
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 20-F**

(Mark One)

- REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934
- OR**
- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2025
- OR**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
- OR**
- SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Date of event requiring this shell company report _____

Commission File Number: 001-41576

ECARX Holdings Inc.

(Exact Name of Registrant as Specified in Its Charter)

N/A

(Translation of Registrant's Name into English)

Cayman Islands

(Jurisdiction of Incorporation or Organization)

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(Address of Principal Executive Offices)

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London E1W 1UN
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(Name, Telephone, Email and/or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12 (b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Class A ordinary shares, par value \$0.000005 per share	ECX	The Nasdaq Stock Market LLC
Warrants	ECXWW	The Nasdaq Stock Market LLC

Securities registered or to be registered pursuant to Section 12 (g) of the Act:

None

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15 (d) of the Act:

None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 310,505,777 Class A ordinary shares and 45,960,916 Class B ordinary shares, par value US\$0.000005 per share, as of December 31, 2025.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes No

Note — Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated filer Accelerated Filer Non-Accelerated Filer
Emerging Growth Company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards[†] provided pursuant to Section 13(a) of the Exchange Act.

[†] The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP International Financial Reporting Standards as issued by the International Accounting Standards Board Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13, or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

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INTRODUCTION

In this annual report, unless otherwise indicated or unless the context otherwise requires:

- “2025 ATW Convertible Notes” means the convertible notes issued by ECARX Holdings to ATW Mobility SPV LLC in the aggregate principal amount of US\$50 million as of the date of this annual report pursuant to the 2025 ATW Convertible Note Purchase Agreement;
- “2025 ATW Convertible Note Purchase Agreement” means the securities purchase agreement dated October 30, 2025 between ECARX Holdings and ATW Mobility SPV LLC under which we agree to issue and sell pursuant to our Indenture, dated October 30, 2025 between us and U.S. Bank Trust Company, National Association, as trustee, and a First Supplemental Indenture entered into between us and the trustee, in one or more registered direct offerings by us directly to ATW Mobility SPV LLC, convertible notes for up to an aggregate principal amount of US\$150 million that will be convertible into Class A Ordinary Shares;
- “2025 Convertible Notes” means the convertible notes issued by ECARX Holdings to certain institutional investors in the aggregate principal amount of US\$100 million as of the date of this annual report pursuant to the 2025 Convertible Note Purchase Agreement;
- “2025 Convertible Note Purchase Agreement” means the convertible note purchase agreement dated November 3, 2025 between ECARX Holdings, a certain institutional investor and such other parties that may accede to such agreement from time to time, which was entered into in connection with the refinancing of the US\$65 million convertible notes issued by Company in October 2022 and contemplates the issuance and sale by us of up to US\$100 million of convertible notes;
- “ADAS” means advanced driver assistance system;
- “Business Combination” means the transactions contemplated by the Agreement and Plan of Merger, dated as of May 26, 2022 by and among COVA, ECARX Holdings, Ecarx Temp Limited, and Ecarx&Co Limited;
- “Class A Ordinary Shares” means Class A ordinary shares of ECARX Holdings, par value US\$0.000005 per share;
- “Class B Ordinary Shares” means Class B ordinary shares of ECARX Holdings, par value US\$0.000005 per share;
- “COVA” means COVA Acquisition Corp., a blank check company that was incorporated as a Cayman Islands exempted company for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization, or similar business combination with one or more businesses or entities;
- “ECARX,” “we,” or “our company” means ECARX Holdings and its subsidiaries (and, in the context of describing ECARX’s historical operations and consolidated financial information, also the former VIEs for the periods prior to the Restructuring), and references to “our” financial statements, share capital, securities (including shares, options, and warrants), shareholders, directors, board of directors, and auditors are to those of ECARX Holdings, respectively;
- “ECARX Holdings” means ECARX Holdings Inc., an exempted company limited by shares incorporated under the laws of the Cayman Islands;
- “Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;
- “Geely Auto” means Geely Automobile Holdings Limited, which manages brands including Geely, Lynk & Co, Geometry, and Zeekr, among others;
- “Geely ecosystem” means Geely Auto, Volvo Car, Polestar, smart, Lotus, Proton, LEVC, and other automotive OEMs that are affiliated with or are investee companies of Geely Holding;
- “Geely Holding” means Zhejiang Geely Holding Group Co., Ltd.;

- “Nasdaq” means The Nasdaq Stock Market LLC;
- “Ordinary Shares” means, collectively, Class A Ordinary Shares and Class B Ordinary Shares;
- “PCAOB” means the Public Company Accounting Oversight Board;
- “Public Warrants” means warrants to purchase Class A Ordinary Shares at an exercise price of US\$11.50 per share, which were issued upon the closing of the Business Combination in exchange for the public warrants of COVA that were issued in COVA’s initial public offering that was consummated on February 9, 2021;
- “Renminbi” or “RMB” means the legal currency of China;
- “Restructuring” means a series of transactions that ECARX implemented to restructure its organization and business operations in early 2022, through which the contractual arrangements that allowed us to consolidate the former VIE were terminated;
- “SEC” means the U.S. Securities and Exchange Commission;
- “SoC” means system on a chip;
- “Sponsor” means COVA Acquisition Sponsor LLC, a Cayman Islands limited liability company;
- “Sponsor Warrants” means warrants to purchase Class A Ordinary Shares at an exercise price of US\$11.50 per share, which were issued to the Sponsor upon the closing of the Business Combination;
- “U.S. dollars” or “US\$” means United States dollars, the legal currency of the United States;
- “U.S. GAAP” means accounting principles generally accepted in the United States of America;
- “VIE” means variable interest entity. “The former VIE” or “Hubei ECARX” means Hubei ECARX Technology Co., Ltd., a former consolidated variable interest entity of ECARX, and “the former VIEs” means Hubei ECARX Technology Co., Ltd. and its subsidiaries;
- “Warrant Agreement” means the Warrant Agreement dated February 4, 2021 by and between COVA and Continental Stock Transfer & Trust Company, as warrant agent, as amended and assigned to ECARX Holdings pursuant to the Assignment, Assumption and Amendment Agreement dated December 20, 2022 by and between COVA, ECARX Holdings, and Continental Stock Transfer & Trust Company; and
- “Warrants” means, collectively, the Public Warrants and the Sponsor Warrants.

Any discrepancies in any table between the amounts identified as total amounts and the sum of the amounts listed therein are due to rounding.

During 2025, we decided to change our reporting currency from Chinese Renminbi to US\$. This change was made as a result of our assessment that the change will help provide a clearer understanding of our financial performance to investors and improve comparability of our performance to peers, particularly due to our ongoing international expansion. The change in the reporting currency is a voluntary change and is accounted for retrospectively. The comparative financial information presented has been translated into the new reporting currency as if we have always used US\$ as the reporting currency.

FORWARD-LOOKING INFORMATION

This annual report contains statements that are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based on management's beliefs and expectations as well as on assumptions made by and data currently available to management, appear in a number of places throughout this document and include statements regarding, amongst other things, results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate. The use of words "expects," "intends," "anticipates," "estimates," "predicts," "believes," "should," "potential," "may," "preliminary," "forecast," "objective," "plan," or "target," and other similar expressions are intended to identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to a number of risks and uncertainties that could cause actual results to differ materially, including, but not limited to statements regarding our intentions, beliefs or current expectations concerning, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies, future market conditions or economic performance and developments in the capital and credit markets and expected future financial performance, and the markets in which we operate.

Forward-looking statements involve a number of risks, uncertainties and assumptions, and actual results or events may differ materially from those projected or implied in those statements. Important factors that could cause such differences include, but are not limited to:

- the regulatory environment and changes in laws, regulations or policies in the jurisdictions in which we operate;
- the overall economic environment and general market and economic conditions in the jurisdictions in which we operate and beyond;
- the progress and results of the research and development of our products and services, as well as of their manufacturing, launch, commercialization and delivery;
- the conditions and outlook of the automobile and automotive intelligence industries in China and globally;
- our relationships with automotive OEMs, Tier 1 suppliers, and our other customers, suppliers, other business partners and stakeholders;
- our ability to successfully compete in highly competitive industries and markets;
- our ability to continue to adjust our offerings to meet market demand, attract customers to choose our products and services, and grow our ecosystem;
- our ability to execute our strategies, manage growth, and maintain our corporate culture as we grow;
- our anticipated investments in new products, services, collaboration arrangements, technologies and strategic acquisitions, and the effect of these investments on our results of operations;
- changes in the needs for capital and the availability of financing and capital to fund these needs;
- anticipated technology trends and developments and our ability to address those trends and developments with our products and services;
- the safety, price-competitiveness, quality, and breadth of our products and services;
- the loss of key personnel and the inability to replace such personnel on a timely basis or on acceptable terms;
- man-made or natural disasters, health epidemics, and other outbreaks including war, acts of international or domestic terrorism, civil disturbances, occurrences of catastrophic events, and acts of God such as floods, earthquakes, wildfires, typhoons, and other adverse weather and natural conditions that affect our business or assets;
- exchange rate fluctuations;
- changes in interest rates or rates of inflation;
- legal, regulatory, and other proceedings;
- the results of future financing efforts; and
- all other risks and uncertainties described in "Item 3. Key Information—D. Risk Factors" and "Item 5. Operating and Financial Review and Prospects."

We would like to caution you not to place undue reliance on these forward-looking statements and you should read these statements in conjunction with the risk factors disclosed in “Item 3. Key Information— D. Risk Factors.” Those risks are not exhaustive. We operate in a rapidly evolving environment. New risks emerge from time to time and it is impossible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ from those contained in any forward-looking statement. We do not undertake any obligation to update or revise the forward-looking statements except as required under applicable law.

PART I

Item 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

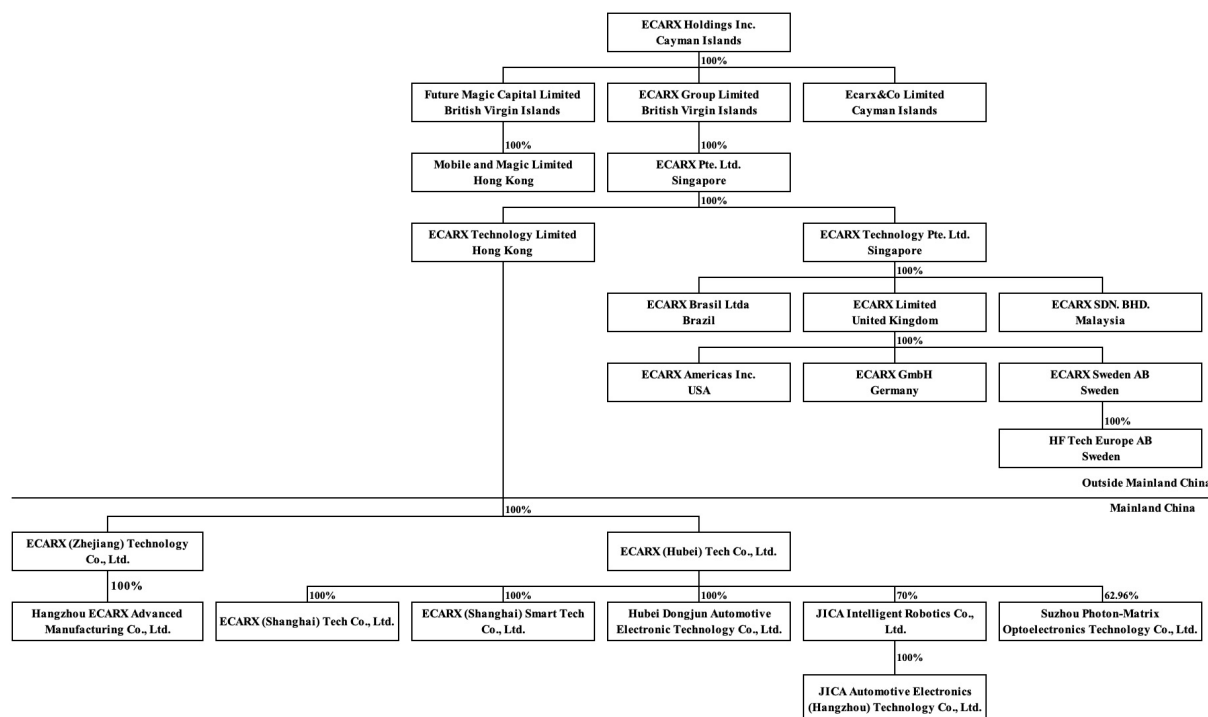
Item 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

Item 3. KEY INFORMATION

Our Holding Company Structure and China Operations

The following diagram illustrates our corporate structure as of the date of this annual report.



ECARX Holdings is not an operating company but a Cayman Islands holding company. We conduct operations through our subsidiaries, with our operations in China currently being conducted by our PRC subsidiaries. Investors in the Class A Ordinary Shares or in ECARX Holdings are not acquiring equity interest in any operating company but instead are acquiring interest in a Cayman Islands holding company. This holding company structure involves unique risks to investors. As a holding company, ECARX Holdings may rely on dividends from its subsidiaries for cash requirements, including any payment of dividends to its shareholders. The ability of our subsidiaries to pay dividends or make distributions to ECARX Holdings may be restricted by laws and regulations applicable to them or the debt they incur on their own behalf or the instruments governing their debt. In addition, PRC regulatory authorities could disallow this holding company structure and limit or hinder our ability to conduct our business through, receive dividends or distributions from, or transfer funds to, the operating companies or list on a U.S. or other foreign exchange, which could cause the value of our securities to significantly decline or become worthless.

Prior to 2022, we conducted our operations in China through our PRC subsidiaries and through Hubei ECARX Technology Co., Ltd., the former VIE, with which we, our subsidiary, and the nominee shareholders of the former VIE entered into certain contractual arrangement. PRC laws, regulations, and rules restrict and impose conditions on foreign investment in certain types of businesses, and we operated certain businesses, including businesses that were subject to such restrictions and conditions in China such as surveying and mapping services and ICP businesses, through the former

VIE. We did not own any equity interest in the former VIEs and relied on the contractual arrangements to direct their business operations. Such structure enables investors to invest in China-based companies in sectors where foreign direct investment is prohibited or restricted under PRC laws and regulations. We effected the Restructuring in 2022 and terminated the VIE corporate structure. The termination was due to the increased regulatory scrutiny over such structure and because the businesses and assets relating to surveying and mapping services and ICP businesses held by Hubei ECARX, the former VIE, were inconsequential to our operations in 2020 and 2021 and which we believe have not had and will not have any material impact on our business operations or financial results. Following the Restructuring in 2022, the contractual arrangement of the VIE structure was terminated and currently we do not have any VIE in China.

We face various legal and operational risks and uncertainties relating to doing business in China. Our business operations are primarily conducted in China, and we are subject to complex and evolving PRC laws and regulations. For example, the PRC government has issued statements and regulatory actions relating to areas such as regulatory approvals on overseas offerings and listings by, and foreign investment in, China-based issuers, anti-monopoly regulatory actions, and oversight on cybersecurity and data privacy. It remains uncertain how PRC government authorities will regulate overseas listings and offerings in general and whether we can fully comply with applicable regulatory requirements, including completing filings with the China Securities Regulatory Commission, or the CSRC, and whether we are required to complete other filings or obtain any specific regulatory approvals from the CSRC, the Cyberspace Administration of China, or the CAC, or any other PRC government authorities for our overseas offerings and listings, as applicable. In addition, if future regulatory developments mandate clearance of cybersecurity review or other specific actions to be completed by China-based companies listed on foreign stock exchanges, such as us, we face uncertainties as to whether such clearance can be timely obtained, or at all. These risks may impact our ability to conduct certain businesses, accept foreign investments, or list and conduct offerings on a stock exchange in the United States or any other foreign country. These risks could result in a material adverse change in our operations and the value of our Class A Ordinary Shares, significantly limit or completely hinder our ability to continue to offer securities to investors, or cause the value of such securities to significantly decline or become worthless. For a detailed description of risks relating to doing business in China, see “Item 3. Key Information— D. Risk Factors—Risks Relating to Doing Business in China.”

The PRC government’s significant authority in regulating our operations and its oversight and control over offerings conducted overseas by, and foreign investment in, China-based issuers could significantly limit or completely hinder our ability to offer or continue to offer securities to investors. Implementation of industry-wide regulations in this nature, such as data security or anti-monopoly related regulations, may cause the value of such securities to significantly decline. For more details, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—The PRC government has significant oversight and discretion over our business operations, and it may influence our operations as part of its efforts to enforce PRC law, which could result in a material adverse change in our operations and the value of our securities.”

Risks and uncertainties regarding the interpretation and enforcement of laws and quickly evolving rules and regulations in China, could result in a material adverse change in our operations and the value of our Class A Ordinary Shares. For more details, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Risks and uncertainties regarding the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us, hinder our ability and the ability of any holder of our securities to offer or continue to offer such securities, result in a material adverse change to our business operations, and damage our reputation, which would materially and adversely affect our financial condition and results of operations and cause our securities to significantly decline in value or become worthless.”

The Holding Foreign Companies Accountable Act

Pursuant to the Holding Foreign Companies Accountable Act, or the HFCAA, as amended by the Consolidated Appropriations Act, 2023, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspections by the PCAOB for two consecutive years, the SEC will prohibit our securities from being traded on a national securities exchange or in the over-the-counter trading market in the United States. On December 16, 2021, the PCAOB issued a report to notify the SEC of its determination that the PCAOB was unable to inspect or investigate completely registered public accounting firms headquartered in mainland China and Hong Kong, including our auditor. On December 15, 2022, the PCAOB issued a report that vacated its December 16, 2021 determination and removed mainland China and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. As of the date of this annual report, the PCAOB has not issued any new determination that it is unable to inspect or investigate completely registered public accounting firms headquartered in any jurisdiction. For this reason, we do not expect to be identified as a Commission-Identified Issuer

under the HFCAA after we file our annual report on Form 20-F for the fiscal year ended December 31, 2025. Each year, the PCAOB will determine whether it can inspect and investigate completely registered public accounting firms in mainland China and Hong Kong, among other jurisdictions. If PCAOB determines in the future that it no longer has full access to inspect and investigate completely registered public accounting firms in mainland China and Hong Kong and we continue to use a registered public accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. There can be no assurance that we would not be identified as a Commission-Identified Issuer for any future fiscal year, and if we were so identified for two consecutive years, we would become subject to the prohibition on trading under the HFCAA. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—The PCAOB had historically been unable to inspect our auditor in relation to their audit work performed for our financial statements and the inability of the PCAOB to conduct inspections of our auditor in the past has deprived our investors with the benefits of such inspections,” and “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Our securities may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in mainland China and Hong Kong. The delisting of our securities, or the threat of their being delisted, may materially and adversely affect the value of your investment.”

Permission Required from the PRC Authorities for Our Operations

We conduct our operations in China through our PRC subsidiaries. Each of our mainland China subsidiaries is required to obtain, and has obtained, a business license issued by PRC authorities such as the State Administration for Market Regulation, or the SAMR, and its local counterparts. Our mainland China subsidiaries are also required to obtain, and have obtained, additional operating licenses and permits in connection with their operations, including but not limited to the model confirmation, compulsory product certifications, and network connection licenses for certain of our products. None of our mainland China subsidiaries has been subject to any penalties or other disciplinary actions from any authority in mainland China for the failure to obtain or insufficiency of any approvals or permits in connection with the conduct of its business operations as of the date of this annual report.

The PRC government has sought to exert more control and impose more restrictions on China-based issuers raising capital overseas and such efforts may continue or intensify in the future. On July 6, 2021, the Opinions on Severely Cracking Down on Illegal Securities Activities According to Law, which emphasized the need to strengthen the supervision over overseas listings by mainland China-based companies, was enacted. Effective measures, such as promoting the establishment of regulatory frameworks, are to be taken to deal with the risks and incidents of mainland China-based overseas-listed companies, cybersecurity and data privacy protection requirements, and similar matters. The revised Measures for Cybersecurity Review issued by the CAC, and several other administrations on December 28, 2021 (which took effect on February 15, 2022) require that, both critical information infrastructure operators purchasing network products or services that affect or may affect national security and “online platform operators” carrying out data processing activities that affect or may affect national security should be subject to the cybersecurity review. As of the date of this annual report, (i) we have not been informed that we are a critical information infrastructure operator or a data processor conducting data processing activities that affect or may affect national security by any government authority, although it is uncertain whether we would in fact be categorized as such under the PRC law; and (ii) we have not been involved in any investigations or cybersecurity review by the CAC and we have not received any official inquiry, notice, warning, or sanctions in this respect.

On February 17, 2023, the CSRC released several regulations regarding the filing requirements for overseas offerings and listings by mainland China-based issuers, including the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and five supporting guidelines, or collectively the Overseas Listing Filing Rules, which took effect on March 31, 2023. According to the Overseas Listing Filing Rules, for an issuer which is already listed, it should make filing in accordance with the Overseas Listing Filing Rules if: (i) it issues additional convertible bonds, exchangeable bonds or preferred shares, (ii) it issues additional securities in the same overseas market, excluding securities issued for the purpose of implementing equity incentive, distribution of stock dividends, share split, etc., (iii) it issues additional securities in several offerings within its authorized scope; or (iv) it conducts a secondary listing or primary listing in any other overseas market. Failure to comply with the filing requirements may result in fines, suspension of their businesses, revocation of their business licenses and operation permits and fines on the controlling shareholder and other responsible persons. On February 17, 2023, the CSRC issued the Notice on Administrative Arrangements for the Filing of Domestic Enterprise’s Overseas Offering and Listing, which stipulates that mainland China-based issuers like us that have completed overseas listings prior to March 31, 2023 are not required to file with CSRC immediately, but must carry out

filing procedures as required if we conduct refinancing or if other circumstances arise, which will require us to make a filing with the CSRC.

Based on the opinion of Han Kun Law Offices, our legal counsel as to the law of mainland China, according to its interpretation of the laws and regulations of mainland China currently in effect, we believe that, as of the date of this annual report, our past offerings do not require the application or completion of any cybersecurity review or any other permission or approval from any government authorities in mainland China including the CSRC. For more detailed information, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—The approval of and filing with the CSRC or other PRC government authorities may be required in connection with the Business Combination, our previous offerings and listing under PRC law, and, if so required, we cannot predict whether or when we will be able to obtain such approval or complete such filing, and even if we obtain such approval, it could be rescinded” in this annual report. Any failure to obtain or delay in obtaining the required approvals or completing the required procedures could subject us to restrictions and penalties imposed by the CSRC, the CAC, or other PRC regulatory authorities, which could include fines and penalties on our operations in China, delays of or restrictions on the repatriation of the proceeds from our overseas offerings into China, or other actions that could materially and adversely affect our business, financial condition, results of operations, and prospects.

If (i) we do not receive or maintain any permits or approvals required of us, (ii) we inadvertently concluded that certain permits or approvals have been acquired or are not required, or (iii) applicable laws, regulations, or interpretations thereof change and we become subject to the requirement of additional permits or approvals in the future, we may have to expend significant time and costs to procure them. If we are unable to do so, on commercially reasonable terms, in a timely manner or otherwise, we may become subject to sanctions imposed by the PRC regulatory authorities, which could include fines and penalties, proceedings against us, and other forms of sanctions, and our ability to conduct our business, invest into China as foreign investments or accept foreign investments, or list on a U.S. or other overseas exchange may be restricted, and our business, reputation, financial condition, and results of operations may be materially and adversely affected. For more detailed information, see “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—Risks and uncertainties regarding the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us, hinder our ability and the ability of any holder of our securities to offer or continue to offer such securities, result in a material adverse change to our business operations, and damage our reputation, which would materially and adversely affect our financial condition and results of operations and cause our securities to significantly decline in value or become worthless.”

Arrangements with Respect to Certain Personal Data

In response to the move by PRC government authorities to tighten the regulatory framework governing data security, cybersecurity and privacy, in September 2021 we initiated the process to transfer the rights of our mainland China subsidiaries and of the former VIE to access personal data relevant to their respective business operations to Zhejiang Huanfu Technology Co., Ltd., or Zhejiang Huanfu, an entity controlled by our controlling shareholder. The transfer was completed in December 2021. In January 2022, we entered into a procurement framework agreement with Zhejiang Huanfu and thereafter concluded several procurement-related contracts pursuant to the procurement framework agreement to procure certain data-related services from Zhejiang Huanfu and fulfill our obligations to our PRC customers that were committed to prior to the aforementioned transfer to Zhejiang Huanfu for the sole purpose of restricting our access to personal data. Under these contracts, we engaged Zhejiang Huanfu to provide telematics service provider services relating to hosting of information, including personal data, as well as IT system support and troubleshooting. We also license certain intellectual property to Zhejiang Huanfu to enable it to perform its services. These contracts are governed by terms that we typically enter into with our suppliers. As of the date of this annual report, our mainland China subsidiaries do not have any right to access or process any personal data in China, other than certain employee personal data and certain vehicle identification numbers provided by automotive OEMs in association with our provision of product repair and maintenance services.

Cash Transfers and Dividend Distribution

Cash is transferred from ECARX Holdings to our subsidiaries through capital contributions, loans, and inter-company advances. In addition, cash may be transferred among our subsidiaries, through capital contributions, loans and settlement of transactions. Under our cash management policy, the amount of inter-company transfers of funds is determined based on the working capital needs of the subsidiaries and inter-company transactions, and is subject to internal

approval processes and funding arrangements. Our management regularly reviews and monitors the cash flow forecast and working capital needs of our subsidiaries.

Advances and loans. In 2023, (i) ECARX Technology Limited repaid US\$119.3 million to ECARX Holdings, (ii) ECARX Holdings made advances in the principal amount of US\$115.0 million to ECARX Group Limited and US\$2.7 million to ECARX Technology Limited, (iii) ECARX Group Limited repaid US\$33.4 million to ECARX Holdings, (iv) ECARX Holdings provided loans in the principal amount of US\$15.0 million to ECARX (Hubei) Tech Co., Ltd. (“ECARX Hubei”), (v) ECARX Technology Limited provided loans in the principal amount of US\$0.4 million to ECARX Limited, which has been fully repaid, and (vi) ECARX Hubei repaid RMB150.0 million to JICA Intelligent. In 2024, (i) ECARX Technology Limited repaid an amount of US\$20 million to ECARX Holdings (ii) ECARX Holdings made advances in the principal amount of US\$12.5 million to ECARX Group Limited and US\$1.0 million to ECARX Technology Limited (iii) ECARX Group Limited repaid US\$1.7 million to ECARX Holdings, and (iv) ECARX Hubei provided loans in the principal amount of RMB5.0 million to Suzhou Photon-Matrix Optoelectronics Technology Co., Ltd. In 2025, (i) ECARX Technology Limited repaid an amount of US\$29.6 million to ECARX Holdings Inc., (ii) ECARX Holdings made advances in the principal amount of US\$42.0 million to ECARX Group Limited and US\$62.4 million to ECARX Technology Limited, (iii) Future Magic Capital Limited made advances in the principal amount of US\$17.0 million to ECARX Holdings Inc., (iv) ECARX Technology Limited made advances in the principal amount of US\$0.7 million to ECARX Technology Pte. Ltd., (v) ECARX (Shanghai) Smart Tech Co., Ltd. provided loans in the principal amount of RMB82.5 million to ECARX Technology Limited and RMB200.0 million to ECARX Group Limited, (vi) ECARX Group Limited repaid an amount of RMB334.4 million to ECARX (Shanghai) Smart Tech Co., Ltd., (vii) ECARX Hubei repaid an amount of US\$46.8 million to Ecarx Holding Inc., (viii) ECARX Technology Limited provided loans in the principal amount of GBP0.6million to ECARX Limited and then ECARX Limited repaid GBP0.6 million to ECARX Technology Limited, (ix) HF Tech Europe AB provided loans in the principal amount of GBP4.8 million to Ecarx Limited, and (x) Ecarx Sweden AB provided loans to Ecarx Limited in the principal amount of GBP3.5 million which was repaid during the year.

Capital contribution. In 2023, (i) ECARX Group Limited made capital contribution of US\$100.0 million to ECARX Technology Limited; (ii) ECARX Technology Limited made capital contribution of US\$60.0 million to ECARX Hubei, and US\$31.5 million to its subsidiary, ECARX Limited; (iii) ECARX Hubei made capital contribution of RMB51.0 million to its subsidiary, JICA Intelligent; (iv) ECARX Holdings converted its GBP3.0 million loan to ECARX Limited into equity; and (v) ECARX Limited made capital contribution of US\$2.7 million to ECARX Americas Inc. In 2024, (i) ECARX Group Limited made capital contribution of US\$39.6 million to ECARX Technology Limited; (ii) ECARX Technology Limited made capital contribution of GBP19.3 million and US\$0.4 million to its subsidiary ECARX Limited, and US\$10.0 million to its subsidiary, ECARX (Zhejiang) Technology Co., Ltd.; (iii) ECARX Hubei made capital contribution of RMB125.0 million to its subsidiary, JICA Intelligent; and (iv) ECARX Limited made capital contribution of US\$5.9 million to its subsidiary, ECARX Americas Inc. In 2025, (i) ECARX Group Limited made capital contribution of US\$23.3 million to ECARX Pte. Ltd.; (ii) ECARX Technology Limited made capital contribution of GBP12.0 million to ECARX Limited, and RMB50.0 million to ECARX Hubei; (iii) ECARX Hubei made capital contribution of RMB25.0 million to JICA Intelligent, and RMB10.0 million to Ecarx(Beijing) Tech Co., Ltd.; (iv) ECARX Limited made capital contribution of EUR1.1million to ECARX GmbH; (v) ECARX Technology Pte. Ltd. made capital contribution of GBP7.9 million to ECARX Limited; (vi) ECARX Pte. Ltd. made capital contribution of US\$22.9 million to ECARX Technology Pte. Ltd.; (vii) ECARX Technology Pte. Ltd. made capital contribution of US\$0.7 million to ECARX SDN. BHD.; and (viii) ECARX Limited made capital contribution of US\$5.2 million to ECARX Americas Inc. and EUR10.6 million to ECARX GmbH.

We, our subsidiaries, and, for the periods ended prior to the Restructuring, the former VIEs, have not declared or paid dividends or made any distributions as of the date of this annual report. We do not intend to declare dividends or make distributions in the near future. Any determination to pay dividends in the future will be at the discretion of our board of directors.

We are subject to various restrictions on inter-company fund transfers and foreign exchange control.

Dividends. ECARX Holdings is a holding company and may rely on dividends and other distributions on equity paid by our subsidiaries for its cash and financing requirements. Restrictions on the ability of our mainland China subsidiaries to pay dividends to an offshore entity primarily include: (i) our mainland China subsidiaries may pay dividends only out of their accumulated after-tax profits upon satisfaction of applicable statutory conditions and procedures, if any, determined in accordance with accounting standards and regulations in China; (ii) each of our mainland China subsidiaries is required to set aside at least 10% of its after-tax profits each year, if any, to fund certain reserve funds until the total amount set aside reaches 50% of its registered capital; (iii) our mainland China subsidiaries are required to complete certain procedural requirements related to foreign exchange control in order to make dividend payments in foreign currencies; and (iv) a withholding tax, at the rate of 10% or lower, is payable by our mainland China subsidiary upon dividend remittance. Such restrictions could have a material and adverse effect on the ability of ECARX Holdings to distribute profits to its

shareholders. Under Cayman Islands law, while there are no exchange control regulations or currency restrictions, ECARX Holdings is also subject to certain restrictions under Cayman Islands law on dividend distribution to its shareholders, namely that it may only pay dividends out of profits or share premium account, and provided always that in no circumstances may a dividend be paid if this would result in ECARX Holdings being unable to pay its debts as they fall due in the ordinary course of business.

Capital expenses. Approval from or registration with appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted out of mainland China to pay capital expenses, such as the repayment of loans denominated in foreign currencies. As a result, our mainland China subsidiaries are required to obtain approval from the State Administration of Foreign Exchange, or SAFE, or complete certain registration process in order to use cash generated from their operations to pay off their respective debt in a currency other than Renminbi owed to entities outside mainland China, or to make other capital expenditure payments outside mainland China in a currency other than Renminbi.

Shareholder loans and capital contributions. Loans by us to our mainland China subsidiaries to finance their operations shall not exceed certain statutory limits and must be registered with the local counterpart of SAFE, and any capital contribution from us to our mainland China subsidiaries is required to be registered with the competent government authorities in mainland China.

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Summary of Risk Factors

Risks Relating to Our Business and Industry

- We have a relatively limited operating history and face significant challenges in a fast-developing industry;
- If our solutions do not effectively address the evolution of the automotive industry or automotive intelligence technologies, our business could be adversely affected;
- Changes in automobile sales and market demand can adversely affect our business;
- Disruptions in the supply of components or the underlying raw materials used in our products may materially and adversely affect our business and profitability;
- A reduction in the market share or changes in the product mix offered by our customers could materially and adversely affect our business, financial condition, and results of operations;
- The automotive intelligence industry is highly competitive, and we may not be successful in competing in this industry;
- We had negative net cash flows from operations in the past and have not been profitable, which may continue in the future. A note regarding our ability to continue as a going concern has been included in our consolidated financial statements;
- We currently have a concentrated customer base with a limited number of key customers, particularly including certain of our related parties such as Geely Holding's subsidiaries. The loss of one or more of our key customers, or a failure to renew our agreements with one or more of our key customers, could adversely affect our results of operations and ability to market our products and services;
- We are subject to risks and uncertainties associated with international operations, which may harm our business;
- Our automotive intelligence technologies and related hardware and software could have defects, errors, or bugs, undetected or otherwise, which could create safety issues, reduce market adoption, damage our reputation with current or prospective customers, or expose us to product liability and other claims that could materially and adversely affect our business, financial condition, and results of operations;

- We rely on our business partners and other industry participants. Business collaboration with partners is subject to risks, and these relationships may not lead to significant revenue. Any adverse change in our cooperation with our business partners could harm our business;
- Our business plans require a significant amount of capital. In addition, our future capital needs may require us to sell additional equity or debt securities that may dilute our shareholders or introduce covenants that may restrict our operations or our ability to pay dividends;
- We may not be able to realize the potential financial or strategic benefits of business ventures, acquisitions or strategic investments and we may not be able to successfully integrate acquisition targets, which could impact our ability to grow our business, develop new products or sell our products;
- We may incur material losses and costs as a result of warranty claims, product recalls, and product liabilities that may be brought against us;
- Our business is subject to complex and evolving laws and regulations regarding cybersecurity, privacy, data protection and information security in China and elsewhere. Any privacy or data security breach or any failure to comply with these laws and regulations could damage our reputation and brand, result in negative publicity, legal proceedings, increased cost of operations, warnings, fines, service or business suspension, or otherwise harm our business and results of operations; and
- Heightened tensions in international relations, particularly between the United States and China, may adversely impact our business, financial condition, and results of operations.

