2 (27), 4 (4) and 4 (9) to the financial statements.</p> <p>On December 31, 2025, the gross amount of UBTECH's accounts receivables was RMB1,841,662,000, the provision for bad debts was RMB539,438,000, and the carrying amount was RMB1,302,224,000. The gross amount of long-term receivables was RMB207,950,000, the provision for bad debts was RMB10,987,000, the carrying amount was RMB196,963,000. Accounts receivables and long-term receivables accounted for approximately 14.6% of the total consolidated assets.</p> <p>UBTECH measured the loss allowance for all accounts receivables and long-term receivables according to the expected credit loss within their entire lifetime. Management assessed the expected credit loss on accounts receivables and long-term receivables on an individual or collective basis:</p> <p>(1) For accounts receivables and long-term receivables with significantly different credit risk characteristics, the expected credit loss is recognized based on the difference between the carrying amount of the individual receivable and the present value of the expected cash flows under various scenarios;</p>	<p>We have performed the following audit procedures to address the measurement of expected credit loss on accounts receivables and long-term receivables, including:</p> <ul style="list-style-type: none"> • Obtained an understanding of the management's internal controls and assessment process relevant to the measurement of expected credit loss on accounts receivables and long-term receivables, including management's identification of credit risk characteristics of accounts receivables, the classification of grouping, and the review and approval of the key assumptions adopted and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes, and susceptibility to management bias and other fraud risk factors; • Evaluated the appropriateness of management's classification of accounts receivables and long-term receivables based on the understanding of UBTECH's business and the credit risk characteristics of customers; • Tested, on a sampling basis, the accuracy of the ageing of accounts receivables and long-term receivables; • For accounts receivables and long-term receivables that expected credit loss assessed individually, examined the accuracy of the default risk exposure for each counterparty, understood the basis of management's assessment of expected credit loss under different circumstances, and tested, on a sampling basis, the relevant supporting evidence to assess the reasonableness of management's estimate of expected credit loss;



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III. KEY AUDIT MATTERS *(Continued)*

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Measurement of expected credit loss on accounts receivables and long-term receivables (Continued)</p> <p>(2) For the remaining balance of accounts receivable and long-term receivables, management classifies them into different portfolios based on risk characteristics and determines the expected credit loss rate using an ageing matrix. In determining the expected credit loss rate, management uses data such as internal historical credit loss experience, and makes adjustment to the historical data based on current conditions and forward-looking information.</p> <p>We considered the measurement of expected credit loss for accounts receivables and long-term receivables as a “key audit matter” as the amounts involved are significant and the measurement involves significant accounting estimates and judgements.</p>	<p>We have performed the following audit procedures to address the measurement of expected credit loss on accounts receivables and long-term receivables, including (Continued):</p> <ul style="list-style-type: none"> • For accounts receivable and long-term receivables that expected credit loss is assessed on collective basis, examined, on a sampling basis, the accuracy of grouping, the accuracy and completeness of the original value used in the expected credit loss calculation model, and the accuracy of ageing groups; • With the assistance of internal assessment specialists, <ol style="list-style-type: none"> (1) Assessed the reasonableness of the measurement model used by management and the appropriateness of the grouping; (2) Examined management’s selection of economic indicators by reference to industry and external macroeconomic data, as well as the relevance between asset portfolios and economic indicators, to evaluate the appropriateness of management’s assessment of forward-looking information; (3) Performed sensitivity analysis on the assumptions adopted by management in the assessment of forward-looking information to assess whether the potential impact on the expected credit loss is substantial in the event of a reasonable and probable change in the relevant key assumptions;



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III. KEY AUDIT MATTERS *(Continued)*

Key Audit Matter

How our audit addressed the Key Audit Matter

We have performed the following audit procedures to address the measurement of expected credit loss on accounts receivables and long-term receivables, including (Continued):

- Recalculated the amount of expected credit loss to assess the accuracy of management's calculations;
- Assessed the adequacy of the disclosures related to the measurement of expected credit loss on accounts receivables and long-term receivables under the relevant requirements of the CASs.

Based on the abovementioned audit procedures performed, the significant accounting estimates and judgments used by management in measuring the expected credit loss on accounts receivables and long-term receivables were supported by the audit evidence obtained.

IV. OTHER INFORMATION

Management of UBTECH is responsible for the other information. The other information comprises all of the information included in 2025 annual report of UBTECH other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



AUDITOR'S REPORT

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V. RESPONSIBILITIES OF MANAGEMENT AND AUDIT COMMITTEE FOR THE FINANCIAL STATEMENTS

Management of UBTECH is responsible for the preparation and fair presentation of these financial statements in accordance with the CASs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing UBTECH's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate UBTECH or to cease operations, or has no realistic alternative but to do so.

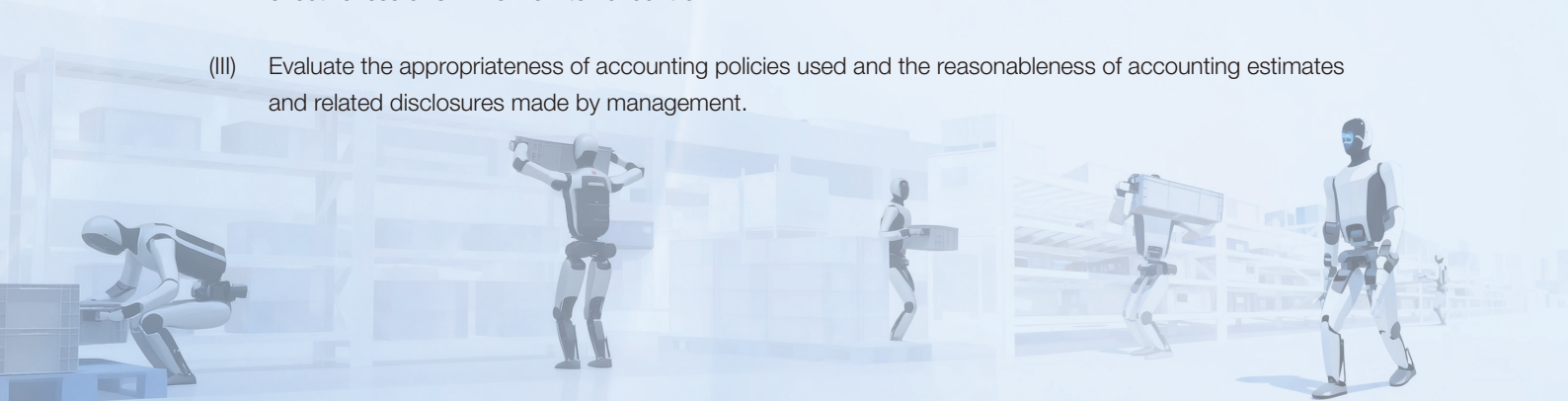
The Audit Committee is responsible for overseeing UBTECH's financial reporting process.

VI. CERTIFIED PUBLIC ACCOUNTANT'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether these financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of UBTECH's internal control.
- (III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



AUDITOR'S REPORT

PwC ZT Shen Zi (2026) No.15002
(Page 6 of 6)

VI. CERTIFIED PUBLIC ACCOUNTANT'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS *(Continued)*

- (IV) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on UBTECH's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in these financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause UBTECH to cease to continue as a going concern.
- (V) Evaluate the overall presentation (including the disclosures), structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (VI) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the UBTECH to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers Zhong Tian LLP

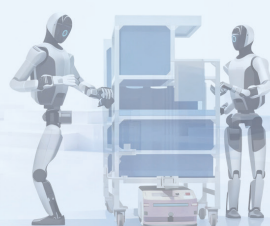
Signing CPA

Wang Yinming (Engagement Partner)

Shanghai, the People's Republic of China
March 31, 2026

Signing CPA

Huangfu Xin



CONSOLIDATED AND COMPANY BALANCE SHEET AS AT DECEMBER 31, 2025

(All amounts in RMB'000 unless otherwise stated)

	Note	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Assets		Consolidated	Consolidated	Company	Company
Current assets					
Cash at bank and on hand	4(1)	4,918,605	1,223,715	4,447,427	904,968
Financial assets held for trading	4(2)	50,014	15,008	50,014	15,008
Notes receivables	4(3)	39,764	36,819	13,986	5,760
Accounts receivable	4(4), 13(1)	1,302,224	913,498	2,232,059	557,197
Prepayments	4(5), 13(2)	125,226	117,801	181,496	191,327
Other receivables	4(6), 13(3)	128,346	26,435	1,195,521	672,714
Inventories	4(7)	576,526	460,500	282,547	288,482
Other current assets	4(8)	136,253	112,417	3,021	1,165
Total current assets		7,276,958	2,906,193	8,406,071	2,636,621
Non-current assets					
Long-term receivables	4(9), 13(4)	196,963	140,351	174,262	53,130
Long-term equity investments	4(10), 13(5)	149,211	23,352	3,204,286	3,070,019
Investment in other equity instruments	4(11)	66,987	49,795	66,987	45,000
Right-of-use assets	4(12)	41,247	58,063	19,854	27,743
Fixed assets	4(13)	241,743	139,035	68,917	31,417
Construction in progress	4(14)	1,742,139	1,308,779	-	-
Intangible assets	4(15)	425,319	447,448	6,763	10,897
Goodwill	4(16)	-	10,351	-	-
Long-term prepaid expenses	4(17)	24,251	28,635	10,218	7,352
Other non-current financial assets		3,042	-	-	-
Other non-current assets	4(18)	72,948	21,523	35,430	2,894
Total non-current assets		2,963,850	2,227,332	3,586,717	3,248,452
Total assets		10,240,808	5,133,525	11,992,788	5,885,073



CONSOLIDATED AND COMPANY BALANCE SHEET AS AT DECEMBER 31, 2025

(All amounts in RMB'000 unless otherwise stated)

	Note	December 31, 2025 Consolidated	December 31, 2024 Consolidated	December 31, 2025 Company	December 31, 2024 Company
Liabilities and Shareholders' equity					
Current liabilities					
Short-term borrowings	4(20)	622,858	793,365	430,553	648,670
Notes payable		11,998	–	100,000	50,000
Accounts payables	4(21)	701,444	547,808	1,747,926	849,620
Contract liabilities	4(22)	91,119	61,425	279,892	196,436
Employee benefits payable	4(23)	139,449	124,344	103,713	90,993
Taxes payable	4(24)	145,837	82,498	109,713	29,113
Other payables	4(25)	537,544	391,094	1,947,059	1,975,409
Non-current liabilities to be settled within one year	4(26)	84,532	70,982	8,146	10,174
Other current liabilities	4(27)	57,245	21,031	18,350	7,819
Total current liabilities		2,392,026	2,092,547	4,745,352	3,858,234
Non-current liabilities					
Long-term borrowings	4(28)	439,400	708,630	48,500	–
Lease liabilities	4(29)	25,523	36,553	13,684	18,234
Deferred income	4(30)	58,255	47,961	17,525	41,831
Deferred tax liabilities		–	302	–	–
Total non-current liabilities		523,178	793,446	79,709	60,065
Total liabilities		2,915,204	2,885,993	4,825,061	3,918,299
Shareholders' equity					
Share capital	4(32)	503,401	431,623	503,401	431,623
Capital surplus	4(33), 13(6)	14,284,489	8,477,261	13,960,897	8,154,098
Treasury shares	4(34)	(57,716)	–	(57,716)	–
Other comprehensive (loss)/income	4(35)	(6,200)	5,518	(8,363)	(8,000)
Accumulated losses		(7,505,988)	(6,802,797)	(7,230,492)	(6,610,947)
Total equity attributable to the shareholders of the Company		7,217,986	2,111,605		
Minority interests		107,618	135,927		
Total shareholders' equity		7,325,604	2,247,532	7,167,727	1,966,774
Total liabilities and shareholders' equity		10,240,808	5,133,525	11,992,788	5,885,073

The accompanying notes form an integral part of these financial statements.

Legal representative:
Zhou Jian

Principal in charge of accounting:
Zhang Ju

Head of the accounting department:
Chen Daocheng

CONSOLIDATED INCOME STATEMENT FOR THE YEAR 2025

(All amounts in RMB'000 unless otherwise stated)

Item	Note	2025 Consolidated	2024 Consolidated	2025 Company	2024 Company
I. Revenue	4(36), 13(7)	2,000,999	1,305,361	2,487,985	685,650
Less: Cost of sales	4(36), 4(41), 13(7)	(1,247,186)	(931,352)	(1,743,107)	(619,673)
Taxes and surcharges	4(37)	(19,610)	(9,891)	(1,847)	(1,614)
Selling expenses	4(38), 4(41)	(471,011)	(523,930)	(221,285)	(253,933)
General and administrative expenses	4(39), 4(41)	(335,623)	(370,006)	(262,444)	(293,839)
Research and development expenses	4(40), 4(41)	(507,483)	(478,108)	(340,860)	(325,060)
Finance expenses	4(42)	594	5,983	(22,128)	(6,195)
Including: Interest expenses		(2,614)	(26,976)	(9,173)	(21,736)
Interest income		41,971	15,946	5,496	3,829
Add: Other income	4(43)	36,952	37,635	34,085	10,548
Investment (loss)/income	4(44), 13(8)	(47,159)	20,381	(55,734)	(4,529)
Including: Share of investment loss of an associate and a joint venture		(57,532)	(5,818)	(211)	–
Gains or losses from fair value changes		56	8	14	8
Credit impairment losses	4(45)	(151,439)	(156,014)	(291,417)	(98,242)
Asset impairment losses	4(46)	(39,272)	(43,219)	(288,546)	(249,534)
Gains on disposals of assets		972	40	2,932	–
II. Operating loss		(779,210)	(1,143,112)	(702,352)	(1,156,413)
Add: Non-operating income		6,023	2,297	84,527	407
Less: Non-operating expenses		(1,493)	(8,444)	(1,720)	(66,276)
III. Total loss		(774,680)	(1,149,259)	(619,545)	(1,222,282)
Less: Income tax expenses	4(47)	(15,143)	(10,665)	–	–
IV. Net loss		(789,823)	(1,159,924)	(619,545)	(1,222,282)
Classified by continuity of operations					
Net loss from continuing operations		(789,823)	(1,159,924)	(619,545)	(1,222,282)
Classified by ownership of the equity					
Net loss attributable to shareholders of the Company		(703,191)	(1,123,590)	(619,545)	(1,222,282)
Profit or loss attributable to minority interests		(86,632)	(36,334)	–	–

CONSOLIDATED INCOME STATEMENT FOR THE YEAR 2025

(All amounts in RMB'000 unless otherwise stated)

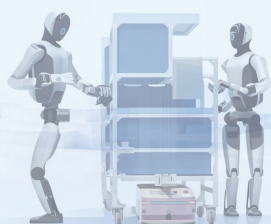
Item	Note	2025 Consolidated	2024 Consolidated	2025 Company	2024 Company
V. Other comprehensive loss, net of tax					
Other comprehensive income that will not be subsequently reclassified to profit or loss					
Change in fair value of investments in other equity instruments	4(35)	(2,158)	(1,278)	(363)	(1,278)
Other comprehensive income that will be reclassified to profit or loss					
Translation difference on foreign currency financial statements	4(35)	(9,560)	(2,189)	-	-
VI. Total comprehensive loss		(801,541)	(1,163,391)	(619,908)	(1,223,560)
Total comprehensive loss attributable to shareholders of the Company		(714,909)	(1,127,057)		
Total comprehensive loss attributable to minority interests		(86,632)	(36,334)		
VII. Losses per share					
Basic and diluted losses per share (RMB)	4(48)	(1.55)	(2.67)		

The accompanying notes form an integral part of these financial statements.

Legal representative:
Zhou Jian

Principal in charge of accounting:
Zhang Ju

Head of the accounting department:
Chen Daocheng



CONSOLIDATED AND COMPANY CASH FLOW STATEMENT FOR THE YEAR 2025

(All amounts in RMB'000 unless otherwise stated)

	Note	2025 Consolidated	2024 Consolidated	2025 Company	2024 Company
I. Cash flows used in operating activities					
Cash received from sales of goods or rendering of services		1,581,486	853,795	540,580	503,702
Refund of taxes and surcharges		30,591	91,181	–	28,707
Cash received relating to other operating activities	4(50)	145,931	79,121	48,341	26,041
Sub-total of cash inflows from operating activities		1,758,008	1,024,097	588,921	558,450
Cash paid for purchase of goods and receipt of labour services		(1,239,013)	(803,516)	(738,351)	(673,448)
Cash paid to and on behalf of employees		(804,081)	(718,167)	(574,853)	(452,031)
Payments of various taxes		(70,032)	(31,013)	(1,847)	(1,614)
Cash paid relating to other operating activities	4(50)	(428,993)	(355,037)	(597,473)	(218,956)
Sub-total of cash outflow used in operating activities		(2,542,119)	(1,907,733)	(1,912,524)	(1,346,049)
Net cash flows used in operating activities	4(50)	(784,111)	(883,636)	(1,323,603)	(787,599)
II. Cash flows used in investing activities					
Cash received from investment recovery		2,150,000	–	2,150,000	–
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		20,315	9,585	5,515	8,465
Cash received from returns on investments		14,084	1,688	14,084	1,676
Sub-total of cash inflows from investing activities		2,184,399	11,273	2,169,599	10,141
Cash paid to acquire fixed assets intangible assets and other long-term assets		(409,024)	(226,968)	(72,759)	(30,691)
Cash paid to acquire investments		(2,421,177)	(60,000)	(2,207,350)	(60,000)
Net cash paid for acquisition of a subsidiary and other business units		–	–	(427,864)	(139,720)
Net cash outflows used in disposal of a subsidiary		(15,493)	–	–	–
Sub-total of cash outflows used in investing activities		(2,845,694)	(286,968)	(2,707,973)	(230,411)
Net cash flows used in investing activities		(661,295)	(275,695)	(538,374)	(220,270)

CONSOLIDATED AND COMPANY CASH FLOW STATEMENT FOR THE YEAR 2025

(All amounts in RMB'000 unless otherwise stated)

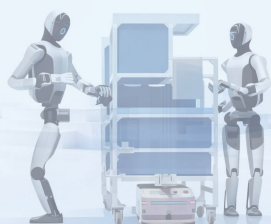
	Note	2025 Consolidated	2024 Consolidated	2025 Company	2024 Company
III. Cash flows from financing activities		5,881,574	1,865,869	5,779,834	1,802,369
Cash received from capital contribution					
Including: Cash received from capital contributions by minority shareholders of investment in subsidiaries		101,740	63,500	-	-
Cash received from borrowings		768,157	1,096,190	579,800	825,348
Cash received relating to other financing activities		-	-	-	65,471
Sub-total of cash inflows from financing activities		6,649,731	2,962,059	6,359,634	2,693,188
Repayments of borrowings		(1,179,460)	(1,012,823)	(747,250)	(833,391)
Cash payment for dividends distribution and interest expense of borrowing		(63,215)	(91,867)	(20,604)	(39,983)
Purchase of minority equity interests		(130,130)	-	-	-
Cash payments relating to other financing activities	4(50)	(93,249)	(31,300)	(141,277)	(131,112)
Sub-total of cash outflows used in financing activities		(1,466,054)	(1,135,990)	(909,131)	(1,004,486)
Net cash flows from financing activities		5,183,677	1,826,069	5,450,503	1,688,702
IV. Effect of foreign exchange rate changes on cash and cash equivalents		(41,351)	3,320	(38,755)	1,528
V. Net increase in cash and cash equivalents	4(50)	3,696,920	670,058	3,549,771	682,361
Add: Cash and cash equivalents balance at the beginning of the year		1,190,960	520,902	886,419	204,058
VI. Cash and cash equivalents balance as at the end of the year	4(50)	4,887,880	1,190,960	4,436,190	886,419

The accompanying notes form an integral part of these financial statements.

Legal representative:
Zhou Jian

Principal in charge of accounting:
Zhang Ju

Head of the accounting department:
Chen Daocheng



CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR 2025

(All amounts in RMB'000 unless otherwise stated)

Item	Note	Equity attributable to shareholders of the parent					Minority interests	Total shareholders' equity
		Share capital	Capital surplus	Less: Treasury shares	Other comprehensive income	Accumulated losses		
Balance at January 1, 2024		417,851	7,212,784	-	8,985	(5,679,207)	128,470	2,088,883
Movements for the year ended								
December 31, 2024								
Total comprehensive income								
Net loss		-	-	-	-	(1,123,590)	(36,334)	(1,159,924)
Other comprehensive loss	4(35)	-	-	-	(3,467)	-	-	(3,467)
Total comprehensive loss		-	-	-	(3,467)	(1,123,590)	(36,334)	(1,163,391)
Shareholders' investment and capital reduction								
Ordinary shares contributed by shareholders	4(32)	13,772	999,442	-	-	-	-	1,013,214
Share-based payments included in shareholders' equity	6	-	245,326	-	-	-	-	245,326
Transactions with minority interests	4(33)	-	19,709	-	-	-	43,791	63,500
Balance at December 31, 2024		431,623	8,477,261	-	5,518	(6,802,797)	135,927	2,247,532



CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR 2025

(All amounts in RMB'000 unless otherwise stated)

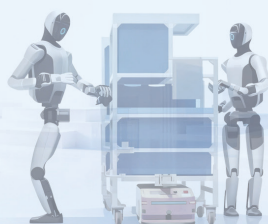
Item	Note	Equity attributable to shareholders of the parent					Minority interests	Total shareholders' equity
		Share capital	Capital surplus	Less: Treasury shares	Other comprehensive income	Accumulated losses		
Balance at January 1, 2025		431,623	8,477,261	-	5,518	(6,802,797)	135,927	2,247,532
Movements for the year ended December 31, 2025								
Total comprehensive income								
Net loss		-	-	-	-	(703,191)	(86,632)	(789,823)
Other comprehensive loss	4(35)	-	-	-	(11,718)	-	-	(11,718)
Total comprehensive loss		-	-	-	(11,718)	(703,191)	(86,632)	(801,541)
Shareholders' investment and capital reduction								
Ordinary shares contributed by shareholders	4(32)	71,778	5,708,056	-	-	-	-	5,779,834
Capital contribution from minority shareholder	4(33)	-	35,044	-	-	-	66,696	101,740
Other changes in the equity of the investee other than comprehensive income and profit distribution accounted for by the equity method	4(10)	-	92,585	-	-	-	-	92,585
Share-based payments included in shareholders' equity	6	-	99,300	-	-	-	-	99,300
Transactions with minority interests	4(33)	-	(127,757)	-	-	-	(2,373)	(130,130)
Disposal of subsidiaries	4(10)	-	-	-	-	-	(6,000)	(6,000)
Repurchase of treasury shares	4(34)	-	-	(57,716)	-	-	-	(57,716)
Balance at December 31, 2025		503,401	14,284,489	(57,716)	(6,200)	(7,505,988)	107,618	7,325,604

The accompanying notes form an integral part of these financial statements.

Legal representative:
Zhou Jian

Principal in charge of accounting:
Zhang Ju

Head of the accounting department:
Chen Daocheng



STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR 2025

(All amounts in RMB'000 unless otherwise stated)

Item	Note	Share capital	Capital surplus	Less: Treasury shares	Other comprehensive income	Accumulated losses	Total shareholders' equity
Balance at January 1, 2024		417,851	6,943,102	-	(6,722)	(5,388,665)	1,965,566
Movements for the year ended							
December 31, 2024							
Total comprehensive loss							
Net loss		-	-	-	-	(1,222,282)	(1,222,282)
Other comprehensive income		-	-	-	(1,278)	-	(1,278)
Total comprehensive income		-	-	-	(1,278)	(1,222,282)	(1,223,560)
Shareholders' investment and capital reduction							
Ordinary shares contributed by shareholders	4(32), 4(33)	13,772	999,442	-	-	-	1,013,214
Share-based payments included in shareholders' equity	6	-	211,554	-	-	-	211,554
Balance at December 31, 2024		431,623	8,154,098	-	(8,000)	(6,610,947)	1,966,774
Balance at January 1, 2025		431,623	8,154,098	-	(8,000)	(6,610,947)	1,966,774
Movements for the year ended							
December 31, 2025							
Total comprehensive loss							
Net loss		-	-	-	-	(619,545)	(619,545)
Other comprehensive income		-	-	-	(363)	-	(363)
Total comprehensive income		-	-	-	(363)	(619,545)	(619,908)
Shareholders' investment and capital reduction							
Ordinary shares contributed by shareholders	4(32), 4(33)	71,778	5,708,056	-	-	-	5,779,834
Share-based payments included in shareholders' equity	6	-	98,743	-	-	-	98,743
Repurchase of treasury shares	4(34)	-	-	(57,716)	-	-	(57,716)
Balance at December 31, 2025		503,401	13,960,897	(57,716)	(8,363)	(7,230,492)	7,167,727

The accompanying notes form an integral part of these financial statements.

Legal representative:
Zhou Jian

Principal in charge of accounting:
Zhang Ju

Head of the accounting department:
Chen Daocheng

NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

1. GENERAL INFORMATION

UBTECH ROBOTICS CORP LTD (hereinafter referred to as the “Company”) was a joint stock company established in the People’s Republic of China (the “PRC”) on March 31, 2012. The registered address and headquarters of the Company is in Shenzhen City, Guangdong Province, the PRC. The Company’s shares were listed on the main board of The Stock Exchange of Hong Kong Limited on December 29, 2023. As of December 31, 2025, the total share capital of the Company was RMB503,401,373, each with par value of RMB1 (As of December 31, 2024, the total share capital was RMB431,622,824, each with par value of RMB1). The major shareholder of the Company is Mr. Zhou Jian, and as at December 31, 2025, he held 23.5% of the equity interest. The Company has had no ultimate controlling shareholder.

The Company and its subsidiaries (collectively, the “Group”) are primarily engaged in the research and development, design, production and sales of robotic products and provision of ancillary service and solutions.

These financial statements were authorised for issue by the Board of the Company on March 31, 2026.

2. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The Group applied the accounting policies and accounting estimates based on its business operations characteristics, including measurement of expected credit loss of receivables (Note 2 (9)), measurement method of inventories (Note 2 (10)), depreciation of fixed assets, amortisation of intangible assets and right-of-use assets (Note 2 (12), (14) and (24)), revenue recognition and measurement (Note 2 (22)), etc.

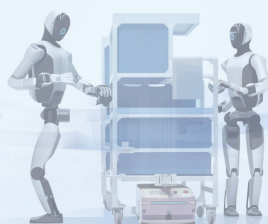
The key judgements, significant accounting estimates and key assumptions used by the Group in determining significant accounting policies are disclosed in Note 2 (27).

(1) Preparation basis of financial statements

The financial statements are prepared in accordance with Accounting Standards for Business Enterprises – Basic Standard, and the specific accounting standards and relevant regulations issued by the Ministry of Finance on February 15, 2006 and in subsequent periods (hereafter collectively referred to as the “Accounting Standards for Business Enterprises”).

The financial statements are prepared on a going concern basis.

Certain matters relating to financial statements have been disclosed in accordance with disclosure requirements of the Hong Kong Companies Ordinance.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(2) Statement of Compliance with the Accounting Standard for Business Enterprises

The 2025 annual financial statements of the Company are in compliance with the Accounting Standards for Business Enterprises, and truly and completely present the Consolidated and the Company's financial position of the as at December 31, 2025 and their financial performance, cash flows and other information for the year then ended.

(3) Accounting year

The accounting period with the calendar year commences on January 1 and ends on December 31.

(4) Functional currency

The functional currency of the Company is RMB. The subsidiaries of the Company determine their recording currencies based on the primary economic environment in which they operate. The recording currency of our Hong Kong subsidiary is HKD, and the recording currency of our US subsidiary is USD. These financial statements are presented in Renminbi.

(5) Business combinations

Business combinations involving enterprises not under common control

The cost of combination and identifiable net assets obtained by the Group in a business combination are measured at fair value at the acquisition date. Where the cost of the combination exceeds the Group's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill; Where the cost of combination is lower than the Group's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised in profit or loss for the current period. Any costs directly attributable to the business combination shall be recognised in profit or loss for the current period when occurred. Transaction costs associated with the issue of equity or debt securities for the business combination are included in the initially recognised amounts of the equity or debt securities.

(6) Preparation of consolidated financial statements

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries.

Subsidiaries are consolidated from the date on which the Group obtains control and are deconsolidated from the date that such control ceases. For a subsidiary that is acquired in a business combination involving enterprises under common control, it is included in the consolidated financial statements from the date when it, together with the Company, comes under common control of the ultimate controlling party. The portion of the net profits realised before the combination date is presented separately in the consolidated income statement.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

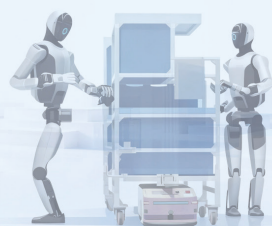
2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(6) Preparation of consolidated financial statements *(Continued)*

In preparing the consolidated financial statements, where the accounting policies or the accounting periods of the Company and subsidiaries are inconsistent, the financial statements of the subsidiaries are adjusted as necessary to align with the accounting policies and the accounting period of the Company. For subsidiaries acquired from business combinations involving enterprises not under common control, the individual financial statements of the subsidiaries are adjusted based on the fair value of the identifiable net assets at the acquisition date.

All significant intra-group balances, transactions and unrealised profits are eliminated in the consolidated financial statements. The portion of subsidiaries' shareholders' equity and the portion of subsidiaries' net profits and losses and comprehensive incomes for the period not attributable to the Company are recognised as minority interests, net profit and loss attributed to minority interests and total comprehensive incomes attributed to minority interests, and presented separately in the consolidated financial statements under shareholders' equity, net profits and total comprehensive income respectively. Unrealised profits and losses resulting from the sale of assets by the Company to its subsidiaries are fully eliminated against net profit attributable to shareholders of the Company. Unrealised profits and losses resulting from the sale of assets by a subsidiary to the Company are eliminated and allocated between net profit attributable to shareholders of the Company and net profit attributed to minority interests in accordance with the allocation proportion of the Company's Interest in the subsidiary. Unrealised profits and losses resulting from the sale of assets by one subsidiary to another are eliminated and allocated between net profit attributable to shareholders of the Company and net profit attributed to minority interests in accordance with the allocation proportion of the Company's interest in the selling subsidiary. If the accounting treatment of a transaction in the financial statements at the Group level is inconsistent with that at the Company or its subsidiary level, adjustment is made from the perspective of the Group.

Where the Group acquires all or part of the minority equity interests in a subsidiary held by minority shareholders from such minority shareholders, the assets and liabilities of the subsidiary are still reflected in the consolidated financial statements at the amounts continuously calculated from the date of acquisition or combination. The difference between the additional long-term equity investment arising from the acquisition of minority equity interests and the share of net assets of the subsidiary continuously calculated from the date of acquisition or combination attributable to the Group according to the newly increased ownership percentage is adjusted to capital reserve (capital premium or share premium). If the balance of capital reserve is insufficient to offset such difference, the deficit is offset against retained earnings and unappropriated profits in sequence.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(7) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits that can be readily drawn on demand, and short-term and highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(8) Foreign currency translation

(a) *Foreign currency transactions*

Foreign currency transactions are translated into functional currency using the approximate exchange rate of the spot exchange rate at the dates of the transactions. The spot exchange rate is the foreign exchange rate quoted by the People's Bank of China. A rate that approximates the spot exchange rate is a rate determined under a systematic and rational method, which is the weighted average exchange rate that approximates the spot exchange rate at the date of the transaction.

At the balance sheet date, monetary items denominated in foreign currencies are translated into Renminbi using the spot exchange rates on the balance sheet date. Exchange differences arising from these translations are recognized in profit or loss for the current period, except for those attributable to foreign currency borrowings that have been taken out specifically for the acquisition or construction of qualifying assets, which are capitalized as part of the cost of those assets. Non-monetary items denominated in foreign currencies that are measured at historical costs are translated at the balance sheet date using the spot exchange rates at the date of the transactions. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

(b) *Translation of financial statements denominated in foreign currency*

The asset and liability items in the balance sheets for overseas operations are translated at the spot exchange rates on the balance sheet date. Among the shareholders' equity items, the items other than "undistributed profits" are translated at the spot exchange rates on the transaction dates. The income and expense items in the income statements of overseas operations are translated at the rate that approximates the spot exchange rates of the transaction dates. The differences arising from the above translations are included in other comprehensive income. The cash flows of overseas operations are translated at the spot exchange rates on the dates of the cash flows. The effect of exchange rate changes on cash is presented separately in the cash flow statement.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(9) Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity meanwhile forms a financial liability or equity instrument of another entity. The Group recognizes financial assets, financial liabilities or equity instruments when it becomes a party to the contract of financial instruments.

(a) *Financial assets*

(i) *Classification and measurement*

The Group classifies financial assets according to the business model of managing financial assets and the contractual cash flow characteristics of financial assets: (1) financial assets measured at amortized cost; (2) financial assets measured at fair value through other comprehensive income; (3) financial assets measured at fair value through profit or loss.

Financial assets are measured at fair value on initial recognition. For financial assets measured at fair value through profit or loss, the related transaction expense is directly recognised in profit or loss; for other categories of financial assets, the related transaction costs are included in the initial recognition amount. For the accounts receivable or notes receivables arising from the sale of products or the provision of labour services that do not contain or consider the significant financing components, the Group determines the amount of the consideration expected to be entitled to be received as the initial recognition amount.

Debt instruments

The debt instruments held by the Group refer to the instruments that meet the definition of financial liabilities from the issuers' perspective. There are three categories into which the Group measures its debt instruments:

Measured at amortised cost:

The Group's business model for managing such financial assets is to collect the contractual cash flows, and the contractual cash flow characteristics of such financial assets are consistent with the basic lending arrangements, which means the cash flows generated on a specific date, represent solely payment of the principal and interest on the outstanding principal amount. The Group recognises interest income for such financial assets in accordance with the effective interest method. Such financial assets mainly include cash at bank and on hand, notes receivables, accounts receivable, other receivables, and long-term receivables.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(9) Financial instruments *(Continued)*

(a) Financial assets *(Continued)*

(i) Classification and measurement *(Continued)*

Debt instruments (Continued)

Measured at fair value through other comprehensive income ("FVOCI"):

The Group's business model for managing such financial assets is aimed at collecting contractual cash flow and selling, and the contractual cash flow characteristics of such financial assets are consistent with the basic lending arrangements. Such financial assets are measured at fair value through other comprehensive income, while impairment losses or gains, exchange gain or loss and interest income calculated according to the effective interest rate method are recognised in profit or loss for the current period. Such financial assets mainly include other equity instrument investments.

Measured at fair value through profit or loss ("FVPL"):

Debt instruments held by the Group that are measured neither at amortised cost nor at FVOCI, are measured at FVTPL. Investments maturing over one year from the balance sheet date and expected to be held for over one year are presented as other non-current financial assets, while the remainder are presented as financial assets held for trading.

Equity instruments

Investments in equity instruments, over which the Group has no control, joint control or significant influence, are measured at fair value through profit or loss under financial assets held for trading; investments in equity instruments expected to be held for over one year as from the balance sheet date are presented as other non-current financial assets.

In addition, a portion of certain investments in equity instruments not held for trading is designated as financial assets at FVOCI upon initial recognition under other investments in equity instruments. The relevant dividend income of such financial assets is recognised in profit or loss for the current period.

(ii) Impairment

The Group recognizes a loss allowance for expected credit loss on a financial asset that is measured at amortised cost, and debt instruments investment at FVOCI and contract assets.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(9) Financial instruments *(Continued)*

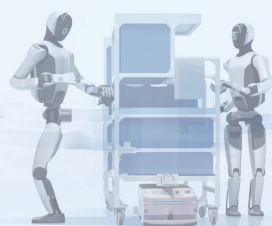
(a) Financial assets *(Continued)*

(ii) Impairment *(Continued)*

Giving consideration to reasonable and supportable information that is available without undue cost or effort at the balance sheet date on past events, current conditions and forecasts of future economic conditions weighted by the probability of default, the Group recognises the ECL as the probability-weighted amount of the present value of the difference between the cash flows receivable from the contract and the cash flows expected to collect.

For notes receivables, accounts receivable, and long-term receivables arising from sale of goods and rendering of services in the ordinary course of operating activities, the Group recognises the lifetime ECL regardless of whether there exists a significant financing component. For accounts receivable and long-term receivables with significantly different credit risk characteristics, the ECL is calculated according to the individual financial assets. When it is unable to evaluate the information of expected credit loss of a single financial asset at a reasonable cost, the Group divides the receivables into portfolios according to the characteristics of credit risk, calculates the expected credit loss on the basis of the portfolio, and determines the portfolio on the basis of the following:

Accounts receivable portfolio 1	For governmental and state-owned enterprise customers, the initial recognition time point shall be taken as the starting point for calculating the ageing
Accounts receivable portfolio 2	For non-governmental and non-state-owned corporate clients, the initial recognition time point shall be taken as the starting point for calculating the ageing
Accounts receivable portfolio 3	For external related parties of the Group, the initial recognition time point shall be taken as the starting point for calculating the ageing
Accounts receivable portfolio 4	For internal related parties of the Group, the initial recognition time point shall be taken as the starting point for calculating the ageing
Notes receivables portfolio 1	Commercial acceptance notes receivables
Notes receivables portfolio 2	Bank acceptance notes receivables
Long-term receivables portfolio 1	For governmental and state-owned enterprise customers, the overdue date shall be taken as the starting point for calculating the ageing
Long-term receivables portfolio 2	For non-governmental and non-state-owned corporate clients, the overdue date shall be taken as the starting point for calculating the ageing



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(9) Financial instruments *(Continued)*

(a) Financial assets *(Continued)*

(ii) Impairment *(Continued)*

For accounts receivable and long-term receivables assessed individually for expected credit loss, the expected credit loss is calculated based on the difference between the carrying amount of the account receivable on an individual basis and the present value of cash flows expected to be collected under different scenarios.

For the remaining accounts receivable and long-term receivables, the Group classifies different portfolios according to risk characteristics and determines the ECL rate based on the ageing matrix. When determining the ECL rate, the Group uses internal historical credit loss experience and other data, and adjusts the historical data based on current conditions and forward-looking information.

For notes receivables arising from sales of goods and rendering of services in the ordinary course of operating activities, the Group determines the probability of default and the default loss rate based on the external credit rating of the counterparty and the industry in which it operates, and adjusts and calculates the ECL based on the default risk exposure and forward-looking information.

At each balance sheet date, the ECL of financial instruments other than aforesaid notes receivable, accounts receivable and long-term receivables are measured based on different stages. A 12-month ECL provision is recognised for financial instruments in the first stage, that have not had a significant increase in credit risk since initial recognition, lifetime ECL provision is recognised for financial instruments in the second stage, that have had a significant increase in credit risk without credit impairment since initial recognition, and lifetime ECL provision is recognised for financial instruments in third stage, that have had a credit impairment since initial recognition.

For the financial instruments with low credit risks as at the balance sheet date, the Group assumes there is no significant increase in credit risk since initial recognition and recognises loss allowance based on the 12-month ECL.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(9) Financial instruments *(Continued)*

(a) Financial assets *(Continued)*

(ii) Impairment *(Continued)*

For the financial instruments in Stage 1 and Stage 2, the Group calculates the interest income by applying the effective interest rate to the gross carrying amount (before net of impairment provision). For the financial instrument in Stage 3, the interest income is calculated by applying the effective interest rate to the amortised cost (net of impairment provision).

Provision for loss allowance (or reversal of loss allowance) is recognised in profit or loss for the current period. For debt instruments measured at FVOCI, the Group recognises impairment losses (or gains) in profit or loss for the current period and adjusts other comprehensive income at the meantime.

(iii) Derecognition

A financial asset is derecognized when any of the below criteria is met: (1) the contractual rights to receive the cash flows from the financial asset expire; (2) the financial asset has been transferred and the Group transferred substantially all the risks and rewards of ownership of the financial asset to the transferee; (3) the financial asset has been transferred and the Group has not retained control of the financial asset, although the Group neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset.

When the investment of other equity instruments is de-recognized, the difference between the carrying amount and the sum of the consideration received and the change of fair value accumulated in the original direct accounting of other comprehensive income shall be recorded into the retained earnings; when other financial assets are derecognized, the difference between the carrying amount and the sum of the consideration received and the change of fair value accumulated in the original direct accounting of other comprehensive income shall be recorded into profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(9) Financial instruments *(Continued)*

(b) Financial liability

Financial liabilities are classified into financial liabilities at amortised cost, financial liabilities at fair value through profit or loss at initial recognition and derivative financial liabilities.

The Group's financial liabilities are mainly financial liabilities measured at amortised cost, including notes payables and accounts payable, other payables, long-term payables and borrowings which are initially recognized at fair value deducting transaction costs, and subsequently measured at amortised cost using the effective interest method. Those with maturities no more than one year (inclusive) are classified as current liabilities; those with maturities over one year but due within one year (inclusive) at the balance sheet date are classified as non-current liabilities due within one year; others are classified as non-current liabilities.

A financial liability is derecognised or partly derecognised when the current obligation is discharged or has been partly discharged. The difference between the carrying amount of the derecognised part of the financial liabilities and the consideration paid is recognised in profit or loss for the current period.

(c) Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(d) Determination of fair value of financial instruments

The fair value of a financial instrument that is traded in an active market is determined at the quoted price in the active market. The fair value of a financial instrument that is not traded in an active market is determined by using a valuation technique when it is applicable under current conditions and there are enough available data and other information to support. Those inputs should be consistent with the inputs a market participant would use when pricing the asset and liability, and should maximize the use of relevant observable inputs. When related observable inputs can't be acquired or are not feasible to be acquired, then unobservable inputs are used.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(10) Inventories

(a) Classification

Inventories include raw materials, products in progress, finished goods, goods dispatched and contract fulfillment cost, which are measured at the lower of cost and net realisable value.

(b) Measurement method of cost of inventories

Cost of inventories recognised is calculated using the weighted average method on a monthly basis.

(c) Basis for determining net realisable values of inventories and method for making provision for decline in the value of inventories

Provision for decline in the value of inventories is determined at the excess amount of the carrying amounts of the inventories over their net realisable value. Net realisable value is determined based on the estimated selling price of inventories, less the costs of completion and estimated contract fulfillment costs and costs necessary to make the sale and related taxes. Regarding estimated selling price, the estimation is based on the agreed price of existing sale contracts or sale orders. If agreed price does not exist, the selling price is estimated based on current market selling price.

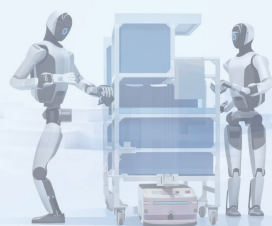
(d) Our Group adopts the perpetual inventory system.

(11) Long-term equity investments

Long-term equity investments are comprised of the Company's long-term equity investments in its subsidiaries, the Group's long-term equity investments in its joint ventures and associates.

Subsidiaries are the investees over which the Company is able to exercise control. A joint venture is a joint arrangement which is structured through a separate vehicle over which the Group has joint control together with other parties and only has rights to the net assets of the arrangement based on legal forms, contractual terms and other facts and circumstances. An associate is the investee over which the Group has significant influence by participating in the financial and operating policy decisions.

Investments in subsidiaries are presented in the Company's financial statements using the cost method, and are adjusted to the equity method when preparing the consolidated financial statements. Investments in joint ventures and associates are accounted for using the equity method.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(11) Long-term equity investments *(Continued)*

(a) Determination of investment cost

For long-term equity investments acquired through a business combination involving enterprises not under common control, the investment cost shall be the combination cost.

For long-term equity investments acquired not through a business combination: for long-term equity investment acquired by payment in cash, the initial investment cost shall be the purchase price actually paid; for long-term equity investments acquired by issuing equity instruments, the initial investment cost shall be the fair value of the equity instruments issued.

(b) Subsequent measurement and recognition of related profit and loss

Long-term equity investments accounted for using the cost method are measured at initial investment cost, and cash dividends or profit distributions declared by the investees are recognised as investment income in profit or loss.

For long-term equity investments accounted for using the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the acquisition date, the long-term equity investment is measured at the initial investment cost; where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the acquisition date, the difference is included in profit or loss and the cost of the long-term equity investment is adjusted upwards accordingly.

For long-term equity investments accounted for using the equity method, the Group recognises the investment income or loss according to its share of net profit or loss of the investee. The Group discontinues recognising its share of net losses of an investee after the carrying amount of the long-term equity investment together with any long-term interests that, in substance, form part of the investor's net investment in the investee are reduced to zero. However, if the Group has obligations for additional losses and the criteria with respect to recognition of provisions under the accounting standards in the contingencies are satisfied, the Group continues recognising the investment losses expected to be borne. For changes in shareholders' equity of the investee other than those arising from its net profit or loss, other comprehensive income and profit distribution, the Group adjusts the carrying amount of long-term equity investments and records its proportionate share directly into capital surplus. The carrying amount of the investment is reduced by the Group's share of the profit distribution or cash dividends declared by an investee.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(11) Long-term equity investments *(Continued)*

(b) Subsequent measurement and recognition of related profit and loss *(Continued)*

The unrealised profits or losses arising from the intra-group transactions amongst the Group and its investees are eliminated in proportion to the Group's equity interest in the investees, and then based on which the investment gains or losses of Company financial statements are recognised. In preparing the consolidated financial statements, for the portion of unrealised internal transaction gains or losses attributable to the Group arising from downstream transactions in which the Group invests or sells assets to the investee, the Group offsets the portion of unrealised revenues and costs or gains or losses on disposal of assets attributable to the Group on the basis of the offset in the company financial statements, and adjusts investment income accordingly. For the portion of unrealised internal transaction gains or losses attributable to the Group arising from countercurrent transactions in which the investee invests or sells assets to the Group, the Group should offset the portion of unrealised internal transaction gains or losses attributable to the Group included in the carrying amount of the relevant assets on the basis of the offset in the Company's financial statements and adjust the carrying amount of long-term equity investments accordingly. For the loss on the intra-group transaction amongst the Group and its investees attributable to asset impairment, any unrealised loss is not eliminated.

(c) Basis for determining control, joint control, and significant influence over investees

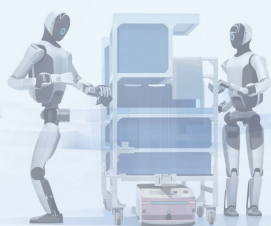
Control is the power over an investee, whereby the Group is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Joint control is a contractually agreed sharing of control of an arrangement, and the decisions relating to the activity of the arrangement require the unanimous consent of the Group and other participating parties sharing that control.

Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

(d) Impairment of long-term equity investment

The carrying amounts of long-term equity investments in subsidiaries, joint ventures and associates are reduced to the recoverable amounts when the recoverable amounts are below their carrying amounts (Note 2 (16)).



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(12) Fixed assets

Fixed assets include houses and buildings, machinery and equipment, motor vehicles, and office equipment. Fixed assets are recognised when it is probable that the related economic benefits will flow to the Group and the costs can be reliably measured. Purchased or newly acquired fixed assets are measured initially at cost on date of acquisition.

Subsequent expenditures incurred for the fixed asset are included in the cost of the fixed asset when it is probable that the related economic benefits will flow to the Group and the subsequent expenditures can be reliably measured. The carrying amount of the replaced part is derecognised. All the other subsequent expenditures are recognised in profit or loss for the period in which they are incurred.

Fixed assets are depreciated using the straight-line method to allocate the cost of the assets to their estimated residual values over their estimated useful lives. For the fixed assets that have been provided for impairment loss, the related depreciation charge is prospectively determined based upon the adjusted carrying amounts over their remaining useful lives.

The estimated useful lives, the estimated net residual values rate and the annual depreciation rates for fixed assets are as follows:

	Estimated useful lives	Estimated net residual value rate	Annual depreciation rate
Houses and buildings	50 years	5%	1.9%
Machinery and equipment	2–10 years	5%	9.50%–47.50%
Motor vehicles	3–10 years	5%	9.50%–31.67%
Office equipment	3–5 years	5%	19.00%–31.67%

The estimated useful life, the estimated net residual value of fixed assets, and the depreciation method are reviewed and adjusted as appropriate at each year-end. The carrying amount shall be reduced to the recoverable amount when the recoverable amount of fixed assets is less than the carrying amount (Note 2 (16)).

A fixed asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The amount of proceeds on sale, transfer, retirement or damage of a fixed asset net of its carrying amount and related taxes and expenses is recognised in profit or loss for the current period.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(13) Construction in progress

Construction in progress is measured at actual cost. Actual cost comprises construction costs, installation costs, borrowing costs that are eligible for capitalisation and other costs necessary to bring the construction in progress ready for their intended use. Construction in progress is transferred to fixed assets when the assets are ready for their intended use, and depreciation begins from the following month. The carrying amount shall be reduced to the recoverable amount when the recoverable amount of construction in progress is less than the carrying amount (Note 2 (16)).

(14) Intangible assets

Intangible assets, including land use rights, customer contracts, trademarks and software, are measured at cost.

(a) Land use rights

Land use rights are amortised on the straight-line basis over their approved useful period from 30 to 50 years.

(b) Software

Software are amortised using the straight-line basis over their approved useful period from 3 to 5 years.

(c) Customer contract

Customer contracts acquired in business combinations are recognised at fair value at the acquisition date. Customer contracts are amortized over 3–6 years.

(d) Trademark

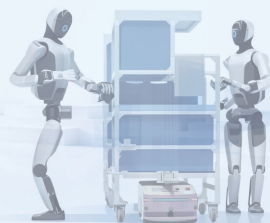
Purchased trademarks are measured at cost at the acquisition date and amortized over 10 years.

(e) Periodical review of useful life and amortisation method

For intangible assets with finite useful lives, the expected useful life and amortisation method are reviewed at each year-end and adjusted as appropriate.

(f) Research and development

The Group's research and development expenditures mainly include expenditures on materials consumed for the implementation of the Group's research and development activities, remuneration of staff in the research and development department, depreciation and amortisation of assets such as equipment and software used in research and development, research and development testing, research and development technical service fees and licensing fees.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(14) Intangible assets *(Continued)*

(f) *Research and development (Continued)*

Expenditure on the planned investigation, evaluation and selection phases of the production process research is recognized in profit or loss when it is incurred. Expenditure on the design and testing for the final application of the production process before the large-scale production, should be the expenditure of the development phase and shall be capitalized only if all of the following conditions satisfied.

- The development of the production process has been sufficiently proved by the technical team;
- The budget relating to development of the production process has been approved by the management;
- The research and analysis of preliminary market research shows that the products produced by the production process have marketability;
- There are adequate technical and financial resources to complete the development of production process and subsequent large-scale production; and
- The expenditures attributable to the development of the production process can be reliably measured.

Other development expenditures that do not meet the conditions above are recognised in profit or loss in the period in which they are incurred. Development costs previously recognised as expenses are not recognised as an asset in a subsequent period. Capitalised expenditure on the development phase is presented as development costs in the balance sheet and transferred to intangible assets at the date that the asset is ready for its intended use.