Risks Relating to Doing Business in China

- ECARX Holdings is not an operating company but a Cayman Islands holding company. We conduct operations through our subsidiaries, with our operations in China currently being conducted by our PRC subsidiaries. This holding company structure involves unique risks to investors. As a holding company, ECARX Holdings may rely on dividends from its subsidiaries for cash requirements, including any payment of dividends to its shareholders. The ability of our subsidiaries to pay dividends or make distributions to ECARX Holdings may be restricted by laws and regulations applicable to them or the debt they incur on their own behalf or the instruments governing their debt. In addition, PRC regulatory authorities could disallow this holding company structure and limit or hinder our ability to conduct our business through, receive dividends or distributions from, or transfer funds to, the operating companies or list on a U.S. or other foreign exchange, which could cause the value of our securities to significantly decline or become worthless. See “Item 3. Key Information – Our Holding Company Structure and China Operations” and “Item 3. Key Information – D. Risk Factors – Risks Relating to Doing Business in China – We may rely on dividends and other distributions on equity paid by our subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our mainland China subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business” for details;
- The PRC government has significant oversight and discretion over our business operations, and it may influence on our operations as part of its efforts to enforce PRC law, which could result in a material adverse change in our operations and the value of our securities;
- Risks and uncertainties arising from the legal system of China, including those relating to the interpretation and enforcement of PRC laws and regulations and that rules and regulations in China can change quickly with little advance notice, could limit the legal protections available to you and us, hinder our ability and the ability of any holder of our securities to offer or continue to offer such securities, result in a material adverse change to our business operations, and damage our reputation, which would materially and adversely affect our financial condition and results of operations and cause our securities to significantly decline in value or become worthless. See “Item 3. Key Information – D. Risk Factors – Risks Relating to Doing Business in China – Risks and uncertainties regarding the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us, hinder our ability and the ability of any holder of our securities to offer or continue to offer such securities, result in a material adverse change to our business operations, and damage our reputation, which would materially and adversely affect our financial condition and results of operations and cause our securities to significantly decline in value or become worthless” for details;
- The approval of and filing with the CSRC or other PRC government authorities may be required in connection with our offerings under PRC law, and, if so required, we cannot predict whether or when we will be able to obtain such approval or complete such filing, and even if we obtain such approval, it could be rescinded. Any failure to or delay in obtaining such approval or complying with such filing requirements in

relation to our offerings, or a rescission of such approval, could subject us to sanctions imposed by the CSRC or other PRC government authorities;

- The PCAOB had historically been unable to inspect our auditor in relation to their audit work performed for our financial statements and the inability of the PCAOB to conduct inspections of our auditor in the past has deprived our investors with the benefits of such inspections;
- Our securities may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in mainland China and Hong Kong. The delisting of our securities, or the threat of their being delisted, may materially and adversely affect the value of your investment;
- Additional disclosure requirements to be adopted by and regulatory scrutiny from the SEC in response to risks related to companies with substantial operations in China, which could increase our compliance costs, subject us to additional disclosure requirements, and/or suspend or terminate our future securities offerings, making capital-raising more difficult;
- The M&A Rules and certain other PRC regulations establish complex procedures for certain acquisitions of mainland China companies, which could make it more difficult for us to pursue growth through acquisitions in China; and
- Substantial uncertainties exist with respect to the interpretation and implementation of 2019 PRC Foreign Investment Law and its Implementation Rules.

Risks Relating to Our Securities

- The price of our securities may be volatile, and the value of our securities may decline;
- A market for our securities may not develop or be sustained, which would adversely affect the liquidity and price of our securities;
- If we do not meet the expectations of equity research analysts, if they do not publish research reports about our business or if they issue unfavorable commentary or downgrade our securities, the price of our securities could decline;
- Sales of a substantial number of our securities in the public market could cause the price of our securities to fall; and
- Future issuance of Ordinary Shares will result in additional dilution of the percentage ownership of our shareholders and could cause our share price to fall.

Risks Relating to Our Business and Industry

We have a relatively limited operating history and face significant challenges in a fast-developing industry.

We commenced operations in 2017. As we have a relatively limited operating history, it is difficult to predict our future revenues and appropriately budget for our expenses, and we may have limited insight into trends that may emerge and affect our business. You should consider our business and prospects in light of the risks and challenges that we face as a new entrant into a fast-developing industry, including with respect to our ability to:

- advance our technologies;
- design and deliver intelligent, reliable, and quality solutions that appeal to customers;
- establish, expand, and diversify our customer base;
- build a well-recognized and respected brand cost-effectively;
- market our products and services;
- optimize our pricing strategy;
- maintain a reliable, secure, high-performance, and scalable technology infrastructure;
- enhance our cybersecurity and data security;
- attract, retain, and motivate talented employees;
- improve and maintain our operating efficiency;
- compete in our industries;
- navigate an evolving and complex regulatory environment; and
- manage supply chain effectively; and manage our growth effectively.

If we fail to address any or all of these risks and challenges, our business, financial condition, and results of operations could be materially and adversely affected.

If our solutions do not effectively address the evolution of the automotive industry or automotive intelligence technologies, our business could be adversely affected.

The automotive industry and automotive intelligence technologies are rapidly evolving. Our business and prospects will depend on our ability to identify consumer needs, and to develop, introduce, and achieve market acceptance of our new and enhanced products in a cost-effective manner. We cannot assure you that our products and services will be or will continue to be accepted by the market.

We have invested and will continue to invest significantly in research and development and we are in the process of developing a portfolio of automotive computing platform, SoC core module, and software solution and products. Our investment in research and development may not result in marketable products or services or may result in products and services that generate less market acceptance and revenues than we anticipate. Although we believe that our technologies and products are promising, we cannot assure you that we can achieve our development goals and successfully commercialize all of these automotive intelligence technologies. In addition, we cannot assure you that, once commercialized, these technologies can stand the test of time.

We believe that the confidence and trust of our customers are essential in the success of our automotive intelligence technologies. Customers will be less likely to purchase our products if they are not convinced of the technical or functional superiority of our technologies. Any defects in or significant malfunctioning of our automotive intelligence products and services, or any negative perceptions of such, with or without any grounds, may weaken such confidence and trust in us, which may materially and adversely affect our reputation, financial condition, and results of operations. Similarly, suppliers and other third parties will be less likely to invest time and resources in developing business relationships with us if they are not convinced that our business or our technologies will succeed.

Changes in automobile sales and market demand can adversely affect our business.

Our business is directly related to automobile sales and production by automotive OEMs. Automobile sales and production could sometimes be highly cyclical and, in addition to general economic conditions, also depend on other factors such as consumer confidence and preferences. Lower automobile sales would be expected to result in substantially all of our automotive OEM customers lowering vehicle production schedules, which has a direct impact on our earnings and cash flows. In addition, automobile sales and production can be affected by labor relations issues, regulatory requirements, trade agreements, the availability of consumer financing, and other factors. Economic declines that result in a significant reduction in automobile sales and production by automotive OEMs could materially and adversely affect our business, financial condition, and results of operations.

The demand for our products and services is also dependent on consumers' demand for and adoption of intelligent vehicles, in general. The market for intelligent vehicles is still rapidly evolving, characterized by rapidly changing technologies, intense competition, evolving government regulation and industry standards, and changing consumer demands and behaviors. If the market for intelligent vehicles does not develop as we expect or develops more slowly than we expect, our business, financial condition, results of operations, and prospects will be affected.

In addition, there has also been a change in consumer preferences favoring mobility on demand services, such as car- and ride-sharing, as opposed to automobile ownership, which may result in a long-term reduction in the number of vehicles per capita.

Disruptions in the supply of components or the underlying raw materials used in our products may materially and adversely affect our business and profitability.

Our hardware products are comprised of electronic and mechanical components sourced from various third-party suppliers. A significant disruption in the supply of these components or the underlying raw materials, such as metals, petroleum-based resins, and chemicals, for any reason could impede production and delivery levels, which could materially increase our operating costs and materially decrease our profit margins.

Such supply chain disruptions could be caused by a range of incidents, such as total or partial shutdown of our suppliers' plants or critical manufacturing lines due to strikes, mechanical breakdowns, electrical outages, fires, explosions,

or political upheaval, as well as logistical complications due to weather conditions, natural disasters, nuclear accidents, mechanical failures, delayed customs clearance, or pandemics. In particular, following the disruptions to semiconductor manufacturers due to the COVID-19 pandemic and an increase in global demand for personal computers for work-from-home economies, there is an ongoing global chip shortage, which would materially and adversely affect the industries we operate in. Any of such supply chain disruptions may force us to suspend or cease production, even for a prolonged period of time.

We do not control our suppliers or their business practices. Accordingly, we cannot guarantee that the quality of the components manufactured by them will be consistent and maintained to a high standard. Any defects of or quality issues with these components or any noncompliance incidents associated with these suppliers could result in quality issues with our products and hence force us to delay production or deliveries and compromise our brand image and results of operations. In addition, we cannot assure you that the suppliers will comply with ethical business practices, such as environmental responsibilities, fair wage practices and child labor laws, among others. A lack of demonstrated compliance could lead us to seek alternative suppliers, which could increase our costs and results in delayed delivery of our products, product shortages, or other disruptions of our operations.

Any supply chain disruptions, whether or not involving a single-source supplier, could require us to make significant additional efforts until an alternative supplier is fully qualified by us or is otherwise able to resume the supply. We cannot assure you that we would be able to successfully retain alternative suppliers or supplies on a timely basis, on acceptable terms, or at all. Moreover, if we experience a significant increase in demand or need to replace our existing suppliers, we cannot assure you that additional supplies will be available when required on terms that are favorable to us, or at all, or that any supplier would allocate sufficient supplies to us in order to meet our requirements or fill our orders in a timely manner. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations, and prospects.

A reduction in the market share or changes in the product mix offered by our customers could materially and adversely affect our business, financial condition, and results of operations.

We depend on the continued growth, viability, and financial stability of our customers. Our customers primarily include automotive OEMs and tier 1 automotive suppliers. The automotive industry is subject to rapid technological change, vigorous competition, short product life cycles, and cyclical consumer demand patterns and industry consolidation. When our customers are adversely affected by these factors, we may be similarly affected to the extent that our customers reduce the volume of orders for our products and services. As a result of changes affecting our customers, sales mix can shift, which may have either favorable or unfavorable impact on our revenues. For example, a shift in sales demand favoring a particular automotive OEM's vehicle model for which we do not have a supply contract may adversely affect our business. A shift in regional sales demand toward certain markets could adversely affect the sales of those of our customers that have a low market share in those regions, which in turn could materially and adversely affect our business.

The mix of vehicle offerings by our automotive OEM customers, which can be affected by industry consolidation, also could affect our business. Any merger between major automotive OEMs may result in the discontinuation of certain major vehicle brands previously marketed under separate companies, which may materially and adversely affect our financial condition and results of operations. In addition, a decrease in consumer demand for specific types of vehicles where we have traditionally supplied significantly could materially and adversely affect our business, financial condition, and results of operations.

The automotive intelligence industry is highly competitive, and we may not be successful in competing in this industry.

The automotive intelligence market is highly competitive. We have strategically entered into this market and we expect this segment to become more competitive in the future as more players make their entrance. Competition is based primarily on technology, innovation, quality, delivery, and price. Many of our current and potential competitors, particularly international competitors, have significantly greater financial, technical, manufacturing, marketing, and other resources than we do and may be able to devote greater resources to the design, development, manufacturing, distribution, promotion, sale, and support of their products. We cannot assure you that our products and services will be able to compete successfully with those of our existing and any new competitors. If we fail to compete successfully, our prospects, results of operations, and financial condition could be adversely affected.

We expect competition to intensify in the future in light of the increased demand for automotive intelligence technologies, the continuing globalization, and the consolidation in the automotive industry worldwide. Our future success

will depend on our ability to develop superior advanced technology and to maintain our competitive position with respect to our technological advances over our competitors. Furthermore, the rapidly evolving nature of the markets in which we compete has attracted, and may continue to attract, new entrants, particularly in areas of evolving automotive technologies such as computing platform technologies and advanced driver-assistance systems, which have attracted new entrants from outside the traditional automotive industry, and any of these competitors may develop and introduce technologies that gain greater customer or consumer acceptance, which could adversely affect our future growth.

In addition, increased competition may lead to lower unit sales and increased inventory, which may in turn result in downward price pressure and adversely affect our business, financial condition, operating results, and prospects. Therefore, the ability to stay ahead of our competitors will be fundamental to our future success. Our competitors may foresee the course of market development more accurately than us, develop products and services that are superior to ours, have the ability to produce similar products at a lower cost than us, adapt more quickly than us to new technologies or evolving customer requirements, or develop or introduce new products or solutions before we do, particularly related to potential transformative technologies such as automotive central computing platform solutions and advanced driver-assistance systems. As a result, our products and services may not be able to compete successfully with those of our competitors. These trends may adversely affect our sales as well as the profit margins on our offerings. If we do not continue to innovate to develop or acquire new and compelling products that capitalize upon new technologies, this could have a material adverse impact on our results of operations.

We had negative net cash flows from operations in the past and have not been profitable, which may continue in the future. A note regarding our ability to continue as a going concern has been included in our consolidated financial statements.

We incurred net losses of US\$143.9 million, US\$137.8 million and US\$68.9 million in 2023, 2024 and 2025, respectively, and we have not been profitable since our inception. In addition, we had negative cash flows from operating activities of US\$172.4 million, US\$60.0 million and US\$94.4 million in 2023, 2024 and 2025, respectively. We have made significant upfront investments in research and development, service network, and sales and marketing to rapidly develop and expand our business. We had net current liability of US\$339.8 million as of December 31, 2025. We expect to continue to invest significantly in these areas to establish and expand our business, and these investments may not result in an increase in revenue or positive cash flow on a timely basis, or at all.

We may not be able to generate sufficient revenues and we may incur substantial losses for a number of reasons, including lack of demand for our products and services, increasing competition, challenging macro-economic environment, as well as other risks discussed herein, and we may incur unforeseen expenses, or encounter difficulties, complications, or delays in generating revenue or achieving profitability. If we are unable to achieve profitability, we may have to reduce the scale of our operations, which may impede our business growth and adversely affect our financial condition and results of operations.

In addition, our continuous operation depends on our capability to obtain sufficient external equity or debt financing. Our recurring losses from operations, net cash used in operating activities and net current liabilities raise substantial doubt about our ability to continue as a going concern. Our financial statements contain a note regarding our ability to continue as a going concern, which could prevent us from obtaining new financing on reasonable terms or at all. Please refer to Note 2(a) of the audited financial statements included in this annual report for more information. If we do not succeed in obtaining sufficient external equity or debt financing, we may need to curtail our operations, which could adversely affect our business, results of operations, financial position, and cash flows.

We currently have a concentrated customer base with a limited number of key customers, particularly including certain of our related parties such as Geely Holding's subsidiaries. The loss of one or more of our key customers, or a failure to renew our agreements with one or more of our key customers, could adversely affect our results of operations and ability to market our products and services.

We derive a substantial portion of our revenue from a limited number of key customers, particularly including certain of our related parties such as Geely Holding's subsidiaries. Although we are expanding and diversifying our customer base, we may continue to have a concentrated customer base. In particular, Geely Holding and its subsidiaries have and are expected to continue to account for a substantial portion of our revenues. For the years ended December 31, 2023, 2024, and 2025, sales to Geely Holding and its subsidiaries (which, for the avoidance of doubt, exclude sales of SoC Core Modules or software licenses by us to third party customers which are then integrated into their infotainment and cockpit products and sold by such third party customers to Geely Holding and its subsidiaries) accounted for 78.5%, 81.8%

and 68.1% of our total revenues, respectively. The agreements between us and Geely Holding's subsidiaries are described in more details in this annual report under "Item 7. Major Shareholders and Related Party Transactions—B. Related Person Transactions."

We have maintained and will continue to maintain a close business relationship with Geely Holding and its subsidiaries. If we fail to continue our cooperation with Geely Holding, or if Geely Holding determines to conduct its business in a way that is not aligned with our business interests, or to take other actions that are detrimental to our interests, we will need to enter into renegotiation with Geely Holding relating to our partnership and to secure alternative and comparable business partners, which may be costly, time-consuming, and disruptive to our operations and financial performance. As a result, our business and operations could be severely disrupted, which could materially and adversely affect our results of operations and financial condition.

Industry data, projections, and estimates are inherently uncertain and subject to change.

Industry data and projections are inherently uncertain and subject to change. There can be no assurance that our industries will be as large as we anticipate or that projected growth will occur or continue. In addition, underlying market conditions are subject to change based on economic conditions, consumer preferences, and other factors including those that are beyond our control. We have provided projections and forecasts in the past. Our projected financial and operating information relies in large part upon variables, assumptions, and analyses developed by our management and only reflects estimates of future performance at the time such projection is made, which are subject to the need for periodic revision based on actual occurrence and business developments and may prove to be incorrect or inaccurate. The forecasts and projections also reflect assumptions as to certain business decisions that are subject to change. Multiple factors have impacted our business recently and, as a result of these factors, certain of the assumptions and estimates underlying our prior forecasts may be subject to further adjustments. As a result, our actual operating results may differ materially and adversely from those forecasted or projected and investors should not place any reliance on those forecasts or projections.

We are subject to risks and uncertainties associated with international operations and expansion, which may harm our business.

We conduct our business worldwide and we have offices in various countries. One of our key business strategies is to pursue international expansion of our business operations and market our products in multiple jurisdictions. We have established our international operations office in London and research and development and deployment capabilities in Europe and Southeast Asia.

As a result, our business is and we expect that our business will continue to be subject to a variety of risks associated with doing business internationally, including an increase in our expenses and diversion of management's attention from other aspects of our business. Accordingly, our business and financial results in the future could be adversely affected due to a variety of factors, including:

- international economic and political conditions, and other political tensions between countries in which we do business;
- unexpected changes in, or impositions of, legislative or regulatory requirements, including changes in tax, data security, and privacy laws;
- differing legal standards with respect to protection of intellectual property and employment practices;
- local business and cultural factors that differ from our normal standards and practices, including business practices that we are prohibited from engaging in by the Foreign Corrupt Practices Act and other anti-corruption laws and regulations;
- export or import controls and restrictions, including deemed export restrictions, tariffs, quotas and other trade barriers and restrictions; and
- disruptions of capital and trading markets and currency fluctuations; and increased costs due to imposition of climate change regulations, such as carbon taxes, fuel or energy taxes, and pollution limits.

In addition, we may be subject to increased regulatory risks and local competition in various jurisdictions where we plan to expand operations but has limited operating experience. Such increased regulatory burden and competition may limit the available market for our products and services and increase the costs associated with marketing the products and services where we are able to offer our products. If we are unable to manage the complexity of global operations successfully, or fail to comply with any of the regulations in other jurisdictions, our financial performance and operating results could suffer.

Currently, we are working to obtain relevant regulatory determination in the United States to engage with U.S. automakers and further expand our addressable market. To this end, we may be required by the regulators or we may volunteer to alter our current business model, operational and capital structures, shareholder composition and management. Any of these changes could be capital-intensive, time-consuming, and disruptive to our operations and could materially and adversely affect our growth prospects, financial condition, and results of operations. Further, there is no assurance that we can expand our business, increase our revenue and achieve other intended benefits once the transition is complete.

Our automotive intelligence technologies and related hardware and software could have defects, errors, or bugs, undetected or otherwise, which could create safety issues, reduce market adoption, damage our reputation with current or prospective customers, or expose us to product liability and other claims that could materially and adversely affect our business, financial condition, and results of operations.

Our automotive intelligence technologies are highly technical and complex, and our products and services built upon such technologies have in the past and may in the future experience defects, errors, or bugs at various stages of their usage and development. In addition, there may be undetected errors or defects especially as we introduce new products or release new versions. Defects, errors, or bugs in our products may only be discovered after they have been tested, commercialized, and deployed, and in that case, we may incur significant additional development costs and product recall, repair, or replacement costs.

We face an inherent business risk of exposure to warranty claims and product liability in the event that our products fail to perform as expected and, in the case of product liability, such failure of our products results in bodily injury and/or property damage. If flaws in either the design or manufacture of our products were to occur, we could experience a rate of failure in our products that could result in significant delays in shipment and product re-work or replacement costs. We may also not be able to correct problems to our customers' and users' satisfaction in a timely manner. Although we engage in extensive product quality programs and processes, these may not be sufficient to avoid product failures, which could cause us to:

- lose net revenue;
- incur increased costs such as warranty expense and costs associated with customer support;
- experience delays, cancellations or rescheduling of orders for our products;
- experience increased product returns or discounts; or
- damage our reputation,

all of which could negatively affect our business, financial condition and results of operations.

We rely on our business partners and other industry participants. Business collaboration with partners is subject to risks, and these relationships may not lead to significant revenue. Any adverse change in our cooperation with our business partners could harm our business.

Strategic business relationships are and will continue to be an important factor in the growth and success of our business. We have alliances and partnerships with other companies in various industries to help us enhance our technologies and commercialize our products. In addition, we need to continue to identify and negotiate for opportunities to collaborate with other industry participants, such as those who can provide key technology solutions, manufacturing and distribution services. If we are unable to maintain the existing relationships with our business partners, or if we fail to identify and negotiate additional relationships that are essential to our future expansion or success at attractive terms or at all, we may incur increased costs to develop and provide these capabilities on our own, and our business and operating results could be adversely affected.

Collaboration with third parties is subject to challenges and risks, some of which are beyond our control. For example, certain partnership agreements grant our partner or us the right to terminate such agreements for cause or without cause, including in some cases by paying a termination for convenience fee. In addition, such agreements have in the past and may in the future contain certain exclusivity provisions which, if triggered, could preclude us from working with other businesses with superior technologies or with whom we may prefer to partner with for other reasons.

We could experience delays in the development or delivery of our products to the extent our partners do not meet agreed upon timelines or experience capacity constraints. We could also experience disagreement in budget or funding for any joint development project. There is also a risk of potential disputes with partners in the future, including with respect to intellectual property rights. Moreover, if our existing partner agreements were to be terminated, we may be unable to timely find alternative agreements on terms and conditions acceptable to us. Any of the foregoing could adversely affect our business, results of operations, and financial condition.

Our business plans require a significant amount of capital. In addition, our future capital needs may require us to sell additional equity or debt securities that may dilute our shareholders or introduce covenants that may restrict our operations or our ability to pay dividends.

We will need significant capital to, among other things, conduct research and development, expand our production capacity, and roll out our new and enhanced products and services. As we ramp up our operations, we may also require significant capital to maintain our property, plant, and equipment and such costs may be greater than what we currently anticipate. We expect that our level of capital expenditures will be significantly affected by demand for our products and services. The fact that we have a limited operating history means we have limited historical data to project the demand for our products and services in the future. As a result, our future capital requirements may be uncertain and actual capital requirements may be different from what we currently anticipate. The feasibility of our plan is contingent upon many factors outside our control. Our success is dependent upon our ability to finance our business operations and we will need to seek equity or debt financing for our cash requirements to continue our activities. Such financing might not be available to us in a timely manner or on terms that are acceptable, or at all. If we cannot obtain sufficient capital on acceptable terms, our business, financial condition, and prospects may be materially and adversely affected.

Our ability to obtain the necessary financing to carry out our business plan is subject to a number of factors, including general market conditions and investor acceptance of our business plan. These factors may make the timing, amount, terms, and conditions of such financing unattractive or unavailable to us. If we are unable to raise sufficient funds or on commercially acceptable terms, we may have to significantly reduce our spending, delay or cancel our planned activities, or substantially change our corporate structure. Further, if we are unable to obtain funding in a timely manner, we may not be able to meet our payment obligations under existing or future credit facilities and we may be in default under the agreement governing such indebtedness, which in turn may constitute a default under agreements governing our other indebtedness.

In addition, our future capital needs and other business reasons could require us to issue additional equity or debt securities or obtain a credit facility. The issuance of additional equity or equity-linked securities could dilute our shareholders' interests. The incurrence of indebtedness would result in an increase in debt service obligations and could result in operating and financing covenants that would restrict our operations or our ability to pay dividends to our shareholders.

We are involved from time to time in legal proceedings and commercial or contractual disputes, which could have an adverse impact on our profitability and consolidated financial position.

We may be involved in legal proceedings and commercial or contractual disputes that, from time to time, are significant. These are typically claims that arise in the normal course of business including, without limitation, commercial or contractual disputes, including warranty claims and other disputes with customers and suppliers; intellectual property matters; personal injury claims; environmental, health and safety issues; tax matters; and employment matters. The final amounts required to resolve these matters could differ materially from our recorded estimates and our results of operations could be materially affected.

We may not be able to realize the potential financial or strategic benefits of business ventures, acquisitions or strategic investments and we may not be able to successfully integrate acquisition targets, which could impact our ability to grow our business, develop new products or sell our products.

We have completed a number of acquisitions and strategic long-term investments in recent years, including the controlling interest in JICA Intelligent, Suzhou Photon-Matrix Optoelectronics Technology Co., Ltd., or Suzhou Photon-Matrix, Hubei Dongjun Automotive Electronic Technology Co., Ltd, or Hubei Dongjun, and HF Tech Europe AB, and we expect to continue to acquire and invest in other businesses that offer products, services, and technologies that we believe will help expand or enhance our existing products, strategic objectives, and business. While we believe that such transactions are an integral part of our long-term strategy, there are risks and uncertainties related to these activities, which could impair our ability to grow our business and have an adverse effect on our results of operations and financial conditions. Given that our resources are limited, the decision to pursue business ventures, acquisitions, and strategic alliances has opportunity costs. Accordingly, if we pursue a particular transaction, we may need to forgo the prospect of entering into other transactions that could help us achieve our strategic objectives. Additional risks related to business ventures, acquisitions, or strategic investments include, but are not limited to:

- difficulty in combining the technology, products, operations, or workforce of the acquired business with our business;

- diversion of capital and other resources, including management's attention;
- assumption of liabilities and incurring amortization expenses, impairment charges to goodwill or write-downs of acquired assets;
- integrating financial forecasting and controls, procedures, and reporting cycles;
- coordinating and integrating operations in countries in which we have not previously operated;
- acquiring business challenges and risks, including, but not limited to, disputes with management and integrating international operations and joint ventures;
- difficulty in realizing a satisfactory return, if at all;
- difficulty in obtaining or inability to obtain governmental and regulatory consents and approvals, and other approvals or financing;
- potential failure in complying with governmental or regulatory restrictions placed on acquisitions;
- failure and costs associated with the failure to consummate a proposed acquisition or other strategic investment;
- legal proceedings initiated as a result of an acquisition or investment;
- the potential for our acquisitions to result in dilutive issuances of our equity securities;
- the potential variability of the amount and form of any performance-based consideration;
- uncertainties and time needed to realize the benefits of an acquisition or strategic investment, if at all;
- negative changes in general economic conditions in the regions or the industries in which we or our target operate;
- the need to determine an alternative strategy if an acquisition does not meet our expectations; and
- potential failure of our due diligence processes to identify significant issues with the acquired assets or company; and impairment of relationships with, or loss of our or our target's employees, vendors, and customers, as a result of our acquisition or investment.

We may incur material losses and costs as a result of warranty claims, product recalls, and product liabilities that may be brought against us.

We face an inherent business risk of exposure to warranty claims and product liability in the event that our products fail to perform as expected and, in the case of product liability, such failure of our products results in bodily injury or property damage. The fabrication process of our products is complex and precise. Our customers specify quality, performance, and reliability standards. If flaws in either the design or manufacture of our products were to occur, we could experience a rate of failure in our products that could result in significant delays in delivery and product re-work or replacement costs. Although we engage in extensive product quality programs and processes, these may not be sufficient to avoid product failures, which could cause us to:

- lose revenue;
- incur increased costs such as warranty expense and costs associated with customer support;
- experience delays, cancellations, or rescheduling of orders for our products;
- experience increased product returns or discounts; or
- damage our reputation.

All of these could adversely affect our financial condition and results of operations.

If any of our products are or are alleged to be defective, we may be required to participate in a recall involving such products. A recall claim brought against us, or a product liability claim brought against us in excess of our available insurance, may have a material adverse effect on our business.

We are subject to risks and uncertainties in terms of the operational performance and costs of our production facilities and the production facilities of our outsourcing partners and our suppliers.

We, our outsourcing partners and our suppliers may rely on complex machinery for the production, assembly and installation of our products, which will involve a significant degree of uncertainty and risk in terms of operational performance and costs. Our production facilities and the facilities of our outsourcing partners and suppliers consist of large-scale machinery with high capital expense combining many components. These components may suffer unexpected malfunctions from time to time and will depend on repairs and spare parts to resume operations, which may not be available when needed. Unexpected malfunctions of these components may significantly affect the intended operational

efficiency. Operational performance and costs can be difficult to predict and are often influenced by factors outside of our control, such as, but not limited to, scarcity of natural resources, environmental hazards and remediation, costs associated with decommissioning of machines, labor disputes and strikes, difficulty or delays in obtaining governmental permits, damages or defects in electronic systems, industrial accidents, fire, seismic activity and natural disasters. Should operational risks materialize, it may result in the personal injury to or death of workers, the loss of production equipment, damage to production facilities, monetary losses, delays and unanticipated fluctuations in production, environmental damage, administrative fines, increased insurance costs and potential legal liabilities, all which could have a material adverse effect on our business, prospects, financial condition or operating results.

Expansion or conversion of our production facilities and establishment of new production facilities may be subject to delays, disruptions, cost overruns, or may not produce expected benefits.

We may expand or convert our existing production facilities and establish new manufacturing facilities for production ramp-up of our current and future models with better efficiency and technological capabilities. The expansion or conversions could experience delays or other difficulties, and will require significant capital. We may encounter quality, process, or other issues when making changes to our production arrangements. Moreover, we could encounter similar or other risks as we establish and develop new production facilities in the future. Any failure to complete the expansion of our production facilities on schedule and within budget could adversely affect our financial condition, production capacity, and results of operations.

Construction projects could be subject to broad and strict government supervision and approval procedures, including but not limited to project approvals and filings, construction land and project planning approvals, disease control approvals, environment protection approvals, pollution discharge permits, drainage license, work safety approvals, fire protection approvals, and the completion of inspection and acceptance by the regulatory authorities. If we are unable to comply with applicable regulatory requirements, could construction projects could be suspended or terminated, which could materially and adversely affect our business operations.

If we update our manufacturing equipment more quickly than expected, we may have to shorten the useful lives of any equipment to be retired as a result of any such update, and the resulting acceleration in our depreciation could negatively affect our financial results.

We have invested and expect to continue to invest significantly in what we believe is modern tooling, machinery, and other manufacturing equipment for the product lines where our products are manufactured, and we depreciate the cost of such equipment over their expected useful lives. However, manufacturing technology may evolve rapidly, and we may decide to update our manufacturing process with advanced equipment more quickly than expected. Moreover, as our engineering and manufacturing expertise and efficiency increase, we may be able to manufacture our products using less of our installed equipment. The useful life of any equipment that would be retired early as a result would be shortened, causing the depreciation on such equipment to be accelerated, and to the extent we own such equipment, our results of operations could be negatively impacted. We are working on further improving the efficiency and technological capabilities of our manufacturing bases. Our increased investment in the manufacturing plants will result in an increase in depreciation cost upon expansion of our manufacturing bases, which could adversely affect our financial condition and results of operations.

We are subject to various environmental laws and regulations that could impose substantial costs upon us and cause delays in building our production facilities.

Concerns over environmental pollution and climate change have produced significant legislative and regulatory efforts on a global basis, and we believe this will continue both in scope and in the number of countries participating. In addition, as climate change issues become more prevalent, competent authorities and our customers have been responding to these issues. The increased focus on environmental sustainability may result in new regulations and customer requirements, or changes in current regulations and customer requirements, which could materially adversely impact our business, results of operations and financial condition. If we are unable to effectively manage real or perceived issues, including concerns about environmental impacts or similar matters, sentiments toward us or our products could be negatively impacted, and our business, results of operations or financial condition could suffer.

Our operations are and will be subject to environmental laws and regulations, and such laws and regulations could directly increase the cost of energy, which may have an effect on the way we manufacture products or utilize energy to produce our products. In addition, any new regulations or laws in the environmental area might increase the cost of raw materials or key components we use in our products. Environmental regulations require us to reduce product energy usage, monitor and exclude an expanding list of restricted substances and to participate in required recovery and recycling of our products. Environmental and health and safety laws and regulations can be complex, and we have limited experience

complying with them. Capital and operating expenses needed to comply with environmental laws and regulations can be significant, and violations may result in substantial fines and penalties, third-party damages, suspension of production or a cessation of our operations. Contamination at properties we operate, we formerly operated or to which hazardous substances were sent by us, may result in liability for us under environmental laws and regulations, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, which can impose liability for the full amount of remediation-related costs without regard to fault, for the investigation and cleanup of contaminated soil and ground water, for building contamination and impacts to human health and for damages to natural resources. Additionally, under the PRC Environmental Protection Law, enterprises and other operators that discharge pollutants must take measures to prevent and control pollution and harm to the environment, and must pay discharge fees for discharging pollutants, provided that these fee will not apply if an environmental protection tax has already been levied. The costs of complying with environmental laws and regulations and any claims concerning noncompliance, or liability with respect to contamination in the future, could have a material adverse effect on our financial condition or operating results. We may face unexpected delays in obtaining the required permits and approvals in connection with our planned production facilities that could require significant time and financial resources and delay our ability to operate these facilities, which would adversely impact our business, prospects, financial condition and operating results.