(g) *Impairment of intangible assets*

When the recoverable amount of an intangible asset is lower than its carrying amount, the carrying amount is reduced to the recoverable amount (Note 2 (16)).



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(15) Long-term prepaid expenses

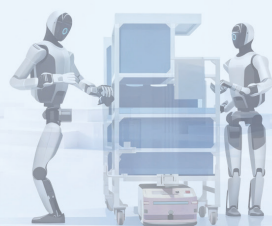
Long-term prepaid expenses include the expenditure for improvements to right-of-use assets, and other expenditures that have been incurred but should be recognised as expenses over more than one year in the current and subsequent periods. Long-term prepaid expenses are amortised on the straight-line basis over the expected beneficial period and are presented at actual expenditure net of accumulated amortisation.

(16) Impairment of long-term assets

Fixed assets, construction in progress, intangible assets with finite useful lives and long-term equity investments in joint ventures and associates are tested for impairment if there is any indication that the assets may be impaired at the balance sheet date. The intangible assets not ready for intended use and with indefinite useful lives, are treated at least annually for impairment, irrespective of whether there are any indications of impairment. If the result of the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, a provision for impairment and an impairment loss are recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. Provision for asset impairment is determined and recognised on the individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs is determined. A group of assets is the smallest group of assets that is able to generate independent cash inflows.

Goodwill that is separately presented in the financial statements is tested at least annually for impairment, irrespective of whether there is any indication that it may be impaired. In conducting the test, the carrying value of goodwill is allocated to the related group of assets or group of asset combinations which are expected to benefit from the synergies of the business combination. If the result of the test indicates that the recoverable amount of the group of assets or group of asset combinations, including the allocated goodwill, is lower than its carrying amount, the corresponding impairment loss is recognised. The impairment loss is first deducted from the carrying amount of goodwill that is allocated to the group of assets or group of asset combinations, and then deducted from the carrying amounts of other assets within the group of assets or group of asset combinations in proportion to the carrying amounts of assets other than goodwill.

Once the above asset impairment loss is recognised, it will not be reversed for the value recovered in the subsequent periods.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(17) Borrowing costs

The borrowing costs that are directly attributable to acquisition and construction of an asset that needs a substantially long period of time for its intended use commences to be capitalised and recorded as part of the cost of the asset when expenditures for the asset and borrowing costs have been incurred, and the activities relating to the acquisition and construction that are necessary to prepare the asset for its intended use have commenced. The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use and the borrowing costs incurred thereafter are recognised in profit or loss for the current period. Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of an asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction of an asset is resumed.

For the specific borrowings obtained for the acquisition or construction of an asset qualifying for capitalization, the amount of borrowing costs eligible for capitalization is determined by the actual interest expenses incurred on that borrowings for the period less any interest income earned from depositing the unused specific borrowings in the banks or any investment income arising on the temporary investment of those borrowings.

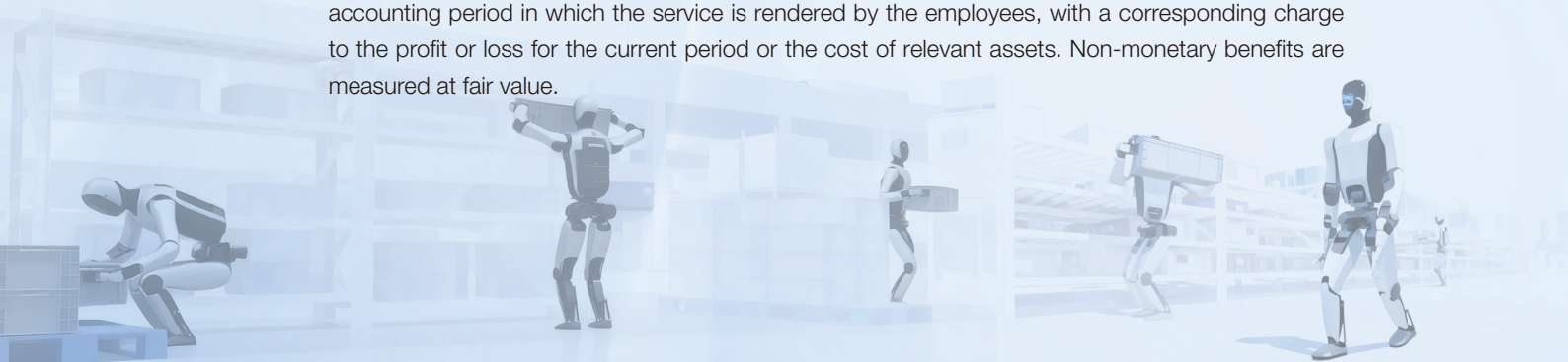
For the general borrowings obtained for the acquisition or construction of an asset qualifying for capitalization, the amount of borrowing costs eligible for capitalization is determined by applying the weighted average effective interest rate of general borrowings, to the weighted average of the excess amount of cumulative expenditures on the asset over the amount of specific borrowings. The effective interest rate is the rate at which the future cash flows during the period of expected duration of the borrowings or applicable shorter period are discounted to the initial recognition amount of the borrowings.

(18) Employee benefits

Employee benefits refer to all forms of consideration or compensation given by the Group in exchange for service rendered by employees or for termination of employment relationship, which include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits, etc.

(a) Short-term employee benefits

Short-term employee benefits include wages or salaries, bonus, allowances and subsidies, staff welfare, premiums or contributions on medical insurance, work injury insurance and maternity insurance, housing funds, union running costs and employee education costs and short-term paid absence, etc. The short-term employee benefits actually occurred are recognised as a liability in the accounting period in which the service is rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets. Non-monetary benefits are measured at fair value.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(18) Employee benefits *(Continued)*

(b) Post-employment benefits

The Group classifies post-employment benefits into defined contribution plans and defined benefit obligations. Defined contribution plans are post-employment benefits plan that no longer assumes further payment obligations after the Group pays a fixed fee to an independent fund. Defined benefit obligations are post-employment benefit plans other than defined contribution plan.

During the reporting period, the Group's post-employment benefits mainly include the premiums or contributions on basic pension insurance and unemployment insurance.

Basic pension insurance

The Group's employees participated in the basic social pension insurance organised and implemented by local labour and social security bureau. The Group pays pension insurance contributions to the local social basic pension insurance administration agency on a monthly basis, using the contribution base and rates stipulated by local regulations. After retirement, local labour and social security bureau is responsible for paying the pension benefit to the retired employees. The amounts based on the above calculations are recognised as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

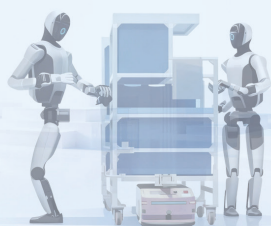
(c) Termination benefits

The Group provides compensation for terminating the employment relationship with employees before the end of the employment contracts or as an offer to encourage employees to accept voluntary redundancy before the end of the employment contracts. The Group recognises a liability arising from compensation for termination of the employment relationship with employees, with a corresponding charge to profit or loss for the current period at the earlier of the following dates: when the Group cannot unilaterally withdraw an employment termination plan or a curtailment proposal; when the Group recognises costs or expenses for a restructuring that involves the payment of termination benefits.

The termination benefits expected to be settled within one year since the balance sheet date are classified as employee benefits payable.

(19) Dividend distribution

Cash dividend is recognised as a liability for the period in which the dividend is approved by the shareholders' meeting.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(20) Provisions

The quality of the Group's products is guaranteed for within 1 year, provisions for product quality warranty are recognised when the Group has a present obligation, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors surrounding a contingency, such as the risks, uncertainties and the time value of money, are taken into account as a whole in reaching the best estimate of a provision. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The increase in the discounted amount of the provision arising from passage of time is recognised as interest expense.

The carrying amount of provisions is reviewed and adjusted as appropriate at each balance sheet date to reflect the current best estimate.

The provisions expected to be settled within one year since the balance sheet date are classified as current liabilities.

(21) Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are calculated and recognised based on the differences arising between the tax bases of assets and liabilities and their carrying amounts (temporary differences). Deferred tax asset is recognised for the deductible losses that can be carried forward to subsequent years for deduction of the taxable profit in accordance with the tax laws. No deferred tax liability is recognised for a temporary difference arising from the initial recognition of goodwill. No deferred tax asset or deferred tax liability is recognised for the temporary differences resulting from the initial recognition of assets or liabilities due to a transaction other than a business combination, which affects neither accounting profit nor taxable income (or deductible losses) and in which the initially recognised assets and liabilities do not result in equal amounts of taxable temporary differences and deductible temporary differences. At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

Deferred tax assets are only recognised to the extent that it is probable that taxable profit will be available in the future against which the deductible temporary differences, deductible losses and tax credits can be utilised.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(21) Deferred tax assets and deferred tax liabilities *(Continued)*

Deferred tax liabilities are recognised for taxable temporary differences arising from investments in joint ventures and subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. When it is probable that the deductible temporary differences arising from investments in joint ventures and subsidiaries will be reversed in the foreseeable future and that the taxable profit will be available in the future against which the deductible temporary differences can be utilised, the corresponding deferred tax assets are recognised.

Deferred tax assets and liabilities are offset when meeting all the conditions below:

The deferred tax assets and liabilities are related to the same tax payer within the Group and the same taxation authority; and that tax payer within the Group has a legally enforceable right to offset current tax assets against current tax liabilities.

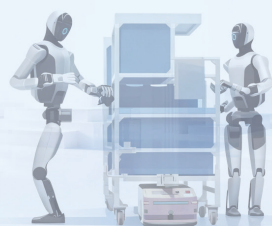
(22) Revenue recognition

The Group generates revenue primarily from the sale of products and provision of other ancillary services to customers. The Group recognises revenue at the amount of consideration which the Group expects to be entitled to receive when the customer obtains control of the relevant goods or services.

The Group should recognize revenue when the customer acquires control of relevant goods after the contracts between the Group and the customer meeting the following conditions: (1) the contracted parties have approved such contract and committed that they would perform their respective obligations; (2) the contract specified the rights and obligations of all parties related to the goods transferred or the services provided; (3) the contract has clear payment terms on the goods transferred; (4) the contract is of commercial nature, namely that the performance of the contract will change the risks, time or amount of future cash flows of the enterprise; (5) it is probable that the consideration to which the enterprise is entitled in exchange for transferring goods to the customer will be received. If a contract signed between the Group and the customer prior to the contract commencement date does not satisfy the five conditions, the Group will subsequently conduct continuous assessment and, when the five conditions are simultaneously met, recognize revenue in accordance with the revenue standard.

The Group satisfies a performance obligation over time, if one of the following criteria is met; otherwise, it satisfies a performance obligation at a point in time:

- (i) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(22) Revenue recognition *(Continued)*

- (ii) the customers can control the goods in the process of construction during the performance of the Group.
- (iii) the Group's performance does not create an asset with an alternative use to it, and the Group has an enforceable right to payment for performance completed to date.

For performance obligation satisfied over time, the Group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

When the performance progress cannot be reasonably determined, the revenue shall be recognised according to the amount of costs incurred if the expenses incurred by the Group could be expected to be compensated, until the performance progress can be reasonably determined.

For performance obligation fulfilled at a point of time, the Group recognises revenue at the amount of consideration that is likely to be received when a customer obtains control of the relevant goods.

Contract costs include contract fulfillment costs and contract acquisition costs. The costs are recognised as contract fulfillment costs on the condition that the costs are incurred by the Group for the fulfillment of the current or expected sales contracts or service contracts, the costs increase the resources that the Group will use to fulfil obligations in the future, and the costs are expected to be recoverable. The contract fulfillment costs are recognised as the cost of sales of main operations based on the stage of completion when recognising revenue. Cost incurred by the Group for the acquisition of the contract is recognised as incremental costs of obtaining a contract. For costs of obtaining a contract with amortisation period of less than one year, it would be recognised in profit or loss for the current period when it occurs; for costs of obtaining a contract with amortisation period of more than one year, it would be amortised in profit or loss on the basis of revenue recognition of the related contract. If the carrying amount of contract cost is higher than the remaining consideration expected to be obtained by the provision of the service minus the estimated cost to be incurred, the Group makes impairment provisions on the excess and recognises it as asset impairment losses. As at the balance sheet date, based on whether the amortisation period of the contract fulfillment costs is less than one year or more than one year as determined upon initial recognition, the amount of the Group's contract fulfillment costs (net of related provision for asset impairment) is presented as inventories or other non-current assets respectively. For contract acquisition costs with an amortisation period more than one year as determined upon the initial recognition, the amount net of any related provision for asset impairment is presented as other non-current asset.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

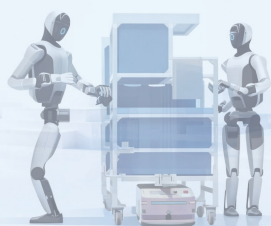
(22) Revenue recognition *(Continued)*

For the existence of significant financing components in the contract, the Group determines the transaction price based on the amount payable immediately by cash upon the receipt of control of goods by the customer, and uses the discount rate which discounts the nominal amount of the contract consideration to the discounted price of the goods or services to amortise the difference between the determined transaction price and the consideration amount of the contract commitment using the effective interest method during the contract period. Where it is expected that the intervals between the customer's control over the goods and the payment by the customer will not exceed one year, the Group does not consider the significant financing components in the contract.

At the inception date of contract, the Group shall assess the contract, identify each of the performance obligations in the contract, as well as ensure whether the performance obligations is to be fulfilled over time or at a particular point in time, and subsequently confirms the revenue accordingly upon the complete fulfillment of each of the performance obligations. For contracts containing different performance obligations, the Group allocates the price obtained for the contract among the different performance obligations according to the relative proportion of individual selling price of each performance obligation. The Group generally determines standalone selling prices based on the prices charged to customers when the Group sells it separately in similar circumstances to similar customers. If the standalone selling price is not directly observable, it is estimated based on expected cost plus an expected margin or adjusted market assessment approach, depending on the availability of observable information. Changes in assumptions and estimates made by the Group in estimating the relative selling prices of various performance obligations may affect the amount of revenue recognised by the Group.

Revenue from provision of ancillary services

For the products sold by the Group, it also provides training and other ancillary services. Relevant revenue is recognised over the contracted period with customers in which the ancillary services are provided by the Group as the customers simultaneously receive and consume the benefit arising from the Group's performance.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(22) Revenue recognition *(Continued)*

Revenue from sale of goods

When selling goods to customers, the Group recognises revenue from the sale of goods at the amount of consideration to which the Group expects to be entitled when the customer obtains control of the relevant goods or services. Revenue from the sale of goods is calculated on the basis of the price stipulated in the sales contract and accounts receivable are recognised when the unconditional right to receive payment is recognised, otherwise the Group recognises contract assets at the time of revenue recognition. In some of the contracts, customers of the Group were granted a right of return within 7 days or 14 days. The Group uses its accumulated experience to estimate the likelihood that goods sold will be returned and to make provision for sales returns. The Group recognises the amount expected to be refunded as a result of sales returns as returns payable, which is presented as other current liabilities. At the same time, the balance of the carrying amount of the returned product at the time of sale, after deducting the estimated cost of recovering the product, is recognised as a return cost receivable and presented as other current assets.

(23) Government grants

Government grants are transfers of monetary or non-monetary assets from the government to the Group at nil consideration, including refund of taxes and financial subsidies.

A government grant is recognised when the conditions attached to it can be satisfied and the government grant can be received. If a government grant is in the form of monetary assets, the grant is measured at the amount received or receivable. For a government grant in the form of transfer of non-monetary assets, it is measured at fair value; if the fair value is not reliably determinable, the grant is measured at nominal amount.

Government grants related to assets are those obtained for forming long-term assets by purchase, construction or acquisition in other ways. Government grants related to income represent those government grants other than related to assets.

The Group recognises government grants related to assets as deferred income and apportions to profit or loss in a reasonable and systemic manner over the useful lives of the relevant assets.

For government grants related to income, where the grant is a compensation for related expenses or losses to be incurred in the subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss over the periods in which the related costs are recognised; where the grant is a compensation for related expenses or losses already incurred by the Group, the grant is recognised immediately in the current profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(23) Government grants *(Continued)*

The Group presents similar types of government grants consistently in the financial statements. Government grants that are related to daily activities are included in the operating profit, otherwise, they are recorded in non-operating income or expenses.

(24) Lease

Lease is a contract in which the lessor transfers the use rights of assets to the lessee to obtain consideration for a certain period.

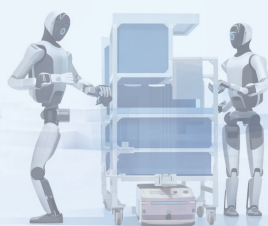
The Group as the lessee

At the commencement date, the Group shall recognise the right-of-use asset and measure the lease liability at the present value of the lease payments that are not paid at that date. Lease payments include fixed payments, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease if the lessee exercises an option to terminate the lease. Variable lease payments that are linked to a certain percentage of sales are excluded from lease payments and recognised in profit or loss as incurred. Lease liabilities that are due within one year (inclusive) as from the balance sheet date are included in non-current liabilities to be settled within one year.

Right-of-use assets comprise leased depot, plants and equipment. Right-of-use assets are measured initially at cost, which comprises the amount of the initial measurement of lease liabilities, any lease payments made at or before the commencement date and any initial direct costs, less any lease incentives received. If there is reasonable certainty that the Group will obtain ownership of the underlying asset by the end of the lease term, the asset is depreciated over its remaining useful life; otherwise the asset is depreciated over the shorter of the lease term and its remaining useful life. The carrying amount of the right-of-use asset is reduced to the recoverable amount when the recoverable amount is below the carrying amount.

For short-term leases with a lease term of no more than 12 months and leases of low-value assets with a low value when new for a single asset, the Group has elected not to recognize right-of-use assets and lease liabilities, and the related rental expenses are included in profit or loss for the period or the cost of the relevant asset using the straight-line method for each period during the lease term.

When the lease contract changes and the following conditions are met at the same time, the Group should treat it as a separate lease for accounting treatment: (1) the new lease contract expands the lease scope by adding one or more rights to use the leased asset; (2) the increased consideration is equivalent to the amount of the individual price of the expanded part of the lease scope adjusted according to the contract conditions.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(24) Lease *(Continued)*

The Group as the lessee (Continued)

When the lease change is not accounted for as a separate lease, the Group will re-determine the lease term on the effective date of the lease change, except for the simplified method for contract changes prescribed by the Ministry of Finance. In addition, the revised discount rate is used to discount the changed lease payment and remeasure the lease liability. If the lease change causes the scope of the lease to be narrowed or the lease term to be shortened, the Group will correspondingly reduce the carrying amount of the right-of-use asset, and the relevant gains or losses from the partial or complete termination of the lease are included in profit and loss for the current period. If other lease changes cause the lease liability to be remeasured, the Group will adjust the carrying amount of the right-of-use asset accordingly.

The Group as the lessor

A financial lease is a lease that substantially transfers almost all the risks and rewards related to the ownership of an asset. An operating lease is a lease other than a financial lease. Where the Group leases out self-owned buildings, rental income of operating lease is recognised on a straight-line basis over the lease term.

(25) Segment information

The Group determines operating segments on the basis of the internal organisational structure, management requirements and internal report system, and determines reporting segments on the basis of operation segments, and discloses information of the segments.

An operating segment is a component of our Group that meets all the following conditions: (1) it engages in business activities from which it may earn revenues and incur expenses; (2) its financial performance is regularly reviewed by Management to make decisions about resource to be allocated to the segment and assess its performance; (3) our Group is able to obtain its accounting information regarding financial position, financial performance and cash flows. Two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics and satisfy certain conditions. As the management of the Group believes that the Group has only one operating segment, the Group does not disclose any segment information.

In 2025, more than 90% of the Group's non-current assets, excluding financial instruments and deferred income tax assets, were situated in Mainland China.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

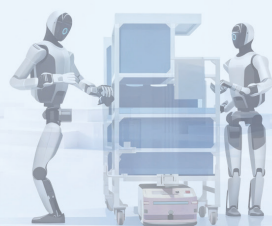
(26) Share-based payments

Share-based payments are classified as equity-settled share-based payments and cash-settled sharebased payments. The restricted share scheme and share option scheme implemented by the Group is accounted for as equity-settled share-based payments.

The equity-settled share-based payments in exchange for employee services shall be measured at the fair value of the equity instruments granted to the employees. Where the equity-settled share-based payments are exercisable immediately after the grant is completed, the payments shall be recognised in profit or loss for the current period at the fair value of the equity instruments at the grant date, with capital surplus increased accordingly; where the equity-settled share-based payments are exercisable after the service in the waiting period is completed or specified performance conditions are met, the service obtained in the current period shall be recognised in profit or loss for the current period at the fair value of the equity instruments at the grant date based on the best estimate on the quantity of exercisable equity instruments made by the Group in accordance with the latest changes in the number of exercisable employees, satisfaction of specified performance conditions and other subsequent information at each balance sheet date within the waiting period.

Where the equity-settled share-based payments cannot be exercised in the end, its costs or expenses shall not be recognised by the Group unless that the payments are exercisable under the market conditions or non-exercisable conditions. In this regard, whether the market conditions or non-exercisable conditions are satisfied or not, the payments are deemed to be exercisable only when the non-market conditions among all of the exercisable conditions are satisfied.

When the Group modifies the terms of the share-based payment plan, if the modification increases the fair value of the granted equity instruments, the Group shall recognise the increase in services received based on the difference between the fair value of the equity instruments before and after the modification on the modification date. If the Group revises the conditions for exercisability in a manner favorable to the employee, the Group accounts for the conditions based on the revised conditions. If the Group revises the conditions for exercisability in a manner unfavorable to the employee, the Group does not take the revision into account when accounting, unless the Group cancels some or all of the granted equity instruments. If the Group cancels the granted equity instruments, the payments shall be accelerated for exercise on the cancellation date, and the amount that should have been recognised during the remaining waiting period shall be immediately included in profit or loss for the current period, and capital surplus shall be also recognised.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(27) Critical accounting estimates and judgements

The Group continually evaluates the critical accounting estimates and key judgements applied based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) *Critical judgments in applying accounting policies*

Judgment of significant increase in credit risk and credit impairment

The Group makes the following judgments on significant increases in credit risk and credit impairments when distinguishing the different stages that financial instruments are in:

The Group's main criteria for judging a significant increase in credit risk are significant changes in one or more of the following indicators: the operating environment in which the debtor is located, internal and external credit ratings, significant changes in actual or expected operating results, and significant decreases in the value of collateral or the credit rating of the guarantor that affect the probability of default.

The Group's main criteria for judging that credit impairment has occurred is that one or more of the following conditions are met: significant financial difficulties of the debtor, other debt restructuring, or likely bankruptcy.

The critical accounting estimates and key assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(27) Critical accounting estimates and judgements *(Continued)*

(b) *Critical accounting estimates and key assumptions*

(i) *Measurement of expected credit loss on trade receivables and long-term receivables*

The Group recognises impairment allowances for trade receivables and long-term receivables based on lifetime expected credit losses. For trade receivables and long-term receivables with distinct credit risk characteristics, expected credit losses are measured on an individual basis for such financial assets. Where information for assessing the expected credit losses of individual financial assets cannot be obtained at a reasonable cost, the Group classifies trade receivables and long-term receivables into various portfolios by reference to their credit risk characteristics, and calculates expected credit losses on a portfolio basis. In prior financial years, the Group determined the probability of default and loss given default based on counterparties' external credit ratings and industry sectors, and finalised the expected credit losses on trade receivables and long-term receivables by adjusting for default exposure and forward-looking information. In the current year, as the Group has accumulated sufficient historical data and operational experience during its business continuity to serve as key parameters for measuring the expected credit losses on trade receivables and long-term receivables, the Group determines the expected credit loss rates for portfolio-classified trade receivables and long-term receivables by adopting ageing matrices. When ascertaining the expected credit loss rates, the Group applies data such as internal historical credit loss experience, and adjusts the historical data with reference to prevailing conditions and forward-looking information.

When considering forward-looking information, the Group has considered the different macroeconomic scenarios. For the year 2025, the weights of the 'baseline', 'adverse', and 'favorable' economic scenarios are 60%, 20%, and 20%, respectively (2024: 60%, 20%, and 20%). The Group regularly monitors and reviews important macroeconomic assumptions and parameters related to the calculation of expected credit loss, including the risk of economic downturn, external market environment, technological environment, changes in customer conditions, gross domestic product, and consumer price index.

(ii) *Share-based payments*

To determine the share-based payments during the vesting period, the Group is required to estimate the date of the successful initial public offering of the Company's shares and the number of grantees who will continue to be employed by the Group at the end of the vesting period. Changes in such estimates and assumptions may have a material impact on the timing and amount of vesting restricted stock, which may further have a material impact on share-based expenses recognised for each year.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(27) Critical accounting estimates and judgements *(Continued)*

(b) *Critical accounting estimates and key assumptions (Continued)*

(iii) *Accounting estimates on impairment of long-term equity investments and fixed assets*

The Group conducted impairment test on long-term equity investments and fixed assets with impairment indicators. If the result of the impairment test indicates that the recoverable amount of such assets are less than its carrying amount, a provision for asset impairment and an impairment loss are recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount of an asset is the higher of the fair value less the cost of disposal and the present value of the future cash flows expected to be derived from the asset. These determinations require the use of accounting estimates.