Our business is subject to complex and evolving laws and regulations regarding cybersecurity, privacy, data protection and information security in China and elsewhere. Any privacy or data security breach or any failure to comply with these laws and regulations could damage our reputation and brand, result in negative publicity, legal proceedings, increased cost of operations, warnings, fines, service or business suspension, or otherwise harm our business and results of operations.

Our product and service offerings involve the collection, storage, and transmission of data and we face significant challenges with respect to cybersecurity, privacy, data protection, and information security amid a complex and evolving regulatory framework in China and other geographies that we operate in.

Information stored on our systems may be targeted in cyber-attacks, including computer viruses, worms, phishing attacks, malicious software programs, and other information security breaches, which could result in the unauthorized release, gathering, monitoring, misuse, loss, or destruction of such information. If cybercriminals are able to circumvent our security measures, or if we are unable to detect and prevent an intrusion into our systems, data stored with us may be compromised and susceptible to unauthorized access, use, disclosure, disruption, modification, or destruction, which could subject us to liabilities, fines, and other penalties. Additionally, if any of our employees accesses, converts, or misuses any sensitive information, we could be liable for damages, and our business reputation could be damaged or destroyed. Any actual or perceived breach of our security could damage our reputation, cause existing customers to discontinue the use of our products and services, prevent us from attracting new customers, or subject us to third-party lawsuits, regulatory fines, or other actions or liabilities, any of which could materially and adversely affect our business, financial condition, and results of operations.

We have adopted strict information security policies and deployed advanced security measures to comply with applicable requirements and to prevent data loss and other security breaches, including, among others, advanced encryption technologies. Nonetheless, these measures could be breached as a result of third-party action, employee error, third-party or employee malfeasance, or otherwise. Because the techniques used to obtain unauthorized access or to sabotage systems change frequently, we may not be able to anticipate these techniques and implement adequate preventative or protective measures.

We are subject to a multitude of laws and regulations that aim to address information security, privacy, and the collection, storage, sharing, use, disclosure, and protection of data in various jurisdictions. Specifically, our operations in China are subject to a variety of PRC laws and regulations covering cybersecurity, privacy, data protection, and information security, including, among others, the PRC National Security Law, the PRC Cyber Security Law, the PRC Personal Information Protection Law, the PRC Data Security Law, the Regulations on Security Protection of Critical Information Infrastructure, the revised Measures for Cybersecurity Review, the Several Provisions on Automobile Data Security Management (for Trial Implementation), the Administrative Measures for Data Security in the Field of Industry and Information Technology (for Trial Implementation), the Measures for Security Assessment of Cross-Border Data Transfers. Such PRC laws and regulations were promulgated by PRC government authorities in recent years and impose higher compliance requirements on internet service providers and other network operators, such as in respect of the purposes, methods and scope of information collection and the use of information, acquisition of appropriate user consent, establishment of user information protection systems, and protection of national security. In practice, the PRC government authorities have heightened their supervision on the protection of data security by initiating investigations on certain mainland China companies regarding their cybersecurity and use of personal information and data. Given the novelty of these laws and regulations, there are substantial uncertainties with respect to their interpretation and implementation and

additional laws and regulations on this subject may be promulgated in the future, which may impose further requirements on us. We cannot assure you that we will or will continue to be in compliance with all regulatory requirements that will be imposed on us, and we may be faced with additional compliance costs, increased obligations, and potential liability and negative publicity for non-compliance.

On July 30, 2021, the State Council promulgated the Regulations on Security Protection of Critical Information Infrastructure, which took effect on September 1, 2021. It clarifies that, among others, the competent government authorities of certain important industries are authorized to make rules for and administer the identification of critical information infrastructure and promptly notify the critical information infrastructure operators and the public security authorities of the State Council of the results thereof. On December 28, 2021, the CAC and certain other PRC government authorities promulgated the revised Measures for Cybersecurity Review, or the Revised Measures for Cybersecurity Review, which came into effective on February 15, 2022 and replaced the Measures for Cybersecurity Review promulgated in April 2020. Pursuant to the Revised Measures for Cybersecurity Review, in addition to critical information infrastructure operators purchasing network products or services that affect or may affect national security, any online platform operator conducting data processing activities that affect or may affect national security should also be subject to a cybersecurity review. The Office of Cybersecurity Review may initiate a cybersecurity review at its own discretion pursuant to applicable procedures in accordance with the Revised Measures for Cybersecurity Review. The PRC government authorities may further enact detailed rules or issue guidance with respect to the interpretation and implementation of these rules and regulations, including rules on the identification of critical information infrastructure and the exact definition of “online platform operator.” As such, it remains uncertain whether we or other operators we provide network products and services to may be identified as critical information infrastructure operators or online platform operators. If we provide or are deemed to be providing network products and services to critical information infrastructure operators, or if we are deemed to be a critical information infrastructure operator, we would be required to follow applicable cybersecurity review procedures, and additional obligations may also be imposed on us with respect to the protection of critical information infrastructure according to the Cyber Security Law. If we are identified as an online platform operator and our data processing activities are considered to be affecting or may affect national security, we might be subject to a cybersecurity review. Because the Revised Measures for Cybersecurity Review do not define “online platform operator” or clarify the meaning of “affect or may affect national security,” and given the PRC government authority’s discretion to initiate a cybersecurity review, it is possible that we would be subject to an ex officio cybersecurity review. Such review, if undertaken, could result in certain disruptions to our operations, negative publicity with respect to us and diversion of our managerial and financial resources. Failure to complete the cybersecurity review could result in penalties such as fines, suspension of business, shutdown of websites, and revocation of business licenses and permits, any of which could materially and adversely affect our business, financial condition, and results of operations. For a comprehensive discussion on the aforementioned laws and regulations, see “Item 4. Information on the Company—B. Business Overview—Regulations—Regulation on Cyber Security and Privacy Protection.”

In response to the move by PRC government authorities to tighten the regulatory framework governing data security, cybersecurity and privacy, in September 2021 we initiated the process to transfer the rights of our mainland China subsidiaries and of the former VIE to access personal data relevant to their respective business operations to Zhejiang Huanfu Technology Co., Ltd., or Zhejiang Huanfu, an entity controlled by our controlling shareholder. The transfer was completed in December 2021. In January 2022, we entered into a procurement framework agreement with Zhejiang Huanfu and thereafter concluded several procurement-related contracts pursuant to the procurement framework agreement to procure certain data-related services from Zhejiang Huanfu and fulfill our obligations to our PRC customers that were committed to prior to the aforementioned transfer to Zhejiang Huanfu for the sole purpose of restricting our access to personal data. Under these contracts, we engaged Zhejiang Huanfu to provide telematics service provider services relating to hosting of information, including personal data, as well as IT system support and troubleshooting. We also license certain intellectual property to Zhejiang Huanfu to enable it to perform its services. These contracts are governed by terms that we typically enter into with our suppliers. There is no assurance that we will continue to maintain the same collaborative arrangements with or receive the same level of services from Zhejiang Huanfu. If any agreement between us and Zhejiang Huanfu is terminated or expires without renewal, or if Zhejiang Huanfu fails to perform its obligations under such arrangement, becomes unable to provide its services timely and effectively, or at all, or decides to conduct its business or operate in a way that is detrimental to our business interests, our business may be interrupted and there would be an adverse effect on our business, results of operations, financial condition, and prospects. As of the date of this annual report, we have not been informed that we are a critical information infrastructure operator or a data processor conducting data processing activities that affect or may affect national security by any government authority, but it is uncertain whether we would be categorized as such under the PRC law.

As of the date of this annual report, we have not been involved in any investigations or cybersecurity review by the CAC and we have not received any official inquiry, notice, warning, or sanctions in this respect. We cannot rule out the possibility that the foregoing measures may be enacted, interpreted, or implemented in ways that will adversely affect us. We cannot assure you that we would be able to accomplish any review (including the cybersecurity review), obtain any approval, complete any procedures, or comply with any other requirements applicable to us in a timely manner, or at all, if

we are subject to the same. In the event of non-compliance, we may be subject to government investigations and enforcement actions, fines, penalties, and suspension of our noncompliant operations, among other sanctions, which could materially and adversely affect our business, financial condition, and results of operations.

We expect that PRC operations in the areas referenced above will receive greater public scrutiny and attention from regulators and more frequent and rigid investigation or review by regulators, which will increase our compliance costs and subject us to heightened risks. We are closely monitoring the development in the regulatory landscape and we are constantly in the process of evaluating the potential impact of the Cyber Security Law, the Civil Code, the Data Security Law, the Personal Information Protection Law, and other applicable laws and regulations on our current business practices. It remains uncertain whether any future regulatory changes would impose additional restrictions on companies like us. If further changes to our business practices are required under the evolving regulatory framework governing cybersecurity, information security, privacy, and data protection in China, our business, financial condition, and results of operations may be materially and adversely affected.

Aside from our operations in China, we are also required to comply with increasingly complex and rigorous regulatory standards enacted to protect business and personal data in the United States, Europe, and elsewhere. For example, the European Union adopted the General Data Protection Regulation, or the GDPR, which took effect on May 25, 2018. The GDPR imposes additional obligations on companies regarding the handling of personal data and provides certain individual privacy rights to persons whose data is stored.

We generally comply with industry standards and are subject to the terms of our own privacy policies. We have incurred, and will continue to incur, significant expenses in an effort to comply with privacy, data protection, and information security standards and protocols imposed by laws, regulations, industry standards, or contractual obligations. Changes in existing laws or regulations or adoption of new laws and regulations relating to privacy, data protection, and information security, particularly any new or amended laws or regulations that require enhanced protection for certain types of data or new obligations with regard to data retention, transmission, or disclosure, could greatly increase our cost in providing our service offerings, require significant changes to our operations, or even prevent us from offering certain services in jurisdictions in which we currently operate or in which we may operate in the future. Compliance with these laws and regulations could cause us to incur substantial costs, and may place restrictions on the conduct of our business and the manner in which we interact with our customers or require us to change our business practices, including our data practices, in a manner adverse to our business. Despite our efforts to comply with applicable laws, regulations, and other obligations relating to cybersecurity, privacy, data protection, and information security, it is possible that our practices, offerings, services, or platform could fail to meet all of the requirements imposed on us by such laws, regulations, or obligations. We cannot assure you that we are or will be able to comply with such laws and regulations regarding cybersecurity, privacy, data protection, and information security in all respects and any failure or perceived failure to comply with the same may result in inquiries or other proceedings being instituted against, or other actions, decisions, or sanctions being imposed on us by government authorities, consumers, or other parties, including warnings, fines, penalties, directions for rectifications, service suspension, or removal of our application from application stores, as well as in negative publicity on us and damage to our reputation, any of which could cause us to lose customers and business partners and materially and adversely affect our business, financial condition, and results of operations.

We may be subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions, and similar laws, and noncompliance with such laws can subject us to administrative, civil, and criminal penalties, collateral consequences, remedial measures, and legal expenses, all of which could adversely affect our business, results of operations, financial condition, and reputation.

We may be subject to anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions, and similar laws and regulations in various jurisdictions in which we conduct activities, including the U.S. Foreign Corrupt Practices Act, or FCPA, and other anti-corruption laws and regulations. The FCPA prohibits us and our officers, directors, employees, and business partners acting on our behalf, including agents, from corruptly offering, promising, authorizing, or providing anything of value to a “foreign official” for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. The FCPA also requires companies to make and keep books, records, and accounts that accurately reflect transactions and dispositions of assets and to maintain a system of adequate internal accounting controls. A violation of these laws or regulations could adversely affect our business, reputation, financial condition, and results of operations.

We have direct or indirect interactions with officials and employees of government agencies and state-owned affiliated entities in the ordinary course of business. We also have business collaborations with government agencies and state-owned affiliated entities. These interactions subject us to an increasing level of compliance-related concerns. We have and will continue to implement policies and procedures designed to ensure compliance by us and our directors, officers,

employees, consultants, agents, and business partners with applicable anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions, and similar laws and regulations. However, our policies and procedures may not be sufficient and our directors, officers, employees, consultants, agents, and business partners could engage in improper conduct for which we may be held responsible.

Non-compliance with anti-corruption, anti-bribery, anti-money laundering, or financial and economic sanctions laws could subject us to whistleblower complaints, adverse media coverage, investigations, and severe administrative, civil and criminal sanctions, collateral consequences, remedial measures, and legal expenses, all of which could materially and adversely affect our business, reputation, financial condition, and results of operations.

We have limited insurance coverage, which could expose us to significant costs and business disruption.

We have limited liability insurance coverage for our products, services, and business operations. A successful liability claim against us, regardless of whether due to injuries suffered by our users could materially and adversely affect our financial condition, results of operations, and reputation. In addition, we do not have business disruption insurance. Any business disruption event could result in substantial cost to us and diversion of our resources.

Our business depends substantially on the continued efforts of our executive officers, key employees and qualified personnel, and our operations may be severely disrupted if we lose their services.

Our success depends substantially on the continued efforts of our executive officers and key employees with expertise in various areas, who have and may in the future assume roles and positions in our affiliated entities or other business entities and may, as a result, not be able to devote their full efforts to our affairs. If one or more of our executive officers or key employees were unable or unwilling to continue their services with us, we may not be able to replace them easily in a timely manner, or at all. As we build up our brand awareness and become more well-known, the risk that competitors or other companies may poach our talent increases.

Our industry is characterized by high demand and intense competition for talent, in particular with respect to qualified talent in the areas of automotive intelligence technologies, and therefore, we cannot assure you that we will be able to continue to attract or retain qualified staff or other highly skilled employees. In addition, because we are operating in a new and challenging industry that requires continuous innovations of technologies and solutions, we may not be able to hire qualified individuals with sufficient trainings in a timely manner, and we will need to spend significant time and resources training the employees we hire. We also require sufficient talent in areas such as software development. Furthermore, as our company is relatively young, our ability to train and integrate new employees into our operations may not meet the growing demands of our business, which may materially and adversely affect our ability to grow our business and our results of operations.

If any of our executive officers and key employees terminates his or her services with us, our business may be severely disrupted, our financial condition and results of operations may be materially and adversely affected, and we may incur additional expenses to recruit, train, and retain qualified personnel. If any of our executive officers or key employees joins a competitor or forms a competing company, we may lose customers, know-how, and key professionals and staff members. While our executive officers and key employees have entered into an employment agreements and non-compete agreements with us, if any dispute arises between our executive officers or key employees and us, the non-competition provisions may not be enforceable, especially under PRC laws, on the ground that we have not provided adequate compensation to them for their non-competition obligations.

We may not succeed in continuing to establish, maintain, and strengthen our brand, and our brand and reputation could be harmed by negative publicity with respect to us, our directors, officers, employees, shareholders, peers, business partners, or our industry in general.

Our business and prospects are affected by our ability to develop, maintain, and strengthen our brand. If we fail to do so we may lose the opportunity to build business relationships with critical customers. Promoting and positioning our brand will depend significantly on our ability to provide innovative and high-quality products and services, in which we have limited experience. In addition, we expect that our ability to develop, maintain, and strengthen the brand will depend heavily on the success of our branding efforts. We market our brand through media, word-of-mouth, trade shows, and advertising. Such efforts may not achieve the desired results. If we do not develop and maintain a strong brand, our business, financial condition, results of operations, and prospects will be materially and adversely affected.

Our reputation and brand are vulnerable to many threats that can be difficult or impossible to predict, control, and costly or impossible to remediate. From time to time, our products and our business operations in general are reviewed by media or other third parties. Any negative reviews or reviews that compare us unfavorably to competitors could adversely affect public perception about our products. Negative publicity about us, such as alleged misconduct, unethical business practices or other improper activities, or rumors relating to our business, directors, officers, employees, shareholders, affiliates or actual or potential business partners can harm our reputation, business, and results of operations, even if they are baseless or satisfactorily addressed. These allegations, even if unproven or meritless, may lead to inquiries, investigations, or other legal actions against us by regulatory or government authorities as well as private parties. Any regulatory inquiries or investigations and lawsuits against us, perceptions of inappropriate business conduct by us, or perceived wrongdoings by any member of our management team, among other things, could substantially damage our reputation, and cause us to incur significant costs to defend ourselves. Any negative market perception or publicity regarding our suppliers or other business partners that we closely cooperate with or may cooperate with, or any regulatory inquiries or investigations and lawsuits initiated against them, may also have an adverse effect on our brand and reputation, or subject us to regulatory inquiries or investigations or lawsuits. Moreover, any negative media publicity about the automotive intelligence technologies, especially the autonomous driving technologies, or product or service quality problems of other players in the industry in which we operate, including our competitors, may also adversely affect our reputation and brand. In particular, given the popularity of social media, including Weixin and Weibo in China, any negative publicity, whether true or not, could quickly proliferate and harm customer and user perceptions and confidence in our brand. If we are unable to maintain a good reputation or further enhance our brand recognition, our ability to attract and retain customers, third-party partners, and key employees could be harmed and, as a result, our business, financial condition, and results of operations could be materially and adversely affected.

We have granted, and may continue to grant options and other types of awards under our share incentive plan, which may result in increased share-based compensation expenses.

We have adopted the 2019 Share Incentive Plan, the 2021 Option Incentive Plan, and the 2022 Share Incentive Plan. For the years ended December 31, 2023, 2024 and 2025, we recorded US\$24.9 million, US\$19.1 million, and US\$13.3 million in share-based compensation expenses, respectively.

We believe the granting of share-based compensation is of significant importance to our ability to attract and retain key personnel and employees, and as such, we will continue to grant share-based compensation and incur share-based compensation expenses in the future. As a result, expenses associated with share-based compensation may increase, which may have an adverse effect on our financial condition and results of operations.

Our revenues and financial results may be adversely affected by any economic slowdown in China as well as globally.

The success of our business ultimately depends on consumer spending. We derive substantially all of our revenues from China. As a result, our revenues and financial results are impacted to a significant extent by economic conditions in China and globally. The global macroeconomic environment is facing numerous challenges. The growth rate of the Chinese economy has gradually slowed since 2010. Any slowdown could significantly reduce domestic commerce in China. There have also been concerns about the relationship between China and other countries, surrounding Asian countries, which may potentially have economic effects. In particular, there is significant uncertainty about the future relationship between the United States and China with respect to a wide range of issues including trade policies, treaties, government regulations and tariffs. Economic conditions in China are sensitive to global economic conditions, as well as changes in domestic economic and political policies and the expected or perceived overall economic growth rate in China. Any severe or prolonged slowdown in the global or Chinese economy may materially and adversely affect our business, results of operations and financial condition.

In addition, there is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies adopted by the central banks and financial authorities of some of the world's leading economies, including the United States and China. Unrest, terrorist threats and the potential for war in the Middle East and elsewhere may increase market volatility across the globe. The Russia-Ukraine conflict, the Hamas-Israel conflict and attacks on shipping in the Red Sea have heightened geopolitical tensions across the world. The impact of the Russia-Ukraine conflict on Ukraine food exports has contributed to increases in food prices and thus to inflation more generally. See also “—Heightened tensions in international relations, particularly between the United States and China, may adversely impact our business, financial condition, and results of operations.”

Sales of our products and services depend in part on discretionary consumer spending and are even more exposed to adverse changes in general economic conditions. In response to consumers' perceived uncertainty in economic conditions, customers might delay, reduce, or cancel purchases of our products and our results of operations may be materially and adversely affected.

Heightened tensions in international relations, particularly between the United States and China, may adversely impact our business, financial condition, and results of operations.

Many of our suppliers and customers are located in the European Union, United States and other countries outside of China. Therefore, government policies and regulations restricting international trade and investment, such as import and export controls, economic and trade sanctions, capital controls, tariffs or foreign investment filings and approvals, may affect the demand for our vehicles and ADAS systems, impact the competitive position of our vehicles and systems, prevent us from selling our vehicles and systems in certain countries, limit our customers' ability import our vehicles and systems, or disrupt our research and development activities in certain countries. If any new tariffs, legislation, or regulations are implemented, or if existing trade agreements are modified, such changes could have a material adverse effect on our business, financial condition, and results of operations.

There have been heightened tensions in international economic relations, particularly between the U.S. and China, but also as a result of the conflict in the Red Sea and in Ukraine with the imposition of sanctions on Russia. Most recently, the military conflict between Israel and Iran (including U.S. participation) have heightened geopolitical tensions across the world and the Israel-Iran conflict and the disruption to the Strait of Hormuz have contributed to significant volatility in global energy markets. These tensions have affected both diplomatic and economic ties. Heightened tensions could reduce levels of trade, investments, technological exchanges, and other economic activities among major economies. Sanctions may create supply constraints and drive inflation. The existing tensions and any further deterioration in international relations may have a negative impact on the general, economic, political, and social conditions and adversely impact our business, financial condition and results of operations.

The U.S. government has imposed, and has proposed to impose additional, new, or higher tariffs on certain products imported from China to penalize China for what it characterizes as unfair trade practices. China has responded by imposing, and proposing to impose additional, new, or higher tariffs on certain products imported from the United States. From August 21, 2024, the European Commission imposed higher tariffs on imports of electric vehicles made in China. These and similar developments may mark a period of increased trade tensions and higher tariff rates. The regulatory and legislative landscape in the U.S., EU and elsewhere continues to evolve rapidly, and we cannot predict whether further measures will be imposed, whether existing measures will be extended, modified or withdrawn, or what the ultimate impact of these measures will be. If additional tariffs, duties or policy shifts unfavorable to our operations or the operations of our customers are to be introduced in the EU, U.S. or elsewhere, the sales of some of our customers could be materially and adversely affected which could in turn result in a material adverse effect on their and our business, financial condition and results of operations.

Furthermore, international trade disputes could more broadly affect economic conditions globally, which could harm our business prospects. The U.S. government has issued new rules that expanded the definition of military end use and eliminated the applicability of certain license exceptions for exports to countries including China, thereby expanding the export license requirements for U.S. companies to sell certain items to companies in China that have operations that could support military end uses. The U.S. government has also broadened the restrictions on the sale of goods manufactured outside the United States that are produced using certain controlled U.S.-origin technology or software to companies on a special list, or the Entity List, and the restrictions on the use of U.S.-origin semiconductor manufacturing equipment that produces semiconductor devices for companies on the Entity List. In recent years the U.S. has placed certain entities, including a number of entities in China, on the Entity List, which imposes licensing requirement for exports or transfers of items on lists of controlled items maintained by the U.S. government.

In addition, political tensions between the United States and China have escalated due to, among other things, trade disputes, sanctions imposed by the U.S. Department of Treasury on certain officials of the Hong Kong Special Administrative Region and the PRC central government, the executive orders issued by U.S. President Donald J. Trump in August 2020 that prohibit certain transactions with certain Chinese companies, and various restrictions related to the Chinese semiconductor industry imposed by the U.S. government. Against this backdrop, China has also implemented, and may further implement countermeasures. For example, on June 10, 2021, the Standing Committee of National People's Congress, or the SCNPC, passed the Countering Foreign Sanctions Law, which became effective immediately. This law

provides a legal basis for the Chinese regulators to take action in response to foreign sanctions, as well as for Chinese citizens and organizations to bring civil actions for injunctive relief or damages. Under the Countering Foreign Sanctions Law, the competent department of the State Council may place any individuals and organizations that are directly or indirectly involved in making, determining, or implementing the discriminatory restrictive measures as provided therein on the Countermeasure List. A foreign individual or organization on the Countermeasure List may be subject to one or several countermeasures, including but not limited to prohibitions or restrictions on commercial transactions, cooperation or such other activities with organizations and individuals within the territory of China. Any organization and individual within the territory of China is required to comply with the countermeasures, and failure to comply or cooperate may result in liability in accordance with law.

Among the future potential changes to the U.S. export control laws and regulations that could limit our ability to operate our business or limit the ability of our customers to operate their business in connection with the United States, including investing in or forming strategic alliances with any U.S. business, is the ongoing review being conducted by an interagency committee chaired by the U.S. Department of Commerce pursuant to the Export Control Reform Act of 2018, or the ECRA, to identify so-called “emerging and foundational technologies” that might warrant additional export controls under Section 1758 of the ECRA.

In addition, the United States government has taken efforts to limit the outbound U.S. investments to China. On August 9, 2023, the Biden administration of the United States released an executive order directing the Department of Treasury to create an outbound foreign direct investment review program that would require reporting on or (in more narrow circumstances) prohibit investments by U.S. persons involving “covered national security technologies and products.” On October 28, 2024, the Department of Treasury issued a final rule to implement the executive order, providing details on technical specifications and other aspects of the operative regulations, which came into effect on January 2, 2025. This is referred to as the Outbound Investment Rule. The Outbound Investment Rule imposes investment prohibitions and notification requirements on U.S. persons for a wide range of investments in entities associated with “countries of concern,” currently only China, that are engaged in activities relating to (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems. These entities are collectively defined as “Covered Foreign Persons.” U.S. persons subject to the Outbound Investment Rule are prohibited from making, or required to report, transactions involving Covered Foreign Persons that are defined as “covered transactions,” although the Outbound Investment Rule excludes some investments from the scope of covered transactions, including those in publicly traded securities. The Outbound Investment Rule introduces new hurdles and uncertainties for cross-border collaborations, investments, and funding opportunities of China-based issuers including us. We believe we are not a “covered foreign person” based on our current interpretation of the Final Rule as of the date of this annual report. However, there is no assurance that the U.S. Department of Treasury will take the same view as ours. If we were to be deemed a “Covered Foreign Person,” and if U.S. persons were to engage in a “covered transaction” (as defined under the Outbound Investment Rule) that involves the acquisition of our equity interests, such U.S. persons may need to make a notification pursuant to the Outbound Investment Rule. In addition, even though U.S. persons’ acquisitions of publicly traded securities (such as our ADSs) will be exempted from the scope of covered transactions under the Outbound Investment Rule, the rule could still limit our ability to raise capital or contingent equity capital from U.S. investors given that the relevant laws, regulations, and policies continue to evolve and we cannot rule out the possibility of being deemed a Covered Foreign Person in the future due to different views taken by the U.S. Department of Treasury, potential amendments to the Outbound Investment Rule or the introduction of additional regulations. For example, on February 21, 2025, the White House released President Trump’s “America First Investment Policy” memorandum, outlining several initiatives to incentivize investment from U.S. allies and partners while restricting investments involving “foreign adversaries,” including China. Among other things, the policy aims to expand the industry sectors covered by the U.S. outbound investment regulations and supplement outbound restrictions through the imposition of sanctions. On December 18, 2025, the Comprehensive Outbound Investment National Security Act of 2025, or the COINS Act, was signed into law. The COINS Act will keep the core of the Outbound Investment Rule while expanding its scope and coverage and clearly including underwriting services as an exception and amending certain key definitions such as Covered Foreign Person. The COINS Act will not take effect until the Department of Treasury issues new regulations (subject to notice and comment), which it must do by March 13, 2027, providing Department of Treasury with the opportunity to further amend or expand existing prohibitions and restrictions in accordance with the COINS Act. In the meantime, the existing Outbound Investment Rule will remain in effect. The content of the implementation regulations remain uncertain. If our ability to raise such capital is significantly and negatively affected, it could be detrimental to our business, financial condition and prospects, and our ADSs may significantly decline in value. If our ability to raise capital is significantly and negatively affected, it could be detrimental to our business, financial condition and prospects, and our securities may significantly decline in value.

On February 29, 2024, the U.S. Department of Commerce commenced a study on the risks that “connected vehicles” could pose to the United States and on March 1, 2024 published an advance notice proposed rulemaking, CV ANPRM, that requested comments on issues related to inputs (including software and hardware) from certain countries considered to be a “foreign adversary”, including the PRC, to the U.S. information and communications technology and services (ICTS) supply chain for connected vehicles in the United States. The CV ANPRM contemplates possible regulations to monitor, limit or ban these inputs. The U.S. Department of Commerce, Bureau of Industry and Security (BIS) published a final rule on January 16, 2025 regulating the import into the United States and sale within the United States of certain connected vehicles and associated hardware and software. The final rule prohibits the importation into the United States of certain vehicle connectivity system (VCS) hardware and the importation or sale within the United States of completed connected vehicles incorporating “covered software” where such VCS hardware or covered software is designed, developed, manufactured or supplied by entities owned by, controlled by, or subject to the jurisdiction or direction of either China or Russia. “Covered software,” which includes certain software-based components related to VCS or automated driving systems, does not include software subcomponents that were designed, developed, manufactured or supplied prior to March 17, 2026, as long as such software subcomponents are not maintained, augmented or otherwise altered by an entity owned by, controlled by, or subject to the jurisdiction or direction of a foreign adversary after March 17, 2026. Additionally, the final rule prohibits connected vehicle manufacturers owned by, controlled by, or subject to the jurisdiction or direction of China or Russia from selling completed connected vehicles that incorporate VCS hardware or covered software in the United States. These prohibitions go into effect on a rolling basis, starting with Model Year 2027 vehicles and for hardware not associated with a model year, on January 1, 2029. Our products may be subject to the restrictions in this final rule, which, if the case, could have a significant impact on our business, particularly with respect to the U.S. market. Furthermore, these regulations could restrict the businesses and operations of our customers and business partners, which could then require us to modify our products or otherwise adjust our operations, which may be costly, time-consuming, and disruptive to our operations and financial performance, if achievable at all. As a result, our business and operations could be severely disrupted, which could materially and adversely affect our results of operations and financial condition.

In addition to the foregoing, we have been closely monitoring domestic policies in the U.S. designed to restrict certain Chinese companies from supplying or operating in the U.S. market. These policies include the Clean Network project initiated by the U.S. Department of State in August 2020 and new authorities granted to the Department of Commerce to prohibit or restrict the use of information and communications technology and services. Policies like these may deter U.S. users from accessing and/or using our apps, products and services, which could adversely impact our user experience and reputation.

Finally, the conflict in the Red Sea and the conflict between Russia and Ukraine have, and are likely to continue to, generate uncertain geopolitical conditions, sanctions, and other potential impacts on the global economic activities. While we do not have substantial operations in these areas or any direct suppliers (i.e., Tier 1 supplier) from these areas, there is no guarantee that these geopolitical tensions will not cause reduce levels of trade, investments and technological exchanges, or result in disruption to our global economic activities and supply chains, which in turn may have an adverse impact on our business and results of operations.

Natural disasters, terrorist activities, political unrest, and other outbreaks could disrupt our production, delivery, and operations, which could materially and adversely affect our business, financial condition, and results of operations.

Global pandemics, epidemics in China or elsewhere in the world, or fear of spread of contagious diseases, such as Ebola virus disease, Middle East respiratory syndrome, severe acute respiratory syndrome, H1N1 flu, H7N9 flu, and avian flu, as well as hurricanes, earthquakes, tsunamis, or other natural disasters could disrupt our business operations, reduce or restrict our supply of materials and services, incur significant costs to protect our employees and facilities, or result in regional or global economic distress, which may materially and adversely affect our business, financial condition, and results of operations. Actual or threatened war, terrorist activities, political unrest, civil strife, and other geopolitical uncertainty could have a similar adverse effect on our business, financial condition, and results of operations. Any one or more of these events may impede our production and delivery efforts and adversely affect our sales results, or even for a prolonged period of time, which could materially and adversely affect our business, financial condition, and results of operations.

We are also vulnerable to natural disasters and other calamities. Although we have servers that are hosted in an offsite location, our backup system does not capture data on a real-time basis and we may be unable to recover certain data in the event of a server failure. We cannot assure you that any backup systems will be adequate to protect us from the effects of fire, floods, typhoons, earthquakes, power loss, telecommunications failures, break-ins, war, riots, terrorist attacks, or similar events. Any of the foregoing events may give rise to interruptions, damage to our property, delays in

production, breakdowns, system failures, technology platform failures, or internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our business, financial condition, and results of operations.

Unexpected termination of leases, failure to renew the lease of our existing premises or to renew such leases at acceptable terms could materially and adversely affect our business.

We lease the premises as research and development centers, delivery and servicing centers, factories and offices. We cannot assure you that we would be able to renew the lease agreements without substantial additional cost or increase in the rental cost payable by us. If a lease agreement is renewed at a rent substantially higher than the current rate, or currently existing favorable terms granted by the lessor are not extended, our business and results of operations may be adversely affected.

If we do not appropriately maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002, we may be unable to accurately report our financial results and the market price of our securities may be adversely affected.

We are subject to reporting obligations under the U.S. securities laws. The SEC, as required under Section 404 of the Sarbanes-Oxley Act of 2002, adopted rules requiring every public company to include a management report on such company's internal control over financial reporting in its annual report, which contains management's assessment of the effectiveness of the company's internal control over financial reporting. In addition, an independent registered public accounting firm must attest to and report on the effectiveness of the company's internal control over financial reporting. Our management has concluded that our internal control over financial reporting was effective as of December 31, 2025. See "Item 15. Controls and Procedures." An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2012 relating to internal controls over financial reporting. Our independent registered public accounting firm, after conducting its own independent testing, may issue an adverse report if it is not satisfied with our internal controls or the level at which our controls are documented, designed, operated or reviewed, or if it interprets the relevant requirements differently from us.

If we fail to maintain effective internal control over financial reporting in the future, our management and our independent registered public accounting firm may not be able to conclude that we have effective internal control over financial reporting at a reasonable assurance level. This could in turn result in the loss of investor confidence in the reliability of our financial statements and negatively impact the trading price of our securities. Furthermore, we have incurred and may need to incur additional costs and use additional management and other resources in an effort to comply with Section 404 of the Sarbanes-Oxley Act and other requirements going forward.

We may need to defend ourselves against intellectual property right infringement claims, which may be time-consuming and would cause us to incur substantial costs.

Entities or individuals, including our competitors, may hold or obtain patents, copyrights, trademarks, or other proprietary rights that would prevent, limit, or interfere with our ability to make, use, develop, sell, or market our products, services, or technologies, which could make it more difficult for us to operate our business. From time to time, we may receive communications from intellectual property right holders regarding their proprietary rights. Companies holding patents or other intellectual property rights may bring suits alleging infringement of such rights or otherwise assert their rights and urge us to take licenses. Our applications and uses of intellectual property relating to our design, software, or technologies could be found to infringe upon existing intellectual property rights. If we are determined to have infringed upon a third party's intellectual property rights, we may be required to do one or more of the following:

- cease selling or incorporating certain components into our products or services, or offering products or services that incorporate or use the challenged intellectual property;
- pay substantial damages;
- seek a license from the holder of the infringed intellectual property right, which may not be available on reasonable terms or at all;
- redesign our products; or
- establish and maintain alternative branding for our products and services.

In the event of a successful claim of infringement against us and our subsequent failure or inability to obtain a license for the infringed technology or other intellectual property right, our business, financial condition, results of operations, and prospects could be materially and adversely affected. In addition, parties making the infringement claim

may also obtain an injunction that can prevent us from selling our products or using technology that contains the allegedly infringing contents. Any litigation or claims, whether or not valid, could result in substantial costs, negative publicity, and diversion of resources and management attention.

We may not be able to prevent others from unauthorized use of our intellectual property, which could harm our business and competitive position.

We regard our trademarks, service marks, patents, domain names, trade secrets, proprietary technologies, and similar intellectual property as critical to our success. We rely on trademark and patent law, trade secret protection, and confidentiality and license agreements with our employees and others to protect our proprietary rights. We have invested significant resources to develop our own intellectual property. Failure to maintain or protect these rights could harm our business. In addition, any unauthorized use of our intellectual property by third parties may adversely affect our current and future revenues and our reputation.

We rely on a combination of patent, copyright, trademark, and trade secret laws and restrictions on disclosure to protect our intellectual property rights. Despite our efforts to protect our proprietary rights, third parties may attempt to copy or otherwise obtain and use our intellectual property or seek court declarations that they do not infringe upon our intellectual property rights. Monitoring and policing unauthorized use of our intellectual property is difficult and costly, and there are uncertainties with respect to the implementation and enforcement of intellectual property laws in mainland China. We cannot assure you that the steps we have taken or will take will prevent misappropriation of our intellectual property. From time to time, we may have to resort to litigation to enforce our intellectual property rights, which could result in substantial costs and diversion of our resources.

As our patents may expire and may not be extended, our patent applications may not be granted, and our patent rights may be contested, circumvented, invalidated, or limited in scope, our patent rights may not protect us effectively. In particular, we may not be able to prevent others from developing or exploiting competing technologies, which could materially and adversely affect our business, financial condition, and results of operations.

As of December 31, 2025, we had 779 registered patents and 797 pending patent applications globally. We cannot assure you that all our pending patent applications will result in issued patents. Even if our patent applications are granted and we are issued patents accordingly, it is still uncertain whether these patents will be contested, circumvented, or invalidated in the future. In addition, the rights granted under any issued patents may not provide us with meaningful protection or competitive advantages. The claims under any patents may not be broad enough to prevent others from developing technologies that are similar or that achieve results similar to ours. It is also possible that the intellectual property rights of others could bar us from licensing and exploiting our patents. Numerous patents and pending patent applications owned by others exist in the fields where we have developed and are developing our technologies. These patents and patent applications might have priority over our patent applications and could subject our patent applications to invalidation. Finally, in addition to those who may claim priority, any of our existing patents or pending patent applications may also be challenged by others on the basis that they are otherwise invalid or unenforceable.

In addition to patented technologies, we rely on our unpatented proprietary technologies, trade secrets, processes, and know-how.

We rely on proprietary information, such as trade secrets, know-how, and confidential information, to protect intellectual property that may not be patentable, or that we believe is best protected by means that do not require public disclosure. We generally seek to protect this proprietary information by entering into confidentiality agreements, or consulting, services, or employment agreements that contain non-disclosure and non-use provisions with our employees, consultants, contractors, scientific advisors, and third parties. However, we cannot guarantee that we have entered into such agreements with every party that has or may have had access to our trade secrets or proprietary information and, even if entered into, these agreements may be breached or may otherwise fail to prevent disclosure, third-party infringement or misappropriation of our proprietary information, may be limited as to their term and may not provide an adequate remedy in the event of unauthorized disclosure or use of proprietary information. We have limited control over the protection of trade secrets used by our third-party manufacturers and suppliers and could lose future trade secret protection if any unauthorized disclosure of such information occurs. In addition, our proprietary information may otherwise become known or be independently developed by our competitors or other third parties. To the extent that our employees, consultants, contractors, and other third parties use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain protection for our proprietary information could adversely affect our competitive business position. Furthermore, laws regarding trade secret rights in certain markets where we operate may afford little or no protection to our trade secrets. If any of our trade secrets were to

be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that trade secret to compete with us. If any of our trade secrets were to be disclosed, whether lawfully or otherwise, to or independently developed by a competitor or other third party, it could have a material adverse effect on our business, operating results, and financial condition.

We also rely on physical and electronic security measures to protect our proprietary information, but we cannot guarantee that these security measures provide adequate protection for such proprietary information or will never be breached. There is a risk that third parties may obtain unauthorized access to and improperly utilize or disclose our proprietary information, which would harm our competitive advantages. We may not be able to detect or prevent the unauthorized access to or use of our information by third parties, and we may not be able to take appropriate and timely steps to mitigate the damages, or the damages may not be capable of being mitigated or remedied.

We depend on information technology to conduct our business. Any significant disruptions to our information technology systems or facilities, or those of third parties with which we do business, such as disruptions caused by cyber-attacks, could adversely impact our business.

Our ability to keep our business operating effectively depends on the functional and efficient operation of information technology systems and facilities, both internally and externally. We rely on these systems to, among other things, make a variety of day-to-day business decisions as well as to record and process transactions, billings, payments, inventory, and other data, in many currencies, on a daily basis, and across numerous and diverse markets and jurisdictions. Our systems, as well as those of our customers, suppliers, partners, and service providers, also contain sensitive confidential information or intellectual property and are susceptible to interruptions, including those caused by systems failures, cyber-attacks, and other natural or man-made incidents or disasters, which may be prolonged or go undetected. Cyber-attacks, both domestically and abroad, are increasing in their frequency, sophistication, and intensity, and have become increasingly difficult to detect. Although we have and continue to take precautions to prevent, detect, and mitigate such events, a significant or large-scale interruption of our information technology systems or facilities could adversely affect our ability to manage and keep our operations running efficiently and effectively, and could result in significant costs, fines or litigation. An incident that results in a wider or sustained disruption to our business or products could have a material adverse effect on our business, financial condition, and results of operations.

Additionally, certain of our products contain complex information technology systems designed to support today's increasingly connected vehicles, and could be susceptible to similar interruptions, including the possibility of unauthorized access. Further, if we are to offer more cloud-based solutions which are dependent on the Internet or other networks to operate, we may increasingly be the target of cyber threats, including computer viruses or breaches due to misconduct of employees, contractors, or others who have access to our networks and systems, or those of third parties with which we do business. Although we have designed and implemented security measures to prevent and detect such unauthorized access or cyber threats from occurring, we cannot assure you that vulnerabilities will not be identified in the future, or that our security efforts will be successful. Any unauthorized access to our components could adversely affect our brand and harm our business, prospects, financial condition, and operating results. Further, maintaining and updating these systems may require significant costs and often involves implementation, integration, and security risks, including risks that we may not adequately anticipate the market or technological trends or that we may experience unexpected challenges that could cause financial, reputational, and operational harm. However, failing to properly respond to and invest in information technology advancements may limit our ability to attract and retain customers, prevent us from offering similar products and services as those offered by our competitors or inhibit our ability to meet regulatory or other requirements.

To date, we have not experienced any system failure, cyber-attack or security breach that has resulted in a material interruption in our operations or material adverse effect on our financial condition. While we continually seek to expand and improve our information technology systems and maintain adequate disclosure controls and procedures, we cannot assure you that such measures will prevent interruptions or security breaches that could adversely affect our business.

We use open-source software, which may pose particular risks to our proprietary software and source code. We may face claims from open-source licensors claiming ownership of, or demanding the release of, the intellectual property that we developed using or derived from such open source software.

We use open-source software in our proprietary software and will use open-source software in the future. Companies that incorporate open-source software into their proprietary software and products have, from time to time, faced claims challenging the use of open-source software and compliance with open source license terms. By the terms of certain open-source licenses, we could be required to release the source code of our proprietary software, and to make our proprietary software available under open-source licenses to third parties at no cost, if we combine our proprietary software

with open source software in certain manners. Although we monitor our use of open-source software, we cannot assure you that all open-source software is reviewed prior to use in our software, that our developers have not incorporated open-source software into our proprietary software, or that they will not do so in the future. In addition, companies that incorporate open-source software into their products have, in the past, faced claims seeking enforcement of open-source license provisions and claims asserting ownership of open source software incorporated into their proprietary software. If an author or other third party that distributes such open-source software were to allege that we have not complied with the conditions of an open-source license, we could incur significant legal costs defending ourselves against such allegations. In the event such claims were successful, we could be subject to significant damages or be enjoined from the distribution of our proprietary software. In addition, the terms of open-source software licenses may require us to provide software that we develop using such open-source software to others on unfavorable license terms.

As a result of our current or future use of open-source software, we may face claims or litigation, be required to release our proprietary source code, pay damages for breach of contract, re-engineer our proprietary software, discontinue making our proprietary software available in the event re-engineering cannot be accomplished on a timely basis or take other remedial action. Any such re-engineering or other remedial efforts could require significant additional research and development resources, and we may not be able to successfully complete any such re-engineering or other remedial efforts. Further, in addition to risks related to license requirements, use of certain open-source software can lead to greater risks than use of third-party commercial software, as open-source licensors generally do not provide warranties or controls on the origin of the software. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a negative effect on our business, financial condition and results of operations.

Risks Relating to Doing Business in China

The PRC government has significant oversight and discretion over our business operations, and it may influence our operations as part of its efforts to enforce PRC law, which could result in a material adverse change in our operations and the value of our securities.

A major part of our operations is located in China. The PRC government has significant authority to influence the China operations of an offshore holding company like ECARX Holdings at any time. Accordingly, our business, prospects, financial condition, and results of operations may be influenced to a significant degree by political, economic, and social conditions in China generally. The Chinese economy differs from the economies of most developed countries in many respects, including the degree of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. Although the PRC government has implemented measures to underscore the importance of the utilization of market forces for economic reform, the divestment of state ownership in productive assets and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in mainland China are still owned by the government. In addition, the PRC government continues to play a significant role in regulating industry development by imposing industrial policies. The PRC government also exercises significant control over China's economic growth through resources allocation, controlling payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to selected industries or companies.

While the Chinese economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among different sectors of the economy. The PRC government has implemented various measures to generate economic growth and guide the allocation of resources. Some of these measures may benefit the Chinese economy overall, but may have a negative effect on us. Any slowdown in the Chinese economy may reduce the demand for our products and services and materially and adversely affect our business and results of operations.

Risks and uncertainties regarding the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and us, hinder our ability and the ability of any holder of our securities to offer or continue to offer such securities, result in a material adverse change to our business operations, and damage our reputation, which would materially and adversely affect our financial condition and results of operations and cause our securities to significantly decline in value or become worthless.

The PRC legal system is evolving rapidly and PRC laws, regulations, and rules may change quickly. In particular, the legal system in mainland China is based on written statutes, and court decisions have limited precedential value. The interpretations of many laws, regulations, and rules in mainland China are done inconsistently, subjecting the enforcement of the same to a great deal of uncertainties. From time to time, we may have to resort to court and administrative proceedings to enforce our legal rights. However, since the administrative authorities in mainland China have significant discretion in interpreting and implementing statutory and contractual terms, it may be difficult to predict the outcome of a judicial or administrative proceeding in mainland China, and we may not always be aware of an instance of violation of

these policies and rules even after its occurrence. Such unpredictability towards our contractual, property (including intellectual property), and procedural rights could adversely affect our business and impede our ability to continue our operations.

Laws and regulations concerning our industries are also constantly evolving in China and the PRC government authorities may further promulgate new laws and regulations regulating our industries and other businesses we have already engaged in or may further expand into in the future. Although we have taken measures to comply with and avoid violation of applicable laws and regulations, we cannot assure you that our practice is and will remain in full compliance with applicable PRC laws and regulations.

In addition, the PRC government may regulate our operations at any time, or may exercise more oversight and control at any time over offerings conducted outside of China and foreign investment in China-based companies. For example, the Opinions on Severely Cracking Down on Illegal Securities Activities According to Law issued on July 6, 2021 emphasized the need to strengthen the management over illegal securities activities and the supervision on overseas listings by mainland China-based companies. These opinions propose to take effective measures, such as promoting the establishment of regulatory frameworks, to deal with the risks and incidents facing mainland China-based overseas-listed companies, and fulfill the demand for cybersecurity and data privacy protection. These opinions and any future related implementation rules may subject us to additional compliance requirement in the future. Official guidance and interpretation of these opinions are absent in several material respects at this time.

Therefore, we cannot assure you that we will remain fully compliant with any new regulatory requirements or any future implementation rules on a timely basis, or at all. Any failure of us to fully comply with applicable laws and regulations may significantly limit or completely hinder our ability and the ability of any holder of our securities to offer or continue to offer such securities, cause significant disruption to our business operations, and severely damage our reputation, which would materially and adversely affect our financial condition and results of operations and cause our securities to significantly decline in value or become worthless.

The approval of and filing with the CSRC or other PRC government authorities may be required in connection with the Business Combination, our previous offerings and listing under PRC law, and, if so required, we cannot predict whether or when we will be able to obtain such approval or complete such filing, and even if we obtain such approval, it could be rescinded.

The Regulations on Mergers and Acquisitions of Domestic Companies by Foreign Investors, or the M&A Rules, issued by six PRC regulatory authorities in 2006 and amended in 2009, requires offshore special purpose vehicles that are controlled by mainland China companies or individuals and that have been formed for the purpose of seeking a public listing on an overseas stock exchange through acquisitions of mainland China companies or assets to obtain CSRC approval prior to publicly listing their securities on an overseas stock exchange. The interpretation and application of the regulations remain unclear. If the CSRC approval is required retrospectively for the Business Combination or any of our overseas listings or capital raising activities, it is uncertain whether we can or how long it will take us to obtain such approval and, even if we obtain such CSRC approval, such CSRC approval could be rescinded. Any failure to obtain or delay in obtaining the CSRC approval for our overseas listings and capital raising activities if such approval is required, or a rescission of such CSRC approval is obtained by us, would subject us to sanctions imposed by the CSRC or other PRC regulatory authorities, which could include fines and penalties on our operations in China, restrictions or limitations on our ability to pay dividends outside of China, and other forms of sanctions that may materially and adversely affect our business, financial condition, and results of operations.

In addition, the PRC government has indicated an intent to exert more oversight and control over overseas offerings by and foreign investment in China-based companies. The Opinions on Severely Cracking Down on Illegal Securities Activities According to Law promulgated on July 6, 2021 emphasize the need to strengthen cross-border regulatory cooperation and the administration and supervision of mainland China-based companies, and to establish a comprehensive regulatory system for the application of mainland China capital market laws and regulations outside mainland China. On February 17, 2023, the CSRC released several regulations regarding the filing requirements for overseas offerings and listings by mainland China-based companies, including the Overseas Listing Filing Rules that took effect on March 31, 2023. According to the Overseas Listing Filing Rules, the issuer or a major domestic operating company designated by the issuer, as the case may be, must make a filing with the CSRC in respect of its initial public offering or listing, follow-on offering, and other equivalent offering activities. According to the Overseas Listing Filing Rules, for an issuer which is already listed, it should make filing in accordance with the Overseas Listing Filing Rules if: (i) it issues additional convertible bonds, exchangeable bonds or preferred shares, (ii) it issues additional securities in the same overseas market, excluding securities issued for the purpose of implementing equity incentive, distribution of stock

dividends, share split, etc., (iii) it issues additional securities in several offerings within its authorized scope; or (iv) it conducts a secondary listing or primary listing in any other overseas market. In connection with the Overseas Listing Filing Rules, the CSRC issued the Notice on Administrative Arrangements for the Filing of Overseas Offering and Listing by Domestic Companies on February 17, 2023, which stipulates that mainland China-based issuers like us that have completed overseas listings prior to March 31, 2023 are not required to file with the CSRC in accordance with the Overseas Listing Filing Rules immediately, but must follow filing procedures as required if such companies conduct refinancing or if other circumstances arise requiring a filing with the CSRC.

Furthermore, according to the Revised Measures for Cybersecurity Review, any online platform operator (the exact definition of “online platform operator” remains unclear) conducting data processing activities that affect or may affect national security should be subject to a cybersecurity review. On February 24, 2023, the CSRC and several other government authorities jointly issued the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies, or the Overseas Listing Archives Rules, which took effect on March 31, 2023. The Overseas Listing Archives Rules apply to both direct and indirect overseas offerings. The Overseas Listing Archives Rules stipulate that, among other things, (i) domestic companies involved in the overseas listing of mainland China-based companies are required to strictly comply with requirements on confidentiality and archives management, establish a sound confidentiality and archives system, and take necessary measures to implement their confidentiality and archives management responsibilities; (ii) during the course of an overseas offering or listing, if a domestic company needs to publicly disclose or provide to securities companies, accounting firms, or other securities service providers and overseas regulators, any materials that contain state secrets or that have a sensitive impact (i.e., detrimental to national security or public interest if divulged), the domestic company should complete the required approval or filing and other regulatory procedures; and (iii) working papers produced in China by securities companies and securities service providers, which provide domestic companies with securities services during their overseas offering or listing, should be stored in mainland China, and the transmission of any such working papers to recipients outside mainland China must be approved by competent PRC government authorities. As of the date of this annual report, we have not been involved in any investigations or cybersecurity review initiated by the CAC and we have not received any official inquiry, notice, warning, or sanctions regarding cybersecurity and overseas listing from the CAC, the CSRC, or any other PRC government authorities.

Based on the opinion of Han Kun Law Offices, our legal counsel as to the law of mainland China, according to its interpretation of the currently in effect laws and regulations in mainland China, we believe that, as of the date of this annual report, our past offerings do not require the application or completion of any cybersecurity review or any other permission or approval from government authorities in mainland China including the CSRC.

Substantial uncertainties exist with respect to the interpretation and implementation of the Overseas Listing Filing Rules and laws and regulations relating to data security, privacy, and cybersecurity. In addition, the PRC government authorities have significant discretion in interpreting and implementing statutory provisions in general. In light of the foregoing, we cannot assure you that PRC government authorities will not take a contrary position or adopt different interpretations than those taken or adopted by us or our legal counsel, or that there will not be changes in the regulatory landscape. In other words, the application and completion of a cybersecurity review and other permissions and approvals from PRC government authorities may be required in connection with the Business Combination or our previous offerings and listing on Nasdaq. In addition, the CAC, the CSRC, or other government authorities may subsequently promulgate new rules or issue explanations mandating that we complete filings or obtain approvals, registrations, or other kinds of authorizations for the Business Combination or our previous offerings and listing on Nasdaq, on a retrospective basis.

If it is determined in the future (including on a retrospective basis) that approval from or filing with the CSRC, the CAC, or other government authorities are required for the Business Combination or our previous offerings and listing on Nasdaq, it is uncertain whether we can, or how long it will take us to, obtain such approval or complete such filing procedures and any such approval could be rescinded. In addition, if circumstances arise requiring us to make a filing or reporting, such as additional offshore listings, refinancing, and other capital raising activities conducted by us, or the occurrence of other major events with respect to us, including but not limited to the change of control, investigation, or punishment by overseas securities regulatory authorities or other competent authorities, the change of listing status or listing sector, voluntary or forced delisting, and the change of our major business activities, we cannot assure you that we will be able to complete such filing or reporting or fully comply with applicable rules and requirements in a timely manner, or at all, given the substantial uncertainties surrounding the CSRC filing requirements. For further details, see “Item 4. Information on the Company—B. Business Overview—Regulations—Regulation on Mergers and Acquisitions and Overseas Listing.”

Any failure to obtain or delay in obtaining clearance of such approval or completing such filing procedures for the Business Combination, our previous offerings and listing on Nasdaq, or a rescission of any such approval if obtained by us, would subject us to regulatory actions or other sanctions by the CSRC, the CAC, or other PRC government authorities for failure to seek required government authorization in respect of the same. These government authorities may impose fines, restrictions, and penalties on our operations in China, such as revocation of our licenses, or shutdown of part or all of our operations, restriction on our ability to pay dividends outside mainland China, limit on our operating privileges in China, unwinding of the Business Combination, or other actions that could have a material adverse effect on our business, financial condition, results of operations, and prospects, as well as the trading price of our securities. The PRC government authorities may also take actions requiring us, or making it advisable for us, to suspend our offerings before settlement and delivery. Consequently, if you engage in market trading or other activities in anticipation of and prior to settlement and delivery, you do so at the risk that settlement and delivery may not occur.

If (i) we do not receive or maintain any required permission, or fail to complete any required review or filing, (ii) we inadvertently conclude that such permission, review, or filing is not required, or (iii) applicable laws, regulations, or interpretations change such that it becomes mandatory for us to obtain any permission, review, or filing in the future, we may have to expend significant time and costs to comply with these requirements. If we are unable to do so, on commercially reasonable terms, in a timely manner or otherwise, we may become subject to sanctions imposed by the PRC government authorities, which could include fines and penalties, proceedings against us, and other forms of sanctions, and our ability to conduct our business, invest into China as foreign investments or accept foreign investments, or list on a U.S. or other overseas exchange may be restricted, and our business, reputation, financial condition, and results of operations may be materially and adversely affected. Further, our ability to offer or continue to offer securities to investors may be significantly limited or completely hindered, and the value of our securities may significantly decline and such securities may become worthless.

The PCAOB had historically been unable to inspect our auditor in relation to their audit work performed for our financial statements and the inability of the PCAOB to conduct inspections of our auditor in the past had deprived our investors with the benefits of such inspections.

Our auditor, the independent registered public accounting firm that issues the audit report included elsewhere in this annual report, as an auditor of companies that are traded publicly in the United States and a firm registered with the PCAOB, is subject to laws in the United States pursuant to which the PCAOB conducts regular inspections to assess its compliance with the applicable professional standards. The auditor is located in mainland China, a jurisdiction where the PCAOB was historically unable to conduct inspections and investigations completely before 2022. As a result, we and investors in our securities were deprived of the benefits of such PCAOB inspections. The inability of the PCAOB to conduct inspections of auditors in mainland China in the past has made it more difficult to evaluate the effectiveness of our independent registered public accounting firm's audit procedures or quality control procedures as compared to auditors outside of China that are subject to the PCAOB inspections. On December 15, 2022, the PCAOB issued a report that vacated its December 16, 2021 determination and removed mainland China and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. However, if the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong, and we use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the Securities and Exchange Commission, we and investors in our securities would be deprived of the benefits of such PCAOB inspections again, which could cause investors and potential investors in our securities to lose confidence in our audit procedures and reported financial information and the quality of our financial statements.

Our securities may be prohibited from trading in the United States under the HFCAA in the future if the PCAOB is unable to inspect or investigate completely auditors located in mainland China and Hong Kong. The delisting of our securities, or the threat of their being delisted, may materially and adversely affect the value of your investment.

Pursuant to the HFCAA, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspections by the PCAOB for two consecutive years, the SEC will prohibit our securities from being traded on a national securities exchange or in the over-the-counter trading market in the United States.

On December 16, 2021, the PCAOB issued a report to notify the SEC of its determination that the PCAOB was unable to inspect or investigate completely registered public accounting firms headquartered in mainland China and Hong Kong and our auditor was subject to that determination. On December 15, 2022, the PCAOB removed mainland China and Hong Kong from the list of jurisdictions where it is unable to inspect or investigate completely registered public accounting firms. As of the date of this annual report, the PCAOB has not issued any new determination that it is unable to inspect or

investigate completely registered public accounting firms headquartered in any jurisdiction. For this reason, we do not expect to be identified as a Commission-Identified Issuer under the HFCAA after we file our annual report on Form 20-F for the fiscal year ended December 31, 2025.

Each year, the PCAOB will determine whether it can inspect and investigate completely audit firms in mainland China and Hong Kong, among other jurisdictions. If the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong and we use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. In accordance with the HFCAA, our securities would be prohibited from being traded on a national securities exchange or in the over-the-counter trading market in the United States if we are identified as a Commission-Identified Issuer for two consecutive years in the future. If our securities are prohibited from trading in the United States, there is no certainty that we will be able to list on a non-U.S. exchange or that a market for our securities will develop outside of the United States. A prohibition of being able to trade in the United States would substantially impair your ability to sell or purchase our securities when you wish to do so, and the risk and uncertainty associated with delisting would have a negative impact on the price of our securities. Also, such a prohibition would significantly affect our ability to raise capital on terms acceptable to us, or at all, which would have a material adverse impact on our business, financial condition, and prospects.

Additional disclosure requirements to be adopted by and regulatory scrutiny from the SEC in response to risks related to companies with substantial operations in China, which could increase our compliance costs, subject us to additional disclosure requirements, and/or suspend or terminate our future securities offerings, making capital-raising more difficult.

On July 30, 2021, in response to the recent regulatory developments in China and actions adopted by the PRC government, the Chairman of the SEC issued a statement asking the SEC staff to seek additional disclosures from offshore issuers associated with China-based operating companies before their registration statements will be declared effective. As such, the offering of our securities may be subject to additional disclosure requirements and review that the SEC or other regulatory authorities in the United States may adopt for companies with China-based operations, which could increase our compliance costs, subject us to additional disclosure requirements, and/or suspend or terminate our future securities offerings, making capital-raising more difficult.

The M&A Rules and certain other PRC regulations establish complex procedures for certain acquisitions of mainland China companies, which could make it more difficult for us to pursue growth through acquisitions in China.

A number of PRC laws and regulations have established procedures and requirements that could make merger and acquisition activities in mainland China by foreign investors more time consuming and complex. In addition to the Anti-Monopoly Law itself, these include the M&A Rules, adopted by six PRC regulatory agencies in 2006 and amended in 2009, the Rules of the Ministry of Commerce on Implementation of Security Review System of Mergers and Acquisitions of Domestic Enterprises by Foreign Investors promulgated in 2011, and the Measures for the Security Review of Foreign Investment promulgated by the NDRC and the Ministry of Commerce in December 2020 and came into force on January 18, 2021. These laws and regulations impose requirements in some instances that the Ministry of Commerce be notified in advance of any change-of-control transaction in which a foreign investor takes control of a mainland China company. In addition, pursuant to anti-monopoly laws and regulations, the SAMR should be notified in advance of any concentration of undertaking if certain thresholds are triggered. In light of the uncertainties relating to the interpretation, implementation and enforcement of PRC anti-monopoly laws and regulations, we cannot assure you that the anti-monopoly law enforcement agency will not deem our future acquisitions or investments to have triggered filing requirement for anti-monopoly review. Moreover, mergers and acquisitions by foreign investors that raise “national defense and security” concerns and mergers and acquisitions through which foreign investors may acquire de facto control over mainland China companies that raise “national security” concerns are subject to strict review by the NDRC and the Ministry of Commerce, and prohibit any attempt to bypass a security review, including by structuring the transaction through a proxy or contractual control arrangement.

In the future, we may grow our business by acquiring complementary businesses. Complying with the requirements of applicable regulations to complete such transactions could be time consuming, and any required approval processes, including clearance from the SAMR and approval from the Ministry of Commerce, may delay or inhibit our ability to complete such transactions, which could affect our ability to expand our business or maintain our market share.

Substantial uncertainties exist with respect to the interpretation and implementation of 2019 PRC Foreign Investment Law and its Implementation Rules.

On March 15, 2019, the PRC National People's Congress approved the 2019 PRC Foreign Investment Law, which came into effect on January 1, 2020 and replaced the trio of then existing laws regulating foreign investment in mainland China, namely, the Sino-foreign Equity Joint Venture Enterprise Law, the Sino-foreign Cooperative Joint Venture Enterprise Law, and the Wholly Foreign-invested Enterprise Law, together with their implementation rules and ancillary regulations. On December 26, 2019, the PRC State Council approved the Implementation Rules of Foreign Investment Law, which came into effect on January 1, 2020. The 2019 PRC Foreign Investment Law and its Implementation Rules embody a regulatory trend in mainland China that aims to bring its foreign investment regulatory regime in line with prevailing international practices, and represent the legislative endeavors to unify corporate legal requirements applicable to foreign and domestic investments. However, substantial uncertainties exist with respect to the interpretations and implementations of the 2019 PRC Foreign Investment Law and its Implementation Rules.

The 2019 PRC Foreign Investment Law specifies that foreign investments shall be conducted in line with the "negative list" to be issued by or approved to be issued by the State Council. A foreign invested enterprise would not be allowed to make investments in prohibited industries set out in the "negative list" while a foreign invested enterprise must satisfy certain conditions stipulated in the "negative list" for investment in restricted industries. While our mainland China subsidiaries are not currently subject to foreign investment restrictions as set forth in the presently effective Special Management Measures (Negative List) for the Access of Foreign Investment (2024 Version), or the 2024 Negative List, it is uncertain whether any of their business operation will be subject to foreign investment restrictions or prohibitions set forth in the "negative list" to be issued in the future. If any part of our business operation falls in the "negative list" or if the interpretation and implementation of the 2019 PRC Foreign Investment Law and any future "negative list" mandate further actions, such as market entry clearance granted by the Ministry of Commerce, we face uncertainties as to whether such clearance can be timely obtained, or at all. We cannot assure you that government authorities will not interpret or implement the 2019 PRC Foreign Investment Law in the future in a way that will materially impact the viability of our current corporate governance and business operations.

Regulations in mainland China of loans to and direct investment in mainland China companies by offshore holding companies and governmental control of currency conversion may delay or prevent us from making loans to or make additional capital contributions to our mainland China subsidiaries, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

ECARX Holdings is an offshore holding company and we conduct our operations in mainland China primarily through our mainland China subsidiaries. We may make additional capital contributions or loans to our mainland China subsidiaries, which are treated as foreign invested enterprises under the law in mainland China. Any loans by us to our mainland China subsidiaries are subject to regulations and foreign exchange loan registrations of mainland China. For example, with respect to the registration, loans by us to our mainland China subsidiaries to finance their activities must be registered with the relevant local counterpart of SAFE, or filed with SAFE in its information system; with respect to the outstanding amounts of loans, (i) if the mainland China subsidiaries adopt the traditional foreign exchange administration mechanism, the outstanding amount of loans shall not exceed the difference between the total investment and the registered capital of those subsidiaries; and (ii) if the mainland China subsidiaries adopt the relatively new foreign debt mechanism, the outstanding amount of loans shall not exceed 200% of the net asset of those subsidiaries. We may also finance our mainland China subsidiaries by means of capital contributions. These capital contributions must be reported to or filed or registered with the Ministry of Commerce and the SAMR or their local counterparts.

Pursuant to the Circular on the Reforming of the Management Method of the Settlement of Foreign Currency Capital of Foreign-Invested Enterprises, or SAFE Circular 19, which took effect on June 1, 2015 and was last amended on March 23, 2023, and the Circular of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts, or SAFE Circular 16, which was promulgated in June 2016 and last amended in December 2023, foreign-invested enterprises may either continue to follow the current payment-based foreign currency settlement system or choose to follow the "conversion-at-will" system for foreign currency settlement. SAFE Circular 19 and SAFE Circular 16, therefore, have substantially lifted the restrictions on the use by a foreign-invested enterprise of its Renminbi registered capital, foreign debt and repatriated funds raised through overseas listing converted from foreign currencies. Nevertheless, SAFE Circular 19 and SAFE Circular 16 reiterate the principle that Renminbi converted from the foreign currency-denominated capital of a foreign invested company may not be directly or indirectly used for purposes beyond its business scope and prohibit foreign-invested companies from using

such Renminbi fund to provide loans to persons other than affiliates unless otherwise permitted under their business scopes.

Under the laws and regulations of mainland China, we are permitted to utilize the proceeds of any financing outside mainland China to fund our mainland China subsidiaries by making loans to or additional capital contributions to our mainland China subsidiaries, subject to applicable government registration, statutory limitations on amount and approval requirements. These laws and regulations may significantly limit our ability to use Renminbi converted from the net proceeds of any financing outside mainland China to fund the establishment of new entities in mainland China by our mainland China subsidiaries, to invest in or acquire any other mainland China companies through our mainland China subsidiaries.

We may rely on dividends and other distributions on equity paid by our subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our mainland China subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business.

ECARX Holdings is a holding company, and we may rely on dividends and other distributions on equity paid by our subsidiaries for our cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to our shareholders and service any debt we may incur. Current regulations in mainland China permit our mainland China subsidiaries to pay dividends to us only out of their accumulated after-tax profits upon satisfaction of applicable statutory conditions and procedures, if any, determined in accordance with the accounting standards and regulations in mainland China. In addition, each of our mainland China subsidiaries is required to set aside at least 10% of its after-tax profits each year, if any, to fund certain reserve funds until the total amount set aside reaches 50% of its registered capital.