When the present value of expected future cash flows is adopted by the Group to determine the recoverable amount, due to the uncertainty of the economic environment in which the relevant regions are located, there is also uncertainty in the income growth rate, gross profit margin, and pre-tax discount rate used in the calculation of the present value of expected future cash flows. If the management revises the growth rate used in the future cash flow calculation of the relevant asset group, and the revised growth rate is lower than the current growth rate, the Group needs to increase the provision for impairment of the relevant assets. If the management revises the gross profit margin that is used in the calculation of future cash flows for the relevant asset groups, and the revised gross profit margin is lower than the current gross profit margin, the Group would need to increase the provision for impairment of the related assets. If the management revises the pre-tax discount rate used for cash flow discounting, and the revised pre-tax discount rate is higher than the currently used discount rate, the Group would need to increase the provision for impairment of related assets. If the actual growth rate and gross profit margin are higher than the management's estimate or the actual pre-tax discount rate is lower than the management's estimate, the Group shall not reverse the impairment loss of related asset that have been previously provisioned.

(iv) *Accounting estimate of provision for declines in the value of inventories*

The inventories of the Group are measured at the lower of cost and net realizable value. The management of the Group makes significant estimates to determine the net realizable value of inventory. In determining the net realizable value of inventories, the Group evaluates signed sales contracts and orders, selling prices of the same or similar type of products recently sold, cost to be incurred from inventory to completion and contract fulfillment costs, estimated selling expenses and related taxes. If the conditions affecting the net realizable value of inventories deteriorate, additional provision for impairment may be required.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(27) Critical accounting estimates and judgements *(Continued)*

(b) Critical accounting estimates and key assumptions *(Continued)*

(v) Goodwill impairment

The Group tests goodwill for impairment at least on an annual basis. The recoverable amount of group of assets or group of asset combinations containing goodwill is the higher of the net amount after deducting disposal expenses from the fair value of group of assets or group of asset combinations and the present value of its expected future cash flows, and accounting estimates need to be used for determination.

When the present value of expected future cash flows is adopted by the Group to determine the recoverable amount, due to the uncertainty of the economic environment in which the relevant regions are located, there is also uncertainty in the income growth rate, gross profit margin, and pre-tax discount rate used in the calculation of the present value of expected future cash flows. If the management revises the growth rate used in the calculation of future cash flows for group of assets or group of asset combinations, and the revised growth rate is lower than the current growth rate, the Group needs to increase impairment provisions for goodwill. If the management revises the gross profit margin used in the calculation of future cash flows for group of assets or group of asset combinations, and the revised gross profit margin is lower than the current gross profit margin, the Group needs to increase impairment provisions for goodwill. If the management revises the pre-tax discount rate used for cash flow discounting, and the revised pre-tax discount rate is higher than the currently used discount rate, the Group needs to increase the provision for impairment of goodwill. If the actual growth rate and gross profit margin are higher than the management's estimate or the actual pretax discount rate is lower than the management's estimate, the Group shall not reverse the impairment loss of goodwill that has been previously provisioned.

(vi) Revenue from customer contracts with multiple performance obligations

For contracts containing different performance obligations, the Group allocates the transaction price among the different performance obligations according to the relative proportion of individual selling price of each performance obligation. The Group generally determines standalone selling prices of performance obligations based on the prices charged to customers when the Group sells performance obligations separately in similar circumstances to similar customers. If the standalone selling price is not directly observable, it is estimated using cost plus a margin or adjusted market assessment approach, depending on the availability of observable information. The amount of revenue recognised by the Group may be affected by changes in the assumptions and estimates made by the Group in estimating the relative selling prices of various different performance obligations.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

(27) Critical accounting estimates and judgements *(Continued)*

(b) *Critical accounting estimates and key assumptions (Continued)*

(vii) *Income tax and deferred income tax*

The Group is subject to income taxes in numerous jurisdictions. There are some transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgement is required from the Group in determining the provision for income taxes in each of these jurisdictions. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will affect the income tax and deferred tax provisions in the period in which such determination is made.

As disclosed in note 3, some subsidiaries of the Group are high-tech enterprises. The validity period of the high-tech enterprise qualification is 3 years. Upon expiration, application for high-tech enterprise should be submitted again to the relevant government authorities. Based on the past experience of reassessment for high-tech enterprise upon expiration and the actual condition of the subsidiaries, the Group considers that the subsidiaries are able to obtain the qualification for high-tech enterprises in future years, and therefore a preferential tax rate of 15% is used to calculate the corresponding deferred income tax. If some of the subsidiaries fail to obtain re-recognition after the expiration of the high-tech enterprise qualification in the future, they will be subject to the statutory tax rate of 25% for income tax calculation, which will in turn affect the recognized deferred income tax assets, deferred income tax liabilities and income tax expenses.

For the deductible losses that can be carried forward in subsequent years, the Group shall recognise the corresponding deferred tax assets within the limit of the taxable income that is likely to be used to deduct the deductible losses in the future period. The taxable income obtained in the future period includes the taxable income that the Group can realise through normal production and operation activities, and the taxable income that will increase when the taxable temporary difference generated in the previous period is reversed in the future period. The Group needs to apply estimates and judgements in determining the time and amount of taxable income in the future. If there is any difference between the actual and the estimates, adjustment may be made to the carrying amount of deferred tax assets.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

2 SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

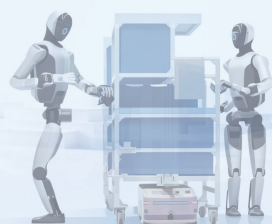
(28) Significant changes in accounting policies

In 2025, the Ministry of Finance issued several Q&As on the Implementation of Accounting Standards for Business Enterprises (hereinafter referred to as the “Implementation Q&As”). The accounting policies consistently adopted by the Group are consistent with the principles set out in the aforesaid Implementation Q&As, which have no material impact on the financial statements of the Group and the Company.

In addition, in December 2025, the Ministry of Finance issued Interpretation No. 19 of Accounting Standards for Business Enterprises, which became effective on January 1, 2026. The Group and the Company expect that the adoption of such Interpretation will have no material impact on their financial statements.

3 TAXATION

Category	Taxation basis	Tax rate
Enterprise income tax (a)	Taxable income	5%, 15%, 16.5%, 25% and 29.84%
Value-added tax (b)	Taxable value-added amount (Tax payable is calculated using the taxable sale amount multiplied by the applicable tax rate less deductible VAT input of the current period)	6%、9%、13%
City maintenance and construction tax	Taxable amount of VAT	5% or 7%
Education surcharges	Taxable amount of VAT	3%
Local education surcharges	Taxable amount of VAT	2%
Land use tax	Actual area of land used	Applicable differential tax amount
Urban land use tax	Actual area of land used	Applicable differential tax amount



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

3 TAXATION CATEGORY TAX *(Continued)*

- (a) According to the Enterprise Income Tax of the People's Republic of China and the Regulations on the Implementation of Enterprise Income Tax, except for a few subsidiaries established in the Chinese Mainland that enjoy a preferential tax rate of 15% due to the certification of high-tech enterprises, the remaining subsidiaries mainly apply an income tax rate of 25%. In 2024, the Company, Shanghai UBJ Education Technology Co., Ltd., and Wuxi Uqi Intelligent Technology Co., Ltd. obtained the Certificate of High-tech Enterprises. In 2023, UBTECH Software Technology (Shenzhen) Co., Ltd. obtained the Certificate of High-tech Enterprises, which is valid for three years. In 2025 and 2024, the applicable EIT rate for the Company, Shanghai UBT Education Technology Co., Ltd., UBTECH Software Technology (Shenzhen) Co., Ltd. and Wuxi Uqi Intelligent Technology Co., Ltd. is 15%. (2024 and 2023: 15%).

Certain subsidiaries of the Group are micro and small enterprises. According to the Announcement on Implementation of Preferential Policy on Income Tax for Small and Micro Enterprises and Self-Employed Individuals by the Ministry of Finance and the State Administration of Taxation (Announcement [2023] No. 6) and the Announcement of the State Administration of Taxation on Issues Concerning the Implementation of Preferential Income Tax Policies to Support the Development of Small and Low-Profit Enterprises and Individual Business (SAT Announcement [2021] No. 8), a 5% income tax rate is applicable to these subsidiaries.

The subsidiaries of the Company established in Hong Kong are subject to a 16.5% income tax rate.

- (b) According to the Announcement on Deepening the Relevant Policies of VAT Reform (《關於深化增值稅改革有關政策的公告》) issued by the Ministry of Finance, the State Taxation Administration and the General Administration of Customs (Announcement [2019] No. 39 of Ministry of Finance, the State Taxation Administration and the General Administration of Customs) and the relevant regulations, from April 1, 2019, the value-added tax rate applicable to our Group's sales of goods is 13% and to the service fees income is 6%.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(1) Cash at bank and on hand

	December 31, 2025	December 31, 2024
Cash on hand	82	79
Bank deposits	4,903,045	1,192,369
Other cash balances	15,478	31,267
	4,918,605	1,223,715

As at December 31, 2025, the restricted cash of the Group amounted RMB30,725,000 (December 31, 2024: RMB32,755,000), which mainly consists of security deposits, pledged deposits and funds in supervised accounts. Other cash balances are mainly the funds deposited by the Group on third-party payment platforms.

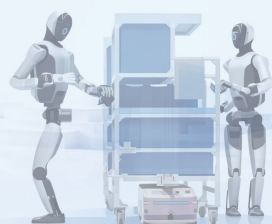
(2) Financial assets held for trading

	December 31, 2025	December 31, 2024
Structured deposits and income not yet due	50,014	15,008

(3) Notes receivables

	December 31, 2025	December 31, 2024
Trade acceptance notes	-	9,018
Bank acceptance notes	39,764	27,801
	39,764	36,819

(a) As at December 31, 2025, the Group did not have notes receivables pledged.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(3) Notes receivables (Continued)

- (b) In 2025, the Group had no endorsed and discounted bank acceptance bills and almost all the risks and rewards of their ownership have been transferred to other parties.

As at December 31, 2025, notes endorsed or discounted but not due, presented as notes receivables of the Group are as follows:

	Derecognised	Not derecognised
Bank acceptance notes	–	25,411

- (c) Provision for bad debts

The notes receivable of the Group are generated from daily business activities such as sales of goods and provision of services, regardless of whether there is a significant financing component, the Group calculates loss provisions in accordance with the expected credit loss throughout the lifetime. As at December 31, 2025 and December 31, 2024, the Group assessed that the expected credit loss of notes receivable were not significant.

(4) Accounts receivables

	December 31, 2025	December 31, 2024
Accounts receivables	1,841,662	1,311,563
Less: provision for bad debts	(539,438)	(398,065)
	1,302,224	913,498

- (a) The ageing analysis of accounts receivables by invoice date is as follows:

	December 31, 2025	December 31, 2024
Within 6 months	890,612	613,709
6 months to 1 year	167,170	102,805
1 to 2 years	272,544	251,584
2 to 3 years	169,068	262,588
Over 3 years	342,268	80,877
	1,841,662	1,311,563



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(4) Accounts receivables (Continued)

(b) Provision for bad debts

For the accounts receivables, regardless of whether there is a significant financing component, the Group calculates loss provisions in accordance with the expected credit loss throughout the lifetime.

The analysis of provision for bad debts for accounts receivables by category is as follows:

	December 31, 2025				December 31, 2024			
	Accounts balance		Provision for bad debts		Accounts balance		Provision for bad debts	
	Amount	% of total	Amount	% of provision	Amount	% of total	Amount	% of provision
Provision on an individual basis (i)	590,345	32%	(455,351)	77.13%	497,805	38%	(380,131)	76.36%
Provision on a collective basis (ii)	1,251,317	68%	(84,087)	6.72%	813,758	62%	(17,934)	2.20%
	1,841,662	100%	(539,438)	29.29%	1,311,563	100%	(398,065)	30.35%

(i) Provision for bad debts made on an individual basis for accounts receivables is analysed as follows:

Accounts receivables for which bad debt provision is made on an individual basis are characterised by being overdue for more than one year with significant amounts, the presence of guarantee clauses or other factors resulting in credit risk that is significantly different from that of accounts receivables within the portfolio. As at December 31, 2025, the Group's accounts receivables for which bad debt provision is made on an individual basis amounted to approximately RMB590,345,000 (December 31, 2024: RMB497,805,000). The Group evaluated the cash flows that might be collected under different scenarios and recognised the difference of RMB455,351,000 (December 31, 2024: RMB380,131,000) between the present value of the cash flows that might be collected and the cash flows receivable according to the contract as provision for bad debts, of which RMB75,220,000 (2024: RMB163,602,000) was included in profit or loss for the current period.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(4) Accounts receivables (Continued)

(b) Provision for bad debts (Continued)

(ii) Provision for bad debts made on a collective basis for accounts receivables is analysed as follows:

Portfolio 1: Government and state-owned enterprise customers:

	December 31, 2025			December 31, 2024		
	Accounts balance	Provision for bad debts		Accounts balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Within one year	551,602	4.95%	(27,280)	162,899	0.35%	(567)
1 to 2 years	159,399	8.63%	(13,759)	40,314	0.64%	(258)
2 to 3 years	25,012	10.10%	(2,525)	7,760	6.77%	(525)
Over 3 years	1,566	19.22%	(301)	971	10.10%	(98)
	737,579		(43,865)	211,944		(1,448)

Portfolio 2: Non-government and non-state-owned enterprise customers:

	December 31, 2025			December 31, 2024		
	Accounts balance	Provision for bad debts		Accounts balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Within one year	291,705	4.56%	(13,296)	353,802	1.17%	(4,133)
1 to 2 years	43,447	31.98%	(13,896)	33,824	3.57%	(1,209)
2 to 3 years	1,196	55.77%	(667)	210	20.47%	(43)
Over 3 years	131	100.00%	(131)	306	43.83%	(134)
	336,479		(27,990)	388,142		(5,519)



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(4) Accounts receivables (Continued)

(b) Provision for bad debts (Continued)

(ii) Provision for bad debts made on a collective basis for accounts receivables is analysed as follows: (Continued)

Portfolio 3: External related parties of the Group:

	December 31, 2025			December 31, 2024		
	Accounts balance	Provision for bad debts		Accounts balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Within one year	154,925	1.28%	(1,982)	193,050	1.96%	(3,779)
1 to 2 years	13,552	26.37%	(3,574)	17,001	26.46%	(4,499)
2 to 3 years	8,192	74.29%	(6,086)	3,621	74.26%	(2,689)
Over 3 years	590	100.00%	(590)	-	-	-
	177,259		(12,232)	213,672		(10,967)

(iii) The provision for bad debts for the year amounted to RMB172,678,000, of which the amount of provision for bad debts recovered or reversed was RMB31,305,000, and the balance of the corresponding accounts was RMB314,753,000.

(c) There were no write-offs of receivables during the year.

(d) There were no accounts receivables pledged to banks as security as at December 31, 2025.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(5) Prepayments

	December 31, 2025		December 31, 2024	
	Amount	% of total prepayments	Amount	% of total prepayments
Within one year	80,739	64.47%	94,476	80.20%
1 to 2 years	23,602	18.85%	18,368	15.59%
2 to 3 years	16,471	13.15%	2,922	2.48%
Over 3 years	4,414	3.53%	2,035	1.73%
	125,226	100.00%	117,801	100%

As at December 31, 2025, prepayments aged over one year amounted to RMB44,487,000 (December 31, 2024: RMB23,325,000), mainly prepayments to suppliers, which have not been settled because the suppliers have not yet delivered the goods.

(6) Other receivables

	December 31, 2025	December 31, 2024
Deposits and guarantees receivables (a)	116,953	8,859
Receivable for equity transfer	10,543	10,783
Advances to employees	1,920	2,298
Receivables relating to asset disposal	–	3,500
Others	7,427	10,299
	136,843	35,739
Less: provision for bad debts	(8,497)	(9,304)
	128,346	26,435



NOTES TO THE FINANCIAL STATEMENTS

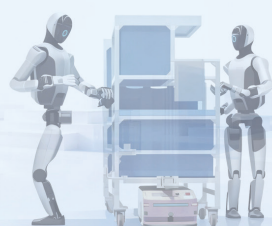
For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

(6) Other receivables *(Continued)*

- (a) As at December 31, 2025, the Group's deposits and guarantees receivable mainly include performance security deposit paid by the Group for the acquisition of shares in Zhejiang Fenglong Electric Co., Ltd. (浙江鋒龍電氣股份有限公司) ("Fenglong Electric") (Note 8(2)) and deposits paid for guarantees of product quality, construction in progress and rental deposits.
- (b) There is no situation in the Group where funds were classified as other receivables due to centralized fund management.
- (c) The ageing analysis of other receivables is as follows:

	December 31, 2025	December 31, 2024
Within 1 year	112,675	19,471
1 to 2 years	12,333	5,777
2 to 3 years	2,165	2,038
Over 3 years	9,670	8,453
	136,843	35,739



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(6) Other receivables (Continued)

(d) Changes in loss allowance and its account balance

The analysis of provision for bad debts for other receivables by stage is as follows:

	December 31, 2025				December 31, 2024			
	Accounts balance		Provision for bad debts		Accounts balance		Provision for bad debts	
	Amount	% of total balance	Amount	% of provision	Amount	% of total balance	Amount	% of provision
Stage 1	128,859	94%	(513)	0.40%	26,786	75%	(351)	1.31%
Stage 3	7,984	6%	(7,984)	100%	8,953	25%	(8,953)	100%
	136,843	100%	(8,497)	6.21%	35,739	100%	(9,304)	26.03%

	Stage 1		Stage 3		Total
	Accounts balance	Provision for bad debts	Accounts balance	Provision for bad debts	Provision for bad debts
December 31, 2024	26,786	(351)	8,953	(8,953)	(9,304)
Transfer to Stage 3 for the year	(575)	8	575	(8)	—
Net changes for the year	102,648	(170)	(1,544)	977	807
December 31, 2025	128,859	(513)	7,984	(7,984)	(8,497)

In 2025 and 2024, the changes in provision for bad debts caused by the conversion between the Stage 1 and Stage 3 are not significant, and the changes in provision for bad debts caused by changes in the parameter data used for expected credit loss are also not significant.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(6) Other receivables (Continued)

(d) Changes in loss allowance and its account balance (Continued)

As at December 31, 2025 and December 31, 2024, the Group had no other receivables in the Stage 2. Other receivables in the Stage 1 and Stage 3 are analysed as follows:

(i) As at December 31, 2025, the analysis of other receivables for single provision for bad debts is as follows:

Stage 3	Accounts balance	Lifetime ECL rate	Provision for bad debts	Reasons
Deposits and guarantees receivable	3,586	100%	(3,586)	Due over one year
Others	4,398	100%	(4,398)	Due over one year
	7,984		(7,984)	Due over one year

(ii) As at December 31, 2024, the analysis of other receivables for single provision for bad debts is as follows:

Stage 3	Accounts balance	Lifetime ECL rate	Provision for bad debts	Reasons
Deposits and guarantees receivable	4,093	100%	(4,093)	Due over one year
Others	4,860	100%	(4,860)	Due over one year
	8,953		(8,953)	



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(6) Other receivables (Continued)

(d) Changes in loss allowance and its account balance (Continued)

(iii) As at December 31, 2025 and December 31, 2024, other receivables that are assessed for provision for bad debts on a collective group basis were both in Stage 1, analysis is as follows:

	December 31, 2025			December 31, 2024		
	Accounts balance	Loss allowance	Provision ratio	Accounts balance	Loss allowance	Provision ratio
	Amount	Amount		Amount	Amount	
Deposits and guarantees receivable	113,367	(347)	0.31%	4,766	(108)	2.27%
Advances to employees	1,888	(20)	1.06%	2,298	(20)	0.87%
Others	13,604	(146)	1.07%	19,722	(223)	1.13%
	128,859	(513)	0.40%	26,786	(351)	1.31%

In 2025, the single and collective provisions for credit impairment loss amounted to RMB1,114,000, the amount of credit impairment losses written off was RMB244,000. The amount of provisions for credit impairment loss reversed was RMB1,677,000, of which the amount of provisions for loss reversed due to the payments recovered in the third stage was RMB1,273,000, with a corresponding accounts balance of RMB1,273,000.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

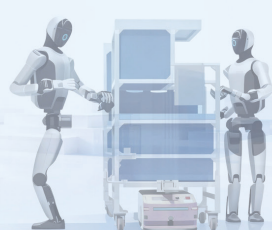
4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Inventories

(a) Inventories are classified as follows:

	December 31, 2025			December 31, 2024		
	Accounts balance	Provision for declines in the value of inventories	Carrying amount	Accounts balance	Provision for declines in the value of inventories	Carrying amount
Raw materials	102,469	(2,774)	99,695	57,049	(111)	56,938
Work in progress	52,404	(3,524)	48,880	70,090	(90)	70,000
Finished goods	298,303	(25,224)	273,079	247,877	(5,983)	241,894
Goods						
dispatched (i)	73,488	-	73,488	63,535	-	63,535
Contract fulfillment costs (ii)	81,384	-	81,384	28,133	-	28,133
	608,048	(31,522)	576,526	466,684	(6,184)	460,500

- (i) The main purpose of goods dispatched is for the Group to sign contracts with business partners in order to obtain business opportunities related to the project, and then to send certain of the goods to the local business partner's warehouse in advance. As the control of this part has not yet been transferred to the end customer, it is presented as goods dispatched for accounting.
- (ii) The accounts balance of contract fulfillment costs is mainly the direct and indirect expenses incurred by our Group in fulfilling logistics project contracts, which have not been transferred to customers and have not been carried forward to cost of sales. In 2025, the total amount of amortized contract fulfillment costs included in operating costs was RMB97,697,000 (2024: RMB222,414,000).



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Inventories (Continued)

(b) Provision for declines in the value of inventories are analysed as follows:

	December 31, 2024	Increase in the current year Provision	Decrease in the current year Written off with retirement	Written off with sales	December 31, 2025
Raw materials	111	2,794	(125)	(6)	2,774
Work in progress	90	3,434	–	–	3,524
Finished goods	5,983	20,994	(845)	(908)	25,224
	6,184	27,222	(970)	(914)	31,522

(c) The provision for decline in value of inventories is as follows:

	Specific basis for determining net realisable value	Reason for reversal or write-off of provision for decline in value of inventories in the year
Raw materials	Measured at the lower of cost and net realisable value	Retirement
Work in progress	Measured at the lower of cost and net realisable value	Retirement
Finished goods	Measured at the lower of cost and net realisable value	Retirement or sell
Contract fulfillment costs	Measured at the lower of cost and net realisable value	N/A
Goods dispatched	Measured at the lower of cost and net realisable value	N/A



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(8) Other current assets

	December 31, 2025	December 31, 2024
Input VAT to be deducted	114,491	91,330
Prepaid tax	14,998	16,101
Return cost receivable	6,764	4,986
	136,253	112,417

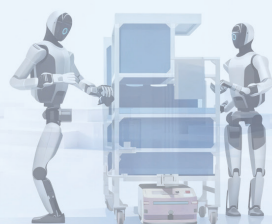
(9) Long-term receivables

	December 31, 2025	December 31, 2024
Goods sold on hire purchase	207,950	140,709
Less: provision for bad debts	(10,987)	(358)
	196,963	140,351

The provision for bad debts for long-term receivables is all recognised on a portfolio basis, and the analysis of the portfolio provision is as follows:

	December 31, 2025			December 31, 2024		
	Accounts balance	Provision for bad debts Lifetime		Accounts balance	Provision for bad debts Lifetime	
	Amount	ECL rates	Amount	Amount	ECL rates	Amount
Government and state-owned enterprise customers	193,023	5.34%	(10,307)	123,770	0.11%	(134)
Non-government and non-state-owned enterprise customers	14,927	4.56%	(680)	16,939	1.32%	(224)
	207,950	5.28%	(10,987)	140,709	0.25%	(358)

The provision for bad debts for the year amounted to RMB10,629,000, with no reversal of provision for bad debts.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

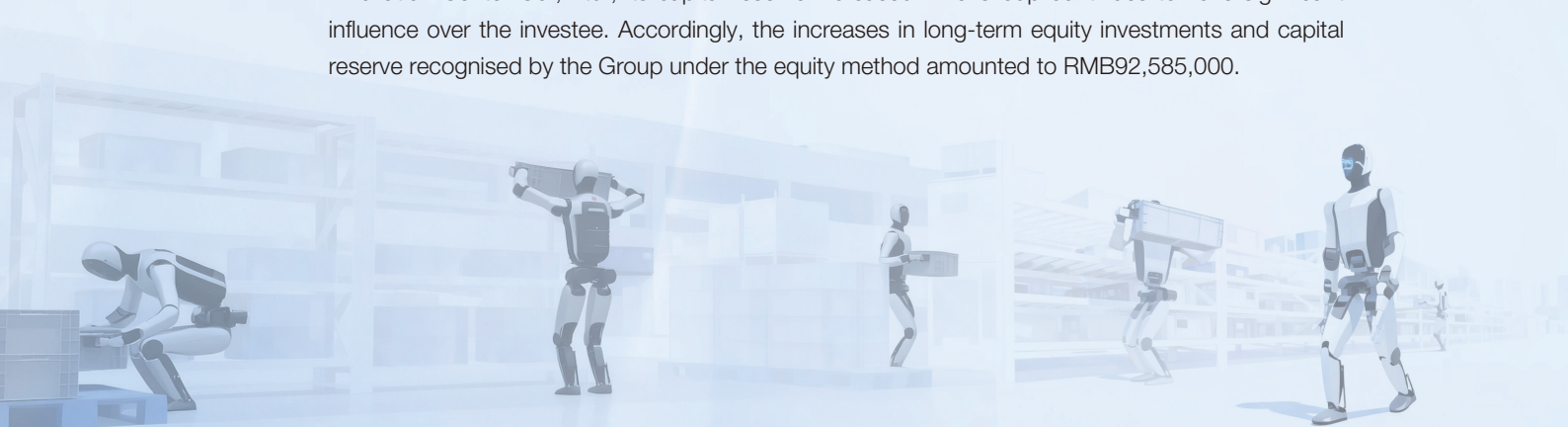
(10) Long-term equity investments

	December 31, 2025	December 31, 2024
Joint ventures – Investments in unlisted companies	7,764	–
Associates – Investments in unlisted companies	199,891	81,796
	207,655	81,796
Less: Provision for impairment	(58,444)	(58,444)
	149,211	23,352

	December 31, 2024	Increase in investments	Adjusted net profit or loss under equity method	Others	December 31, 2025	Provision for impairment
Beijing Humanoid Robot Innovation Center Co., Ltd. (北京人形机器人创新中心 有限公司) (a)	14,111	80,000	(48,038)	92,585	138,658	–
FUTRONICS (NA) CORPORATION	9,241	–	(8,047)	(1,194)	–	–
Suzhou Youmai Robot Co., Ltd. (a)	–	3,000	(211)	–	2,789	–
Yixing UBxing Education Technology Limited (宜兴市优必兴教育科技有限公司) (b)	–	–	(1,236)	9,000	7,764	–
Other associates and joint ventures (c)	58,444	–	–	–	58,444	(58,444)
	81,796	83,000	(57,532)	100,391	207,655	(58,444)

The equity investments above are accounted for using the equity method. The Directors of the Company were of opinion that the above associates have no material impact on the Group's financial statements.