As of December 31, 2025, most of our mainland China subsidiaries had not made appropriations to statutory reserves as they have reported accumulated loss. For a detailed discussion of applicable PRC regulations governing distribution of dividends, see “Item 4. Information on the Company—B. Business Overview—Regulations—Regulation on Dividend Distribution.”

Additionally, if our mainland China subsidiaries incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends or make other distributions to us. In addition, the incurrence of indebtedness by our mainland China subsidiaries could result in operating and financing covenants and undertakings to creditors that would restrict the ability of these subsidiaries to pay dividends to us.

Any limitation on the ability of our mainland China subsidiaries to pay dividends or make other distributions to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends, or otherwise fund and conduct our business. See “—If we are classified as a mainland China resident enterprise for purposes of income tax in mainland China, such classification could result in unfavorable tax consequences to us and our non-mainland China shareholders.”

It may be difficult for overseas regulators to conduct investigations or collect evidence in mainland China.

Shareholder claims or regulatory investigation that are common in jurisdictions outside mainland China are difficult to pursue as a matter of law or practicality in mainland China. For example, in mainland China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigation initiated outside mainland China. Although PRC authorities may establish a regulatory cooperation mechanism with the securities regulators of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulators in the United States or other jurisdictions may not be efficient in the absence of mutual and practical cooperation mechanism. Furthermore, according to Article 177 of the PRC Securities Law which took effect in March 2020, no overseas securities regulator is allowed to directly conduct investigations or evidence collection activities within mainland China, and without the consent by the Chinese securities government authorities and the other competent governmental agencies, no entity or individual may provide documents or materials related to securities business to any foreign party. The Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies which took effect on March 31, 2023 also provide that where an overseas securities regulator and a competent overseas authority requests to inspect, investigate or collect evidence from a mainland China company concerning its overseas offering and listing, such inspection, investigation and evidence collection shall be conducted under a cross-border regulatory cooperation mechanism, and the mainland China company shall first obtain approval from the CSRC or other competent PRC authorities before cooperating with the inspection and investigation by

the overseas securities regulator or competent overseas authority, or providing documents and materials requested in such inspection and investigation. While detailed interpretation or implementation of applicable rules have yet to be promulgated, the inability for an overseas securities regulator to directly conduct investigations or evidence collection activities within mainland China and the potential obstacles for information provision may further increase difficulties faced by you in protecting your interests.

Increases in labor costs and enforcement of stricter labor laws and regulations in China may adversely affect our business and our profitability.

China's overall economy and the average wage in China have increased in recent years and are expected to grow. The average wage level for our employees has also increased in recent years. We expect that our labor costs, including wages and employee benefits, will increase. Unless we are able to pass on these increased labor costs to those who pay for our services, our profitability and results of operations may be materially and adversely affected.

In addition, we have been subject to stricter regulatory requirements in terms of entering into labor contracts with our employees, limitation with respect to utilization of labor dispatching, applying for foreigner work permits, labor protection and labor condition and paying various statutory employee benefits, including pensions, housing fund, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance to designated government agencies for the benefit of our employees. Pursuant to the PRC Labor Contract Law and its implementation rules, employers are subject to stricter requirements in terms of signing labor contracts, minimum wages, paying remuneration, determining the term of employee's probation and unilaterally terminating labor contracts. In the event that we decide to terminate some of our employees or otherwise change our employment or labor practices, the PRC Labor Contract Law and its implementation rules may limit our ability to effect those changes in a desirable or cost-effective manner, which could adversely affect our business and results of operations.

Companies registered and operating in mainland China are required under the PRC Social Insurance Law (latest amended in 2018) and the Regulations on the Administration of Housing Funds (latest amended in 2019) to, apply for social insurance registration and housing fund deposit registration within 30 days of their establishment, and to pay for their employees different social insurance including pension insurance, medical insurance, work-related injury insurance, unemployment insurance, and maternity insurance to the extent required by law.

Because the interpretation and implementation of labor-related laws and regulations are still evolving, our employment practices may violate labor-related laws and regulations in China, which may subject us to labor disputes or government investigations. We cannot assure you that we have complied or will be able to comply with all labor-related law and regulations including those relating to obligations to make full social insurance payments and contribute to the housing provident funds. If we are found to have violated applicable labor laws and regulations, we could be required to provide additional compensation to our employees and our business, financial condition and results of operations could be adversely affected.

You may experience difficulties in effecting service of legal process, enforcing foreign judgments or bringing actions in China against us or our management based on foreign laws.

ECARX Holdings is an exempted company incorporated under the laws of the Cayman Islands, while we conduct substantially all of our operations in China, and substantially all of our assets are located in China. As a result, it may be difficult for our shareholders to effect service of process upon us or those persons inside China. In addition, mainland China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the Cayman Islands and many other countries and regions. Therefore, recognition and enforcement in mainland China of judgments of a court in any of these jurisdictions in relation to any matter not subject to a binding arbitration provision may be difficult or impossible. For additional information, please see the "Item 6. Directors, Senior Management and Employees—Enforceability of Civil Liability and Agent for Service of Process in the United States."

Fluctuations in exchange rates could have a material and adverse effect on our results of operations.

The conversion of Renminbi into foreign currencies, including U.S. dollars, is based on rates set by the People's Bank of China. The Renminbi has fluctuated against the U.S. dollar, at times significantly and unpredictably. The value of Renminbi against the U.S. dollar and other currencies is affected by changes in China's political and economic conditions and by China's foreign exchange policies, among other things. We cannot assure you that Renminbi will not appreciate or

depreciate significantly in value against the U.S. dollar in the future. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between Renminbi and the U.S. dollar in the future.

There remains significant international pressure on the PRC government to adopt a more flexible currency policy. Any significant appreciation or depreciation of Renminbi may materially and adversely affect our revenues, earnings and financial position, and the value of, and any dividends payable on, our securities in U.S. dollars. For example, to the extent that we need to convert U.S. dollars we receive into Renminbi to pay our operating expenses, appreciation of Renminbi against the U.S. dollar would have an adverse effect on the Renminbi amount we would receive from the conversion. Conversely, a significant depreciation of Renminbi against the U.S. dollar may significantly reduce the U.S. dollar equivalent of our earnings, which in turn could adversely affect the price of our securities.

Very limited hedging options are available in mainland China to reduce our exposure to exchange rate fluctuations. Currently, we do not have any hedging transactions to reduce our exposure to foreign currency exchange risk. While we may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited and we may not be able to adequately hedge our exposure or at all. In addition, our currency exchange losses may be magnified by PRC exchange control regulations that restrict our ability to convert Renminbi into foreign currency. As a result, fluctuations in exchange rates may have a material adverse effect on your investment.

Governmental control of currency conversion may limit our ability to utilize our revenues effectively.

The PRC government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of mainland China. Under existing foreign exchange regulations in mainland China, payments of current account items, such as profit distributions and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. However, approval from or registration with appropriate government authorities is required where Renminbi is to be converted into a foreign currency and remitted out of mainland China to pay capital expenses, such as the repayment of loans denominated in foreign currencies. See “Item 4. Information on the Company—B. Business Overview—Regulations—Regulation on Foreign Exchange.”

Since 2016, the PRC government has tightened its foreign exchange policies again and stepped up scrutiny of major outbound capital movement. More restrictions and a substantial vetting process have been put in place by SAFE to regulate cross-border transactions falling under the capital account. The PRC government may also restrict access in the future to foreign currencies for current account transactions, at its discretion. We receive substantially all of our revenues in Renminbi. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our shareholder.

Regulations in mainland China relating to offshore investment activities by mainland China residents may limit our mainland China subsidiaries’ ability to increase their registered capital or distribute profits to us or otherwise expose us or our mainland China resident beneficial owners to liability and penalties under PRC law.

SAFE requires mainland China residents or entities to register with SAFE or its local branch in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing. In addition, such mainland China residents or entities must update their SAFE registrations when the offshore special purpose vehicle undergoes certain material events. See “Item 4. Information on the Company—B. Business Overview—Regulations—Regulation on Foreign Exchange—Offshore Investment by Mainland China Residents.”

If our shareholders who are mainland China residents or entities do not complete their registration with the local SAFE branches, our mainland subsidiaries may be prohibited from distributing their profits and any proceeds from any reduction in capital, share transfer or liquidation to us, and we may be restricted in our ability to contribute additional capital to our mainland subsidiaries. Moreover, failure to comply with SAFE registration requirements could result in liability under PRC law for evasion of applicable foreign exchange restrictions.

However, we may not be informed of the identities of all the PRC residents or entities holding direct or indirect interests in our company, nor can we compel our beneficial owners to comply with SAFE registration requirements. As a result, we cannot assure you that all of our shareholders or beneficial owners who are PRC residents or entities have complied with, and will in the future make any registrations or obtain any approvals required by, SAFE regulations. Failure by such shareholders or beneficial owners to comply with SAFE regulations, or failure by us to amend the foreign

exchange registrations of our mainland subsidiaries, could subject us to fines or legal sanctions, restrict our overseas or cross-border investment activities, limit our mainland subsidiaries' ability to make distributions or pay dividends to us or affect our ownership structure, which could adversely affect our business and prospects.

Any failure to comply with PRC regulations regarding the registration requirements for employee stock incentive plans may subject plan participants in mainland China or us to fines and other legal or administrative sanctions.

Under SAFE regulations, mainland China residents who participate in a stock incentive plan of an overseas listed company, subject to certain exceptions, are required to register with SAFE or its local branches through a domestic qualified agent which could be a mainland China subsidiary of such overseas listed company, and complete certain other procedures. In addition, an overseas entrusted institution shall be retained to uniformly handle matters in connection with the exercise of share options, the purchase and sale of corresponding shares or interests, and the fund transfer, etc. See "Item 4. Information on the Company—B. Business Overview—Regulations—Regulation on Labor—Employee Stock Incentive Plan." We and our mainland China resident employees who participate in our share incentive plans are subject to these regulations since we became a public company listed in the United States. If we or any of these employees fail to comply with these regulations, we or such employees may be subject to fines and other legal or administrative sanctions.

Furthermore, the State Taxation Administration, or the STA, has issued certain circulars concerning employee share options and restricted shares. Under these circulars, our mainland China resident employees who exercise share options or are granted restricted shares will be subject to individual income tax on income from wages and salaries in mainland China. Our mainland China subsidiaries have obligations to file documents related to employee share options or restricted shares with competent tax authorities and to withhold individual income taxes on income from wages and salaries. If our mainland China resident employees fail to pay or we fail to withhold their individual income taxes on income from wages and salaries, we may face sanctions imposed by PRC tax authorities or other PRC government authorities.

Discontinuation of any of the preferential tax treatments and government subsidies or imposition of any additional taxes and surcharges could adversely affect our financial condition and results of operations.

Our mainland China subsidiaries have received various financial subsidies from PRC local government authorities. The financial subsidies result from discretionary incentives and policies adopted by PRC local government authorities. Local governments may decide to change or discontinue such financial subsidies at any time. The discontinuation of such financial subsidies or imposition of any additional taxes could adversely affect our financial condition and results of operations.

If we are classified as a mainland China resident enterprise for purposes of income tax in China, such classification could result in unfavorable tax consequences to us and our non-mainland China shareholders.

The tax resident status of an enterprise is subject to determination by PRC tax authorities and uncertainties remain with respect to the interpretation of the term "de facto management body." If PRC tax authorities determine that we are a mainland China resident enterprise for enterprise income tax purposes, we will be subject to the enterprise income tax on our global income at the rate of 25% and we will be required to comply with mainland China enterprise income tax reporting obligations. In addition, we may be required to withhold a 10% withholding tax from interest or dividends we pay to our shareholders who are non-mainland China residents.

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside of mainland China with a "de facto management body" within mainland China is considered a mainland China resident enterprise. The implementation rules define the term "de facto management body" as the body that exercises full and substantial control over and overall management of the business, productions, personnel, accounts and properties of an enterprise. The STA issued a circular in April 2009 and amended it in January 2014, known as Circular 82, which provides certain specific criteria for determining whether the "de facto management body" of a mainland China-controlled enterprise that is incorporated offshore is located in mainland China. Although Circular 82 only applies to offshore enterprises controlled by enterprises or enterprise groups in mainland China, not those controlled by individuals in mainland China or foreigners like us, the criteria set forth in the circular may reflect the STA's general position on how the "de facto management body" test should be applied in determining the tax resident status of all offshore enterprises. According to Circular 82, an offshore incorporated enterprise controlled by a mainland China company or a mainland China company group will be regarded as a mainland China tax resident by virtue of having its "de facto management body" in mainland

China and will be subject to enterprise income tax in mainland China on its global income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in mainland China; (ii) decisions relating to the enterprise's financial and human resource matters are made or are subject to approval by organizations or personnel in mainland China; (iii) the enterprise's primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in mainland China; and (iv) at least 50% of voting board members or senior executives habitually reside in mainland China.

We believe that none of our entities outside of mainland China is a mainland China resident enterprise for tax purposes. However, if PRC tax authorities determine that we are a mainland China resident enterprise for enterprise income tax purposes, we will be subject to the enterprise income tax on our global income at the rate of 25% and we will be required to comply with mainland China enterprise income tax reporting obligations. In addition, we may be required to withhold a 10% withholding tax from interest or dividends we pay to our shareholders that are non-mainland China resident enterprises. In addition, non-mainland China resident enterprise shareholders may be subject to mainland China tax at a rate of 10% on gains realized on the sale or other disposition of ordinary shares, if such income is treated as sourced from within mainland China. Furthermore, if PRC tax authorities determine that we are a mainland China resident enterprise for enterprise income tax purposes, interest or dividends paid to our non-mainland China individual shareholders and any gain realized on the transfer of ordinary shares by such holders may be subject to mainland China tax at a rate of 20% (which, in the case of interest or dividends, may be withheld at source by us), if such gains are deemed to be from mainland China sources. These rates may be reduced by an applicable tax treaty, but it is unclear whether our non-mainland China shareholders would be able to claim the benefits of any tax treaties between their country of tax residence and mainland China in the event that we are treated as a mainland China resident enterprise.

We may not be able to obtain certain benefits under relevant tax treaty on dividends paid by our mainland China subsidiaries to us through our Hong Kong subsidiary.

ECARX Holdings is a holding company incorporated under the laws of the Cayman Islands and as such rely on dividends and other distributions on equity from our subsidiaries to satisfy part of its liquidity requirements. Pursuant to the PRC Enterprise Income Tax Law, a withholding tax rate of 10% currently applies to dividends paid by a mainland China resident enterprise to a foreign enterprise investor, unless any such foreign investor's jurisdiction of incorporation has a tax treaty with mainland China that provides for preferential tax treatment. Pursuant to the Arrangement between Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Tax Evasion on Income, such withholding tax rate may be lowered to 5% if a Hong Kong resident enterprise owns no less than 25% of a mainland China company. Furthermore, the Administrative Measures for Non-Resident Enterprises to Enjoy Treatments under Treaties, which took effect in January 2020, require non-resident enterprises to determine whether they are qualified to enjoy the preferential tax treatment under the tax treaties and file the required report and materials with the tax authorities. There are also other conditions for enjoying the reduced withholding tax rate according to other tax rules and regulations. See "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Taxation—China."

As of December 31, 2025, most of our subsidiaries located in mainland China reported accumulated loss and therefore they had no retained earnings for offshore distribution. In the near term, we intend to re-invest all earnings, if any, generated from our mainland China subsidiaries for the operation and expansion of our business in China. Should our tax policy change to allow for offshore distribution of our earnings, we would be subject to a significant withholding tax. Our determination regarding our qualification to enjoy the preferential tax treatment could be challenged by the tax authority and we may not be able to complete the necessary filings with the tax authority and enjoy the preferential withholding tax rate of 5% under the arrangement with respect to dividends to be paid by our mainland China subsidiaries to our Hong Kong subsidiary.

We face uncertainty with respect to indirect transfers of equity interests in mainland China resident enterprises by their non-mainland China holding companies.

In February 2015, the STA issued the Circular on Issues of Enterprise Income Tax on Indirect Transfers of Assets by Non-PRC Resident Enterprises, or Circular 7. Circular 7 extends its tax jurisdiction to not only indirect transfers but also transactions involving transfer of other taxable assets, through the offshore transfer of a foreign intermediate holding company. In addition, Circular 7 provides certain criteria on how to assess reasonable commercial purposes and has introduced safe harbors for internal group restructurings and the purchase and sale of equity through a public securities market. Circular 7 also brings challenges to both the foreign transferor and transferee (or other person who is obligated to pay for the transfer) of the taxable assets. Where a non-mainland China resident enterprise conducts an "indirect transfer" by transferring the taxable assets indirectly by disposing of the equity interests of an overseas holding company, the non-

mainland China resident enterprise being the transferor, or the transferee, or the mainland China entity which directly owned the taxable assets may report to the tax authority such indirect transfer. Using a “substance over form” principle, PRC tax authorities may disregard the existence of the overseas holding company if it lacks a reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring tax in mainland China. As a result, gains derived from such indirect transfer may be subject to enterprise income tax in mainland China, and the transferee or other person who is obligated to pay for the transfer is obligated to withhold the applicable taxes, currently at a rate of 10% for the transfer of equity interests in a mainland China resident enterprise. On October 17, 2017, the STA issued Circular on Issues of Tax Withholding regarding Non-PRC Resident Enterprise Income Tax, or Circular 37, which came into effect on December 1, 2017 and was amended on June 15, 2018. Circular 37 further clarifies the practice and procedure of the withholding of nonresident enterprise income tax.

We face uncertainties on the reporting and consequences of future private equity financing transactions, share exchanges or other transactions involving the transfer of shares in our company by investors that are non-mainland China resident enterprises. PRC tax authorities may pursue such non-mainland China resident enterprises with respect to a filing or the transferees with respect to withholding obligations, and request our mainland China subsidiaries to assist in the filing. As a result, we and non-mainland China resident enterprises in such transactions may become at risk of being subject to filing obligations or being taxed under Circular 7 and Circular 37, and may be required to expend valuable resources to comply with them or to establish that we and our non-mainland China resident enterprises should not be taxed under these regulations, which may have a material adverse effect on our financial condition and results of operations.

If the custodians or authorized users of controlling non-tangible assets of our company, including our corporate chops and seals, fail to fulfill their responsibilities, or misappropriate or misuse these assets, our business and operations could be materially and adversely affected.

Under the law of mainland China, legal documents of mainland China companies for corporate transactions are executed using the chops or seal of the signing entity or with the signature of a legal representative whose designation is registered and filed with the relevant branch of the SAMR.

Although we usually utilize chops to enter into contracts, the designated legal representatives of each of our mainland China subsidiaries have the apparent authority to enter into contracts on behalf of such entities without chops and bind such entities. In order to maintain the physical security of our chops and chops of our mainland China entities, we generally store these items in secured locations accessible only by the authorized personnel in the legal or finance department of each of our subsidiaries. Although we monitor such authorized personnel, there is no assurance such procedures will prevent all instances of abuse or negligence. Accordingly, if any of our authorized personnel misuse or misappropriate our corporate chops or seals, we could encounter difficulties in maintaining control over the relevant entities and experience significant disruption to our operations. If a designated legal representative obtains control of the chops in an effort to obtain control over any of our mainland China subsidiaries, we or such subsidiaries would need to pass a new shareholders or board resolution to designate a new legal representative and we would need to take legal action to seek the return of the chops, apply for new chops with the authorities, or otherwise seek legal redress for the violation of the representative’s fiduciary duties to us, which could involve significant time and resources and divert management attention away from our regular business. In addition, the affected entity may not be able to recover corporate assets that are sold or transferred out of our control in the event of such a misappropriation if a transferee relies on the apparent authority of the representative and acts in good faith.

Our leased property interest or entitlement to other facilities or assets may be defective or subject to lien and our right to lease, own or use the properties affected by such defects or lien challenged, which could cause significant disruption to our business.

Under the law of mainland China, all lease agreements are required to be registered with the local housing authorities. We presently lease several premises in mainland China, but these premises have not completed the registration of the ownership rights or the registration of our leases with the authorities. Failure to complete these required registrations may expose our landlords, lessors and us to potential monetary fines. If these registrations are not obtained in a timely manner or at all, we may be subject to monetary fines or may have to relocate our offices and incur the associated losses.

We cannot assure you that the lessors of our leased properties are entitled to lease the relevant real properties to us. If the lessors are not entitled to lease the real properties to us and the owners of such real properties decline to ratify the lease agreements between us and the respective lessors, we may not be able to enforce our rights to lease such properties under the respective lease agreements against the owners. Meanwhile, registered mortgage of property right may over

leased properties before such properties are leased to some of our mainland China subsidiaries. In addition, some registered addresses of mainland China subsidiaries may be inconsistent with the actual operating addresses, and the actual uses of some land leased to some of our mainland China subsidiaries are inconsistent with the planned use indicated on the ownership certificate of such land. If our lease agreements are claimed as null and void by third parties who are the real owners of such leased real properties, we could be required to vacate the properties, in the event of which we could only initiate the claim against the lessors under the lease agreements for indemnities for their breach of the lease agreements. In addition, we may not be able to renew our existing lease agreements before their expiration dates, in which case we may be required to vacate the properties. We cannot assure you that suitable alternative locations are readily available on commercially reasonable terms, or at all, and if we are unable to relocate our operations in a timely manner, our operations may be adversely affected.

Risks Relating to Our Securities

The price of our securities may be volatile, and the value of our securities may decline.

We cannot predict the prices at which our securities will trade. The price of our securities may not bear any relationship to any established criteria of the value of our business or prospects, and the market price of our securities may fluctuate substantially. In addition, the trading price of our securities could be subject to fluctuations in response to various factors, some of which are beyond our control. These fluctuations could cause you to lose all or part of your investment in our securities as you might be unable to sell these securities at or above the price you paid for the securities. Factors that could cause fluctuations in the trading price of our securities include the following:

- actual or anticipated fluctuations in our financial condition or results of operations;
- variance in our financial performance from the expectations of securities analysts;
- changes in our projected operating and financial results;
- changes in laws or regulations applicable to our business;
- announcements by us or our competitors of significant business developments, acquisitions or new offerings;
- sales of our securities by us, our shareholders or our warrant holders, as well as the anticipation of lockup releases;
- significant breaches of, disruptions to or other incidents involving our information technology systems or those of our business partners;
- our involvement in litigation;
- conditions or developments affecting our industry;
- changes in senior management or key personnel;
- the trading volume of our securities;
- changes in the anticipated future size and growth rate of our markets;
- publication of research reports or news stories about us, our competitors or our industry, or positive or negative recommendations or withdrawal of research coverage by securities analysts; and
- general economic and market conditions; and other events or factors, including those resulting from war, incidents of terrorism, global pandemics or responses to these events.

We may be subject to securities litigation, which is expensive and could divert management attention.

Companies that have experienced volatility in the volume and market price of their shares have been subject to an increased incidence of securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, and, if adversely determined, could have a material adverse effect on our business, financial condition, and results of operations.

A market for our securities may not develop or be sustained, which would adversely affect the liquidity and price of our securities.

An active trading market for our securities may never develop or, if developed, may not be sustained. In addition, the price of our securities may vary due to general economic conditions and forecasts, our general business condition and the release of our financial reports. Additionally, if our securities are not listed on Nasdaq and are quoted on the OTC Bulletin Board (an inter-dealer automated quotation system for equity securities that is not a national securities exchange),

the liquidity and price of our securities may be more limited than if we were quoted or listed on Nasdaq or another national securities exchange. You may be unable to sell our securities unless a market can be established or sustained.

If we do not meet the expectations of equity research analysts, if they do not publish research reports about our business or if they issue unfavorable commentary or downgrade our securities, the price of our securities could decline.

The trading market for our securities relies in part on the research reports that equity research analysts publish about us and our business. The estimates of such analysts are based upon their own opinions and may be different from our estimates or expectations. If our results of operations are below the estimates or expectations of equity research analysts and investors, the price of our securities could decline. Moreover, the price of our securities could decline if one or more equity research analysts downgrade our securities or if those analysts issue other unfavorable commentary or cease publishing reports about us or our business.

Sales of a substantial number of our securities in the public market could cause the price of our securities to fall.

Sales of a substantial number of our securities, or the perception that those sales might occur, could result in a significant decline in the public trading price of our securities and could impair our ability to raise capital through the sale or issuance of additional equity securities. We have registered for the resale by certain of our shareholders of up to 291,679,672 Class A Ordinary Shares pursuant to certain registration rights granted to such shareholders in connection with the Business Combination. We cannot predict what effect, if any, market sales of securities held by our significant shareholders or any other shareholder will have on the market price of our Ordinary Shares. If any existing shareholder or shareholders sell a substantial amount of ordinary shares, the market price of our Ordinary Shares could decline.

Future issuance of Ordinary Shares will result in increase in the number of Class A Ordinary Shares eligible for future resale and additional dilution of the percentage ownership of our shareholders and could cause our share price to fall.

As of February 28, 2026, there were 23,871,971 Warrants outstanding. Each Warrant entitles its holder to purchase one Class A Ordinary Share at an exercise price of US\$11.50 per share (subject to adjustment).

On October 30, 2025, we entered into the 2025 ATW Convertible Note Purchase Agreement with ATW Mobility SPV LLC under which we agreed to issue and sell pursuant to the Indenture, dated October 30, 2025 between us and U.S. Bank Trust Company, National Association, as trustee, and a First Supplemental Indenture entered into between us and the Trustee, in one or more registered direct offerings by us directly to the investor the 2025 ATW Convertible Notes for up to an aggregate principal amount of US\$150,000,000 that will be convertible into Class A Ordinary Shares. We issued and sold to ATW Mobility SPV LLC a 2025 ATW Convertible Note in the original principal amount of US\$50,000,000 on October 30, 2025. Upon our filing of one or more additional prospectus supplements, and our satisfaction of certain other conditions, the investor may elect to consummate additional closings of up to US\$100 million in aggregate principal amount of additional notes. The 2025 ATW Convertible Notes will at all times rank pari passu with all our existing and future unsubordinated and unsecured obligations. Unless earlier converted or redeemed, the 2025 ATW Convertible Notes will mature on the twelve-month anniversary of the issuance date, subject to extension in certain circumstances as provided in the notes. The 2025 ATW Convertible Notes do not bear interest except upon the occurrence and continuance of an event of default, in which case the interest rate becomes 14.0% per annum. If a holder elects to convert or redeem all or any portion of a 2025 ATW Convertible Note prior to the maturity date, all accrued and unpaid interest on the amount being converted or redeemed will also be payable. Upon issuance, the 2025 ATW Convertible Notes amortize in installments, and we will make monthly payments commencing on the first trading day after the closing date as specified in the note, payable in cash or our Class A Ordinary Shares. If we elect to pay in cash, the principal due will include accrued and unpaid interest and any late charges on the notes, along with any applicable deferred amount and/or accelerated amount and 7% premium on the principal amount. If we elect to pay in Class A Ordinary Shares, for purposes of the monthly amortization, our Class A Ordinary Shares will be valued at a price per share equal to the lower of: (i) the conversion price then in effect; and (ii) the greater of (x) the floor price; and (y) 98% of the quotient of (A) the sum of each of lowest volume weighted average of our Class A Ordinary Shares of any 4 trading days during the 20 consecutive trading day period ending and including the trading day immediately prior to such installment date, divided by (B) 4. No 2025 ATW Convertible Notes may be converted to the extent that such conversion or exercise would cause the then holder of such note to become the beneficial owner of more than 4.99% (which percentage is subject to increase to 9.99% or decrease, at the option of such holder, except that any increase will only be effective upon 61-days' prior notice to us) after giving effect to such conversion or exercise. Subject to this beneficial ownership cap, each holder of 2025 ATW Convertible Notes may convert all, or any part, of the outstanding principal of the notes, together with accrued and unpaid interest, and any late charges thereon, at any time, at such holder's option, into Class A Ordinary Shares at a conversion price that is initially set at US\$2.59 per share (subject to adjustment). At any time after the earlier of the holder's receipt of an event of default notice and the holder's becoming aware of an event of default and ending (each such period is referred to as an "Event of Default Redemption Right Period") on the later of (x) the date such event of default is cured (or waived in writing by the

holder) and (y) tenth trading day after the holder's receipt of an event of default notice, each holder may alternatively elect to convert all or any party of the amounts outstanding under such holder's 2025 ATW Convertible Note at a 25% premium into Class A Ordinary Shares at the "Alternate Conversion Price" equal to the lower of (i) the conversion price then in effect; and (ii) the greater of (i) US\$0.47, subject to adjustment as set forth in the 2025 ATW Convertible Notes; and (ii) 85% of the lowest volume weighted average price of the Class A Ordinary Shares during the 10 consecutive trading days immediately prior to such conversion. Subject to the rules and regulations of the Nasdaq Global Market and certain other conditions, we have the option at any time to elect mandatory conversion if the share price trades above US\$3.88 (as adjusted for share splits, share dividends, recapitalizations and similar events) for 15 consecutive trading days and the aggregate daily dollar trading volume of our Class A Ordinary Shares on each trading day during such 15 consecutive trading day period is more than US\$3,000,000. We have no right to effect a mandatory conversion if any event of default has occurred and is continuing. The 2025 ATW Convertible Notes contain customary affirmative and negative covenants, including certain limitations on incurrence of indebtedness and creation of liens, payment, redemption, cash dividends and investments, asset transfers, changes in the business, and obligation to maintain intellectual property rights and insurance. They also require us to maintain a minimum balance of available cash of US\$25 million as of the end of each fiscal quarter. The 2025 ATW Convertible Notes prohibit us from entering into specified fundamental transactions (including, without limitation, mergers, business combinations and similar transactions) unless the successor company assumes in writing all of our obligations under the notes. In connection with a change of control of our company, each holder may require us to redeem in cash all, or any portion, of such holder's note a 20% redemption premium on the portion of the note to be redeemed. The 2025 ATW Convertible Notes contain standard and customary events of default including but not limited to: (i) the suspension from trading or the failure to list our Class A Ordinary Shares within certain time periods; (ii) failure to make payments when due under the notes; and (iii) bankruptcy or insolvency of our company. During the event of default redemption right period, each holder of 2025 ATW Convertible Notes may require us to redeem in cash all, or any portion, of the notes at a 25% premium, or, with respect to certain events of default, the share failure redemption value of the notes to be redeemed. If any bankruptcy event of default occurs, we shall immediately redeem in cash all, or any portion of the 2025 ATW Convertible Notes at a 25% redemption premium, unless each holder waives such right to receive payment.

On November 3, 2025, we entered into the 2025 Convertible Note Purchase Agreement with a then existing holder of the convertible notes issued by Company in October 2022, or the 2022 Notes. US\$100 million of convertible notes (the "2025 Convertible Notes") were issued pursuant to the 2025 Convertible Note Purchase Agreement and on terms similar to the 2022 Notes in connection with the refinancing of the 2022 Notes.

Additional Class A Ordinary Shares are issuable upon conversion of the 2025 ATW Convertible Notes (which are of an aggregate principal amount of US\$50 million as of the date of this annual report) at an initial conversion price of US\$2.59 per share (subject to customary adjustments on the conversion price), and 2025 Convertible Notes (which are of an aggregate principal amount of US\$100 million as of the date of this annual report) at an initial conversion price of US\$2.62 per share (subject to customary adjustments on the conversion price). To the extent Warrants are exercised or convertible securities are converted, additional Class A Ordinary Shares will be issued, which will result in dilution to Sales of substantial numbers of such shares in the public market could depress the market price of the Class A Ordinary Shares. Moreover, certain of these instruments contain and the terms of our future equity or debt securities may contain anti-dilution provisions, which could result in the issuance of a significantly higher number of shares upon exercise, conversion or exchange.

In addition, we may need additional capital in the future to finance our operations. We may sell Ordinary Shares, convertible securities or other equity securities in one or more transactions at prices and in a manner we determine from time to time. Furthermore, we may issue additional Ordinary Shares in connection with the grant of equity awards to employees under our equity incentive plans. Any such issuance of additional share capital may cause shareholders to experience significant dilution of their ownership interests and the value of our securities to decline.

The Warrants may never be in the money, and they may expire worthless.

The exercise price for the Warrants is US\$11.50 per share (subject to adjustment). The likelihood that warrant holders will exercise the Warrants and any cash proceeds that we would receive are dependent upon the market price of our Class A Ordinary Shares, among other things. If the market price for our Ordinary Shares is less than US\$11.50 per share, we believe warrant holders will be unlikely to exercise their Warrants. There is no assurance that the Warrants will be "in the money" prior to their expiration or that the warrant holders will exercise their Warrants.

We may redeem your unexpired Public Warrants prior to their exercise at a time that is disadvantageous to you, thereby making your warrants worthless.

We have the ability to redeem outstanding Public Warrants at any time after they become exercisable and prior to their expiration, at a price of US\$0.01 per warrant, provided that the last reported sale price of our Ordinary Shares equals

or exceeds US\$18.00 per share (as adjusted) for any 20 trading days within a 30 trading-day period ending on the third trading day prior to the date on which we give proper notice of such redemption and there is an effective registration statement covering the issuance of Ordinary Shares issuable upon exercise of the Warrants. Redemption of the outstanding Public Warrants could force you (i) to exercise your Public Warrants and pay the exercise price therefor at a time when it may be disadvantageous for you to do so, (ii) to sell your Public Warrants at the then-current market price when you might otherwise wish to hold your Public Warrants, or (iii) to accept the nominal redemption price, which, at the time the outstanding Public Warrants are called for redemption, is likely to be substantially less than the market value of your Public Warrants.

Our dual-class voting structure will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of Class A Ordinary Shares may consider beneficial.

ECARX Holdings adopts a dual-class voting structure such that our ordinary share capital consists of Class A Ordinary Shares and Class B Ordinary Shares. Both Class A Ordinary Shares and Class B Ordinary Shares confer the same rights other than voting and conversion rights. Each holder of Class A Ordinary Shares is entitled to one vote per share and each holder of Class B Ordinary Shares is entitled to 10 votes per share on all matters submitted to them for a vote. Class A Ordinary Shares and Class B Ordinary Shares vote together as a single class on all matters submitted to a vote of our shareholders, except as may otherwise be required by law. The memorandum and articles of association of ECARX, as amended from time to time, may provide for the instances where the holders of Class A Ordinary Shares and Class B Ordinary Shares may vote as a separate class. Under the seventh amended and restated memorandum and articles of association of ECARX Holdings, Class A Ordinary Shares and Class B Ordinary Shares will vote as a separate class if any rights attaching to either Class A Ordinary Shares or Class B Ordinary Shares are being materially and adversely varied. Such variation requires the consent in writing of the holders of at least two-thirds of the issued Class A Ordinary Shares or Class B Ordinary Shares (as the case may be) or with the sanction of a special resolution passed at a separate meeting of the holders of Class A Ordinary Shares or Class B Ordinary Shares (as the case may be). The Companies Act (As Revised) of the Cayman Islands also provides where a compromise or arrangement is proposed between a Cayman Islands company and its shareholders or any class of them, the court may, on the application of the company or of any shareholder of the company, order a meeting of the shareholders of the company or class of shareholders, as the case may be, to be summoned in such manner as the court directs. Each Class B Ordinary Share is convertible into one Class A Ordinary Share at any time at the option of the holder thereof, whereas Class A Ordinary Shares are not convertible into Class B Ordinary Shares under any circumstances. Upon (i) any direct or indirect sale, transfer, assignment, or disposition of such number of Class B Ordinary Shares by the holder thereof or the direct or indirect transfer or assignment of the voting power attached to such number of Class B Ordinary Shares through voting proxy or otherwise to any person that is not Mr. Eric Li (Shufu Li) or Mr. Ziyu Shen or their respective affiliate or (ii) any direct or indirect sale, transfer, assignment, or disposition of a majority of the issued and outstanding voting securities of, or the direct or indirect transfer or assignment of the voting power attached to such voting securities through voting proxy or otherwise, or the direct or indirect sale, transfer, assignment, or disposition of all or substantially all of the assets of, a holder of Class B Ordinary Shares that is an entity to any person that is not Mr. Eric Li (Shufu Li) or Mr. Ziyu Shen or their respective affiliate, such Class B Ordinary Shares are automatically and immediately converted into the equal number of Class A Ordinary Shares.

Mr. Eric Li (Li Shufu) and Mr. Ziyu Shen, founders of ECARX, collectively own all of the Class B Ordinary Shares. These Class B Ordinary Shares constitute 12.1% of our total outstanding share capital and 57.8% of the aggregate voting power of our total issued and outstanding share capital due to the disparate voting powers associated with our dual-class share structure. As a result of the dual-class share structure and the concentration of control, holders of Class B Ordinary Shares have considerable influence over matters such as decisions regarding election of directors and other significant corporate actions. Such holders may take actions that are not in the best interest of us or our other shareholders. This concentration of control may discourage, delay, or prevent a change in control of us, which could have the effect of depriving our other shareholders of the opportunity to receive a premium for their shares as part of a sale of us and may reduce our share price. This concentrated control will limit the ability of holders of Class A Ordinary Shares to influence corporate matters and could discourage others from pursuing any potential merger, takeover, or other change of control transactions that holders of Class A Ordinary Shares may view as beneficial.

The dual-class structure of our Ordinary Shares may adversely affect the trading market for our securities.

Certain shareholder advisory firms have announced changes to their eligibility criteria for inclusion of securities of public companies on certain indices, including the S&P 500, to exclude companies with multiple classes of shares and companies whose public shareholders hold no more than 5% of total voting power from being added to such indices. In addition, several shareholder advisory firms have announced their opposition to the use of multiple class structures. As a result, the dual class structure of our Ordinary Shares may prevent the inclusion of our securities in such indices and may cause shareholder advisory firms to publish negative commentary about our corporate governance practices or otherwise

seek to cause us to change our capital structure. Any such exclusion from indices could result in a less active trading market for our securities. Any actions or publications by shareholder advisory firms critical of our corporate governance practices or capital structure could also adversely affect the value of our securities.

The Warrant Agreement designates the courts of the State of New York or the United States District Court for the Southern District of New York as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by holders of the Warrants, which could limit the ability of Warrant holders to obtain a favorable judicial forum for disputes with us in connection with such Warrants.

The Warrant Agreement provides that, subject to applicable law, (i) any action, proceeding or claim against us arising out of or relating in any way to the Warrant Agreement, will be brought and enforced in the courts of the State of New York or the United States District Court for the Southern District of New York, and (ii) we irrevocably submit to such jurisdiction, which jurisdiction shall be the exclusive forum for any such action, proceeding or claim. We have waived any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum. Notwithstanding the foregoing, these provisions of the Warrant Agreement do not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal district courts of the United States of America are the sole and exclusive forum. Any person or entity purchasing or otherwise acquiring any interest in any Warrants under the Warrant Agreement shall be deemed to have notice of and to have consented to the forum provisions of the Warrant Agreement. If any action, which is referred to as a “foreign action,” the subject matter of which is within the scope of the forum provisions of the Warrant Agreement, is filed in a court other than a court of the State of New York or the United States District Court for the Southern District of New York in the name of any holder of the warrants, such holder shall be deemed to have consented to: (i) the personal jurisdiction of the state and federal courts located in the State of New York in connection with any action brought in any such court to enforce the forum provisions (an “enforcement action”), and (ii) having service of process made upon such holder in any such enforcement action by service upon such warrant holder’s counsel in the foreign action as agent for such holder.

The choice-of-forum provision limits a Warrant holder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us, which may discourage such lawsuits. Alternatively, if a court were to find this provision of the Warrant Agreement inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could materially and adversely affect our business, financial condition and results of operations and result in a diversion of the time and resources of our management and board of directors.

The requirements of being a public company may strain our resources, divert our management’s attention and affect our ability to attract and retain qualified board members.

We are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Act, Nasdaq Global Market listing requirements and other applicable securities rules and regulations. As such, we incur legal, accounting and other expenses, and these expenses may increase even more if we no longer qualify as an “emerging growth company,” as defined in Section 2(a) of the Securities Act. The Exchange Act requires, among other things, that we file annual and current reports with respect to our business and operating results. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We may need to hire more employees or engage outside consultants to comply with these requirements, which will increase our costs and expenses.

Changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We expect these laws and regulations to increase our legal and financial compliance costs and to render some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty.

Many members of our management team have limited experience managing a publicly traded company, interacting with public company investors and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage the transition to being a public company subject to significant regulatory oversight and reporting obligations under the federal securities laws and regulations and

the continuous scrutiny of securities analysts and investors. The need to establish the corporate infrastructure demanded of a public company may divert the management's attention from implementing our growth strategy, which could prevent us from improving our business, financial condition and results of operations. Furthermore, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and consequently we may be required to incur substantial costs to maintain the same or similar coverage. These additional obligations could have a material adverse effect on our business, financial condition, results of operations and prospects. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee, and qualified executive officers.

As a result of disclosure of information in this annual report and in filings required of a public company, our business and financial condition will become more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business and operating results could be adversely affected, and, even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could cause an adverse effect on our business, financial condition, results of operations, prospects and reputation.

We are an “emerging growth company,” and it cannot be certain if the reduced SEC reporting requirements applicable to emerging growth companies will make our Class A Ordinary Shares and Warrants less attractive to investors, which could have a material and adverse effect on us, including our growth prospects.

We are an “emerging growth company” as defined in the JOBS Act. We will remain an “emerging growth company” until the earliest to occur of (i) the last day of the fiscal year (a) following the fifth anniversary of the closing of the Business Combination, (b) in which we have total annual gross revenue of at least US\$1.235 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common equity held by non-affiliates exceeds US\$700 million as of the last business day of our prior second fiscal quarter, and (ii) the date on which we issued more than US\$1.0 billion in non-convertible debt during the prior three-year period. We intend to take advantage of exemptions from various reporting requirements that are applicable to most other public companies, whether or not they are classified as “emerging growth companies,” including, but not limited to, an exemption from the provisions of Section 404(b) of the Sarbanes-Oxley Act requiring that our independent registered public accounting firm provide an attestation report on the effectiveness of our internal control over financial reporting and reduced disclosure obligations regarding executive compensation.

In addition, Section 102(b)(1) of the JOBS Act exempts “emerging growth companies” from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies, but any such election to opt out is irrevocable. We have elected not to opt out of such extended transition period, which means that when a standard is issued or revised and we have different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with certain other public companies difficult or impossible because of the potential differences in accounting standards used.

Furthermore, even after we no longer qualify as an “emerging growth company,” as long as we continue to qualify as a foreign private issuer under the Exchange Act, we will be exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies.

As a result, our shareholders may not have access to certain information they deem important or at the same time if we were not a foreign private issuer. We cannot predict if investors will find our securities less attractive because we rely on these exemptions. If some investors find our securities less attractive as a result, there may be a less active trading market and share price for our securities may be more volatile.

We qualify as a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to United States domestic public companies.

Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including: (i) the rules

under the Exchange Act requiring the filing of quarterly reports on Form 10-Q or current reports on Form 8-K with the SEC; (ii) the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act; (iii) the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and (iv) the selective disclosure rules by issuers of material nonpublic information under Regulation FD.

We will be required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we intend to publish our results on a quarterly basis through press releases, distributed pursuant to the rules and regulations of Nasdaq. Press releases relating to financial results and material events will also be furnished to the SEC on Form 6-K. However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. Accordingly, you may receive less or different information about us than you would receive about a U.S. domestic public company.

We could lose our status as a foreign private issuer under current SEC rules and regulations if more than 50% of our outstanding voting securities become directly or indirectly held of record by U.S. holders and any one of the following is true: (i) the majority of our directors or executive officers are U.S. citizens or residents; (ii) more than 50% of our assets are located in the United States; or (iii) our business is administered principally in the United States. If we lose our status as a foreign private issuer in the future, we will no longer be exempt from the rules described above and, among other things, will be required to file periodic reports and annual and quarterly financial statements as if we were a company incorporated in the United States. If this were to happen, we would likely incur substantial costs in fulfilling these additional regulatory requirements, and members of our management would likely have to divert time and resources from other responsibilities to ensuring these additional regulatory requirements are fulfilled.

You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under the laws of the Cayman Islands, and we conduct substantially all of our operations, and a majority of our directors and executive officers reside, outside of the United States.

ECARX Holdings is an exempted company limited by shares incorporated under the laws of the Cayman Islands and we conduct a majority of our operations through our subsidiary, ECARX, outside the United States. Substantially all of our assets are located outside the United States. A majority of our officers and directors reside outside the United States and a substantial portion of the assets of those persons are located outside of the United States. As a result, it may be difficult for investors to effect service of process within the United States upon our directors or officers, or to enforce judgments obtained in the United States courts against our directors or officers.

Our corporate affairs are governed by the memorandum and articles of association of ECARX Holdings, as amended from time to time, the Companies Act (As Revised) of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take action against our directors, actions by minority shareholders and the fiduciary duties of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of our shareholders and the fiduciary duties of our directors under Cayman Islands law are different from what they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a different body of securities laws than the United States and some U.S. states, such as Delaware, may have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, with respect to Cayman Islands companies, plaintiffs may face special obstacles, including but not limited to those relating to jurisdiction and standing, in attempting to assert derivative claims in state or federal courts of the United States.

The Grand Court of the Cayman Islands may not (i) recognize or enforce against us judgments of courts of the United States predicated upon the civil liability provisions of the federal securities laws of the United States or any state; and (ii) in original actions brought in the Cayman Islands, impose liabilities against us predicated upon the civil liability provisions of the federal securities laws of the United States or any state, so far as the liabilities imposed by those provisions are penal in nature. Although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, (and the Cayman Islands are not a party to any treaties for the reciprocal enforcement or recognition of such judgments), the courts of the Cayman Islands will, at common law, recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without any re-examination of the merits of the underlying dispute based on the principle that the judgment of the competent foreign court imposes upon the judgment debtor an obligation to pay a

liquidated sum for which such judgment has been given, provided such judgment must be final and conclusive and for a liquidated sum, and must not be in respect of taxes or a fine or penalty, inconsistent with a Cayman Islands judgment in respect of the same matter, impeachable on the grounds of fraud or obtained in a manner, and or be of a kind the enforcement of which is, contrary to natural justice or the public policy of the Cayman Islands (awards of punitive or multiple damages may well be held to be contrary to public policy). A Cayman Islands court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to obtain or inspect copies of register of members or corporate records (other than the memorandum and articles of association, the register of mortgages and charges and any special resolutions passed by shareholders) of these companies. Under Cayman Islands law, the names of current directors can be obtained from a search conducted at the Registrar of Companies in the Cayman Islands. Pursuant to the seventh amended and restated memorandum and articles of association of ECARX Holdings, our directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or articles the accounts and books of us or any of them shall be open to the inspection of our shareholders not being directors, and none of our shareholder (not being a director) shall have any right of inspection of any account or book or document of us except as conferred by law or authorized by the directors or by special resolution of our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

Certain corporate governance practices in the Cayman Islands differ significantly from requirements for companies incorporated in other jurisdictions such as the United States. As a foreign private issuer whose securities are listed on Nasdaq, we are permitted to follow certain home country corporate governance practices in lieu of the requirements of the Nasdaq Rules pursuant to Nasdaq Rule 5615(a)(3), which provides for such exemption to compliance with the Nasdaq Rule 5600 Series. To the extent we choose to follow home country practice with respect to corporate governance matters, our shareholders may be afforded less protection than they otherwise would under rules and regulations applicable to U.S. domestic issuers.

As a result of all of the above, our shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States. For additional information, please see the section entitled “Item 6. Directors, Senior Management and Employees—Enforceability of Civil Liability and Agent for Service of Process in the United States.”

We do not anticipate paying dividends for the foreseeable future.

We expect to retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. As a result, it is not expected that we will pay any cash dividends in the foreseeable future.

Our board of directors will have discretion as to whether to distribute dividends. Even if the board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on the future results of operations and cash flow, capital requirements and surplus, the amount of distributions, if any, received by us from subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, you may need to rely on sales of our securities after price appreciation, which may never occur, as the only way to realize any future gains on your investment. There is no guarantee that our securities will appreciate in value or that the market price of our securities will not decline.

Our memorandum and articles of association contain anti-takeover provisions that could have a material adverse effect on the rights of holders of our securities.

The seventh amended and restated memorandum and articles of association of ECARX Holdings contain provisions to limit the ability of others to acquire control of our company or cause us to engage in change-of-control transactions. These provisions could have the effect of depriving our shareholders of an opportunity to sell their shares at a premium over prevailing market prices by discouraging third parties from seeking to obtain control of our company in a tender offer or similar transaction. Our board of directors has the authority, without further action by our shareholders, to issue preferred shares in one or more series and to fix their designations, powers, preferences, privileges and relative participating, optional or special rights and the qualifications, limitations or restrictions, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights associated with our Class A Ordinary Shares. Preferred shares could be issued quickly with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. If our board of

directors decides to issue preferred shares, the price of our securities may fall and the voting and other rights of the holders of our Class A Ordinary Shares may be materially and adversely affected.

We may be or become a passive foreign investment company, or PFIC, for United States federal income tax purposes for any taxable year, which could result in adverse U.S. federal income tax consequences to U.S. Holders.

A non-U.S. entity treated as a corporation for U.S. federal income tax purposes will generally be a PFIC for U.S. federal income tax purposes for any taxable year if either (i) at least 75% of its gross income for such year is passive income or (ii) at least 50% of the value of its assets (generally based on an average of the quarterly values of the assets) during such year is attributable to assets that produce passive income or are held for the production of passive income. Passive income generally includes, among other things, dividends, interest, rents, royalties, and gains from the disposition of passive assets. We will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other entity treated as a corporation for U.S. federal income tax purposes in which we own, directly or indirectly, 25% or more (by value) of the stock.

Based on the current and anticipated value of our assets and the composition of our income and assets, including goodwill and other unbooked intangibles, we do not believe we were a PFIC for our taxable year ended December 31, 2025 and we do not presently expect to be a PFIC for the current taxable year or the foreseeable future. However, this conclusion is a factual determination that must be made annually at the close of each taxable year on the basis of the composition of our income and assets and our subsidiaries' income and assets and, thus, is subject to change. Furthermore, fluctuations in the market price of our Class A Ordinary Shares may cause us to be classified as a PFIC for the current or future taxable years because the value of our assets for purposes of the asset test, including the value of our goodwill and other unbooked intangibles, may be determined by reference to the market price of our Class A Ordinary Shares from time to time (which may be volatile). Accordingly, there can be no assurance that we or any of our subsidiaries will not be a PFIC for any taxable year. If we or any of our subsidiaries is a PFIC for any taxable year, or portion thereof, that is included in the holding period of a beneficial owner of our Class A Ordinary Shares or Warrants that is a U.S. Holder, such U.S. Holder may be subject to certain adverse U.S. federal income tax consequences and may be subject to additional reporting requirements. For more information, please see "Item 10. Additional Information—E. Taxation—U.S. Federal Income Tax Considerations—Passive Foreign Investment Company Status." U.S. Holders should consult their tax advisors regarding the possible application of the PFIC rules to an investment in our Ordinary Shares or Warrants.

Item 4. Information on the Company

A. History and Development of the Company

Our company was founded in 2017 by Mr. Eric Li (Li Shufu) and Mr. Ziyu Shen.

ECARX Holdings was incorporated as an exempted company in accordance with the laws and regulations of the Cayman Islands on November 12, 2019. ECARX Holdings is not an operating company but a Cayman Islands holding company, with operations in China being conducted through our PRC subsidiaries. Prior to 2022, we conducted our operations in China through such subsidiaries as well as through Hubei ECARX, our former VIE based in China. However, we restructured our company in the beginning of 2022 such that we no longer have any VIE. We refer to this series of transactions in this annual report as the Restructuring. See "Item 4. Information on the Company—C. Organizational Structure."

On December 20, 2022, we consummated the Business Combination with COVA, pursuant to the Agreement and Plan of Merger, dated as of May 26, 2022. COVA was a blank check company incorporated for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses or entities. On December 21, 2022, our Class A Ordinary Shares and Warrants were listed on The Nasdaq Global Market under the symbol "ECX" and "ECXWW," respectively.

In June 2023, we increased our equity interest in JICA Intelligent, a technology company focusing on developing intelligent automotive products, from 50% to 70%. JICA Intelligent offers full-stack research and development capabilities for autonomous driving, covering the end-to-end process of development, such as intelligent cockpit, intelligent driving, peripheral products, sensor perception, decision-making algorithms, vehicle control strategies, underlying systems, hardware development, and test verification.

In November 2023, we entered into a strategic cooperation agreement and a licensing agreement with Hubei Xingji Meizu Group Co., Ltd., or Xingji Meizu. Pursuant to the strategic cooperation agreement, Xingji Meizu and we will

further collaborate in the development and commercialization of the Flyme Auto intelligent cockpit solutions for three years. Pursuant to the licensing agreement, we obtained certain rights to distribute the Flyme Auto intelligent cockpit solutions worldwide for three years with a total licensing fee of US\$21 million payable by us in installments. In May 2025, the parties agreed to extend the license for an additional term of 8 years to November 2033 on an exclusive basis for no additional consideration.

In December 2023, we signed a strategic partnership agreement with Black Sesame Technologies, a leading automotive-grade SoC and SoC-based intelligent vehicle solution provider. We will collaborate closely with Black Sesame Technologies to integrate our research and development, product, and technical resources with those of Black Sesame Technologies. The strategic partnership aims at developing cutting-edge ADAS solutions that drive business growth and solution deployment for both parties, fostering the development of an integrated intelligent driving ecosystem.

In January 2024, we acquired a controlling equity interest in Suzhou Photon-Matrix Optoelectronics Technology Co., Ltd., positioning as a provider of new components, including LiDAR, for intelligent vehicles more broadly. Suzhou Photon-Matrix is currently involved in research and development activities while also pursuing business opportunities in the intelligent vehicles and autonomous driving industry.

In August 2024, we sold our minority stake of 40% in HaleyTek AB, or HaleyTek, to Volvo Cars while maintaining our collaboration with Volvo Cars and HaleyTek on the development of automotive software.

We started in-house production at our Hangzhou Fuyang facility since April 2024, marking a critical milestone in the Company's strategy to vertically integrate our production and supply chain capabilities. In July 2024, we acquired Hubei Dongjun Automotive Electronic Technology Co., Ltd., which marks a significant step towards building our in-house production capabilities in China.

In December 2024, our board of directors authorized a share repurchase program under which we may repurchase up to US\$20,000,000 of our Ordinary Shares until the close of business on September 30, 2025, U.S. Eastern Time. Subsequently, the program was extended up to March 31, 2026 with an increased aggregate limit of US\$40,00,000. As of February 28, 2026, the Company has repurchased 25,558,141 shares, in total, at an average price of US\$1.4721 per share.

The mailing address of our principal executive office is Second Floor North, International House, 1 St. Katharine's Way, London E1W 1UN, United Kingdom, and its phone number is +4420 3011 0334. Our corporate website address is <https://www.ecarxgroup.com/>. The information contained in, or accessible through, our website does not constitute a part of this annual report.

B. Business Overview

We distinguish ourselves by developing full-stack technology solutions that accelerate the future of software-defined vehicles. Our business is focused on three core product lines: Intelligent Cockpit Platforms, Intelligent Driving Platforms, and Fusion Platforms (Vehicle Central Computing). Underpinning these platforms is our strong, full-stack technical capability ranging from silicon (System-on-a-Chip or "SoC") to software (Cloudpeak), allowing us to continuously improve the in-car user experience.

We have established a successful track record since our inception. As of December 31, 2025, there were over 11 million vehicles on the road with ECARX products and solutions onboard. As of December 31, 2025, we had a team of over 1,400 based in 13 major locations in China, UK, USA, Singapore, Malaysia, Sweden and Germany, approximately 70% of whom are involved in research and development, providing the foundation for us to serve 28 vehicle brands across the globe.

Computing Platforms

Intelligent Cockpit Platforms

We offer a scalable cockpit portfolio ranging from cost-efficient entry-level solutions to high-end flagship platforms. We are one of the few players in the industry who can achieve full-stack capability from silicon to cloud, currently serving 18 global and local OEMs across 28 brands.

Venado Series Platform

The Venado series is a cost-efficient intelligent cockpit computing platform designed to support a range of advanced digital cockpit functions. We also offer the Venado as computing module to the market and enable other partners to build systems for their customers. Since its launch in 2021, the platform has been deployed in Geely ecosystem models, Changan Mazda, and Dongfeng Peugeot-Citroën models, achieving a cumulative shipments exceeding 3.5 million units.

Makalu Computing Platform

The Makalu computing platform is a high-performance intelligent cockpit solution powered by AMD Ryzen™ Embedded V2000 processors and AMD Radeon™ RX 6000 series GPUs. Makalu is designed to support advanced digital cockpit experiences, including immersive graphics, high-performance computing and customizable user interfaces, addressing the increasing demand for connected and feature-rich in-vehicle user experiences.

Qualcomm-based Platforms

We collaborate with Qualcomm to offer flexible SoC portfolios for global markets.

Galena Computing Platforms (SA8155)

Empowered with Qualcomm Snapdragon® SA8155 SoCs, we collaborate with smart and Lynk & Co to create the unique design and user experience. This platform integrates the Flyme Auto operating system and Google Automotive Services (GAS).

Pikes Computing Platform (SA8295)

We also offer a high-end flagship cockpit platform based on SA8295 (5nm) SoC, this platform allows us to service OEMs worldwide with a single platform integrating Flyme Auto 2.0 and multiple ecosystems. It features advancements in user experience, such as multi-user displays and deeper AI integration. It has been deployed on Geely M9 and Lynk&Co Z10, 07&08.

Intelligent Driving (ADAS) Platforms

We offer scalable ADAS solutions covering parking assistance systems (PAS), smart camera solutions and ADAS domain controllers and supporting functionality ranging from active safety to L2 / L2+ / L2++, with roadmap support toward higher levels of automated driving. We also support multiple ADAS SoC ecosystems, including China-based suppliers (SiEngine, Black Sesame Technologies) and global suppliers (NVIDIA, Mobileye and Qualcomm).

Black Sesame-based Platforms

To enhance the competitiveness of the ECARX Skyland solution, ECARX adopted a dual-SoC architecture to integrate L2+ driving and parking functions on a single platform. The platform supports expressway NOA based on high-definition(HD) maps and entered mass production in 2023. In addition, we have deployed Parking Assistance Units (PAS) based on a single A1000LE SoC across multiple vehicle models. These platforms entered mass production in 2025 and support surround-view (AVM) and automated parking assistance (APA) functions.

AD1000 Platform

The ECARX AD1000 ADAS domain controller platform is based on the SiEngine SoC, featuring AI computing capability of up to 256 TOPS and hardware-level functional safety support up to ASIL D. The platform supports a multi-camera perception architecture with up to 11 cameras and is designed to support advanced intelligent driving functions, including urban NOA and highway pilot assistance (HPA) without reliance on HD maps. The platform architecture is designed to support end-to-end (E2E) and vision-led algorithmic approaches as part of ECARX's intelligent driving technology roadmap. The AD1000 platform can be further scaled through a dual-chip configuration to support L3/L4 ADAS functionality.

Lidar products

ECARX also has in-house lidar products, the solid-state short-range lidar and the semi-solid rotating mirror long-range lidar.

On June 25, 2025 we signed a partnership agreement with a leading global developer of robotic lawn mowers to integrate ECARX's cutting-edge lidar solution.

ECARX's proprietary solid-state 3D short-range lidar provides the high-precision environmental perception essential for autonomous robot operations. The lidar incorporates a customized light source and a high-resolution sensor for precise environmental mapping — critical for advanced obstacle avoidance systems used in robotic navigation, object manipulation, and human-machine collaboration.

Fusion Platforms (Vehicle Central Computing)

As intelligent cockpit functions expand and intelligent driving capabilities mature, OEMs are increasingly adopting centralized vehicle computing architectures that integrate cockpit and driving functions.

We are an early mover in fusion platforms, offering both “OneBox” and “OneChip” solutions. The fusion platform supports flexible E/E architecture integration, leveraging ECARX's deep expertise in both China and global automotive architectures.

Antora® Series

The Antora® 1000 platform upgrades ECARX's smart cockpit and fusion computing platform into a vehicle central computing platform, integrating cockpit, driving and parking-related computing functions. The platform is designed to improve system-level cost efficiency by high integration, making it suitable for entry to mid-range vehicle models. In May 2024, Antora® 1000 was deployed on Geely Galaxy E5, supporting integrated around-view monitoring (AVM) and automated parking assistance (APA) through centralized computing and NPU resource utilization.

Technology

Our product competitiveness is driven by our core technologies across both silicon and software.

Silicone capability

SoC core modules have been a key component of ECARX's technology portfolio since our inception. We distinguish ourselves by engaging in co-defined solution with semiconductor partners, deep customization and optimization to ensure our platforms are both robust and cost-efficient.

Deep Optimization for Performance and Efficiency

We collaborate closely with chip partners to customize automotive-grade core modules. Our engineering expertise extends to the rigorous optimization of the Board Support Package (BSP) and Hypervisor technologies, as well as the integration of critical functional safety and cybersecurity protocols. We further enhance these SoCs by integrating additional key components, including power management integrated circuits, storage modules, and peripheral interface units, as well as associated toolchains and algorithms, to form complete SoC core modules suitable for automotive applications.

This comprehensive approach allows us to provide a strong, high-performance, and cost-efficient computing platform that delivers superior system compatibility and vehicle-level stability compared to off-the-shelf solutions.

Co-Defined Solutions with SiEngine

Beyond standard customization, we leverage our strategic partnership with SiEngine to co-define silicon solutions. This collaboration enables us to bring differentiated, proprietary solutions to the market that are purpose-built to support our full-stack software architecture and meet specific OEM requirements.

Software (Cloudpeak) Capability

ECARX Cloudpeak is a full-stack software platform built for the software-defined vehicle era, spanning from BSP to applications, AI and connected services. It has been deployed across 40+ global markets, helping OEMs shorten development cycles, reduce cost, and deliver continuous feature updates.

Android-first Cockpit

Cloudpeak is architected around an Android-first philosophy, with Android Automotive OS at the core of the in-vehicle infotainment experience. Built on AAOS, Cloudpeak consolidates years of intelligent cockpit know-how into reusable, modular platform capabilities that bridge app ecosystems and in-vehicle scenarios. Through platformization and standardized components/toolchains—from vehicle control interfaces to connectivity, media, navigation, voice and AI—Cloudpeak enables configurable, repeatable delivery across vehicle lines, regional ecosystems, and hardware variants, improving reuse, consistency, and time-to-market for mass production.

Multi-silicon + Cockpit/Fusion/ADAS Expertise

Cloudpeak is proven across major automotive compute platforms, including Qualcomm SA8155/SA8295 and the latest Gen5 (SA8397/SA8797), as well as the SiEngine Antora family and MediaTek. We have built strong hardware platform capabilities that span bring-up and integration across multiple operating systems, high-throughput vehicle signal pipelines and standardized interfaces, enabling rapid adaptation across different ECU architectures and vehicle configurations. Leveraging virtualization and cross-domain middleware, Cloudpeak supports secure workload consolidation and deterministic collaboration between cockpit functions and fusion/ADAS-related applications.

GAS Compliance Recognized by Google

Cloudpeak has achieved multiple CTS and GAS certifications, demonstrating production-grade maturity in meeting Google’s compliance requirements while sustaining continuous updates over the vehicle lifecycle. This capability is underpinned by a standards-first engineering approach and a disciplined “zero-patch policy”—prioritizing native AAOS mechanisms (stable APIs, overlays and standard components), extending rather than modifying core framework code, and upstreaming generic fixes and enhancements to AOSP when necessary. As a result, Cloudpeak reduces compliance risk and upgrade friction, enabling OEMs to scale globally with a Google-compatible cockpit platform. These practices and capabilities have been recognized by Google in a Whitepaper.

Deep Flyme Auto Integration

As a core part of the ECARX ecosystem, Flyme Auto is deeply integrated into Cloudpeak’s architecture and interface layer to deliver a cohesive, premium cockpit experience at scale. It enriches the application layer across Launcher & System UI, navigation, voice & AI, camera and connectivity, while leveraging Cloudpeak’s standardized APIs to enable extensibility and third-party compatibility in a compliant manner. On the user side, Flyme Auto brings a refined HMI with multi-form desktops (real-time/map/wallpaper), small-window multitasking for lightweight scenarios, car-optimized gesture interactions, and rich personalization such as widgets, dock customization and quick-access cards.

Agentic AI as the Next Core Experience

Building on open-source large language models, Cloudpeak focuses on two core AI capabilities. First, it fine-tunes foundation models with automotive tasks and driving scenarios to significantly improve accuracy in in-vehicle interactions and task execution. Second, it provides an agent platform that enables the creation, orchestration, and management of AI agents, including skill integration and tool invocation, allowing the system to handle complex in-vehicle services through coordinated agent workflows.

Research and Development

As of December 31, 2025, approximately 70% of our full-time employees belong to the research and development division.

Our research and development centers currently span across Europe and APAC. We established our product development center in Gothenburg, Sweden in December 2020. This team is primarily responsible for digital cockpit operating system development, including the management of development and delivery. In 2023, we opened an engineering center in Stuttgart, Germany.

Our research and development efforts focus on our core technology relating to the development of vehicle intelligence and provides us with a competitive edge as we seek additional business with new and existing customers. Our research and development team has extensive experience in automotive and technology industries and is primarily working in three workstreams comprising digital cockpit product development teams, super brain product development team, and automated driving control unit product development team.

Intellectual Property

We regard our patents, trademarks, copyrights, domain names, know-how, proprietary technologies, and similar intellectual property as critical to our success.

As of December 31, 2025, we had 779 registered patents and 797 pending patent applications globally.

Our ability to remain at the forefront of innovation in the industries in which we operate depends largely on our ability to obtain, maintain, and protect our intellectual property and other proprietary rights relating to our technology and to successfully enforce these rights against third parties. To accomplish this, we rely on a combination of intellectual property rights, such as patents, trademarks, copyrights, and trade secrets (including know-how), in addition to internal policies, and employee and third-party nondisclosure agreements, intellectual property licenses, and other contractual rights. Specifically, we enter into confidentiality and non-disclosure agreements with our employees, ecosystem partners (including suppliers), and other relevant parties to protect our proprietary rights. We also enact internal policies and procedures and employ encryptions and data security measures to provide additional safeguards. The foregoing notwithstanding, there can be no assurance that our efforts will be successful. Even if our efforts are successful, we may incur significant costs in defending our rights. It is equally important for us to operate without infringing, misappropriating, or otherwise violating the intellectual property or proprietary rights of others. From time to time, third parties may initiate litigation against us alleging infringement of their proprietary rights. A comprehensive discussion on risks relating to intellectual property is provided under the sections titled “Risk Factors — Risks Related to Our Business and Industry.”

Regulations

Regulation on Foreign Investment

Guidance Catalog of Industries for Foreign Investment

Investments in mainland China by foreign investors and foreign-invested enterprises were regulated by the Guidance Catalog of Industries for Foreign Investment jointly promulgated by the Ministry of Commerce and the NDRC on June 28, 1995, and latest amended on June 28, 2017. The Guidance Catalog of Industries for Foreign Investment was repealed by (i) the Special Management Measures (Negative List) for the Access of Foreign Investment (2024 Version), or the 2024 Negative List, which was jointly promulgated by the Ministry of Commerce and the NDRC on September 6, 2024, and took effect on November 11, 2024, and (ii) the Catalog of Industries for Encouraged Foreign Investment (2025 Version), or the 2025 Encouraged Catalog, which was jointly promulgated by the Ministry of Commerce and the NDRC on December 15, 2025, and took effect on February 1, 2026. The 2025 Encouraged Catalog and the 2024 Negative List set out the industries and economic activities in which foreign investment in mainland China is encouraged, restricted, or prohibited.