- (a) In June 2025, the Group made additional investments of RMB80,000,000 and RMB3,000,000 in Beijing Humanoid Robot Innovation Center Co., Ltd. and Suzhou Youmai Robot Co., Ltd., respectively. During 2025, due to investments made by other investors in Beijing Humanoid Robot Innovation Center Co., Ltd., its capital reserve increased. The Group continues to have significant influence over the investee. Accordingly, the increases in long-term equity investments and capital reserve recognised by the Group under the equity method amounted to RMB92,585,000.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(10) Long-term equity investments (Continued)

- (b) Yixing UBxing Education Technology Limited (“Yixing Education”) was a former subsidiary of the Group. In February 2025, Yixing Education updated its articles of association, granting all its shareholders a one-vote veto right. As a result, the Company lost control over Yixing Education, and it became a joint venture of the Group. The Group remeasured its 60% equity interest in Yixing Education at fair value. This transaction resulted in a decrease in the Group’s non-controlling interests of RMB6,000,000, with no significant profit or loss.
- (c) In prior years, the Group made investments of RMB52,222,000, RMB3,222,000 and RMB3,000,000 in Sichuan UBTECH City Sports Industry Development Co., Ltd., Shenzhen Yiersan Technology Co., Ltd. and Sichuan Shanyuan Sports Industry Development Co., Ltd., respectively, totalling RMB58,444,000. Due to poor operation and management of the investees, which resulted in their liabilities exceeding their assets, full impairment provisions were recognised in prior years.

(11) Investment in other equity instruments

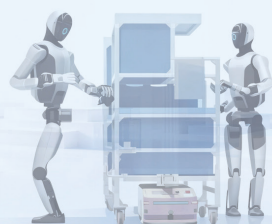
Investments in other equity instruments is the Group’s investment in unlisted equity at fair value through other comprehensive income whose fair value measurement is classified under Level 3, and the table below sets out its fair value change:

	December 31, 2025	December 31, 2024
Opening balance for the year	49,795	6,073
Increase in the year	19,350	45,000
Changes in fair value	(2,158)	(1,278)
Closing balance for the year	66,987	49,795

In 2025, the Group made additional equity investments in certain unlisted companies, over which neither control nor significant influence can be exercised at the shareholders' meeting and the board of directors; therefore, such investments are stated as investment in other equity instruments.

In 2025, the Group had no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy classification.

In 2025, even if the Group’s financial assets at fair value through other comprehensive income increased or decreased 10% with other factors remaining unchanged, there was no material impact on the Group’s other comprehensive income.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(12) Right-of-use assets

	Houses and buildings
Cost	
December 31, 2024	182,978
Increase in the current year	
New lease contracts	11,628
Early termination of leases	(1,424)
December 31, 2025	193,182
Accumulated depreciation	
December 31, 2024	124,915
Accruals	27,300
Early termination of leases	(280)
December 31, 2025	151,935
Carrying amount	
December 31, 2025	41,247
December 31, 2024	58,063



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(13) Fixed assets

	Houses and buildings	Machinery and equipment	Office equipment and motor vehicles	Total
Cost				
December 31, 2024	84,014	183,397	49,447	316,858
Increase in the current year				
Purchases	–	37,727	46,207	83,934
Transfer from construction in progress	70,368	–	–	70,368
Decrease in the current year				
Disposal and other decrease	–	(36,025)	(3,649)	(39,674)
December 31, 2025	154,382	185,099	92,005	431,486
Accumulated depreciation				
December 31, 2024	3,215	132,324	42,284	177,823
Increase in the current year				
Accruals	1,938	18,365	11,850	32,153
Decrease in the current year				
Disposal and other decrease	–	(14,646)	(5,587)	(20,233)
December 31, 2025	5,153	136,043	48,547	189,743
Carrying amount				
December 31, 2025	149,229	49,056	43,458	241,743
December 31, 2024	80,799	51,073	7,163	139,035

In 2025, depreciation included in cost of sales, selling expenses, administrative expenses, and research and development expenses amounted to RMB16,162,000, RMB1,688,000, RMB4,609,000 and RMB9,694,000, respectively (2024: RMB9,334,000, RMB1,305,000, RMB10,319,000 and RMB6,593,000).



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(14) Construction in progress

Names of projects	December 31, 2024	Increase in the current year	Transfer to fixed assets in the current year	December 31, 2025	Accumulated capitalized borrowing costs	Including: Capitalized borrowing costs for the year	Capitalizing rate of borrowing costs for the year	Source of funds
Shenzhen headquarters building	1,022,628	39,238	-	1,061,866	163,031	47,408	4.22%	Borrowings/self-funding
Hangzhou 2nd headquarters building	145,121	17,440	-	162,561	13,428	3,609	4.22%	Borrowings/self-funding
Kunming industrial park	46,226	26,963	-	73,189	6,217	1,516	4.22%	Borrowings/self-funding
Hangzhou Lin'an infrastructure project	62,359	116,768	-	179,127	3,913	2,530	4.22%	Borrowings/self-funding
Jiujiang industrial park	13,883	56,485	(70,368)	-	2,058	1,266	4.22%	Borrowings/self-funding
Others	18,562	246,834	-	265,396	6,474	3,505	4.22%	Borrowings/self-funding
	1,308,779	503,728	(70,368)	1,742,139	195,121	59,834		



NOTES TO THE FINANCIAL STATEMENTS

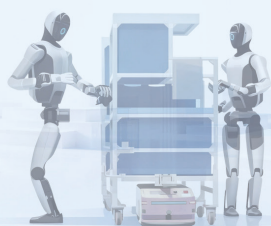
For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(15) Intangible assets

	Land use rights	Customer contract	Office software	Trademark	Total
Cost					
December 31, 2024	523,568	8,654	30,513	1,474	564,209
Increase in the current year					
Purchases	–	–	2,411	–	2,411
December 31, 2025	523,568	8,654	32,924	1,474	566,620
Accumulated amortisation					
December 31, 2024	91,972	5,814	18,191	784	116,761
Increase in the current year					
Accruals	14,410	1,141	7,143	147	22,841
December 31, 2025	106,382	6,955	25,334	931	139,602
Provision for impairment					
December 31, 2024	–	–	–	–	–
Increase in the current year					
Accruals	–	1,699	–	–	1,699
December 31, 2025	–	1,699	–	–	1,699
Net carrying amount					
December 31, 2025	417,186	–	7,590	543	425,319
December 31, 2024	431,596	2,840	12,322	690	447,448

In 2025, the amortisation of intangible assets included in construction in progress, selling expenses, administrative expenses and research and development expenses amounted to approximately RMB14,410,000, RMB65,000, RMB8,078,000 and RMB288,000, respectively, (2024: RMB15,367,000, RMB3,163,000, RMB4,841,000 and RMB335,000, respectively).



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(15) Intangible assets (Continued)

On December 31, 2025, land use rights with carrying amount of RMB268,055,000 (cost: RMB357,410,000) (December 31, 2024: carrying amount of RMB279,965,000 (cost: RMB357,410,000)) were pledged as collateral for a long-term loan of RMB500,096,000 (December 31, 2024: a short-term loan of RMB138,188,000 and a long-term loan of RMB744,273,000 (note 4 (28))).

(16) Goodwill

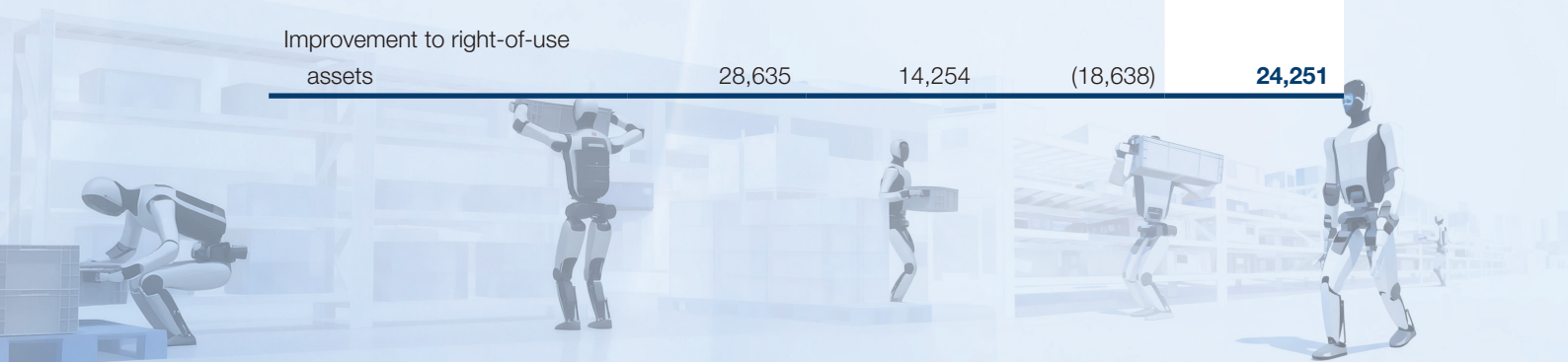
	December 31, 2025	December 31, 2024
Goodwill	75,587	75,587
Less: Provision for impairment	(75,587)	(65,236)
	-	10,351

The goodwill of the Group mainly arose from the acquisition of subsidiaries, including Shanghai UBJ Education Technology Co., Ltd. (上海優必傑教育科技有限公司) ("Shanghai UBJ") and Jiangsu Tianhui Science and Technology Development Company Limited (江蘇天慧科技開發有限公司) ("Jiangsu Tianhui") in 2022. The Group monitors goodwill at the level of Shanghai UBJ and Jiangsu Tianhui, therefore, impairment testing on goodwill is performed at the level of Shanghai UBJ and Jiangsu Tianhui. Management determines the recoverable amounts of cash generating units of Shanghai UBJ and Jiangsu Tianhui based on value in use calculations.

When performing impairment testing on goodwill, the Group compares the carrying amounts of related assets or groups of assets (including goodwill) to their recoverable amounts. If the recoverable amounts are lower than the carrying amounts, the difference is included in asset impairment losses for the current period. The recoverable amount of asset groups or combinations of asset groups containing goodwill is the higher of the net amount after deducting disposal expenses from the fair value of asset groups or combinations of asset groups and the present value of its expected future cash flows. As at December 31, 2025, the Company's management assessed and fully provided impairment of goodwill because Shanghai UBJ and Jiangsu Tianhui did not meet the performance targets, and the amount of asset impairment loss recognised in profit or loss for the current year was RMB10,351,000.

(17) Long-term prepaid expenses

	December 31, 2024	Increase in the current year	Amortisation in the current year	December 31, 2025
Improvement to right-of-use assets	28,635	14,254	(18,638)	24,251



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

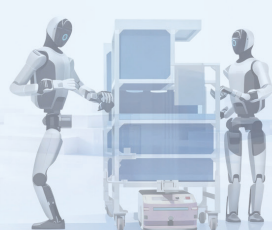
4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(18) Other non-current assets

	December 31, 2025	December 31, 2024
Time deposits more than one year	30,000	–
Prepayment for construction in progress and other fixed assets	13,439	7,136
Credit tax available for deduction	29,509	14,387
	72,948	21,523

(19) Provision for asset impairment and losses

	December 31, 2024	Increase in the current year	Decrease in the current year Reversal	Write-off/ charge-off	December 31, 2025
Provision for bad debts of accounts receivable	398,065	172,678	(31,305)	–	539,438
Including: Provision on an individual basis	380,131	93,675	(18,455)	–	455,351
Provision on a collective basis	17,934	79,003	(12,850)	–	84,087
Provision for bad debts of other receivables	9,304	1,114	(1,677)	(244)	8,497
Provision for bad debts of long-term receivables	358	10,629	–	–	10,987
Provision for declines in the value of inventories	6,184	27,222	–	(1,884)	31,522
Impairment of long-term equity investment	58,444	–	–	–	58,444
Provision for impairment of goodwill	65,236	10,351	–	–	75,587
Provision for impairment of intangible assets	–	1,699	–	–	1,699
	537,591	223,693	(32,982)	(2,128)	726,174



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

(20) Short-term borrowings

	December 31, 2025	December 31, 2024
Secured, pledged and guaranteed borrowings (a)	15,022	138,188
Pledged borrowings	–	25,083
Guaranteed borrowings (b)	507,836	580,094
Credit borrowings	100,000	50,000
	622,858	793,365

- (a) As at December 31, 2025, the secured, pledged and guaranteed bank borrowings of the Group of RMB15,022,000 were pledged by the patent rights of a wholly-owned subsidiary of the Group, and guaranteed by the third parties. As at December 31, 2024, the secured, pledged and guaranteed bank borrowings of the Group of RMB138,188,000 were secured by certain land use rights of the Group (note 4 (15)) as collateral, and pledged by 100% equity interest of a subsidiary Shenzhen UBTECH Technology Industrial Co., Ltd. and 16 patent rights independently developed by the Group as pledges, and guaranteed by the Company.
- (b) As at December 31, 2025, the guaranteed bank borrowings of RMB507,836,000 (December 31, 2024: RMB580,094,000) were obtained by the Group which were guaranteed by the parent and other subsidiaries.

As at December 31, 2025, the Group had no overdue short-term borrowings bearing interest ranging from 2.60% to 4.96% (December 31, 2024: 3.25% to 5.96%).



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(21) Accounts payables

	December 31, 2025	December 31, 2024
Payables for purchase of raw materials	648,212	408,405
Payables for outsourcing labour costs	51,186	138,396
Others	2,046	1,007
	701,444	547,808

The ageing analysis of accounts payables based on invoice dates is as follows:

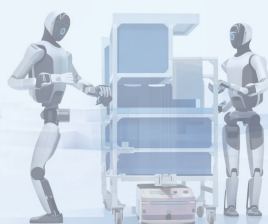
	December 31, 2025	December 31, 2024
Within 6 months	373,226	424,338
6 months to 1 year	154,778	46,310
1 to 2 years	121,580	62,814
Over 2 years	51,860	14,346
	701,444	547,808

As at December 31, 2025, accounts payables over one year amounted to RMB173,440,000 (December 31, 2024: RMB77,160,000), primarily representing payables for certain procurement relating to logistics projects. Due to the relatively long project periods, a portion of the payments will only be finally settled upon completion of acceptance inspection.

(22) Contract liabilities

	December 31, 2025	December 31, 2024
Advance for goods and labour services	91,119	61,425

Contract liabilities of RMB36,890,000 included in the carrying amount as at December 31, 2024 were transferred to revenue in 2025.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(23) Employee benefits payable

	December 31, 2025	December 31, 2024
Short-term employee benefits payable (a)	126,471	112,652
Defined contribution plans payable (b)	11,907	11,600
Termination benefits payable (c)	1,071	92
	139,449	124,344

(a) Short-term employee benefits

	December 31, 2024	Increase in the current year	Decrease in the current year	December 31, 2025
Wages and salaries, bonus, allowances and subsidies	98,965	636,666	(622,980)	112,651
Staff welfare	–	9,492	(9,492)	–
Social security contributions	5,870	29,113	(29,030)	5,953
Including: Medical insurance	5,312	25,075	(25,012)	5,375
Work injury insurance	141	1,867	(1,857)	151
Maternity insurance	417	2,171	(2,161)	427
Housing funds	7,817	38,268	(38,218)	7,867
Labour union funds and employee education funds	–	876	(876)	–
	112,652	714,415	(700,596)	126,471



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(23) Employee benefits payable (Continued)

(b) Defined contribution plans payable

	December 31, 2024	Increase in the current year	Decrease in the current year	December 31, 2025
Basic pension insurance	11,490	72,685	(72,394)	11,781
Unemployment insurance	110	3,423	(3,407)	126
	11,600	76,108	(75,801)	11,907

The Group paid pension insurance and unemployment insurance to relevant institutions monthly according to the payment base and proportion specified by the local labour and social security department, and the payment cannot be used to offset the amount that the Group shall pay for employees in the future.

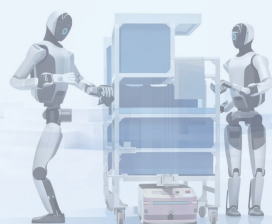
(c) Termination benefits payable

	December 31, 2025	December 31, 2024
Other termination benefits	1,071	92

In 2025, the Group provided other termination benefits of RMB1,171,000 (2024: RMB19,385,000) for the termination of employment relationships.

(24) Taxes payable

	December 31, 2025	December 31, 2024
VAT payable	98,941	34,046
Enterprise income tax payable	42,028	39,825
Individual income tax payable	4,391	8,261
Other taxes payable	477	366
	145,837	82,498



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(25) Other payables

	December 31, 2025	December 31, 2024
Accrued expenses (a)	116,131	98,163
Payables for the following		
Government grants received (b)	121,523	118,523
Purchase of fixed assets	281,574	154,212
Others	18,316	20,196
	537,544	391,094

(a) This amount mainly refers to the withholding of professional service fees, advertising and promotional expenses, etc.

(b) The amount represents government grants received by the Group for which the conditions attached have not yet been met and are therefore accounted for as other payables.

As at December 31, 2025, other payables with an age of over one year amounted to RMB50,793,000 (December 31, 2024: RMB36,374,000), which are mainly renovation payables and unsettled due to long renovation duration.

(26) Non-current liabilities to be settled within one year

	December 31, 2025	December 31, 2024
Long-term borrowings to be settled within one year (note 4 (28))	60,696	35,643
Lease liabilities to be settled within one year (note 4 (29))	23,836	35,339
	84,532	70,982



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

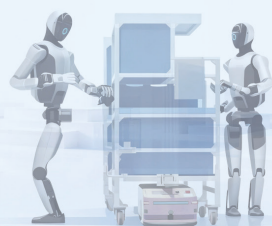
(27) Other current liabilities

	December 31, 2025	December 31, 2024
Payables for returned goods	13,776	7,996
Quality assurance fund – provision for repair service	43,469	13,035
	57,245	21,031

(28) Long-term borrowings

	December 31, 2025	December 31, 2024
Secured, pledged and guaranteed borrowings	500,096	744,273
Less: Long-term borrowings repayable within one year (note 4 (26))	(60,696)	(35,643)
	439,400	708,630

As at December 31, 2025, long-term borrowings of RMB500,096,000 (December 31, 2024: RMB744,273,000) were mainly secured by certain land use rights of the Group (note 4 (15)) as collateral, 100% equity interest of a subsidiary, Shenzhen UBTECH Technology Industrial Co., Ltd. (深圳市優必選科技實業有限公司), and 16 patent rights developed by the Group as pledges, and guaranteed by our Company, carrying floating interest rate, payable every three months, and the principal should be fully repaid before June 18, 2031.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

(29) Lease liabilities

	December 31, 2025	December 31, 2024
Lease liabilities	49,359	71,892
Less: Lease liabilities repayable within one year	(23,836)	(35,339)
	25,523	36,553

As at December 31, 2025, the Group did not include lease liabilities, as a result, the minimum rental payable in the future for contracts of short-term leases and low-value asset leases that will lead to future cash outflow amounted to RMB1,123,000 (December 31, 2024: RMB208,000), both payable within one year.

As at December 31, 2025, there were no lease contracts that the Group had signed but not yet executed.

(30) Deferred income

	December 31, 2024	Increase in the current year	Included in other income in the current year	December 31, 2025
Assets-related government grants	10,180	34,600	(1,798)	42,982
Income-related government grants	37,781	11,660	(34,168)	15,273
	47,961	46,260	(35,966)	58,255



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

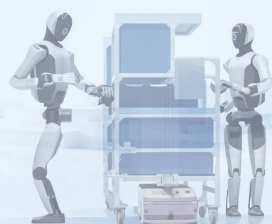
(31) Deferred income tax assets

(a) *The analysis of deductible temporary differences and deductible losses of the Group's unrecognised deferred income tax assets is as follows:*

	December 31, 2025	December 31, 2024
Deductible temporary differences	1,009,176	1,009,176
Deductible losses	6,883,522	6,235,353
	7,892,698	7,244,529

(b) *Deductible losses that are not recognised as deferred tax assets will expire in the following years:*

	December 31, 2025	December 31, 2024
2025	–	30,545
2026	193,380	192,801
2027	384,023	395,396
2028	311,301	392,400
2029	877,628	1,009,103
2030 and thereafter	5,117,190	4,215,108
	6,883,522	6,235,353



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

(32) Share capital

	December 31, 2024	Issuance of new shares in the current year	December 31, 2025
Share capital	431,623	71,778	503,401

	December 31, 2023	Issuance of new shares in the current year	December 31, 2024
Share capital	417,851	13,772	431,623

In February 2025, the Company issued a total of 10,155,099 shares to placees through private placing at the price of HK\$90.00 per share, raising a total of RMB807,900,000, of which RMB10,155 thousand was included in share capital and RMB797,745 thousand was included in share premium.

In July 2025, the Company issued a total of 30,155,450 shares to placees through private placing at the price of HK\$82.00 per share, raising a total of RMB2,194,565,000, of which RMB30,155 thousand was included in share capital and RMB2,164,410 thousand was included in share premium.

In December 2025, the Company issued a total of 31,468,000 shares to placees through private placing at the price of HK\$98.80 per share, raising a total of RMB2,777,369,000, of which RMB31,468 thousand was included in share capital and RMB2,745,901 thousand was included in share premium.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(33) Capital surplus

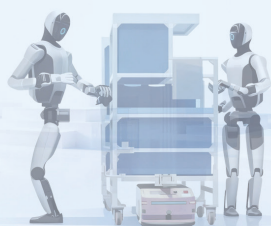
	December 31, 2024	Increase in the current year	Decrease in the current year	December 31, 2025
Share premium (note 4 (32))	7,063,233	5,708,056	–	12,771,289
Share-based payment (note 6)	1,164,271	99,300	–	1,263,571
Capital contribution from minority shareholder (a)	210,880	35,044	–	245,924
Other changes in the equity of the investee other than comprehensive income and profit distribution accounted for by the equity method (note 4(10))	–	92,585	–	92,585
Others (b)	38,877	–	(127,757)	(88,880)
	8,477,261	5,934,985	(127,757)	14,284,489

	December 31, 2023	Increase in the current year	Decrease in the current year	December 31, 2024
Share premium	6,063,791	999,442	–	7,063,233
Share-based payment (note 6)	918,945	245,326	–	1,164,271
Capital contribution from minority shareholder (c)	191,171	19,709	–	210,880
Others	38,877	–	–	38,877
	7,212,784	1,264,477	–	8,477,261

(a) In September 2025, the minority shareholders of Wuxi Uqi Intelligent Technology Co., Ltd. (無錫優奇智能科技有限公司), a subsidiary, made capital contribution of RMB100,000,000 to it, and the Group recognized the increase of capital reserve of RMB35,044,000 and the increase of minority interests of RMB64,956,000;

In January 2025, the minority shareholders of UBTECH (Xiongan) Intelligent Robot Co., Ltd., a subsidiary, made capital contribution of RMB1,740,000 to it, and the Group recognised the increase of minority interests of RMB1,740,000.

(b) In December 2025, the Group paid a cash consideration of RMB130,130,000 to Miracle Automation Engineering Co.,Ltd. (天奇自動化工程股份有限公司), the other shareholder of Wuxi Uqi, to acquire 7% equity interest in Wuxi Uqi held by it. Upon the completion of the transaction, Wuxi Uqi Intelligent Technology Co., Ltd. remained a subsidiary of the Group. The difference between the consideration of the transaction and the Group's share of the subsidiary's net assets attributable to the acquired equity interest of RMB2,373,000 amounted to RMB127,757,000, which was recorded in the Group's capital reserve.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(33) Capital surplus (Continued)

- (c) From January to June 2024, Youdi Health Technology (Shenzhen) Co., Ltd. (優邸健康科技(深圳)有限公司), a subsidiary of the Company, received capital contribution from its minority shareholders of RMB2,500,000, and the Group recognised the increase of minority interests of RMB2,500,000.