Industries not listed in the 2024 Negative List are generally considered to fall under a fourth, “permitted,” category. Foreign-owned enterprises are generally allowed to be wholly established in both encouraged and permitted industries. In contrast, some restricted industries are limited to equity or contractual joint ventures, and in some cases Chinese partners are required to hold the majority interests in such joint ventures. In addition, foreign investment in projects falling into the restricted category is subject to government approvals. For example, in certain value-added telecommunications services, foreign equity is capped at 50%, except in sectors such as e-commerce, domestic multi-party communications, store-and-forward, call centers. In the case of basic telecommunications services, control must remain with the Chinese party. Obtaining an ICP license, which is necessary for value-added telecommunications services for internet content provider, falls under the restricted category. Foreign investment is strictly prohibited for industries falling within the prohibited category, such as geodetic surveying, marine surveying and mapping, aerial photography for surveying and mapping, ground moving surveying and mapping, surveying and mapping of administrative boundaries and other mapping related fields. Prior to 2022, we conducted surveying and mapping services and ICP businesses through Hubei ECARX, the former VIE. We effected the Restructuring in 2022 and terminated the VIE corporate structure. The termination was due to the increased regulatory scrutiny over such structure and because the businesses and assets relating to surveying and mapping services and ICP businesses held by Hubei ECARX, the former VIE, were inconsequential to our operations in 2020 and 2021 and which we believe have not had and will not have any material impact on our business

operations or financial results. Following the Restructuring in 2022, the contractual arrangement of the VIE structure was terminated and currently we do not have any VIE in China. We have not engaged in the surveying and mapping services and ICP businesses after the Restructuring.

Pursuant to the 2025 Encouraged Catalog, the research and development and manufacture of automobile electronic devices, the research and development and manufacture of key parts and components of intelligent vehicles, and the manufacture of hardware and key parts and components related to Level 3 to Level 5 autonomous driving fall within the encouraged category. Certain of our products constitute central computing units, vehicle-mounted operating system, and information control system, heterogeneous multi-processor computing platform technology, or sensor fusion sensing technology and consequently qualify under the encouraged category. The release of the 2025 Encouraged Catalog indicates that foreign investment into the selected industrial sectors is encouraged, and the NDRC and other government authorities in mainland China may provide policy supports and implement other actions in the future to improve the investment framework and ensure that foreign invested enterprises are treated equally as compared with mainland China companies under the national treatment principle and in an appropriate manner. For our products that fall within the encouraged category, we will be entitled to apply for and may obtain certain preferential treatments such as with respect to tax (if any). However, any positive policy change could potentially intensify competition in the relevant industry, leading to a more competitive environment for us. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—The automotive intelligence industry is highly competitive, and we may not be successful in competing in this industry.”

Foreign Investment Law

On March 15, 2019, the PRC National People’s Congress promulgated the PRC Foreign Investment Law, which took effect on January 1, 2020. It replaced three previously existing laws on foreign investment in mainland China, namely, the PRC Equity Joint Venture Law, the PRC Cooperative Joint Venture Law, and the PRC Wholly Foreign-Owned Enterprise Law, together with their implementation rules and ancillary regulations. The Foreign Investment Law embodies an expected PRC regulatory trend to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate legal requirements for both non-foreign owned mainland China companies and foreign-invested enterprises in mainland China. The Foreign Investment Law establishes the basic framework for the access to, and the promotion, protection, and administration of, foreign investment in view of investment protection and fair competition. Furthermore, the Foreign Investment Law stipulates that foreign-invested enterprises established according to the previously existing laws regulating foreign investment may maintain their structure and corporate governance within five years after the implementation of the Foreign Investment Law.

According to the Foreign Investment Law, “foreign investment” refers to investment activities in mainland China directly or indirectly conducted by one or more natural persons, business entities, or other organizations of a foreign country, and the investment activities include: (i) a foreign investor, individually or collectively with other investors, establishing a foreign-invested enterprise in mainland China, (ii) a foreign investor acquiring stock, equity shares, shares in assets, or other similar rights and interests of an enterprise in mainland China, (iii) a foreign investor, individually or collectively with other investors, investing in a new project in mainland China, and (iv) investing through other means as provided for by laws, administrative regulations, or the PRC State Council.

The Foreign Investment Law authorizes the State Council to publish or approve to publish a catalog for special administrative measures, or the Negative List, and grants national treatment to foreign-invested enterprises except for those that operate in industries deemed to be either “restricted” or “prohibited” in the Negative List. The Foreign Investment Law stipulates that foreign-invested enterprises operating in “restricted” or “prohibited” industries will be required to obtain market-entry clearance and other approvals from PRC government authorities.

In addition, the Foreign Investment Law provides protective principles and rules for foreign investors and their investment in mainland China. For example, local PRC government authorities must abide by their undertaking made to foreign investors; foreign-invested enterprises are allowed to issue stocks and corporate bonds; expropriation or requisition of foreign investment is prohibited, except in special circumstances where statutory procedures must be followed and fair and reasonable compensation must be timely made; mandatory technology transfer is prohibited; and the capital contribution, profit, capital gain, proceeds of asset disposal, intellectual property right licensing fees, indemnity or compensation legally obtained, or proceeds received upon settlement by foreign investors in mainland China may be freely remitted inbound and outbound in Renminbi or a foreign currency.

To coordinate with the implementation of the Foreign Investment Law and the Implementation Regulations of the Foreign Investment Law, the Ministry of Commerce and the SAMR promulgated the Measures for Reporting of Information on Foreign Investment on December 30, 2019, which took effect from January 1, 2020. These measures stipulate that foreign investors or foreign-invested enterprises must submit investment information by initial reports, change reports, deregistration reports, and annual reports through an enterprise registration system and a national enterprise credit information publicity system. The Announcement on Matters Concerning the Reporting of Information on Foreign Investment promulgated by the Ministry of Commerce on December 31, 2019, and the Circular on Effective Work on Registration of Foreign-Invested Enterprises for the Implementation of the Foreign Investment Law promulgated by the SAMR on December 28, 2019, further refine the regulatory regime in this area. Foreign investors or foreign-invested enterprises will bear legal liabilities for failing to report investment information as required.

PRC Company Law

The PRC Company Law was promulgated by the SCNPC on December 29, 1993 and subsequently amended on October 26, 2018. The PRC Company Law provides for the establishment, corporate structure and corporate management of companies and is applicable to foreign-invested enterprises in mainland China. The PRC Company Law was most recently amended on December 29, 2023 (as amended, the “Revised Company Law”), and the amendment took effect on July 1, 2024. Among others, the Revised Company Law requires that the registered capital of limited liability companies in mainland China be fully paid within five years. Companies incorporated before the promulgation and implementation of the Revised Company Law are required to gradually make adjustment to comply with the deadline. We may be required to accelerate the payment of capital contributions towards the registered capital of our mainland China subsidiaries and joint ventures. As of the date of this annual report, specific implementation measures of the Revised Company Law are yet to be prescribed by the State Council.

Regulation on Road Tests of Intelligent Connected Vehicles

On July 27, 2021, the MIIT, the Ministry of Public Security and the Ministry of Transport jointly issued the Good Practices for the Administration of Road Test and Demonstration Application of Intelligent Connected Vehicles (for Trial Implementation), or Circular 97, which took effect on September 1, 2021, and is the primary regulation governing road tests and demonstrations of intelligent connected vehicles in mainland China. Pursuant to Circular 97, road test refers to the test of self-driving function of intelligent connected vehicles carried out on the designated sections of highways (including expressways), urban roads, regional roads and other roads used for the passage of social motor vehicles. Prior to conducting a road test, the relevant entity must ensure the vehicle to be tested has undergone sufficient tests in specific areas such as testing areas or sites, and complies with applicable national and industry standards and specifications, requirements imposed by the relevant departments of the provincial or municipal government as well as the evaluation rules of the entity intending to conduct the road tests. Conditions for road tests must also be met, including that (i) the self-driving function of the vehicle shall be tested by a third-party testing agency that is engaged in automobile-related business and recognized by the State or the provincial or municipal government; (ii) the operator of the testing area or site for the field test shall be an independent legal entity registered within the territory of mainland China; and (iii) the third-party testing agency shall publish items of its testing service and fee standards, be responsible for the authenticity of the test results and bear the corresponding legal liability. Any entity intending to conduct road tests shall submit an Intelligent Connected Vehicles Road Test Security Self Declaration to the relevant authorities at the provincial and municipal levels for confirmation. Such declaration shall specify the entity intending to conduct the road tests, the identification code of the vehicle, the name and ID number of the test driver, the duration of the test, the sections of roads and areas where tests will be conducted, the list of test items, and other relevant information. The testing duration shall not exceed 18 months in principle, and shall not exceed the validity period of the quality certificate of safety technical inspection and the insurance voucher. Any entity intending to conduct road tests shall apply to the administrative department of traffic under the Ministry of Public Security for a temporary car plate for each vehicle being tested.

According to the Notice on Promoting the Development of Intelligent Connected Vehicles and Maintaining the Security of Surveying and Mapping Geographic Information issued by the Ministry of Natural Resources on August 25, 2022, if an intelligent connected vehicle is equipped with or integrated with certain sensors, the collection, storage, transmission and processing of surveying and mapping geographic information and data, including spatial coordinates, images, point clouds and their attribute information, of vehicles and surrounding road facilities in the process of road test, will be considered surveying and mapping activities. Persons who collect, store, transmit and process such surveying and mapping geographic information and data, will be the main actors of surveying and mapping activities. Additionally, if any vehicle manufacturer, service provider or smart driving software provider that is a foreign-invested enterprise needs to engage in the collection, storage, transmission and processing of surveying and mapping geographic information and data, it shall entrust an agency with surveying and mapping qualification to carry out the intended activities, and the entrusted agency shall undertake the collection, storage, transmission and processing of the spatial coordinates, images, point clouds

and their attribute information and other businesses, and provide geographic information service and support. With respect to the road test activities currently conducted by JICA Intelligent, it has entrusted Hubei ECARX, our former VIE, and an entity with the required qualification for surveying and mapping under applicable law, to engage in the collection, storage, transmission and processing of data throughout the road tests JICA Intelligent only obtains the road test results from Hubei ECARX which do not contain any surveying and mapping geographic information and data.

Regulation on Compulsory Product Certification

Pursuant to the Regulations on Certification and Accreditation promulgated on September 3, 2003 and last amended on July 20, 2023, certification and accreditation activities in mainland China shall comply with these regulations. Under the Administrative Regulations on Compulsory Product Certification, which was promulgated on July 3, 2009 and last amended on November 1, 2022, the List of the First Batch of Products Subject to Compulsory Product Certification, which was promulgated on December 3, 2001 and took effect on May 1, 2002, and the Compulsory Product Certification Catalogue Description and Definition Form, which was promulgated on April 17, 2007 and last amended on August 10, 2023, the SAMR is responsible for the regulation and quality certification, and vehicle wireless terminal and vehicle wireless module cannot be delivered, sold, imported, or used in operating activities until certified by designated PRC certification authorities as qualified products and granted certification marks, otherwise the violator will be ordered to make corrections and be imposed with a fine ranging from RMB50,000 to RMB200,000. If the value of uncertified illegal products is less than RMB10,000, a fine of no more than twice the value of the goods will be imposed and the illegal income (if any) will be confiscated. ECARX (Hubei) Tech has obtained compulsory product certifications for the relevant ECARX products.

Regulation on Radio Transmitting Equipment

According to the PRC Radio Regulations promulgated on September 11, 1993 and last amended on November 11, 2016, except for micro power short-distance radio transmitting equipment, for any production or import of other radio transmitting equipment for domestic sale and use, an application for model confirmation shall be filed with the radio regulatory authority. For anyone who, in violation of these regulations, produces or imports any radio transmitting equipment sold or used within mainland China without obtaining model confirmation, the radio regulatory authority shall order the violator to take corrective action and impose a fine ranging from RMB50,000 to RMB200,000 on the violator. If the violator refuses to take corrective action, the radio regulatory authority shall confiscate the radio transmitting equipment without model confirmation and impose a fine ranging from RMB200,000 to RMB1,000,000 on the violator. ECARX (Hubei) Tech has obtained the model confirmation for the relevant ECARX products.

Regulation on Import and Export of Goods

Pursuant to the PRC Foreign Trade Law promulgated on May 12, 1994 and last amended on December 30, 2022, unless otherwise provided for under laws or administrative regulations, the import and export of goods and technologies are permitted to be carried out without restriction in principle. The foreign trade department of the State Council may implement an automatic licensing system for certain approved imports and exports for the purpose of monitoring of import and export activities, and the foreign trade department of the State Council or its authorized agencies will grant a license to the consignee or consignor who applies for automatic licensing prior to completing customs clearance formalities for imports and exports subject to automatic licensing.

According to the PRC Customs Law promulgated on January 22, 1987 and last amended on April 29, 2021, where a consignee or consignor of import or export goods goes through customs declaration procedures, it shall file for record with the customs, and in the event customs declaration business is engaged in without being filed with the customs, the customs shall impose a fine against the entity concerned. Under the Administrative Provisions of the Customs on Record-filing of Customs Declaration Entities, which was promulgated on November 19, 2021 and took effect on January 1, 2022, customs declaration entities include consignees or consignors of import or export goods that have filed for record with customs in accordance with these provisions, and consignors or consignees of import or export goods that apply for record-filing shall have obtained market entity qualifications and completed the record registration of foreign trade operators, the latter, however, has been cancelled since December 30, 2022. Record-filing of customs declaration entities shall be valid permanently. ECARX (Hubei) Tech and JICA Intelligent have completed the record-filing of customs declaration entity (consignee or consignor of import or export goods).

Regulation on Product Liability and Consumer Protection

On May 28, 2020, the National People's Congress approved the PRC Civil Code, which took effect on January 1, 2021. According to the Civil Code, if defective products are identified after they have been put into circulation, their manufacturers or sellers must timely take remedial measures such as warning announcement and product recall. If damage arises from a defective product, the aggrieved party may seek compensation from either the manufacturer or the seller of the product. If the defect is caused by the seller, the manufacturer will be entitled to seek indemnification from the seller upon compensation of the aggrieved party. If the products are manufactured or sold with known defects causing deaths or severe health issues, punitive damages may be claimed in addition to compensatory damages.

Pursuant to the PRC Product Quality Law promulgated on February 22, 1993 and last amended on December 29, 2018, a manufacturer is prohibited from making or selling products that do not meet applicable standards and requirements for safeguarding human health and ensuring human and property safety. Products must be free from unreasonable dangers threatening human and property safety. Where a defective product causes physical injury to a person or property damage, the aggrieved party may claim compensation against the manufacturer or the seller of the product. Manufacturers and sellers of non-compliant products may be ordered to cease the manufacture or sale of the products and could be subject to confiscation of the products or fines. Income from sales in contravention of such standards or requirements may also be confiscated, and in severe cases, the business license may be revoked.

Our business is subject to a variety of consumer protection laws, including the PRC Consumer Rights and Interests Protection Law, which was amended in 2013 and took effect on March 15, 2014. This law imposes stringent requirements and obligations on business operators. For example, business operators should guarantee that the products and services they provide satisfy the requirements for personal or property safety, and provide consumers with authentic information about the quality, function, usage, and term of validity of the products or services. Failure to comply with these consumer protection laws could subject us to administrative sanctions, such as the issuance of a warning, confiscation of illegal income, imposition of fines, an order to cease business operations, or revocation of business licenses, as well as potential civil or criminal liabilities. On March 15, 2024, the State Council promulgated the Regulations for the Implementation of the PRC Consumer Rights and Interests Protection Law. These regulations took effect on July 1, 2024 and provide detailed guidelines for business operators to follow in order ensure that the goods or services they offer to consumers meet the necessary safety standards. The implementation regulations specify that business operators must ensure that items provided to consumers, including items that are free-of-charge such as in the form of rewards, gifts, or trial products, adhere to these safety standards. Under these regulations, consumers are entitled to report any concerns regarding potentially defective goods or services that could pose risks to personal or property safety to the business operators or competent regulatory authorities. Additionally, business operators are prohibited from imposing different prices or fee schemes on consumers for the same goods or services under the same transactional terms and conditions without the acknowledgement of such consumers.

Regulation on Cyber Security and Privacy Protection

Cybersecurity and Data Security

The SCNPC enacted the Decisions on the Maintenance of Internet Security on December 28, 2000 and further amended on August 27, 2009, which may subject persons to criminal liabilities in China for any attempt to use the internet to (i) gain improper entry to a computer or system of strategic importance; (ii) disseminate politically disruptive information; (iii) leak state secrets; (iv) spread false commercial information; or (v) infringe upon intellectual property rights. In 1997, the Ministry of Public Security issued the Administration Measures on the Security Protection of Computer Information Network with International Connections, as later amended by the PRC State Council on January 8, 2011, which prohibits using the internet to leak state secrets or to spread socially destabilizing materials.

According to the PRC National Security Law issued by the SCNPC on February 22, 1993 and latest revised on July 1, 2015, China shall establish systems and mechanisms for national security review and supervision, conduct national security review on key technology, network information technology products and services related to national security to prevent and neutralize national security risks in an effective way. The PRC Cyber Security Law, which was promulgated on November 7, 2016 by the SCNPC and last amended on October 28, 2025 (with such amendment taking effective on January 1, 2026) provides that network operators shall perform their cyber security obligations and shall take technical measures and other necessary measures to protect the safety and stability of their networks. Under the Cyber Security Law, network operators are subject to various security protection-related obligations, including, among others, (i) network

operators shall comply with certain obligations regarding maintenance of the security of internet systems; (ii) network operators shall verify users' identities before signing agreements or providing certain services such as information publishing or real-time communication services; (iii) when collecting or using personal information, network operators shall clearly indicate the purposes, methods and scope of the information collection, the use of information collection, and obtain the consent of those from whom the information is collected; (iv) network operators shall strictly preserve the privacy of user information they collect, and establish and maintain systems to protect user privacy; (v) network operators shall strengthen management of information published by users, and when they discover information prohibited by laws and regulations from publication or dissemination, they shall immediately stop dissemination of that information, including taking measures such as deleting the information, preventing the information from spreading, saving relevant records, and reporting to the relevant governmental agencies. In addition, the Cyber Security Law requires that critical information infrastructure operators, or CIIOs, including CIIOs in the finance industry, generally shall store, within the territory of mainland China, the personal information and important data collected and produced during their operations in mainland China and their purchase of network products and services that affect or may affect national securities shall be subject to national cybersecurity review. CIIOs who use network products and services that have not been filed for or passed a cybersecurity review may be subject to the following penalties: (i) being ordered by the relevant authorities to make corrections within a prescribed time limit; (ii) being suspended from using such network products and services; (iii) being ordered to eliminate the impact on national security; (iv) a fine of more than one time and less than ten times the purchase price of such network products and services; (v) a fine of more than RMB10,000 and less than RMB100,000 on the senior staff in and other staff directly responsible.

On April 13, 2020, the CAC, the NDRC, and several other administrations jointly promulgated the Measures for Cybersecurity Review, which took effect on June 1, 2020. These measures establish the basic framework for national security reviews of network products and services, and provide the principal provisions for undertaking cybersecurity reviews. According to the Measures for Cybersecurity Review, when the purchase of network products and services by a CIIO influences or may influence national security, a cybersecurity review shall be conducted. In addition, the relevant regulatory authorities are still entitled to impose security reviews on network products and services that are deemed capable of affecting national security. CIIOs may voluntarily file for a cybersecurity review with CAC prior to purchasing network products and services if they deem their behavior affects or may affect national security based on self-assessment and self-evaluation. Notwithstanding the voluntary filing, the relevant authorities are entitled to initiate cybersecurity reviews accordingly. Cybersecurity reviews focus on assessing the national security risks associated with purchasing network products and services, mainly taking the following factors into account: (i) the risk of illegal control, interference or destruction of critical information infrastructure and of its important data being stolen, leaked or destroyed, arising from the purchase and utilization of network products and services; (ii) the potential harm on the business continuity of critical information infrastructure incurring from a disruption of network products and services supply; (iii) the safety, openness, transparency, diversity of sources of Network Products and Services; the reliability of suppliers; and the risk of supply disruption due to political, diplomatic, trade and other reasons; (iv) the level of compliance with PRC laws, administrative regulations and ministry rules of the suppliers of Network Products and Services; and (v) other factors that may harm critical information infrastructure and/or national security. In addition, on July 22, 2020, the Ministry of Public Security issued the Guiding Opinions on Implementing the Cybersecurity Graded Protection System and Critical Information Infrastructure Security Protection System to further improve the national cyber security prevention and control system. On December 28, 2021, the CAC and several other administrations jointly issued the Revised Measures for Cybersecurity Review, which took effect and replace the Measures for Cybersecurity Review on February 15, 2022. According to the revised measures, in addition to CIIOs purchasing network products or services that affect or may affect national security, any "online platform operator" carrying out data processing activities that affect or may affect national security should also be subject to a cybersecurity review, and any "online platform operator" possessing personal information of more than one million users must apply for a cybersecurity review before its listing overseas. In the event a member of the cybersecurity review working mechanism is in the opinion that any network product or service or any data processing activity affects or may affect national security, the Office of Cybersecurity Review shall report the same to the Central Cyberspace Affairs Commission for its approval under applicable procedures and then conduct a cybersecurity review in accordance with the revised Measures for Cybersecurity Review.

The Revised Measures for Cybersecurity Review further elaborate on the range of factors to be considered when assessing the level of national security risks involved in the relevant activities. In addition to those set forth in the original measures, the list has been expanded to include the following factors: (i) the risk of core data, important data or a large amount of personal information being stolen, leaked, destroyed, and illegally used or illegally transferred abroad, and (ii) in connection with the listing of a company, the risk of critical information infrastructure, core data, important data or a large amount of personal information being affected, controlled, or used with malicious intent by foreign governments, as well as the risk relating to network information security. Specifically, the Revised Measures for Cybersecurity Review provide that an "online platform operator" who is in possession of personal information of more than one million users must report to

the relevant cybersecurity review office for a cybersecurity review before listing in a foreign country. An operator undergoing a cybersecurity review must take risk prevention and mitigation measures during such review in accordance with applicable requirements. Based on a set of Q&A published on the official website of the CAC in connection with the release of the Revised Measures for Cybersecurity Review, an official of the CAC indicated that an “online platform operator” should apply for a cybersecurity review prior to the submission of its listing application with non-mainland China securities regulators. After the receipt of all required application materials, the authorities must determine, within ten business days thereafter, whether a cybersecurity review will be initiated. If a review is initiated and the authorities conclude after such review that the listing will affect national security, the listing of the applicant will be prohibited.

Furthermore, on July 30, 2021, the State Council promulgated the Regulations of Security Protection for Critical Information Infrastructure, which took effect on September 1, 2021 and provides that critical information infrastructures, or CIIs, refer to important network facilities and information systems involved in important industries and fields such as public communication and information services, energy, transportation, water conservancy, finance, public services, e-government, national defense related science and technology industry, as well as those which may seriously endanger national security, national economy and citizen’s livelihood and public interests if damaged, malfunctioned, or if leakage of data relating thereto occurs. Pursuant to these provisions, relevant government authorities are responsible for formulating the rules on identifying the CII and organizing to identify such the CII in the related industries and fields, taking into account the factors set forth in the provisions and shall notify the operators identified as CIIOs.

At the end of 2019, the CAC issued the Provisions on Ecological Governance of Network Information Content, or the CAC Order 5, which took effect on March 1, 2020, to further strengthen the regulation and management of network information content. Pursuant to the CAC Order 5, each network information content service platform is required, among others, (i) not to disseminate any information prohibited by laws and regulations, such as information jeopardizing national security; (ii) to strengthen the examination of advertisements published on such network information content service platform; (iii) to promulgate management rules and platform convention and improve user agreement, such that such network information content service platform could clarify users’ rights and obligations and perform management responsibilities required by laws, regulations, rules and convention; (iv) to establish convenient means for complaints and reports; and (v) to prepare annual work report regarding its ecological governance of network information content. In addition, a network information content service platform must not, among others, (i) utilize new technologies such as deep-learning and virtual reality to engage in activities prohibited by laws and regulations; (ii) engage in online traffic fraud, malicious traffic rerouting and other activities related to a fraudulent account, illegal transaction account or maneuver of users’ account; and (iii) infringe a third party’s legitimate rights or seek illegal interests by way of interfering with information display. On July 12, 2021, the CAC, the MIIT and the Ministry of Public Security jointly issued the Circular of Issuing the Administrative Provisions on Security Vulnerabilities of Network Products, or Circular 66, which took effect on September 1, 2021. Circular 66 states that, no organization or individual may abuse the security vulnerabilities of network products to engage in activities that endanger network security, or to illegally collect, sell, or publish information relating to such security vulnerabilities. Anyone who is aware of the aforesaid offences should not provide any technical support, advertising, payment settlement and other assistance to the offenders. According to Circular 66, network product providers, network operators, and platforms collecting network product security vulnerabilities must establish and improve channels for receiving network product security vulnerability information and keep such channels available, and retain network product security vulnerability information reception logs for at least six months. In order to ensure that security vulnerabilities in network products are fixed on a timely basis and reasonably reported, network product providers should perform certain obligations on the management of security vulnerabilities in their network products, including, among others, reporting vulnerability information to the Cybersecurity Threat and Vulnerability Information Sharing Platform of the MIIT within two days, which shall include the name, model, and version of the product affected by such security vulnerability, as well as the technical characteristics, degree of harm and scope of impact of such vulnerability. Circular 66 also prohibits the disclosure of undisclosed vulnerabilities to overseas organizations or individuals other than to the product providers. On June 10, 2021, the SCNPC promulgated the Data Security Law, which took effect on September 1, 2021. The Data Security Law provides for data security and privacy obligations on entities and individuals carrying out data activities. The Data Security Law also introduces a data classification and hierarchical protection system based on the importance of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or organizations when such data is tampered with, destroyed, leaked, or illegally acquired or used. The appropriate level of protection measures is required to be taken for each respective category of data. For example, a processor of important data shall designate the personnel and the management body responsible for data security, carry out risk assessments for its data processing activities and file the risk assessment reports with the competent authorities. In addition, the Data Security Law provides a national security review procedure for those data activities which may affect national security and imposes export restrictions on certain data and information.

On December 8, 2022, the MIIT issued the Administrative Measures for Data Security in the Field of Industry and Information Technology (for Trial Implementation), or the Data Security Measures in the IT Field, which took effect on January 1, 2023. The Data Security Measures in the IT Field defines the scope of data in the field of industry and information technology, and stipulates that all businesses which handle industrial and telecoms data in mainland China are required to categorize such information into “general,” “important” and “core” and businesses processing “important” and “core” data shall comply with certain filing and reporting obligations. Data in the field of industry and information technology shall include industrial data, telecoms data, etc. The “industrial data” refers to data produced and collected in the course of research and development design, manufacturing, operation and management, operating and maintenance, and platform operation in various sectors and fields of industry. The “telecoms data” refers to the data generated and collected in the course of telecommunications business operations. For different categories of data, the Data Security Measures in the IT Field prescribes different requirements in terms of security management and protection in terms of data collection, storage, processing, transmission, provision, publication, destruction, exit, transfer, entrusted processing, etc. For general data, the data processors shall establish a life-cycle safety management system, assign management personnel, reasonably determine operation authority, formulate emergency plans, conduct emergency drills, conduct education and training, and keep log records.

On July 7, 2022, the CAC promulgated the Measures for Security Assessment of Cross-border Data Transfers, or the Security Assessment Measures, which took effect on September 1, 2022 and aims to establish a continuous assessment and monitoring mechanism with respect to cross-border data transfers. It applies to the security assessment of important data and personal information that is collected and generated in the course of operations within mainland China and to be provided abroad by data processors. According to the Security Assessment Measures, if any of the following circumstances is implicated in a cross-border data transfer, the relevant data processor shall apply to the competent cyberspace administration authority for a security assessment: (i) where a data processor provides important data abroad; (ii) where a CIO or a data processor processing the personal information of more than one million individuals provides personal information abroad; (iii) where a data processor who has provided personal information of 100,000 individuals or sensitive personal information of 10,000 individuals in total since January 1 of the previous year provides personal information abroad; and (iv) other circumstances where a security assessment of cross-border data transfer is required as prescribed by the national cyberspace administration. Prior to applying for a security assessment, a data processor shall conduct self-assessment on the risks of cross-border data transfers, with an emphasis on the following matters: (i) the legality, legitimacy and necessity of the purpose, scope and method of cross-border data transfers and data processing of the overseas recipient; (ii) the scale, scope, type and sensitivity of the data to be provided cross-border, and the risks to national security, public interests or the legitimate rights and interests of individuals or organizations caused by cross-border data transfers; (iii) the responsibilities and obligations that the overseas recipient promises to undertake, and whether the overseas recipient’s management and technical measures and capabilities for performing its responsibilities and obligations could guarantee the security of the data; (iv) risks of the data being tampered with, destroyed, divulged, lost, transferred, illegally obtained or illegally used during and after cross-border data transfers, and whether the channel for the maintenance of personal information rights and interests is unobstructed; (v) whether the contracts to be entered into with the overseas recipient or any other legally binding documents memorialize the contracting parties’ agreement in respect of the responsibilities and obligations to protect data security; and (vi) other matters that may affect the security of cross-border data transfers. The result of a security assessment of cross-border data transfer would be valid for two years, commencing from the date when the result is issued, and the data processor shall re-apply for an assessment if certain circumstances occur within the period of validity or 60 business days prior to the expiration of the period of validity. For cross-border data transfers that have been carried out before the effectiveness of the Security Assessment Measures, if not in compliance with these measures, rectification shall be completed within six months from the effectiveness of the Security Assessment Measures.

On March 22, 2024, the Cyberspace Administration of China published the Provisions on Promoting and Regulating Cross-bound Data Flows, which streamline and provide clarity to the governance framework for outbound data transfer. According to these provisions, data processors shall identify and declare important data in accordance with applicable provisions. For data that have not been publicly announced as and for which data processors have not been informed to be important data by the relevant authorities or regions, data processors are not required to report security assessment for its outbound data transfer as important data. These provisions also establish specific exemptions for outbound data transfer. For instance, data collected and generated in international trade, transnational transportation, academic cooperation and global manufacturing and marketing, which do not contain personal information or important data, are exempted from the compliance requirement for outbound data transfer, such as security assessment for outbound data transfer, the execution of standard contracts for outbound personal information transfer, or the authentication process for personal information protection. On October 14, 2025, the Cyberspace Administration of China and the SAMR jointly

promulgated the Measures for Certification of Personal Information Cross-Border Transfer, which took effect on January 1, 2026. The measures require personal information processors to apply to a professional certification body for personal information cross-border transfer certification. Personal information processors seeking to provide personal information to overseas recipients through the certification pathway must simultaneously satisfy the following conditions: (i) the processor is not a critical information infrastructure operator; (ii) the processor has cumulatively provided personal information of no fewer than 100,000 but fewer than 1,000,000 individuals (excluding sensitive personal information), or sensitive personal information of fewer than 10,000 individuals, to overseas recipients since January 1 of the current year; and (iii) the personal information to be provided overseas does not include important data.

On September 24, 2024, the State Council issued the Regulation on the Administration of Cyber Data Security, or the Cyber Data Security Regulation, which came into effect on January 1, 2025. The Cyber Data Security Regulation sets out certain requirements on network data processing activities, the security and protection of network data, and the reasonable and effective use of network data, and further sheds light on the protection of personal information, security of important data, management of cross-border security of network data and obligations of network platform service providers. The Cyber Data Security Regulation requires, among others, where network data processing activities carried out by a network data processor affect or may affect national security, national security review shall be conducted in accordance with applicable PRC law.

Privacy Protection

Internet information service providers are required to maintain the integrity, confidentiality, and availability of network data. The Cyber Security Law reaffirms the basic principles and requirements specified in other existing laws and regulations on personal information protection, such as the requirements on the collection, use, processing, storage, and disclosure of personal information, and internet information service providers are required to take technical and other necessary measures to ensure the security of the personal information collected and prevent the personal information from being divulged, damaged, or lost. Any violation of the Cyber Security Law may subject an internet information service provider to warnings, fines, confiscation of illegal gains, revocation of licenses, cancellation of filings, shutdown of websites, or otherwise criminal liabilities. Furthermore, the Rules on the Protection of Personal Information of Telecommunications and Internet Users promulgated by the MIIT on July 16, 2013 and effective on September 1, 2013 prescribe detailed requirements on the use and collection of personal information and require security measures to be taken by telecommunications business operators and internet information service providers.

Pursuant to the Notice of the Supreme People's Court, the Supreme People's Procuratorate, and the Ministry of Public Security on Legally Punishing Criminal Activities Infringing upon the Personal Information of Citizens, which was issued and took effect on April 23, 2013, and the Interpretation of the Supreme People's Court and the Supreme People's Procuratorate on Several Issues Regarding Legal Application in Criminal Cases Infringing upon the Personal Information of Citizens, which was issued on May 8, 2017 and took effect on June 1, 2017, the following activities may constitute the crime of infringing upon a citizen's personal information: (i) providing a citizen's personal information to specified persons or releasing a citizen's personal information online or through other methods in violation of applicable national provisions; (ii) providing legitimately collected information relating to a citizen to others without such citizen's consent (unless the information is processed, not traceable to a specific person and not recoverable); (iii) collecting a citizen's personal information in violation of applicable rules and regulations when performing a duty or providing services; or (iv) collecting a citizen's personal information by purchasing, accepting, or exchanging such information in violation of applicable rules and regulations.