In June 2024, UBTECH (Zhengzhou) Intelligent Technology Limited (優必選(鄭州)智能科技有限公司), a subsidiary of the Company, received capital contribution from its minority shareholders of RMB5,000,000, and the Group recognised the increase of minority interests of RMB5,000,000.

In July 2024, Wuxi Uqi, a subsidiary of the Company, received capital contribution from its minority shareholders of RMB50,000,000, and the Group recognized the increase of capital surplus of RMB19,709,000 and the increase of minority interests of RMB30,291,000.

In December 2024, Yixing Education, a subsidiary of the Company, received capital contribution from its minority shareholders of RMB6,000,000, and the Group recognised the increase of minority interests of RMB6,000,000.

(34) Treasury shares

	December 31, 2024	Increase in the current year	December 31, 2025
Treasury shares for employee stock ownership scheme	–	57,716	57,716

In January 2025, in accordance with a proposal titled Entrustment of Trustee to Purchase the Company's H Shares from the Secondary Market Pursuant to the H Share Incentive Plan approved by the the Board of Directors of the Company, the Group entrusted the Trustee to purchase a total of 815,950 issued shares of the Company from the market, with a total payment of RMB57,716,000 included in treasury shares.



NOTES TO THE FINANCIAL STATEMENTS

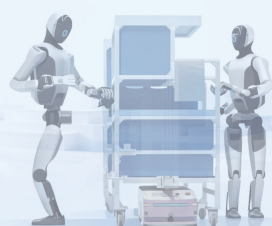
For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(35) Other comprehensive income

	Other comprehensive income in balance sheet			Other comprehensive income in 2025 income statement		
	December 31, 2024	Attributable to the parent, after tax	December 31, 2025	Incurred amount before income tax	Attributable to the parent, after tax	Attributable to minority shareholders, after tax
Other comprehensive income that will not be subsequently reclassified to profit or loss						
Change in fair value of investments in other equity instruments	(6,205)	(2,158)	(8,363)	(2,158)	(2,158)	-
Other comprehensive income that will be reclassified to profit or loss						
Translation difference on foreign currency financial statements	11,723	(9,560)	2,163	(9,560)	(9,560)	-
	5,518	(11,718)	(6,200)	(11,718)	(11,718)	-

	Other comprehensive income in balance sheet			Other comprehensive income in 2024 income statement		
	December 31, 2023	Attributable to the parent, after tax	December 31, 2024	Incurred amount before income tax	Attributable to the parent, after tax	Attributable to minority shareholders, after tax
Other comprehensive income that will not be subsequently reclassified to profit or loss						
Change in fair value of investments in other equity instruments	(4,927)	(1,278)	(6,205)	(1,278)	(1,278)	-
Other comprehensive income that will be reclassified to profit or loss						
Translation difference on foreign currency financial statements	13,912	(2,189)	11,723	(2,189)	(2,189)	-
	8,985	(3,467)	5,518	(3,467)	(3,467)	-



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(36) Revenue and cost of sales

	2025		2024	
	Revenue	Cost of sales	Revenue	Cost of sales
Sales of goods	1,956,765	1,226,686	1,247,606	890,994
Provision of services	44,234	20,500	57,755	40,358
	2,000,999	1,247,186	1,305,361	931,352

The Group's revenue and cost of sales breakdown based on the geographical regions and the timing of delivery of goods and provision of services are as follows:

	2025	2025	2025
	Chinese Mainland	Hong Kong and overseas	Total
Revenue			
Including: Recognised at a point in time	1,482,824	473,941	1,956,765
Recognised over time	42,999	1,235	44,234
	1,525,823	475,176	2,000,999

	2024	2024	2024
	Chinese Mainland	Hong Kong and overseas	Total
Revenue			
Including: Recognised at a point in time	820,442	427,164	1,247,606
Recognised over time	57,033	722	57,755
	877,475	427,886	1,305,361



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(36) Revenue and cost of sales (Continued)

The amount of estimated revenue corresponding to performance obligations of the Group that have been contracted for but have not yet been performed as at December 31, 2025 was RMB818,734,000 (December 31, 2024: RMB546,213,000), of which RMB800,094,000 is expected to be recognised as revenue in 2026, and RMB18,640,000 is expected to be recognised as revenue in 2027 and beyond.

In 2025, no customers contributed more than 10% of the total revenue of the Group. In 2024, the revenue contributed by two customers of the Group which individually contributed more than 10% of the total revenue of the Group, amounted to RMB436,945,000 in total, representing 33% of the Group's revenue.

(37) Taxes and surcharges

	2025	2024
Property tax	10,808	–
City maintenance and construction tax	1,582	2,466
Stamp tax	4,800	3,806
Education surcharges	673	1,237
Others	1,747	2,382
	19,610	9,891

(38) Selling expenses

	2025	2024
Employee benefit expenses	183,830	181,773
Advertising and promotion expenses	129,095	135,445
Sales commission	46,081	42,572
Office expenses	10,819	14,694
Travelling expenses	26,863	27,091
Depreciation and amortisation	26,406	20,656
Share-based payments	20,337	55,759
Entertainment expenses	12,986	14,889
Outsourcing labour costs	7,090	12,313
Others	7,504	18,738
	471,011	523,930



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(39) General and administrative expenses

	2025	2024
Employee benefit expenses	174,117	137,546
Share-based payments	65,863	116,761
Depreciation and amortisation	19,221	35,007
Office expenses	15,451	11,838
Entertainment expenses	6,744	11,330
Professional service fees	15,053	10,728
Travelling expenses	7,482	6,418
Scrap of inventories	3,687	5,813
Outsourcing labour costs	3,483	5,241
Auditors' remuneration	5,255	5,933
Audit services	5,120	5,520
Non-audit services	135	413
Others	19,267	23,391
	335,623	370,006

(40) Research and development expenses

	2025	2024
Employee benefit expenses	397,183	334,627
Share-based payments	12,163	71,700
Materials consumed	21,972	23,409
Software tools and consumables	37,671	15,262
Depreciation and amortisation	14,388	11,462
Outsourcing labour costs	6,370	11,324
Travelling expenses	7,533	7,686
Office expenses	3,673	1,313
Others	6,530	1,325
	507,483	478,108



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

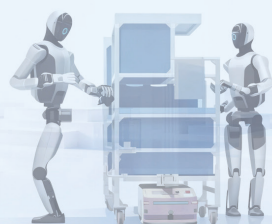
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(41) EXPENSES BY NATURE

The cost of sales, selling expenses, general and administrative expenses, research and development expenses presented in the income statement classified by nature are sets out below:

	2025	2024
Raw materials and low-value consumables used	889,601	791,903
Employee benefit expenses	815,316	695,335
Share-based payments	99,300	245,326
Advertising and promotion expenses	129,095	135,445
Depreciation and amortisation	86,522	85,147
Transportation expenses	72,479	67,192
Changes in finished goods, work in progress, delivered goods and contract fulfilment costs	73,269	(54,566)
Sales commission	46,081	42,572
Travelling expenses	44,533	41,976
Subcontracting expenses	3,464	37,390
Outsourcing labour costs	35,812	34,309
Warehousing and storage expenses	29,330	32,978
Office expenses	32,789	29,622
Entertainment expenses	19,730	26,219
Software tools and consumables	37,671	15,262
Professional service fees	15,053	10,728
Repair and maintenance expenses	60,237	10,588
Installation costs	23,694	7,752
Scrap of inventories	3,687	5,813
Auditors' remuneration	5,255	5,933
Audit services	5,120	5,520
Non-audit services	135	413
Others	38,385	36,472
	2,561,303	2,303,396



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(42) Finance expenses

	2025	2024
Interest expenses on borrowings	59,834	92,605
Add: Interest expense on lease liabilities	2,614	3,082
Less: Capitalised interest	(59,834)	(68,711)
Interest expenses	2,614	26,976
Less: Interest income	(41,971)	(15,946)
Exchange gains and losses	34,117	(22,248)
Others	4,646	5,235
	(594)	(5,983)

(43) Other income

	2025	2024
Assets related government grants	1,798	3,970
Income related government grants	34,168	19,609
VAT and other tax refund	986	14,056
	36,952	37,635

Government grants included grants relating to assets and grants relating to income. The government grants relating to income mainly included government funding for patents of invention and several government-sponsored projects focusing on the research and development of advanced technologies, as well as government refunds for social security costs.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(44) Investment (loss)/income

	2025	2024
Long-term equity investment loss under equity method (note 4 (10))	(57,532)	(5,818)
Changes of gains and losses from holding of financial assets held for trading	14,076	1,688
Investment (loss)/income from the disposal of long-term equity investments	(3,703)	24,511
	(47,159)	20,381

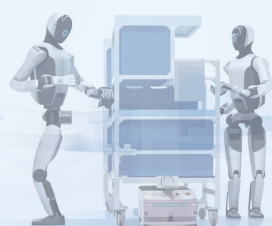
There is no significant restriction on the repatriation of investment income of the Group.

(45) Credit impairment losses

	2025	2024
Losses on bad debts of accounts receivable	141,373	163,004
Reversal of losses on bad debts of other receivables	(563)	(7,348)
Losses on bad debts of long-term receivables	10,629	358
	151,439	156,014

(46) Asset impairment losses

	2025	2024
Losses on value of inventories	27,222	1,349
Impairment losses of goodwill	10,351	41,870
Impairment losses of intangible assets	1,699	–
	39,272	43,219



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(47) Income tax expenses

	2025	2024
Current income tax calculated based on tax law	15,445	11,618
Deferred income tax	(302)	(953)
	15,143	10,665

The reconciliation from income tax calculated based on the applicable tax rates and loss presented in the consolidated income statements to the income tax expenses is listed below:

	2025	2024
Total loss	(774,680)	(1,149,259)
Tax calculated at the tax rate of 25%	(193,670)	(287,315)
Effect of different tax rates applicable within a group entity	41,649	157,944
Additional deduction for research and development expenses	(47,188)	(47,770)
Investment loss accounted for using the equity method	12,350	291
Costs, expenses and losses not deductible for tax purpose	12,533	3,135
Share-based payments	15,389	38,001
Utilization of deductible temporary differences for which deferred income tax assets were not previously recognized	(9,197)	(28,624)
Utilization of deductible losses for which deferred income tax assets were not recognized in prior periods	(14,358)	(13,316)
Deductible temporary differences for which deferred income tax assets have not been recognized in the current period	44,880	23,244
Deductible losses for which no deferred income tax assets have been recognized in the current period	152,755	165,075
	15,143	10,665



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

(48) LOSSES PER SHARE

Basic losses per share is calculated by dividing the consolidated net loss attributable to ordinary shareholders of the Company by the weighted average number of outstanding ordinary shares of the Company:

	2025	2024
Consolidated net loss attributable to ordinary shareholders of the Company (RMB'000)	703,191	1,123,590
Weighted average number of outstanding ordinary shares of the Company (thousands)	454,862	421,322
Basic losses per share (RMB)	1.55	2.67

The weighted average number of outstanding ordinary shares of the Company does not include treasury shares (note 4(34)) held by the Company, which have been deducted in the calculation of basic losses per share. As there were no dilutive potential ordinary shares in 2025 and 2024, diluted losses per share equal to basic losses per share.

(49) Dividends

On March 31, 2026, the Board of Directors of the Company did not recommend the distribution of dividends for 2025.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(50) Supplementary information to the cash flow statement

(a) Reconciliation from net loss to cash flows from operating activities

	2025	2024
Net loss	(789,823)	(1,159,924)
Add: Assets impairment loss	39,272	43,219
Credit impairment loss	151,439	156,014
Depreciation of fixed assets	32,153	27,551
Depreciation of right-of-use assets	27,300	30,802
Amortisation of intangible assets	8,431	8,339
Amortisation of long-term prepaid expenses	18,638	18,455
Amortisation of deferred income	(35,966)	(4,277)
Income on disposals of assets	(972)	(40)
Finance expenses	36,731	4,728
Investment loss/(income)	47,159	(20,381)
Gains or losses from fair value changes	(56)	–
Share-based payment (note 6)	99,300	245,326
Increase in inventories	(143,248)	(39,199)
Decrease in deferred tax liabilities	(302)	(953)
Increase in operating receivables	(630,459)	(383,924)
Increase in operating payables	356,292	190,628
Net cash flow used in operating activities	(784,111)	(883,636)

(b) Net increase in cash and cash equivalents

	2025	2024
Closing balance of monetary funds	4,918,605	1,223,715
Less: Restricted funds	(30,725)	(32,755)
Closing balance of cash and cash equivalents	4,887,880	1,190,960
Less: Opening balance of cash and cash equivalents	(1,190,960)	(520,902)
Increase in cash and cash equivalents	3,696,920	670,058



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(50) Notes to consolidated cash flow statement (Continued)

(c) Cash received relating to other operating activities

	2025	2024
Deposits and guarantees	34,400	22,227
Bank interest income	41,971	15,946
Government grants	46,260	38,651
Others	23,300	2,297
	145,931	79,121

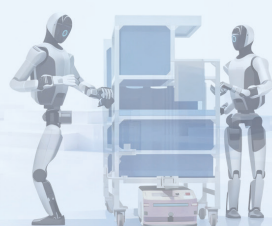
(d) Cash paid for other operating activities

	2025	2024
Advertising and promotion expenses	115,554	93,681
Travelling expenses and entertainment expenses	64,263	69,657
Sales commission	46,081	42,572
Listing expenses	–	29,850
Outsourcing labour costs	47,536	28,878
Software tools and consumables	37,671	15,262
Others	117,888	75,137
	428,993	355,037

(e) Cash paid for other financing activities

	2025	2024
Cash payments for settlement of lease liabilities	35,533	31,300
Repurchase of treasury shares	57,716	–
	93,249	31,300

In 2025, the total cash outflows related to the lease paid by the Group amounted to RMB36,656,000 (2024: RMB31,508,000), including the amount paid for the repayment of the lease liabilities for the financing activities amounted to RMB35,533,000 (2024: RMB31,300,000), and the remaining cash outflows were included in operating activities.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

(51) Foreign currency items

	December 31, 2025		
	Foreign currency balance	Exchange rate	RMB balance
Cash at bank and on hand –			
USD	486,827	7.0288	3,421,810
EUR	631	8.2355	5,197
Other foreign currencies			5,122
			3,432,129
Accounts receivable –			
USD	5,894	7.0288	41,429
EUR	1,050	8.2355	8,649
Other foreign currencies			5,530
			55,608

Foreign currencies of the above-mentioned foreign currency items refer to all currencies other than RMB. Other foreign currencies mainly include Hong Kong dollars, British pounds, Japanese yen and other foreign currencies.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

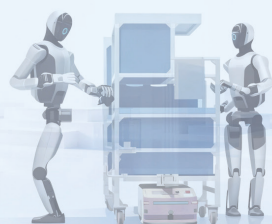
(All amounts in RMB'000 unless otherwise stated)

5 EQUITY IN OTHER ENTITIES

(1) Equity in Subsidiaries

(a) The structure of the Group

Name of subsidiary	Principal place of operation	Place of registration	Registered capital	Business nature	Shareholding proportion		
					Direct	Indirect	Way of acquisition
UBTECH ROBOTICS LIMITED	Hong Kong, PRC	Hong Kong, PRC	HD31,058.4	Sales of robotic products	100%	-	Establishment
UBTECH Education (Shenzhen) Co., Ltd. (優必選教育(深圳)有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB1,000,000	Provision of robotic ancillary services	100%	-	Establishment
UBTECH Entertainment (Shenzhen) Co., Ltd. (優必選娛樂(深圳)有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB71,000,000	Sales of robotic products	100%	-	Establishment
Shanghai UBJ Education Technology Co., Ltd. (上海優必選教育科技(上海)有限公司) ("Shanghai UBJ") (ii)	Shanghai, PRC	Shanghai, PRC	RMB7,243,502	Provision of robotic ancillary services	87.53%	-	Business combination not under common control
Kunming UBTECH Technology Investment Co., Ltd. (昆明市優必選科技投資有限公司)	Kunming, PRC	Kunming, PRC	RMB36,500,000	Production of robotics	-	100%	Establishment
UBTECH Technology (Kunming) Co., Ltd. (優必選科技(昆明)有限公司)	Kunming, PRC	Kunming, PRC	RMB10,000,000	Sales of robotic products	100%	-	Establishment
Shenzhen UBTECH Technology Industrial Co., Ltd. (深圳市優必選科技實業有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB393,000,000	Dormant	100%	-	Establishment
UBTECH Software Technology (Shenzhen) Co., Ltd. (優必選軟件技術(深圳)有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB5,000,000	Robot software development and sales	100%	-	Establishment
Sichuan UBTECH Holding Co., Ltd. (四川優必選控股有限責任公司)	Chengdu, PRC	Chengdu, PRC	RMB100,000,000	Sales of robotic products	100%	-	Establishment
UBTECH (Chongqing) Technology Co., Ltd. (優必選(重慶)科技有限公司)	Chongqing, PRC	Chongqing, PRC	RMB20,000,000	Development, design and sales of robotics	100%	-	Establishment
Chengdu Youxuan Ruizhi Equity Investment Fund Management Co., Ltd. (成都優選睿智股權投資基金管理有限責任公司)	Chengdu, PRC	Chengdu, PRC	RMB10,000,000	Dormant	-	51%	Establishment



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

5 EQUITY IN OTHER ENTITIES (Continued)

(1) Equity in Subsidiaries (Continued)

(a) The structure of the Group (Continued)

Name of subsidiary	Principal place of operation	Place of registration	Registered capital	Business nature	Shareholding proportion			Way of acquisition
					Direct	Indirect		
Jiangsu Tianhui (i)	Wuxi, PRC	Wuxi, PRC	RMB10,000,000	Provision of robotic ancillary services	-	41.49%	Business combination not under common control	
Hangzhou UBTECH Industrial Co., Ltd. (杭州優必選實業有限公司)	Hangzhou, PRC	Hangzhou, PRC	RMB20,000,000	Sales of robotic products	100%	-	Establishment	
UBTECH (Hangzhou) Technology Co., Ltd. (優必選(杭州)科技有限公司)	Hangzhou, PRC	Hangzhou, PRC	RMB20,000,000	Sales of robotic products	100%	-	Establishment	
Guizhou UBTECH Technology Co., Ltd. (貴州優必選科技有限公司)	Guiyang, PRC	Guiyang, PRC	RMB20,000,000	Production and sales of robotic products	100%	-	Establishment	
UBTECH (Fujian) Technology Co., Ltd. (優必選(福建)科技有限公司)	Fuzhou, PRC	Fuzhou, PRC	RMB30,000,000	Dormant	100%	-	Establishment	
UBTECH (Jiangsu) Intelligent Robot Co., Ltd. (優必選(江蘇)智能機器人有限公司)	Nanjing, PRC	Nanjing, PRC	RMB200,000,000	Sales of robotic products	100%	-	Establishment	
Shandong UBTECH Technology Co., Ltd. (山東優必泰克科技有限公司)	Weifang, PRC	Weifang, PRC	RMB100,000,000	Sales of robotic products	100%	-	Establishment	
UBTECH (Suzhou) Technology Co., Ltd. (優必選(蘇州)科技有限公司)	Suzhou, PRC	Suzhou, PRC	RMB30,000,000	Sales of robotic products	100%	-	Establishment	
UBTECH (Shenzhen) Technology Co., Ltd. (優必選(深圳)科技有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB10,000,000	Production of robotics	100%	-	Establishment	
UBTECH (Xiamen) Intelligent Technology Limited (優必選(廈門)智能科技有限公司)	Xiamen, PRC	Xiamen, PRC	RMB50,000,000	Development, design, production and sales of robotic products	100%	-	Establishment	
UBJ (Hangzhou) Technology Service Co., Ltd. (優必傑(杭州)科技服務有限公司)	Hangzhou, PRC	Hangzhou, PRC	RMB1,000,000	Provision of robotic ancillary services	-	87.53%	Business combination not under common control	
UBTECH (Hangzhou) Intelligent Robot Co., Ltd. (優必選(杭州)智能機器人有限公司)	Hangzhou, PRC	Hangzhou, PRC	RMB100,000,000	Sales of robotic products	100%	-	Establishment	



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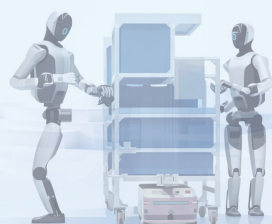
(All amounts in RMB'000 unless otherwise stated)

5 EQUITY IN OTHER ENTITIES (Continued)

(1) Equity in Subsidiaries (Continued)

(a) The structure of the Group (Continued)

Name of subsidiary	Principal place of operation	Place of registration	Registered capital	Business nature	Shareholding proportion		
					Direct	Indirect	Way of acquisition
UBTECH Enze (Hangzhou) Technology Co., Ltd. (優必選恩澤(杭州)科技有限公司)	Hangzhou, PRC	Hangzhou, PRC	RMB30,000,000	Dormant	51%	-	Establishment
UBJ (Xiamen) Education Technology Co., Ltd. (優必傑(廈門)教育科技有限公司)	Xiamen, PRC	Xiamen, PRC	RMB5,000,000	Provision of robotic ancillary services	-	87.53%	Business combination not under common control
Ezhou UBTECH Technology Co., Ltd. (鄂州優必選科技有限公司)	Ezhou, PRC	Ezhou, PRC	RMB20,000,000	Sales of robotic products	100%	-	Establishment
Wuxi Uqi Intelligent Technology Co., Ltd. (無錫優奇智能科技有限公司) ("Wuxi Uqi") (i)	Wuxi, PRC	Wuxi, PRC	RMB30,519,825	Production and sales of smart logistics	41.49%	-	Establishment
UBTECH (Huzhou) Technology Co., Ltd. (優必選(湖州)科技有限公司)	Huzhou, PRC	Huzhou, PRC	RMB20,000,000	Development, design, production and sales of robotic products	100%	-	Establishment
UBTECH (Weihai) Technology Co., Ltd. (優必選(威海)科技有限公司)	Weihai, PRC	Weihai, PRC	RMB25,000,000	Sales of robotic products	100%	-	Establishment
Futronics (Hong Kong) Limited	Hong Kong, PRC	Hong Kong, PRC	USD15,000,000	Investment holding	-	100%	Establishment
UBTECH (Shantou) Technology Co., Ltd. (優必選(汕頭)科技有限公司)	Shantou, PRC	Shantou, PRC	RMB26,000,000	Sales of robotic products	100%	-	Establishment
UBTECH (Taiyuan) Intelligent Robot Co., Ltd. (優必選(太原)智能機器人有限公司)	Taiyuan, PRC	Taiyuan, PRC	RMB1,000,000	Sales of robotic products	100%	-	Establishment
UBTECH Logistic (Kunming) Co., Ltd. (優必選物流(昆明)有限公司)	Kunming, PRC	Kunming, PRC	RMB10,000,000	Dormant	-	100%	Establishment
UBTECH Shanhu (Hangzhou) Technology Co., Ltd. (優必選(杭州)山湖(杭州)科技有限公司)	Hangzhou, PRC	Hangzhou, PRC	RMB20,000,000	Sales of robotic products	100%	-	Establishment
UBTECH Shanhu (Hangzhou) Industrial Co., Ltd. (優必選(杭州)山湖(杭州)實業有限公司)	Hangzhou, PRC	Hangzhou, PRC	RMB20,000,000	Production of robotic products	-	75%	Establishment



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5 EQUITY IN OTHER ENTITIES (Continued)

(1) Equity in Subsidiaries (Continued)

(a) The structure of the Group (Continued)

Name of subsidiary	Principal place of operation	Place of registration	Registered capital	Business nature	Shareholding proportion			Way of acquisition
					Direct	Indirect		
Shenzhen Youbixing Technology Co., Ltd. (深圳市優必行科技有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB50,000,000	Development, design and sales of robotic products	100%	-	Establishment	
Best Epoch Technology Co. LTD (深圳市優紀元科技有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB50,000,000	Sales of intelligent hardware	100%	-	Establishment	
UBTECH (Yangzhou) Technology Co., Ltd. (優必選(揚州)科技有限公司)	Yangzhou, PRC	Yangzhou, PRC	RMB20,000,000	Sales of robotic products	100%	-	Establishment	
UBTECH (Huzhou) Industrial Co., Ltd. (優必選(湖州)實業有限公司)	Huzhou, PRC	Huzhou, PRC	RMB20,000,000	Sales of robotic products	-	100%	Establishment	
U&ME Innovation Technology Company Limited	Hong Kong, PRC	Hong Kong, PRC	HKD38,915,500	Research and development services	-	100%	Establishment	
Shanghai UBTECH Intelligent Health Technology Development Co., Ltd. (上海優必選智慧健康科技發展有限公司)	Shanghai, PRC	Shanghai, PRC	RMB20,000,000	Sales of robots	-	80%	Establishment	
Shanghai Youjiajie Education Technology Co., Ltd. (上海優嘉傑教育科技有限公司)	Shanghai, PRC	Shanghai, PRC	RMB1,000,000	Provision of robotic ancillary services	-	87.53%	Business combination not under common control	
UBTECH (Hebei) Technology Co., Ltd. (優必選(河北)科技有限公司)	Shijiazhuang, PRC	Shijiazhuang, PRC	RMB20,000,000	Production and sales of robotic products	100%	-	Establishment	
UBTECH (Hubei) Technology Co., Ltd. (優必選(湖北)科技有限公司)	Wuhan, PRC	Wuhan, PRC	RMB70,000,000	Sales of robotic products	100%	-	Establishment	
Kunming Uqi Intelligent Technology Co., Ltd. (昆明優奇智能科技有限公司) ("Kunming Uqi") (i)	Kunming, PRC	Kunming, PRC	RMB10,000,000	Production of robotics	-	41.49%	Establishment	
Shenzhen Youzhixue Education Technology Co., Ltd. (深圳市優智學教育科技有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB10,000,000	Provision of robotic ancillary services	100%	-	Establishment	
Shaoyang UBTECH Technology Co., Ltd. (邵陽優必選科技有限公司)	Shaoyang, PRC	Shaoyang, PRC	RMB30,000,000	Sales of robotic products	100%	-	Establishment	



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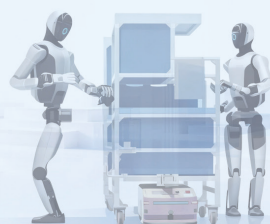
(All amounts in RMB'000 unless otherwise stated)

5 EQUITY IN OTHER ENTITIES (Continued)

(1) Equity in Subsidiaries (Continued)

(a) The structure of the Group (Continued)

Name of subsidiary	Principal place of operation	Place of registration	Registered capital	Business nature	Shareholding proportion		
					Direct	Indirect	Way of acquisition
Shenzhen Uqi Zhixing Technology Co., Ltd. (深圳優奇智行科技有限公司) ("Shenzhen Uqi") (i)	Shenzhen, PRC	Shenzhen, PRC	RMB20,000,000	Development of robotic products	-	41.49%	Establishment
Sichuan UBTECH Intelligent Technology Development Co., Ltd. (四川優必選智慧科技有限公司)	Chengdu, PRC	Chengdu, PRC	RMB10,000,000	Sales of robotic products	100%	-	Establishment
Jiujiang Youbixing Technology Co., Ltd. (九江優必行科技有限公司)	Jiujiang, PRC	Jiujiang, PRC	RMB210,000,000	Development, design, production and sales of robotic products	100%	-	Establishment
Liuzhou UBTECH Intelligent Technology Co., Ltd. (柳州優必選智能科技有限公司)	Liuzhou, PRC	Liuzhou, PRC	RMB200,000,000	Development, design, production and sales of robotic products	100%	-	Establishment
Shenzhen Youshijie Robot Co., Ltd. (深圳市優世界機器人有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB6,660,000	Dormant	100%	-	Establishment
UBKang (Qingdao) Technology Co., Ltd. (優必康(青島)科技有限公司)	Qingdao, PRC	Qingdao, PRC	RMB62,500,000	Sales of robotic products	80%	-	Establishment
UBTECH (Puyang) Technology Co., Ltd. (優必選(濮陽)科技有限公司)	Puyang, PRC	Puyang, PRC	RMB176,000,000	Sales of robotic products	100%	-	Establishment
UBTECH (Shenyang) Technology Co., Ltd. (優必選(瀋陽)科技有限公司)	Shenyang, PRC	Shenyang, PRC	RMB100,000,000	Dormant	100%	-	Establishment
Jiujiang Youye Technology Co., Ltd. (九江優耶科技有限公司)	Jiujiang, PRC	Jiujiang, PRC	RMB20,000,000	Dormant	-	100%	Establishment
UBot Innovation Technology Limited	Hong Kong, PRC	Hong Kong, PRC	HKD10,000	Dormant	-	100%	Establishment
Chaozhou UBTECH Education Technology Co., Ltd. (潮州市優必選教育科技有限公司) ("Chaozhou UBTECH") (ii)	Chaozhou, PRC	Chaozhou, PRC	RMB16,800,000	Development, design, production and sales of robotic products	-	44.64%	Establishment
Liuzhou Youxue Technology Co., Ltd. (柳州優學科技有限公司)	Liuzhou, PRC	Liuzhou, PRC	RMB200,000,000	Development, design, production and sales of robotic products	100%	-	Establishment



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5 EQUITY IN OTHER ENTITIES (Continued)

(1) Equity in Subsidiaries (Continued)

(a) The structure of the Group (Continued)

Name of subsidiary	Principal place of operation	Place of registration	Registered capital	Business nature	Shareholding proportion		
					Direct	Indirect	Way of acquisition
Liuzhou UBTECH Technology Industry Co., Ltd. (柳州優必選科技產業有限公司)	Liuzhou, PRC	Liuzhou, PRC	RMB200,000,000	Development, design, production and sales of robotic products	100%	-	Establishment
Liuzhou Ubiquitous Intelligent Industry Co. (柳州優必選智能實業有限公司)	Liuzhou, PRC	Liuzhou, PRC	RMB600,000,000	Development, design, production and sales of robotic products	-	100%	Establishment
Shenzhen Youlingjing Technology Co., Ltd. (深圳市優靈境科技有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB5,000,000	Dormant	51%	-	Establishment
Youdi Health Technology (Shenzhen) Co., Ltd. (優邸健康科技(深圳)有限公司) ("Youdi Health") (i)	Shenzhen, PRC	Shenzhen, PRC	RMB10,000,000	Development, design and sales of robotic products	50.62%	-	Establishment
Shenzhen Xuanyou Technology Co., Ltd. (深圳市選優科技有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB20,000,000	Dormant	100%	-	Establishment
Shenzhen Youbifu Technology Co., Ltd. (深圳市優必服科技有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB20,000,000	Dormant	100%	-	Establishment
Ganzhou UBTECH Intelligent Technology Co., Ltd. (贛州優必選智能科技有限公司)	Ganzhou, PRC	Ganzhou, PRC	RMB20,000,000	Sales of robotic products	100%	-	Establishment
Shenzhen UBTECH Medical Robot Co., Ltd. (深圳市優必選醫療機器人有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB5,000,000	Development, design, production and sales of robotic products	100%	-	Establishment
UBTECH Beijing Intelligent Robot Co., Ltd. (北京行者天工機器人有限公司)	Beijing, PRC	Beijing, PRC	RMB50,000,000	Development, design, production and sales of robotic products	100%	-	Establishment
Guangzhou UBTECH Intelligent Health Industry Co., Ltd. (廣州優必選智慧健康產業有限公司)	Guangzhou, PRC	Guangzhou, PRC	RMB20,000,000	Sales of robotic products	-	80%	Establishment
UBTECH (Hejin) Technology Co., Ltd. (優必選(河津)科技有限公司)	Yuncheng, PRC	Yuncheng, PRC	RMB50,000,000	Dormant	100%	-	Establishment



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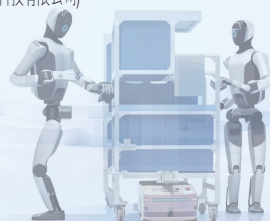
For the year 2025
(All amounts in RMB'000 unless otherwise stated)

5 EQUITY IN OTHER ENTITIES (Continued)

(1) Equity in Subsidiaries (Continued)

(a) The structure of the Group (Continued)

Name of subsidiary	Principal place of operation	Place of registration	Registered capital	Business nature	Shareholding proportion		
					Direct	Indirect	Way of acquisition
Hebei UBTECH Intelligent Technology Co., Ltd. (河北優必選智能科技有 限公司)	Tangshan, PRC	Tangshan, PRC	RMB20,000,000	Sales of robotic products	100%	-	Establishment
UBTECH (Suzhou) Technology Co., Ltd. (優必選(宿州)科技有 限公司)	Suzhou, PRC	Suzhou, PRC	RMB20,000,000	Sales of robotic products	100%	-	Establishment
UBTECH (Hebi) Technology Co., Ltd. (優必選(鶴壁)科技有 限公司)	Hebi, PRC	Hebi, PRC	RMB20,000,000	Dormant	100%	-	Establishment
UBTECH (Zhengzhou) Intelligent Agriculture Technology Co., Ltd. (優必選(鄭州)智慧農業科技有 限公司)	Zhengzhou, PRC	Zhengzhou, PRC	RMB80,000,000	Dormant	100%	-	Establishment
UBTECH (Xiamen) Software Technology Co., Ltd. (優必選(廈門) 軟件技術有限公司)	Xiamen, PRC	Xiamen, PRC	RMB20,000,000	Dormant	100%	-	Establishment
UBHOME TECHNOLOGY COMPANY LIMITED	Hong Kong, PRC	Hong Kong, PRC	HKD100,000	Sales of robotic products	100%	-	Establishment
Tongren UBTECH Intelligent Health Development Co., Ltd. (銅仁優必 選智慧健康發展有限公司)	Tongren, PRC	Tongren, PRC	RMB20,000,000	Sales of robotic products	-	80%	Establishment
UBTECH (Yancheng) Technology Co., Ltd. (優必選(鹽城)科技有 限公司)	Yancheng, PRC	Yancheng, PRC	RMB20,000,000	Sales of robotic products	100%	-	Establishment
UBTECH (Shenyang) Innovation Technology Co., Ltd. (優必選(瀋陽) 創新科技有限公司)	Shenyang, PRC	Shenyang, PRC	RMB100,000,000	Sales of robotic products	100%	-	Establishment
Shanghai Youxuan Huiyi Elderly Care Service Co., Ltd. (上海優選慧頤養 老服務有限公司)	Shanghai, PRC	Shanghai, PRC	RMB1,000,000	Dormant	-	80%	Establishment
Hangzhou UBTECH Intelligent Technology Industry Co., Ltd. (杭 州優必選智能科技產業有限公司)	Hangzhou, PRC	Hangzhou, PRC	RMB100,000,000	Dormant	100%	-	Establishment
Liuzhou Youchuang Intelligent Technology Co., Ltd. (柳州優創智 能科技有限公司)	Liuzhou, PRC	Liuzhou, PRC	RMB10,000,000	Dormant	-	51%	Establishment



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For the year 2025

(All amounts in RMB'000 unless otherwise stated)

5 EQUITY IN OTHER ENTITIES (Continued)

(1) Equity in Subsidiaries (Continued)

(a) The structure of the Group (Continued)

Name of subsidiary	Principal place of operation	Place of registration	Registered capital	Business nature	Shareholding proportion		
					Direct	Indirect	Way of acquisition
UBTECH (Zhengzhou) Intelligent Technology Limited (優必選(鄭州)智能科技有限公司)	Zhengzhou, PRC	Zhengzhou, PRC	RMB50,000,000	Sales of robotic products	90%	-	Establishment
Chengdu UBTECH Health Technology Co., Ltd. (成都市優必選健康科技有限公司)	Chengdu, PRC	Chengdu, PRC	RMB10,000,000	Dormant	-	80%	Establishment
Nanjiang Youxuan Intelligent Technology Co., Ltd. (南京優選智能科技有限公司)	Nanjiang, PRC	Nanjiang, PRC	RMB20,000,000	Dormant	100%	-	Establishment
Youbixing (Jiyuan) Technology Co., Ltd. (優必行(濟源)科技有限公司)	Jiyuan, PRC	Jiyuan, PRC	RMB20,000,000	Dormant	100%	-	Establishment
UBTECH (Nanchong) Robot Technology Co., Ltd. (優必選(南充)機器人科技有限公司)	Nanchong, PRC	Nanchong, PRC	RMB50,000,000	Dormant	100%	-	Establishment
Ubit Intelligent (Qingdao) Software Co., Ltd. (優必智行(青島)軟件有限公司)	Qingdao, PRC	Qingdao, PRC	RMB5,000,000	Dormant	100%	-	Establishment
Zigong UBTECH Intelligent Technology Co., Ltd. (自貢市優必智能科技有限公司)	Zigong, PRC	Zigong, PRC	RMB50,000,000	Dormant	100%	-	Establishment
Huizhou UBTECH Intelligent Technology Co., Ltd. (惠州市優必選智能科技有限公司)	Huizhou, PRC	Huizhou, PRC	RMB30,000,000	Sales of robotic products	100%	-	Establishment
UBTECH (Baoding) Technology Co., Ltd. (優必選(保定)科技有限公司)	Baoding, PRC	Baoding, PRC	RMB20,000,000	Dormant	-	100%	Establishment
UBTECH (Huanggang) Intelligent Technology Co., Ltd. (優必選(黃岡)智能科技有限公司)	Huanggang, PRC	Huanggang, PRC	RMB20,000,000	Dormant	100%	-	Establishment
Wenzhou UBTECH Education Technology Co., Ltd. (溫州優必選教育科技有限公司)	Wenzhou, PRC	Wenzhou, PRC	RMB10,000,000	Dormant	100%	-	Establishment
Guangxi UBTECH Medical Technology Co., Ltd. (廣西優必選醫療科技有限公司)	Fangchenggang, PRC	Fangchenggang, PRC	RMB2,000,000	Dormant	-	100%	Establishment



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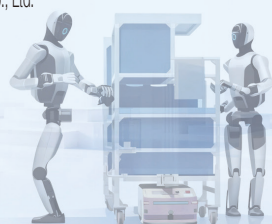
(All amounts in RMB'000 unless otherwise stated)

5 EQUITY IN OTHER ENTITIES (Continued)

(1) Equity in Subsidiaries (Continued)

(a) The structure of the Group (Continued)

Name of subsidiary	Principal place of operation	Place of registration	Registered capital	Business nature	Shareholding proportion		
					Direct	Indirect	Way of acquisition
UBTECH (Hohhot) Technology Co., Ltd. (優必選(呼和浩特)科技有限公司)	Hohhot, PRC	Hohhot, PRC	RMB10,000,000	Dormant	100%	-	Establishment
Beijing Tianyou Robot Co., Ltd. (北京天優機器人有限公司)	Beijing, PRC	Beijing, PRC	RMB10,000,000	Dormant	-	65%	Establishment
UBTECH (Quzhou) Technology Co., Ltd. (優必選(衢州)科技有限公司)	Quzhou, PRC	Quzhou, PRC	RMB30,000,000	Dormant	-	100%	Establishment
Suqian UBTECH Education Technology Co., Ltd. (宿遷優必選教育科技有限公司)	Suqian, PRC	Suqian, PRC	RMB1,000,000	Dormant	-	100%	Establishment
Hangzhou UBTECH Hangyou Intelligent Mobility Robot Co., Ltd. (杭州優必選杭優智行機器人有限公司)	Hangzhou, PRC	Hangzhou, PRC	RMB50,000,000	Development, design, production and sales of robotic products	100%	-	Establishment
Shenzhen UBTECH Information Technology Co., Ltd. (深圳市優必訊科技有限公司)	Shenzhen, PRC	Shenzhen, PRC	RMB10,000,000	Sales of robotic products	-	70%	Establishment
UBTECH (Shiyao) Robotics Technology Co., Ltd. (優必選(十堰)機器人科技有限公司)	Shiyao, PRC	Shiyao, PRC	RMB50,000,000	Development, design, production and sales of robotic products	100%	-	Establishment
UBTECH (Zhumadian) Technology Co., Ltd. (優必選(駐馬店)科技有限公司)	Zhumadian, PRC	Zhumadian, PRC	RMB20,000,000	Dormant	-	100%	Establishment
Zigong Youlong Intelligent Technology Co., Ltd.	Zigong, PRC	Zigong, PRC	RMB10,000,000	Dormant	-	90%	Establishment
Beijing Tiangong Robot Co., Ltd. (北京天工機器人有限公司)	Beijing, PRC	Beijing, PRC	RMB20,000,000	Dormant	100%	-	Establishment
UBTECH (Tianjin) Technology Co., Ltd.	Tianjin, PRC	Tianjin, PRC	RMB20,000,000	Dormant	-	100%	Establishment
Longsheng Xingzhi Youxue Education Technology Co., Ltd.	Guilin, PRC	Guilin, PRC	RMB3,000,000	Dormant	-	100%	Establishment
UBTECH (Xiongan) Intelligent Robot Co., Ltd.	Baoding, PRC	Baoding, PRC	RMB60,000,000	Dormant	-	51%	Establishment



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(All amounts in RMB'000 unless otherwise stated)

5 EQUITY IN OTHER ENTITIES (Continued)

(1) Equity in Subsidiaries (Continued)

(a) The structure of the Group (Continued)

Name of subsidiary	Principal place of operation	Place of registration	Registered capital	Business nature	Shareholding proportion		
					Direct	Indirect	Way of acquisition
Shenzhen Shili Technology Co., Ltd.	Shenzhen, PRC	Shenzhen, PRC	RMB10,000	Dormant	-	100%	Establishment
Wuxi Uqi Robotics Technology Co., Ltd. (無錫優奇機器人科技有限公司)	Wuxi, PRC	Wuxi, PRC	RMB100,000,000	Dormant	-	78%	Establishment
Tianjin Honglian Zhirong Management Consulting Partnership (Limited Partnership) (天津泓聯智融管理諮詢合夥企業(有限合夥))	Tianjin, PRC	Tianjin, PRC	RMB150,000,000	Dormant	-	99.99%	Establishment

All subsidiaries of the Group established in the PRC are registered as limited liability companies in accordance with the laws of the PRC.

- (i) Jiangsu Tianhui, Kunming Uqi, and Shenzhen Uqi are wholly-owned subsidiaries of Wuxi Uqi. As certain shareholders in Wuxi Uqi and Youdi Health, holding 28.73% and 19% voting rights, respectively, agreed to follow the voting decision of the Company, the Company could thus have over 50% voting rights of Wuxi Uqi and its subsidiaries, and Youdi Health, and control over these subsidiaries.
- (ii) Shanghai UBJ, a subsidiary directly controlled by UBTECH, held 51% voting rights in Chaozhou UBTECH and the Group thus indirectly controlled Chaozhou UBTECH.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

6 SHARE-BASED PAYMENTS

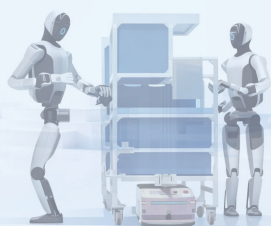
(1) Restricted Equity Incentive Scheme

Since 2015, share incentive plans were established by Mr. Zhou Jian to grant RSUs to employees of the Group and other designated persons through a RSU platform under his control (“Equity Incentive Scheme”) for the purpose of attracting and retaining suitable personnel to enhance the development of the Group.

According to the Equity Incentive Scheme, the grantees became limited partners of certain established limited liability partnerships (“RSU platform”) on the grant date. These platforms held 20,717,930 ordinary shares of the Company as at December 31, 2025.

Mr. Zhou Jian has the sole discretion to invite any eligible persons to participate in the Equity Incentive Scheme by obtaining partnership interests of a RSU platform at a price determined by Mr. Zhou Jian either through subscription to the shares of the RSU platform or transfer of interest from Mr. Zhou Jian (or his designated persons). If a grantee ceases to be employed by the Group within the vesting period, the granted RSUs should be repurchased by Mr. Zhou Jian (or his designated persons) (such designee will not be the Company or any of the Company’s subsidiaries) at the original subscription/or realization of the agreed transfer price.

The granted RSUs will vest at various dates. Based on the current ownership structure of RSU platform, 1 unit of RSU is equivalent to approximately 1.3743 shares of the Company upon vesting. Therefore, the fair value of each equity interest in the shareholding platform ranges from RMB108.41 to RMB113.18.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

6 SHARE-BASED PAYMENTS *(Continued)*

(1) Restricted Equity Incentive Scheme *(Continued)*

The fair value of the RSUs granted to employees on the grant date was mainly determined with interpolation method, considering the pricing of recent rounds of financing of the Company by the independent valuer. As Mr. Zhou Jian, the Company's actual controller indirectly granted the shares controlled by him to the Company's employees, which constituted equity-settled share-based payment and was regarded as a contribution from a shareholder while recognizing share-based payment expenses and was credited to the capital surplus.

Movement of restricted shares in the year

	Vesting time				Total
	2022	2023	2024	Vested within two years after the closing of IPO	
2024					
Unvested RSUs in RSU platform at the beginning of the year	–	811,745	12,000	7,911,750	8,735,495
Restricted shares granted in the year	–	–	62,500	–	62,500
RSUs in RSU platform forfeited in the year	–	–	–	(479,300)	(479,300)
Restricted shares vested in the year	–	(811,745)	(74,500)	–	(886,245)
Unvested RSUs in RSU platform at the end of the year	–	–	–	7,432,450	7,432,450
2025					
Unvested RSUs in RSU platform at the beginning of the year	–	–	–	7,432,450	7,432,450
RSUs in RSU platform forfeited in the year	–	–	–	(513,750)	(513,750)
Restricted shares vested in the year	–	–	–	(6,918,700)	(6,918,700)
Unvested RSUs in RSU platform at the end of the year	–	–	–	–	–



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

6 SHARE-BASED PAYMENTS *(Continued)*

(2) Share Option Scheme

According to the resolution concerning preparation and implementation of the 2022 share option incentive scheme of UBTECH ROBOTICS CORP LTD (draft) considered and approved on the fourth extraordinary general meeting held on December 27, 2022, Mr. Zhou Jian, the actual controller of the Company, has implemented a share option incentive scheme for eligible employees of the Company, granting a total of 2,132,900 share options to grantees. Upon maturity of the share option to satisfy the exercise conditions, such grantees will have the right to subscribe for shares of a RSUs platform controlled by Mr. Zhou Jian at a price of RMB1 per equity share, therefore indirectly becoming entitled to 1.3743 shares of the Company.

The granted share options can be exercised on different date based on the share option incentive scheme signed by employees. The validity period of share option incentive scheme starts from the grant date of share options and ends on the date when all share options are exercised, lapsed or cancelled by grantees and the RSU platform completes liquidation and allotment.

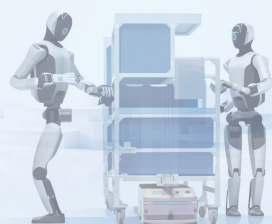
Movement of share options in 2025

	Vesting time				
	2022	2023	2024	2025	Total
Outstanding share options at the beginning of the year	-	812,700	886,300	191,000	1,890,000
Share options granted in the year	-	-	-	-	-
Share options forfeited in the year	-	-	-	-	-
Outstanding share options at the end of the year	-	812,700	886,300	191,000	1,890,000
Including: share options satisfied the exercisable conditions at the end of the year	-	812,700	886,300	191,000	1,890,000

(a) Exercise price of outstanding share options at the end of the year is RMB1 per option.

(b) There were no exercised share options in the year.

(3) The Group recognised the total share-based payment expenses in 2025 of RMB99,300,000 (2024: RMB245,326,000).



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

7 RELATED PARTIES RELATIONSHIP AND TRANSACTIONS

- (1) As mentioned in Note 1, the Company has no ultimate controlling shareholder.
- (2) For basic and related information of subsidiaries, please refer to note 5 (1)(a).

(3) Information about other major related parties

	Relationship with the Group
Miracle Automation Engineering Co., Ltd. (天奇自動化工程股份有限公司) ("MAE") and its subsidiaries	Minority shareholders of a material subsidiary
Shenzhen Yiersan Technology Co., Ltd. (深圳市易二三科技有限公司)	Associate
Sichuan UBTECH City Sports Industry Development Co., Ltd. (四川優必選城市體育產業發展有限責任公司)	Associate
Beijing Humanoid Robot Innovation Center Co., Ltd. (北京人形機器人創新中心有限公司)	Associate
Suzhou Youmai Robot Co., Ltd. (蘇州優麥機器人有限責任公司)	Associate
Yunnan United Vision Technology Co., Ltd. (雲南聯合視覺科技有限公司)	Companies over which Directors, Supervisors and senior management exercise significant influence
BYD Company Limited ("BYD") and its subsidiaries	A company of which a non-executive director of the Company is the director

(4) Significant related party transactions

(a) Pricing policy

The prices of goods purchased from related parties and services accepted from or provided to related parties by our Group are determined based on market price.

(b) Purchase of goods or acceptance of service

		2025	2024
Beijing Humanoid Robot Innovation Center Co., Ltd. (北京人形機器人創新中心有限公司)	Purchase goods	63,133	1,836



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

7 RELATED PARTIES RELATIONSHIP AND TRANSACTIONS (Continued)

(4) Significant related party transactions (Continued)

(c) Sales of goods

		2025	2024
MAE and its subsidiaries	Sales of goods	128,789	187,614
BYD and its subsidiaries	Sales of goods	20,898	–
Suzhou Youmai Robot Co., Ltd. (蘇州優麥機器人有限責任公司)	Sales of goods	4,425	–
		154,112	187,614

(d) Acquisition of equity interests

In December 2025, the Group paid a cash consideration of RMB130,130,000 to MAE for acquiring the 7% equity interest it held in the subsidiary Wuxi Uqi.

(e) Key management personnel compensation

	2025	2024
Key management personnel compensation	54,322	89,751

Key management includes executive Directors, non-executive Directors, independent non-executive Directors and senior management of the Company.

(f) Five highest paid individuals

	2025	2024
Salaries, wages and bonuses	12,222	4,140
Contributions to pension scheme	343	117
Other social security costs and housing benefits and other employee benefits	351	139
Share-based compensation	42,165	54,849
	55,081	59,245

In 2025, the five highest paid individuals include one director (2024: Nil), whose emoluments were reflected in the above table.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

7 RELATED PARTIES RELATIONSHIP AND TRANSACTIONS *(Continued)*

(4) Significant related party transactions *(Continued)*

(g) Directors' and supervisors' emoluments

Directors' and supervisors' emoluments in 2025 are as follows:

Name	Remuneration of directors or supervisors					Share-based payments	Total
	Remuneration	Salary, housing allowance, other allowances and benefits in kind	Remuneration paid for management of the Company	Contributions to pension scheme	Discretionary bonuses		
Executive Directors							
Zhou Jian	-	1,466	133	-	176	1,775	
Liu Ming	-	1,160	57	-	5,117	6,334	
Deng Feng	15	2,456	72	-	4,826	7,369	
Xiong Youjun	-	1,101	57	-	5,259	6,417	
Wang Lin	-	555	124	-	5,874	6,553	
Non-executive Directors							
Xia Zuoquan	-	-	-	-	-	-	
Zhou Zhifeng	-	-	-	-	-	-	
Chen Qiang	-	-	-	-	-	-	
Lu Kuan	-	-	-	-	-	-	
Independent Non-executive Directors							
He Jia	54	-	-	-	-	54	
Yao Xin	54	-	-	-	-	54	
Dong Xiuqin	54	-	-	-	-	54	
Xiong Hui	54	-	-	-	-	54	
Zhao Jie	52	-	-	-	-	52	
Xiong Chuxiong	52	-	-	-	-	52	
Poon Fuk Chuen	52	-	-	-	-	52	
Leung Wai Man, Roger	52	-	-	-	-	52	
Supervisors							
Ben Cangsang	15	620	54	-	-	689	
Wang Xingru	15	421	-	-	136	572	
	469	7,779	497	-	21,388	30,133	

NOTES TO THE FINANCIAL STATEMENTS

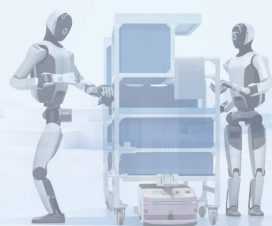
For the year 2025
(All amounts in RMB'000 unless otherwise stated)

7 RELATED PARTIES RELATIONSHIP AND TRANSACTIONS *(Continued)*

(4) Significant related party transactions *(Continued)*

(g) Directors' and supervisors' emoluments (Continued)

- (i) It was approved that the Company would no longer have the Supervisory Committee at the general meeting held on June 3, 2025.
- (ii) In June 2025, Ms. Wang Lin resigned as an executive director; Mr. Chen Qiang resigned as a non-executive director; and Mr. Zhao Jie, Mr. Xiong Chuxiong, Mr. Poon Fuk Chuen and Mr. Leung Wai Man, Roger resigned as independent non-executive directors.
- (iii) In June 2025, Mr. Deng Feng was appointed as an executive director; Mr. Lu Kuan was appointed as a non-executive director; and Ms. Dong Xiuqin, Mr. Xiong Hui, Mr. Yao Xin and Mr. He Jia were appointed as independent non-executive directors.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

7 RELATED PARTIES RELATIONSHIP AND TRANSACTIONS (Continued)

(4) Significant related party transactions (Continued)

(g) Directors' and supervisors' emoluments (Continued)

Directors' and supervisors' emoluments in 2024 are as follows:

Name	Remuneration of directors or supervisors		Remuneration paid for management of the Company			Total
	Remuneration	Salary, housing allowance, other allowances and benefits in kind	Contributions to pension scheme	Discretionary bonuses	Share-based payments	
Executive Directors						
Zhou Jian	-	863	119	-	194	1,176
Wang Lin	-	553	117	-	6,490	7,160
Xiong Youjun	-	1,088	50	-	5,811	6,949
Liu Ming	-	897	50	-	5,710	6,657
Non-executive Directors						
Xia Zuoquan	-	-	-	-	-	-
Zhou Zhifeng	-	-	-	-	-	-
Chen Qiang	-	-	-	-	-	-
Independent Non-executive Directors						
Zhao Jie	106	-	-	-	-	106
Xiong Chuxiong	106	-	-	-	-	106
Poon Fuk Chuen	106	-	-	-	-	106
Leung Wai Man, Roger	106	-	-	-	-	106
Supervisors						
Deng Feng	36	2,311	50	-	4,136	6,533
Ben Cangsang	36	649	47	-	285	1,017
Wang Xingru	36	421	-	-	135	592
	532	6,782	433	-	22,761	30,508

For the year ended December 31, 2025 and December 31, 2024, no emoluments were paid by the Company to the directors and supervisors as an inducement to join the Company or as compensation for loss of office.

NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

7 RELATED PARTIES RELATIONSHIP AND TRANSACTIONS (Continued)

(5) Significant balances with related parties

	December 31, 2025	December 31, 2024
Accounts receivable		
MAE and its subsidiaries	175,112	218,757
BYD and its subsidiaries	20,898	-
Shenzhen Yiersan Technology Co., Ltd. (深圳市易二三科 技有限公司)	8,376	8,376
Suzhou Youmai Robot Co., Ltd. (蘇州優麥機器人有限責任 公司)	3,500	-
Yunnan United Vision Technology Co., Ltd. (雲南聯合視覺 科技有限公司)	383	-
	208,269	227,133
Less: provision for bad debts	(25,599)	(25,627)
	182,670	201,506
Other payables		
MAE and its subsidiaries	116	-
Sichuan UBTECH City Sports Industry Development Co., Ltd. (四川優必選城市體育產業發展有限責任公司)	366	-
BYD and its subsidiaries	80	-
	562	-
Accounts payable		
MAE and its subsidiaries	2,311	3,394
Beijing Humanoid Robot Innovation Center Limited (北京人 形機器人創新中心有限公司)	4,053	479
	6,364	3,873
Prepayments		
Miracle Automation Engineering Co., Ltd.	321	-
BYD COMPANY LIMITED and its subsidiaries	633	-
	954	-
Advance received		
Suzhou Youmai Robot Co., Ltd. (蘇州優麥機器人有限責任 公司)	321	-

NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

8 COMMITMENTS

(1) Capital expenditure commitments

	December 31, 2025	December 31, 2024
Construction in progress	1,063,503	956,647

(2) Commitments for external investments

On December 24, 2025, the Company entered into a share transfer agreement with Zhejiang Chengfeng Investment Co., Ltd.* (浙江誠鋒投資有限公司) (“Chengfeng Investment”), Mr. Dong Jiangang (董劍剛), Ms. Li Caixia (厲彩霞) and Ningbo Fengchi Investment Co., Ltd.* (寧波鋒馳投資有限公司) (“Fengchi Investment”) (collectively, the “Vendors”), pursuant to which, the Company has conditionally agreed to acquire, and Chengfeng Investment has conditionally agreed to sell, an aggregate of 65,529,906 A Shares of Fenglong Electric (the “Target Company”), representing approximately 29.99% of the total issued share capital of the Target Company, at a price of RMB17.72 per share, for a total consideration of approximately RMB1,161,190,000 (the “Share Transfer”).

Following completion of the above share transfer, the Company will make a partial offer to all shareholders of the Target Company to acquire 28,450,000 A Shares of the Target Company, representing approximately 13.02% of its issued share capital, at a price of RMB17.72 per share, for a total consideration of approximately RMB504,134,000 (the “Offer”). The Vendors have agreed and irrevocably undertaken to apply for pre-acceptance of partial offer in respect of 28,427,612 A Shares (representing approximately 13.01% of the issued share capital of the Target Company).

The total cash consideration payable for the above Share Transfer and the Offer was expected to be approximately RMB1,665,324,000. As at December 31, 2025, the Company had paid a performance deposit of RMB100,827,000 in connection with the above transaction.

On March 12, 2026, the Company completed the above Share Transfer and obtained 29.99% equity interest in the Target Company, and had cumulatively paid the share transfer consideration of RMB1,161,190,000.

9 EVENTS AFTER BALANCE SHEET DATE

Apart from the acquisition disclosed in Note 8(2), the Group’s significant subsequent event after the balance sheet date is that, on January 22, 2026, the Company entered into a partnership agreement with Guangxi Liuzhou Industrial Investment and Development Group Co., Ltd.* (廣西柳州市產業投資發展集團有限公司) and Liuzhou Industrial Guidance Fund Investment Management Company Limited* (柳州市產業引導基金投資管理有限公司), pursuant to which the parties agreed to establish a partnership enterprise. In accordance with the terms of the partnership agreement, the total capital contribution of all partners to the partnership enterprise amounts to RMB660,000,000, of which the Company will contribute RMB300,000,000.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

10 FINANCIAL INSTRUMENTS AND RELATED RISKS

The Group's operating activities expose it to a variety of financial risks: market risk (primarily interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(1) Interest rate risk

The Group's interest rate risk mainly arises from long-term interest-bearing borrowings including long-term borrowings and lease liabilities. Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk. The Group determines the relative proportions of its fixed rate and floating rate contracts depending on the prevailing market conditions. As at December 31, 2025, the Group's floating rate contracts represented long-term borrowings denominated in RMB, with the amounts of RMB500,096,000 (December 31, 2024: floating rate contracts with the amounts of RMB744,273,000) (note 4 (28)).

The Group's finance department continuously monitors the interest rate position of the Group. Increases in interest rates will increase the cost of new interest-bearing borrowings and the interest expenses with respect to the Group's outstanding floating rate borrowings, and therefore could have a material adverse effect on the Group's financial performance. Management makes adjustments timely with reference to the latest market conditions and may enter into interest rate swap agreements to mitigate its exposure to interest rate risk. In 2025 and 2024, the Group did not enter into any interest rate swap agreements. As at December 31, 2025, if interest rates on the floating rate borrowings had risen or fallen by 50 basis points while all other variables had been held constant, the Group's net loss would have increased or decreased by approximately RMB3,435,000 (December 31, 2024: approximately RMB3,447,000).

(2) Other price risk

The Group's other price risk mainly arises from investments in other equity instruments. As at December 31, 2025, the Group's other price risk is insignificant.

(3) Credit risk

The Group's credit risk mainly arises from cash at bank and on hand, accounts receivable, notes receivable, long-term receivables and other receivables. As at the balance sheet date, the carrying amount of the Group's financial assets represented the maximum credit exposure of the Group.

The Group expects that there is no significant credit risk associated with cash at bank and on hand since they are deposited at well-known state-owned banks and other medium or large size listed banks with high credit ratings.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

10 FINANCIAL INSTRUMENTS AND RELATED RISKS *(Continued)*

(3) Credit risk *(Continued)*

The Group has policies to limit the credit exposure on notes receivable, accounts receivable, other receivables, long-term receivables, etc. The Group assesses the credit quality of and sets credit periods on its customers by taking into account their financial position, the availability of guarantee from third parties, their credit history and other factors such as current market conditions.

The credit history of the customers is regularly monitored by the Group. In respect of customers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent. As at December 31, 2025 and December 31, 2024, the Group did not hold any significant collateral or other credit enhancements pledged by debtors.

(4) Liquidity risk

Cash flow forecasting is performed by each subsidiary of the Group. Based on the consolidated cash flow forecasts of its subsidiaries, the Group continuously monitors short-term and long-term funding requirements at the Group level to ensure that sufficient cash reserves are maintained; at the same time, it continuously monitors compliance with the terms of its loan agreements and has secured commitments from major financial institutions to provide adequate standby funding to meet short-term and long-term funding requirements.

(a) As at the balance sheet date, the undiscounted contractual cash flows of the Group's financial liabilities, analysed by their maturity dates, are as below:

	December 31, 2025				Total
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	
Short-term borrowings	631,551	–	–	–	631,551
Accounts payable	701,444	–	–	–	701,444
Notes payable	11,998	–	–	–	11,998
Other payables	537,544	–	–	–	537,544
Long-term borrowings	20,900	150,594	308,909	26,163	506,566
Lease liabilities	–	10,814	12,601	4,498	27,913
Non-current liabilities to be settled within one year	87,303	–	–	–	87,303
	1,990,740	161,408	321,510	30,661	2,504,319



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

10 FINANCIAL INSTRUMENTS AND RELATED RISKS (Continued)

(4) Liquidity risk (Continued)

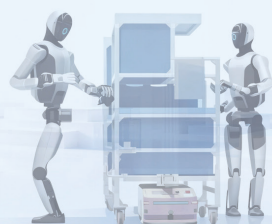
(a) As at the balance sheet date, the undiscounted contractual cash flows of the Group's financial liabilities, analysed by their maturity dates, are as below: (Continued)

	December 31, 2024				Total
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	
Short-term borrowings	805,013	–	–	–	805,013
Accounts payable	547,808	–	–	–	547,808
Other payables	391,094	–	–	–	391,094
Long-term borrowings	50,333	139,969	510,538	204,519	905,359
Lease liabilities	–	15,394	17,992	7,184	40,570
Non-current liabilities to be settled within one year	74,977	–	–	–	74,977
	1,869,225	155,363	528,530	211,703	2,764,821

(b) As at the balance sheet date, the Group had no lease contracts signed but not yet commenced.

(c) The analysis of bank borrowings by repayment terms is as follows:

	December 31, 2025	December 31, 2024
Within 1 year	683,554	829,007
1–2 years	132,166	92,900
2–5 years	282,545	421,289
Over 5 years	24,689	194,442
	1,122,954	1,537,638



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

11 FAIR VALUE ESTIMATES

The level in which fair value measurement is categorised is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

As at December 31, 2025, the Group's assets measured at fair value are the investments in other equity instruments, financial assets held for trading and other non-current financial assets that are categorised in level 3.

12 CAPITAL MANAGEMENT

The Group's capital management policies aim to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may refund capital to shareholders, issue new shares or sell assets to reduce debts.

Total capital of the Group is shareholders' equity shown in the consolidated balance sheet. The Group is not subject to external mandatory capital requirements, and monitors capital on the basis of gearing ratio (total liabilities divided by total assets). The Group's gearing ratios as at December 31, 2025 and December 31, 2024 are calculated as follows:

	December 31, 2025	December 31, 2024
Total assets	10,240,808	5,133,525
Total liabilities	2,915,204	2,885,993
Gearing ratio	28%	56%



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

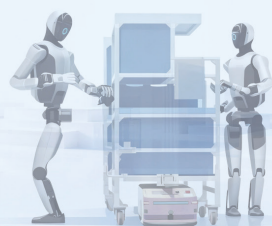
13 NOTES TO THE COMPANY'S FINANCIAL STATEMENTS

(1) Accounts receivable

	December 31, 2025	December 31, 2024
Accounts receivable due from third parties	901,881	384,483
Accounts receivable due from subsidiaries	1,762,093	389,496
	2,663,974	773,979
Less: provision for bad debts	(431,915)	(216,782)
	2,232,059	557,197

(a) The ageing analysis of accounts receivable is as follows:

	December 31, 2025	December 31, 2024
Within 6 months	1,838,743	380,524
6 months to 1 year	316,573	83,517
1 to 2 years	227,208	109,060
2 to 3 years	94,996	98,374
Over 3 years	186,454	102,504
	2,663,974	773,979



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

13 NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(1) Accounts receivable (Continued)

(b) Provision for bad debts

For the accounts receivable, regardless of whether there is a significant financing component, the Company calculates loss provisions in accordance with the expected credit loss throughout the lifetime.

The analysis of provision for bad debts for accounts receivable by category is as follows:

	December 31, 2025				December 31, 2024			
	Accounts balance		Provision for bad debts		Accounts balance		Provision for bad debts	
	% of total		% of		% of total		% of	
	Amount	balance	Amount	provision	Amount	balance	Amount	provision
Provision on an individual basis (i)	498,736	19%	(370,070)	74.20%	243,004	31%	(208,813)	85.93%
Provision on a collective basis (ii)	2,165,238	81%	(61,845)	2.86%	530,975	69%	(7,969)	1.50%
	2,663,974	100%	(431,915)	16.21%	773,979	100%	(216,782)	28.01%

(i) *Provision for bad debts made on an individual basis for accounts receivable is analysed as follows:*

Accounts receivable for which provision for bad debts is made on an individual basis are characterized by being overdue for more than one year and material in amount, having guarantee clauses, or other matters that result in credit risk significantly different from that of accounts receivable within the portfolio. As at December 31, 2025, the Company's accounts receivable for which provision for bad debts is made on an individual basis amounted to approximately RMB498,736,000 (December 31, 2024: RMB243,004,000). The Company evaluated the cash flows that might be collected under different scenarios and recognised the difference of RMB370,070,000 (December 31, 2024: RMB208,813,000) between the present value of the cash flows that might be collected and the cash flows receivable according to the contract as provision for bad debts, of which RMB161,257,000 (2024: RMB108,087,000) was included in profit or loss for the current period.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

13 NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(1) Accounts receivable (Continued)

(b) Provision for bad debts (Continued)

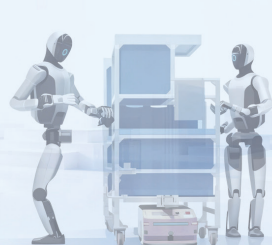
(ii) Provision for bad debts made on a collective basis for accounts receivable is analysed as follows:

Portfolio 1: Government and state-owned enterprise customers:

	December 31, 2025			December 31, 2024		
	Accounts balance	Provision for bad debts		Accounts balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Within 1 year	420,885	5.74%	(24,168)	129,621	0.99%	(1,286)
1 to 2 years	73,824	8.63%	(6,373)	412	3.64%	(15)
2 to 3 years	322	9.94%	(32)	114	7.87%	(9)
Over 3 years	414	40.34%	(167)	300	20.67%	(62)
	495,445		(30,740)	130,447		(1,372)

Portfolio 2: Non-government and non-state-owned enterprise customers:

	December 31, 2025			December 31, 2024		
	Accounts balance	Provision for bad debts		Accounts balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Within 1 year	143,441	4.56%	(6,538)	9,969	1.66%	(166)
1 to 2 years	1,514	31.97%	(484)	670	5.23%	(35)
2 to 3 years	647	55.80%	(361)	89	31.60%	(28)
Over 3 years	8	100.00%	(8)	304	42.77%	(130)
	145,610		(7,391)	11,032		(359)



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

13 NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(1) Accounts receivable (Continued)

(b) Provision for bad debts (Continued)

(ii) Provision for bad debts made on a collective basis for accounts receivable is analysed as follows: (Continued)

Portfolio 3: Internal related parties of the Group:

	December 31, 2025			December 31, 2024		
	Accounts balance	Provision for bad debts		Accounts balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Within 1 year	1,357,444	1.35%	(18,291)	237,372	0.14%	(339)
1 to 2 years	97,630	2.82%	(2,756)	93,950	0.36%	(334)
2 to 3 years	69,109	3.86%	(2,667)	5,801	1.07%	(62)
Over 3 years	-	-	-	52,373	10.51%	(5,503)
	1,524,183		(23,714)	389,496		(6,238)

(2) Prepayments

	December 31, 2025		December 31, 2024	
	Amount	% of total balance	Amount	% of total balance
Within 1 year	171,783	94.65%	185,562	96.99%
1 to 2 years	6,185	3.41%	2,335	1.22%
2 to 3 years	1,138	0.63%	1,864	0.97%
Over 3 years	2,390	1.32%	1,566	0.82%
	181,496	100%	191,327	100%

As at December 31, 2025, prepayments aged over a year amounted to RMB9,713,000 (December 31, 2024: RMB5,765,000), which were mainly prepayments to suppliers. Since the suppliers have not yet fulfilled their delivery and service obligations, the payment has not been settled.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

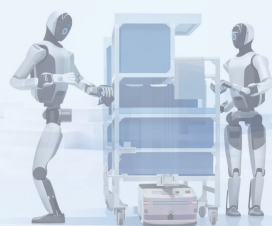
13 NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(3) Other receivables

	December 31, 2025	December 31, 2024
Receivables from the internal related parties of the Group	1,375,605	676,301
Deposits and guarantees receivable	107,551	2,145
Advances to employees	1,329	1,828
Others	4,366	5,209
	1,488,851	685,483
Less: provision for bad debts	(293,330)	(12,769)
	1,195,521	672,714

(a) The ageing analysis of other receivables is as follows:

	December 31, 2025	December 31, 2024
Within 1 year	1,484,822	678,499
1 to 2 years	539	3,297
2 to 3 years	106	375
Over 3 years	3,384	3,312
	1,488,851	685,483



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

13 NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(3) Other receivables (Continued)

(b) Changes in loss allowance and its accounts balance

The analysis of provision for bad debts for other receivables by stage is as follows:

	December 31, 2025				December 31, 2024			
	Accounts balance		Provision for bad debts		Accounts balance		Provision for bad debts	
	% of total		% of		% of total		% of	
	Amount	balance	Amount	provision	Amount	balance	Amount	provision
Stage 1	1,016,925	68%	(10,054)	0.99%	680,431	99%	(7,717)	1.13%
Stage 3	471,926	32%	(283,276)	60.03%	5,052	1%	(5,052)	100%
	1,488,851	100%	(293,330)	19.70%	685,483	100%	(12,769)	1.86%

	Stage 1		Stage 3		Total
	Accounts balance	Provision for bad debts	Accounts balance	Provision for bad debts	
December 31, 2024	680,431	(7,717)	5,052	(5,052)	(12,769)
Transfer to Stage 3 in the year	(360)	5	360	(5)	–
Net changes in the year	336,854	(2,342)	466,514	(278,219)	(280,561)
December 31, 2025	1,016,925	(10,054)	471,926	(283,276)	(293,330)

As at December 31, 2025 and December 31, 2024, the Group had no other receivables in Stage 2.

As at 31 December 2025, certain subsidiaries within the Group were in a net liability position. The Company identified the other receivables due from such subsidiaries as financial instruments in Stage 3 and measured the loss allowance at an amount equal to the expected credit losses over the entire lifetime of those receivables.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

13 NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(3) Other receivables (Continued)

(b) Changes in loss allowance and its accounts balance (Continued)

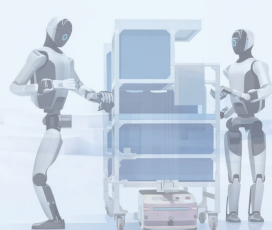
(i) The analysis of other receivables for provision for bad debts in Stage 3 is as follows:

	December 31, 2025			December 31, 2024			
	Accounts balance	Lifetime ECL rate	Provision for bad debts	Accounts balance	Lifetime ECL rate	Provision for bad debts	Reasons
Receivables from the internal related parties of the Group	466,721	59.98%	(278,071)	-	-	-	The counterparty was in a net liability position
Deposits and guarantees receivable	839	100%	(839)	566	100%	(566)	Due over one year
Others	4,366	100%	(4,366)	4,486	100%	(4,486)	Due over one year
	471,926	60.03%	(283,276)	5,052	100%	(5,052)	

(ii) The analysis of other receivables for provision for bad debts in Stage 1 is as follows:

	December 31, 2025			December 31, 2024		
	Accounts balance	Provision for bad debts	% of	Accounts balance	Provision for bad debts	% of
	Amount	Amount	provision	Amount	Amount	provision
Deposits and guarantees receivable	106,712	(236)	0.22%	1,579	(35)	2.22%
Advances to employees	1,329	(14)	1.05%	1,828	(16)	0.88%
Receivables from the internal related parties of the Group	908,884	(9,804)	0.74%	676,301	(7,653)	1.13%
Others	-	-	-	723	(13)	1.80%
	1,016,925	(10,054)	0.99%	680,431	(7,717)	1.13%

(c) In the year, the provision for bad debts amounted to RMB281,025,000, and the collection and reversal of provision for bad debts was RMB464,000.



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

13 NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Long-term receivables

	December 31, 2025	December 31, 2024
Goods sold on hire purchase	183,974	53,190
Less: provision for bad debts	(9,712)	(60)
	174,262	53,130

The provision for bad debts of long-term receivables was all provided on a portfolio basis, analyzed as follows:

	December 31, 2025			December 31, 2024		
	Accounts balance	Provision for bad debts		Accounts balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Government and state-owned enterprise customers	169,047	5.34%	(9,032)	53,190	0.11%	(60)
Non-government and non-state-owned enterprise customers	14,927	4.56%	(680)	-	-	-
	183,974	5.28%	(9,712)	53,190	0.11%	(60)



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025
(All amounts in RMB'000 unless otherwise stated)

13 NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(5) Long-term equity investments

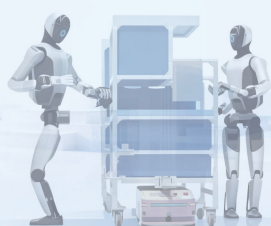
	December 31, 2025	December 31, 2024
Subsidiaries	4,353,093	3,997,829
Associates	61,233	58,444
	4,414,326	4,056,273
Less: Provision for impairment of long-term equity investments		
– Subsidiary (a)	(1,151,596)	(927,810)
– Associates	(58,444)	(58,444)
	3,204,286	3,070,019

(a) Please refer to note 5 about the list of the subsidiaries of the Company. The Company recognised provision for asset impairment for some subsidiaries due to bad operation performance.

(6) Capital surplus

	December 31, 2024	Increase in the current year	December 31, 2025
Share premium (note 4 (32))	7,072,898	5,708,056	12,780,954
Share-based payments (note 6)	250,431	98,743	349,174
Others	830,769	–	830,769
	8,154,098	5,806,799	13,960,897

	December 31, 2023	Increase in the current year	December 31, 2024
Share premium (note 4 (32))	6,073,456	999,442	7,072,898
Share-based payments (note 6)	38,877	211,554	250,431
Others	830,769	–	830,769
	6,943,102	1,210,996	8,154,098



NOTES TO THE FINANCIAL STATEMENTS

For the year 2025

(All amounts in RMB'000 unless otherwise stated)

13 NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(7) Revenue and cost of sales

	2025		2024	
	Revenue	Cost of sales	Revenue	Cost of sales
Sales of goods	2,472,669	1,737,667	648,672	614,368
Provision of services	15,316	5,440	36,978	5,305
	2,487,985	1,743,107	685,650	619,673

(8) Investment Loss

	2025	2024
Investment loss from the disposal of long-term equity investments	69,599	6,205
Investment income from holding of financial assets held for trading	(14,076)	(1,676)
Losses on long-term equity investments accounted for using the equity method	211	–
	55,734	4,529