On August 16, 2021, the CAC, the NDRC and several other administrations jointly promulgated the Several Provisions on Automobile Data Security Management (for Trial Implementation), or the Provisions on Automobile Data Security, which took effect from October 1, 2021 and aims to regulate the collection, analysis, storage, utilization, provision, publication, and cross-border transmission of personal information and critical data generated throughout the lifecycle of automobiles by automobile designers, producers and service providers. Automobile data processors including automobile manufacturers, component and software providers, dealers, maintenance providers are required to process personal information and critical data in accordance with applicable laws during the automobile design, manufacture, sales, operation, maintenance and management. To process personal information, automobile data processors shall obtain the consent of the individual or conform to other circumstances stipulated by laws and regulations. Pursuant to the Provisions on Automobile Data Security, personal information and critical data related to automobiles shall in principle be stored within mainland China and a cross-border data security assessment shall be conducted by the national cyberspace administration authority in concert with relevant departments under the State Council if there is a need to provide such data

overseas. To process critical data, automobile data processors shall conduct risk assessment in accordance with regulations and submit risk assessment reports to related departments at provincial levels.

Pursuant to the Civil Code, the collection, storage, use, process, transmission, provision, and disclosure of personal information should follow the principles of legitimacy, appropriateness, and necessity. Furthermore, on August 20, 2021, the Personal Information Protection Law was promulgated by the SCNPC and took effect on November 1, 2021. The law integrated previously scattered rules with respect to personal information rights and privacy protection. The Personal Information Protection Law aims at protecting personal information rights and interests, regulating the processing of personal information, ensuring the orderly transmission of personal information in accordance with law and promoting the reasonable use of personal information. The Personal Information Protection Law applies to the processing of personal information within mainland China, as well as certain personal information processing activities outside mainland China, including those for the provision of products and services to natural persons within mainland China or for the analysis and assessment of acts of natural persons within mainland China. As a result, all of our subsidiaries, whether within or outside mainland China, could potentially become subject to the Personal Information Protection Law. Entities processing personal information exceeding the threshold to be set by the relevant authorities and CIOs are required to store, within the territory of mainland China, all personal information collected and produced within mainland China. In addition, the Personal Information Protection Law imposes pre-approval and other requirements for any cross-border data transfer by mainland China companies.

Regulation on Telecommunications Services

Telecommunications Regulations

The PRC Telecommunications Regulations promulgated by the State Council on September 25, 2000 and last amended on February 6, 2016, are the primary PRC regulations governing telecommunications services, which set out the general framework for the provision of telecommunications services in mainland China. The Telecommunications Regulations require that the network connection licensing system shall be implemented to telecommunications terminal equipment, radio telecommunications equipment and interconnection-related equipment, and the network connection license shall not be transferred. Whoever sells telecommunications terminal equipment without the network connection license shall be ordered to make correction and be imposed with a fine ranging from RMB10,000 to RMB100,000. ECARX (Hubei) Tech and its subsidiaries have obtained network connection licenses for the relevant ECARX products.

Internet Information Services

On September 25, 2000, the State Council promulgated the Measures for the Administration of Internet Information Services, which was last amended on December 6, 2024. Under these measures, internet information services are categorized into commercial internet information services and non-commercial internet services. Non-commercial internet information service providers in mainland China must file with the competent government authorities, and commercial internet information service providers in mainland China must obtain an ICP License from the competent government authorities. Operators of certain specific information services, such as news, publishing, education must also comply with applicable laws and regulations and obtain approval from the competent government authorities.

Internet information service providers are required to monitor their websites. They cannot post or disseminate any content that falls within prohibited categories stipulated under applicable laws and regulations, and must stop providing any such content on their websites once identified. The competent government authorities may order internet information services operators that violate the content restrictions to rectify such violations and, in cases of serious violations, either revoke the ICP Licenses of commercial internet information services operators, or shut down websites of non-commercial internet information services operators.

Regulation on Intellectual Property Rights

China is a party to several international treaties with respect to intellectual property right protection, including the Agreement on Trade-Related Aspects of Intellectual Property Rights, the Paris Convention for the Protection of Industrial Property, the Madrid Agreement Concerning the International Registration of Marks, and the Patent Cooperation Treaty.

Patents

According to the PRC Patent Law promulgated by the SCNPC on March 12, 1984 and currently effective from June 1, 2021, and the Implementation Rules of the PRC Patent Law promulgated by the State Council on June 15, 2001 and last amended on December 11, 2023, there are three types of patents in mainland China: invention patents, utility model patents, and design patents. The protection period is 20 years for an invention patent and 10 years for a utility model patent and 15 years for a design patent (or 10 years for design patents filed prior to June 1, 2021), commencing from their respective application dates. The patent system in mainland China adopts a first-to-file principle, under which the person who files the patent application first is entitled to the patent if two or more persons file patent applications for the same subject. Any person or entity that utilizes a patent or conducts any other activities that infringe a patent without authorization of the patent holder must compensate the patent holder and is subject to a fine imposed by the relevant government authorities, and may be criminally liable in case of patent passing-off. In addition, any person or entity that files a patent application in a foreign country for an invention or utility model patent accomplished in mainland China is required to report in advance to the State Council's patent administrative authority for a confidentiality examination.

Copyrights

The PRC Copyright Law, which was last amended on November 11, 2020 and took effect on June 1, 2021, provides that Chinese citizens, legal persons, or other organizations will own the copyright in their copyrightable works, including works of literature, art, natural science, social science, engineering technology, and computer software, regardless of whether published or not. Copyright owners enjoy certain legal rights, including the right of publication, the right of authorship, and the right of reproduction. The Copyright Law extends copyright protection to internet activities, products disseminated over the internet, and software products. In addition, the Copyright Law provides for a voluntary registration system administered by the China Copyright Protection Center. According to the Copyright Law, a copyright infringer will be subject to various civil liabilities, which include ceasing infringement activities, apologizing to the copyright owner, and compensating for the loss of the copyright owner. Copyright infringers may also be subject to fines and administrative or criminal liabilities in severe situations.

Pursuant to the Computer Software Protection Regulations promulgated by the State Council on December 20, 2001 and last amended on January 30, 2013, a software copyright owner may go through the registration procedures with a software registration authority recognized by the State Council's copyright administrative authority. The software copyright owner may authorize others to exercise that copyright and is entitled to receive remuneration.

Trademarks

Trademarks are protected by the PRC Trademark Law last amended on April 23, 2019 and the Implementation Regulations of the PRC Trademark Law promulgated by the State Council last amended on April 29, 2014. The PRC Trademark Office grants a ten-year term to registered trademarks, and the term may be renewed for another ten-year period upon request by the trademark owner. Where the trademark owner fails to do so, a grace period of six months may be granted. In the absence of renewal upon expiry, the registered trademark will be canceled. A trademark owner may license its registered trademarks to another party by entering into trademark license agreements, which must be filed with the Trademark Office for its records. As with patents, the Trademark Law has adopted a first-to-file principle with respect to trademark registration. If a trademark that is applied for is identical or similar to another trademark that has already been registered or subject to a preliminary examination and approval for use on the same or similar kinds of products or services, such trademark application may be rejected. Any person applying for the registration of a trademark shall not infringe upon prior existing trademark rights of others, nor may any person register in advance a trademark that has already been used by another party and has already gained a "sufficient degree of reputation" through such party's use. Market regulatory departments have the authority to investigate any behavior that infringes the exclusive right under a registered trademark in accordance with the law. In case of a suspected criminal offense, the case will be timely referred to a judicial authority and decided according to the law.

Domain Names

The MIIT promulgated the Administrative Measures of Internet Domain Names on August 24, 2017, which took effect on November 1, 2017 and replaced the Administrative Measures on China Internet Domain Names promulgated by the MIIT on November 5, 2004. According to these measures, the MIIT is in charge of the administration of internet domain names in mainland China. The domain name registration follows a first-to-file principle. Applicants for registration of domain names must provide true, accurate, and complete information of their identities to domain name registration

service institutions. The applicants will become holders of such domain names upon the completion of the registration procedure.

Trade Secrets

According to the PRC Anti-Unfair Competition Law promulgated by the SCNPC on September 2, 1993 and last amended on June 27, 2025, a “trade secret” refers to technical and business information that is unknown to the public, may create business interests or profits for its legal owners or holders, and is maintained as a secret by its legal owners or holders. Under the Anti-Unfair Competition Law, business operators are prohibited from infringing others’ trade secrets by: (i) obtaining the trade secrets from the legal owners or holders by any unfair methods such as theft, bribery, fraud, coercion, electronic intrusion, or any other illicit means; (ii) disclosing, using, or permitting others to use the trade secrets obtained illegally under item (i) above; (iii) disclosing, using, or permitting others to use the trade secrets in violation of any contractual agreements or any requirements of the legal owners or holders to keep such trade secrets confidential; or (iv) instigating, inducing, or assisting others to violate a confidentiality obligation or to violate a rights holder’s requirements on keeping the confidentiality of trade secrets, disclosing, using, or permitting others to use the trade secrets of the rights holder. If a third party knows or should have known the above-mentioned illegal conduct but nevertheless obtains, uses, or discloses trade secrets of others, the third party may be deemed to have misappropriated the others’ trade secrets.

Business operators who violate the provisions of the Anti-Unfair Competition Law and cause others to suffer damages shall bear civil liability, and where the legitimate rights and interests of a business operator are harmed by unfair competition, the business operator may file a lawsuit with a People’s Court. The amount of compensation for a business operator who suffers damages due to unfair competition shall be determined on the basis of the actual losses suffered as a result of the infringement or in accordance with the benefits gained by the infringing party from the infringement. If a business operator intentionally commits an act of infringing trade secrets and the case is serious, the amount of compensation may be determined at not less than one time and not more than five times the amount determined in accordance with the foregoing method. The amount of compensation shall also include reasonable expenses paid by the business operator to stop the infringement. If it is difficult to ascertain the actual losses suffered or benefits gained, the People’s Court shall, in consideration of the extent of the infringement, award compensation of less than RMB5,000,000 to the rights holder. Additionally, government authorities shall stop any illegal activities which infringe upon trade secrets and confiscate the illegal income from the infringing parties, and impose a fine between RMB100,000 to RMB1,000,000 (or where the circumstances are serious, between RMB1,000,000 to RMB5,000,000).

Pursuant to the PRC Criminal Law promulgated by the National People’s Congress on July 1, 1979 and last amended on December 29, 2023 and took effect on March 1, 2024, anyone that commits any of the following acts of trade secrets infringement, if the circumstances are serious, shall be sentenced to a fixed-term imprisonment of not more than 3 years and/or shall be fined; if the circumstances are especially serious, the infringing party shall be sentenced to a fixed-term imprisonment of not less than 3 years but not more than 10 years and shall be subject to fines: (i) obtaining trade secrets from their legal owners or holders through unfair methods such as theft, bribery, fraud, coercion, electronic intrusion, or any other illicit means; (ii) disclosing, using, or permitting others to use trade secrets obtained illegally under item (i) above; (iii) disclosing, using, or permitting others to use trade secrets in violation of any contractual agreements or any requirements of the legal owners or holders to keep such trade secrets confidential. Any person who has knowledge of the circumstances referred to above but nevertheless obtains, discloses, uses or allows others to use such trade secrets shall be deemed to have infringed upon trade secrets.

Regulation on Foreign Exchange

General Administration of Foreign Exchange

Under the PRC Foreign Exchange Administrative Regulations promulgated on January 29, 1996 and last amended on August 5, 2008, and various regulations issued by SAFE and other PRC government authorities, Renminbi is convertible into other currencies for current account items, such as trade-related receipts and payments and payment of interest and dividends. The conversion of Renminbi into other currencies and remittance of the converted foreign currencies outside mainland China for capital account items, such as direct equity investments, loans, and repatriation of investment, requires prior approval from SAFE or its local branch.

Payments for transactions that take place in mainland China must be made in Renminbi. Unless otherwise approved, mainland China companies may not repatriate payments denominated in foreign currencies received from abroad or retain the same abroad. Foreign-invested enterprises may retain foreign currencies under the current account with designated foreign exchange banks subject to a limit set by SAFE or its local branch. Foreign currencies under the current account may be either retained or sold to a financial institution engaged in the settlement and sale of foreign currencies pursuant to SAFE rules and regulations. For foreign currencies under the capital account, approval by SAFE is generally required for the retention or sale of such foreign currencies to a financial institution engaged in the settlement and sale of foreign currencies.

Pursuant to the Circular on Further Improving and Adjusting Foreign Exchange Administration Policies for Direct Investment promulgated by SAFE on November 19, 2012 and last amended on December 30, 2019, or SAFE Circular 59, approval of SAFE is not required for opening a foreign exchange account and depositing foreign currencies into the accounts relating to direct investments. SAFE Circular 59 also simplifies foreign exchange-related registration required for foreign investors to acquire equity interest in mainland China companies and further improves the administration of foreign exchange settlement for foreign-invested enterprises. The Circular on Further Simplifying and Improving the Foreign Exchange Administration Policies for Direct Investment promulgated by SAFE and effective on June 1, 2015 and last amended on December 30, 2019, or SAFE Circular 13, cancels the administrative approvals of foreign exchange registration of direct domestic investment and direct overseas investment, and simplifies the procedure for foreign exchange-related registration. Pursuant to SAFE Circular 13, investors must register with banks for direct domestic investment and direct overseas investment.

Pursuant to SAFE Circular 19 promulgated by SAFE on March 30, 2015 and last amended on March 23, 2023, a foreign-invested enterprise may, according to its actual business needs, settle with a bank the portion of the foreign exchange capital in its capital account for which the relevant foreign exchange administration has confirmed monetary capital contribution rights and interests (or for which the bank has registered the injection of the monetary capital contribution into the account). Pursuant to SAFE Circular 19, for the time being, foreign-invested enterprises are allowed to settle 100% of their foreign exchange capital on a discretionary basis; a foreign-invested enterprise must truthfully use its capital for its own operating purposes within the scope of business; and where an ordinary foreign-invested enterprise makes domestic equity investment with the amount of foreign exchanges settled, the foreign-invested enterprise must first go through domestic re-investment registration and open a corresponding account for foreign exchange settlement, pending payment with the foreign exchange administration or the bank at the place where it is registered.

The Circular on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts promulgated by SAFE on June 9, 2016 and last amended on December 4, 2023, or SAFE Circular 16, stipulates that mainland China companies may also convert their foreign debts denominated in foreign currencies into Renminbi on a self-discretionary basis. SAFE Circular 16 also provides an integrated standard for conversion of foreign exchange under capital account items (including foreign exchange capital and foreign debts) on a self-discretionary basis, which applies to all mainland China companies.

According to the PRC Market Entities Registration Administrative Regulations promulgated by the State Council on July 27, 2021 and effective on March 1, 2022, and other laws and regulations governing foreign-invested enterprises and company registrations, the establishment of a foreign-invested enterprise and any capital increase and other major changes in a foreign-invested enterprise must be registered with the SAMR or its local counterparts, and must be filed via the foreign investment comprehensive administrative system, if such foreign-invested enterprise does not involve special market-entry administrative measures prescribed by the PRC government.

On October 23, 2019, SAFE issued the Circular on Further Promoting Cross-Border Trade and Investment Facilitation, which was amended by the Circular on Further Deepening the Reform to Facilitate Cross-Border Trade and Investment on December 4, 2023. This circular allows foreign-invested enterprises whose approved business scopes do not contain equity investment to use their capital obtained from foreign exchange settlement to make domestic equity investment as long as the investment is real and complies with the foreign investment-related laws and regulations. In addition, this circular stipulates that qualified enterprises in certain pilot areas may use their capital income from registered capital, foreign debt, and overseas listing, for the purpose of domestic payments without providing authenticity certifications to the banks in advance for those domestic payments. Payments for transactions that take place in mainland China must be made in Renminbi. Income denominated in foreign currencies received by mainland China companies may be repatriated into mainland China or retained outside of mainland China in accordance with requirements and terms specified by SAFE.

Pursuant to SAFE Circular 13 and other foreign exchange laws and regulations, when setting up a new foreign-invested enterprise, the foreign-invested enterprise must register with a bank located at its place of registration after obtaining its business license, and if there is any change in capital or other changes relating to the basic information of the foreign-invested enterprise, including any increase in its registered capital or total investment, the foreign-invested enterprise must register such changes with the bank located at its place of registration after obtaining approval from or completing the filing with competent authorities. Pursuant to applicable foreign exchange laws and regulations, the above-mentioned foreign exchange registration with the banks will typically take less than four weeks upon the acceptance of the registration application.

Based on the foregoing, if we intend to fund our wholly foreign-owned subsidiaries through capital injection at or after their establishment, we must register the establishment of and any follow-on capital increase in our wholly foreign-owned subsidiaries with the SAMR or its local counterparts, file such via the foreign investment comprehensive administrative system, and register such with the local banks for the foreign exchange related matters.

Offshore Investment by Mainland China Residents

Under the Circular on Issues Concerning the Foreign Exchange Administration over the Overseas Investment and Financing and Round-Trip Investment by Domestic Residents via Special Purpose Vehicles issued by SAFE and effective on July 4, 2014, or SAFE Circular 37, mainland China residents are required to register with local branches of SAFE in connection with their direct or indirect offshore investment in overseas special purpose vehicles directly established or indirectly controlled by mainland China residents for offshore investment and financing with their legally owned assets or interests in mainland China companies, or their legally owned offshore assets or interests. Such mainland China residents are also required to amend their registrations with SAFE when there is a change to the basic information of the special purpose vehicles, such as changes of an individual mainland China resident, the name or operating period of the special purpose vehicles, or when there is a significant change to the special purpose vehicles, such as changes of the individual mainland China residents' increase or decrease of the capital contribution in the special purpose vehicles, or any share transfer or exchange, merger, or division of the special purpose vehicles. At the same time, SAFE issued the Operation Guidance for Issues Concerning Foreign Exchange Administration over Round-Trip Investment regarding the procedures for SAFE registration under SAFE Circular 37, which took effect on July 4, 2014, as an attachment to SAFE Circular 37.

Under SAFE Circular 13, mainland China residents may register with qualified banks instead of SAFE in connection with their establishment or control of an offshore entity established for the purpose of overseas direct investment. SAFE and its branches will implement indirect supervision over foreign exchange registration of direct investment via the banks.

Failure to comply with the registration procedures set forth in SAFE Circular 37 may result in restrictions on foreign exchange activities of the relevant onshore company, including the payment of dividends and other distributions to its offshore parent or affiliate, the capital inflow from the offshore entities, and settlement of foreign exchange capital, and may also subject the onshore company or PRC residents to penalties under PRC foreign exchange administration regulations.

Regulation on Dividend Distribution

The principal laws and regulations regulating the distribution of dividends by foreign-invested enterprises in mainland China include the Company Law and the Foreign Investment Law and its implementation rules. Under the current regulatory regime in mainland China, foreign-invested enterprises in mainland China may pay dividends only out of their retained earnings, if any, determined in accordance with PRC accounting standards and regulations. Mainland China companies are required to set aside as statutory reserve funds at least 10% of its after-tax profit, until the cumulative amount of such reserve funds reaches 50% of its registered capital unless laws regarding foreign investment provide otherwise. A mainland China company cannot distribute any profits until any losses from prior fiscal years have been offset. Profits retained from prior fiscal years may be distributed together with distributable profits from the current fiscal year.

Regulation on Taxation

Enterprise Income Tax

According to the PRC Enterprise Income Tax Law promulgated by the National People's Congress on March 16, 2007 and last amended on December 29, 2018 and the Implementation Rules of the PRC Enterprise Income Tax Law promulgated by the State Council on December 6, 2007 most recently amended on December 6, 2024 and effective on January 20, 2025, the income tax rate for both non-foreign owned mainland China companies and foreign-invested enterprises is 25% unless otherwise provided for specifically. Enterprises are classified as either mainland China resident enterprises or non-mainland China resident enterprises. In addition, enterprises established outside mainland China whose de facto management bodies are located in mainland China are considered mainland China resident enterprises and subject to the 25% enterprise income tax rate for their global income. An income tax rate of 10% applies to dividends declared to non-mainland China resident enterprise investors that do not have an establishment or place of business in mainland China, or that have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within mainland China.

In addition, an enterprise certified as a High-Tech Enterprise enjoys a reduced enterprise income tax rate of 15%. According to the Administrative Measures for the Certification of High-Tech Enterprises amended in January 2016, the provincial counterparts of the Ministry of Science and Technology, the Ministry of Finance, and the STA jointly determine whether an enterprise is a High-Tech Enterprise considering the ownership of core technology, whether the main technologies underlying the key products or services fall within the officially supported high-tech fields, the proportion of research and development personnel of the total staff, the proportion of research and development expenditure of total revenue, the proportion of high-tech products or services of total revenue, and other factors prescribed.

Value-Added Tax

Pursuant to Value-added Tax Law of the PRC, promulgated on December 25, 2024 and taking effect on January 1, 2026, all enterprises and individuals engaged in the sale of goods, the provision of processing, repair and replacement services, sales of services, intangible assets, real property, and the importation of goods within the territory of the PRC shall be liable to pay VAT, the VAT tax rates generally applicable are simplified as 13%, 9%, 6% and 0%, and the VAT tax rate applicable to the small-scale taxpayers is 3%. Regulations for the Implementation of the Value-Added Tax Law of the PRC, promulgated on December 25, 2025 and taking effect on January 1, 2026, provides further details regarding entities subject to the tax and scope of taxation, clarifies the applicable tax rates and determines the calculation for tax payable in different scenarios.

Dividend Withholding Tax

The Enterprise Income Tax Law stipulates that an income tax rate of 10% applies to dividends declared to non-mainland China resident investors that do not have an establishment or place of business in mainland China, or that have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent that such dividends are derived from sources within mainland China.

Pursuant to the Arrangement between mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital and other applicable PRC laws, if a Hong Kong resident enterprise is determined by the competent tax authority to have satisfied applicable conditions and requirements, the 10% withholding tax rate on the dividends received by the Hong Kong resident enterprise from a mainland China resident enterprise may be reduced to 5%. According to the Circular on Several Questions Regarding the Beneficial Owner in Tax Treaties, which was issued by the STA on February 3, 2018 and took effect on April 1, 2018, when determining an applicant's status as the beneficial owner regarding tax treatments in connection with dividends, interest, or royalties in the tax treaties, several factors are considered, including whether the applicant is obligated to pay over 50% of the income in twelve months to residents in a third country or region, whether the business operated by the applicant constitutes the actual business activities, and whether the counterparty country or region to the tax treaties does not levy any tax or grant any tax exemption on relevant incomes or levies tax at an extremely low rate, and such factors will be analyzed according to the actual circumstances of the specific cases.

Tax on Indirect Transfer

Pursuant to the Circular on Issues of Enterprise Income Tax on Indirect Transfers of Assets by Non-PRC Resident Enterprises issued by the STA on February 3, 2015 and last amended on December 29, 2017, or STA Circular 7, an indirect transfer of assets, including equity interest in a mainland China resident enterprise, by non-mainland China resident enterprises may be recharacterized and treated as a direct transfer of mainland China taxable assets, if such arrangement does not have a reasonable commercial purpose and was established for the purpose of avoiding payment of mainland China enterprise income tax. As a result, gains derived from such indirect transfer may be subject to mainland China enterprise income tax. When determining whether there is a reasonable commercial purpose of the transaction arrangement, several factors are considered, including whether the main value of the equity interest of the offshore enterprise derives directly or indirectly from mainland China taxable assets, whether the assets of the offshore enterprise mainly consists of direct or indirect investment in mainland China or if its income is mainly derived from mainland China, and whether the offshore enterprise and its subsidiaries directly or indirectly holding mainland China taxable assets have a real commercial nature that is evidenced by their actual function and risk exposure. STA Circular 7 does not apply to sales of shares by investors through a public stock exchange where such shares were acquired on a public stock exchange. On October 17, 2017, the STA issued the Circular on Issues Concerning the Withholding of Enterprise Income Tax at Source on Non-PRC Resident Enterprises, or STA Circular 37, which was amended by the Announcement of the STA on Certain Taxation Normative Documents issued by the STA on June 15, 2018. STA Circular 37 further elaborates on the implementing rules regarding the calculation, reporting, and payment obligations of the withholding tax by non-mainland China resident enterprises. Nevertheless, there remain uncertainties as to the interpretation and application of STA Circular 7. STA Circular 7 may be determined by the tax authorities to be applicable to our offshore transactions or sale of our shares or those of our offshore subsidiaries where non-mainland China resident enterprises, being the transferors, were involved.

Regulation on Labor

Labor Law and Labor Contract Law

Pursuant to the PRC Labor Law effective on January 1, 1995 and last amended on December 29, 2018 and its implementation rules, employers must establish and improve work safety and health systems, enforce national standards, and carry out work safety and health education for employees. In addition, pursuant to the PRC Labor Contract Law effective on January 1, 2008 and amended on December 28, 2012 and its implementation rules, employers must execute written labor contracts with full-time employees and comply with local minimum wage standards. Violations of the Labor Law and the Labor Contract Law may result in the imposition of fines and other administrative and criminal liability in the case of serious violations.

Social Insurance and Housing Fund

According to the PRC Social Insurance Law promulgated by the SCNPC on October 28, 2010 and amended on December 29, 2018 and the Administrative Regulations on Housing Provident Funds promulgated by the State Council on April 3, 1999 and last amended on March 24, 2019, employers are required to contribute to a number of social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, occupational injury insurance, and maternity insurance, and also to housing funds. Any employer who fails to make such contribution may be fined and ordered to make good the deficit within a stipulated time limit.

Employee Stock Incentive Plan

Pursuant to the Notice of Issues Relating to the Foreign Exchange Administration for Domestic Persons Participating in Stock Incentive Plan of Overseas Listed Company issued by SAFE on February 15, 2012, employees, directors, supervisors, and other senior management who participate in any stock incentive plan of a publicly listed overseas company and who are mainland China citizens or non-mainland China citizens residing in mainland China for a continuous period of no less than one year are, subject to a few exceptions, required to register with SAFE through a qualified domestic agent, which may be a mainland China subsidiary of such overseas listed company, and complete certain other procedures.

Regulation on Anti-Monopoly

On August 30, 2007, the SCNPC adopted the Anti-Monopoly Law, which was recently amended on June 24, 2022 and took effective on August 1, 2022. Under the Anti-Monopoly Law, the prohibited monopolistic acts include

monopolistic agreements, abuse of a dominant market position, and concentration of businesses that may have the effect to eliminate or restrict competition.

Pursuant to the Anti-Monopoly Law, a business operator that possesses a dominant market position is prohibited from abusing its dominant market position and must not conduct the following acts: (i) selling commodities at unfairly high prices or buying commodities at unfairly low prices; (ii) without justifiable reasons, selling commodities at prices below cost; (iii) without justifiable reasons, refusing to enter into transactions with their trading counterparts; (iv) without justifiable reasons, allowing trading counterparts to make transactions exclusively with itself or with the business operators designated by it; (v) without justifiable reasons, tying commodities or imposing unreasonable trading conditions to transactions; (vi) without justifiable reasons, applying differential prices and other transaction terms among their trading counterparts who are on an equal footing; and (vii) other acts determined as abuse of dominant market position by the relevant governmental authorities. Pursuant to the Anti-Monopoly Law and other regulations, when a concentration of undertakings occurs and reaches any of the following thresholds, the undertakings concerned must file a prior notification with the anti-monopoly agency (i.e., the SAMR), (i) the total global turnover of all operators participating in the transaction exceeded RMB12 billion in the preceding fiscal year and at least two of these operators each had a turnover of more than RMB800 million within mainland China in the preceding fiscal year, or (ii) the total turnover within mainland China of all the operators participating in the concentration exceeded RMB4 billion in the preceding fiscal year, and at least two of these operators each had a turnover of more than RMB800 million within mainland China in the preceding fiscal year are triggered, and no concentration shall be implemented until the anti-monopoly agency clears the anti-monopoly filing. Where, although a concentration of undertakings does not reach the threshold, there is evidence proving that the concentration has or may have effect of eliminating or restricting competition, the State Council may require the undertakings to file a prior notification. “Concentration of undertakings” means any of the following: (i) merger of undertakings; (ii) acquisition of control over another undertaking by acquiring equity or assets; or (iii) acquisition of control over, or exercising decisive influence on, another undertaking by contract or by any other means. If business operators fail to comply with the Anti-Monopoly Law or other relevant regulations, the anti-monopoly agency is empowered to stop the relevant activities, unwind the transactions, and confiscate illegal gains and fines. Furthermore, business operators may be subject to criminal liability in the case of serious violation.

Regulation on Mergers and Acquisitions and Overseas Listing

On August 8, 2006, six PRC governmental and regulatory authorities, including the Ministry of Commerce and the CSRC, promulgated the Rules on Mergers and Acquisition of Domestic Enterprises by Foreign Investors, or the M&A Rules, effective as of September 8, 2006 and later revised on June 22, 2009, which governs the mergers and acquisitions of domestic enterprises by foreign investors. The M&A Rules, among other things, requires that if an overseas company established or controlled by mainland China companies or individuals intends to acquire equity interests or assets of any other mainland China company affiliated with such companies or individuals, such acquisition must be submitted to the Ministry of Commerce for approval. The M&A Rules also requires that an offshore special purpose vehicle formed for overseas listing purposes and controlled directly or indirectly by the mainland China individuals or companies shall obtain the approval of the CSRC prior to overseas listing and trading of such special purpose vehicle’s securities on an overseas stock exchange. After the PRC Foreign Investment Law and its Implementation Regulations took effect on January 1, 2020, the provisions of the M&A Rules remain effective to the extent they are not inconsistent with the PRC Foreign Investment Law and its Implementation Regulations.

The Ministry of Commerce has stated on its official website that, following the implementation of the Foreign Investment Law, the approval and filing requirements for establishing or changing foreign-invested enterprises are no longer required. For example, on April 9, 2024, The Ministry of Commerce responded to a query regarding whether the approval process outlined in the M&A Rules is still necessary after the Foreign Investment Law came into effect. The response clarified that since 2020, the Ministry of Commerce no longer requires approval or filing for the establishment or changes of foreign-invested enterprises. Foreign investors acquiring domestic companies must still comply with the M&A Rules, but the approval procedure with the Ministry of Commerce is no longer required.

On July 6, 2021, the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council jointly promulgated the Opinions on Severely Cracking Down on Illegal Securities Activities According to Law, or the Opinions. The Opinions emphasized the need to strengthen the administration over illegal securities activities, and the need to strengthen the supervision over overseas listings by Chinese companies. Effective measures, such as promoting the establishment of regulatory frameworks will be taken to deal with the risks and incidents of mainland China-based overseas listed companies, and cybersecurity and data privacy protection requirements and etc.

On February 17, 2023, the CSRC released the Overseas Listing Filing Rules, which took effect on March 31, 2023. The Overseas Listing Filing Rules will comprehensively improve and reform the existing regulatory regime for overseas offering and listing of securities of mainland China companies and will regulate both direct and indirect overseas offering and listing of securities of mainland China companies by adopting a filing-based regulatory regime. According to the Overseas Listing Filing Rules, the issuer or a major domestic operating company designated by the issuer, as the case may be, must make a filing with the CSRC in respect of its initial public offering or listing, follow-on offering and other equivalent offering activities. For an listed issuer which is already listed, it should also make filing in accordance with the Overseas Listing Filing Rules if: (i) it issues additional convertible bonds, exchangeable bonds or preferred shares, (ii) it issues additional securities in the same overseas market, excluding securities issued for the purpose of implementing equity incentive, distribution of stock dividends, share split, etc., (iii) it issues additional securities in several offerings within its authorized scope; or (iv) it conducts a secondary listing or primary listing in any other overseas market. Failure to comply with the filing requirements may result in fines, suspension of their businesses, revocation of their business licenses and operation permits and fines on the controlling shareholder and other responsible persons.

On February 17, 2023, the CSRC issued the Notice on Administrative Arrangements for the Filing of Domestic Enterprise's Overseas Offering and Listing, which stipulates that mainland China-based issuers like us that have completed overseas listings prior to March 31, 2023 are not required to file with the CSRC in accordance with the Overseas Listing Filing Rules immediately, but must carry out filing procedures as required if we conduct refinancing or if other circumstances arise which require us to make a filing with the CSRC.

On February 24, 2023, the CSRC and several other administrations jointly released the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies, or the Archives Rules, which took effect on March 31, 2023. The Archives Rules apply to both overseas direct offerings and overseas indirect offerings. The Archives Rules provides that, among other things, (i) in relation to the overseas listing activities of domestic enterprises, the domestic enterprises are required to strictly comply with applicable requirements on confidentiality and archives management, establish a sound confidentiality and archives system, and take necessary measures to implement their confidentiality and archives management responsibilities, (ii) during the course of an overseas offering and listing, if a domestic enterprise needs to publicly disclose or provide to securities companies, accounting firms or other securities service providers and overseas regulators, any materials that contain state secrets or that have a sensitive impact (i.e. be detrimental to national security or the public interest if divulged), the domestic enterprise should complete applicable approval/filing and other regulatory procedures, and (iii) working papers produced in the PRC by securities companies and securities service institutions, which provide domestic enterprises with securities services during their overseas issuance and listing, should be stored in the PRC, and the transmission of all such working papers to recipients outside China is required to be approved by competent PRC authorities.

Regulation on Environment Protection

Pursuant to the PRC Environmental Protection Law promulgated by the SCNPC, in December 1989, last amended in April 2014 and effective in January 2015, any entity which discharges or will discharge pollutants during its course of operations or other activities must implement effective environmental protection safeguards and procedures to control and properly treat waste gas, waste water, waste residue, dust, malodorous gases, radioactive substances, noise vibrations, electromagnetic radiation and other hazards produced during such activities. According to the provisions of the PRC Environmental Protection Law, in addition to other laws and regulations of mainland China, the Ministry of Environmental Protection and its local counterparts take charge of administering and supervising said environmental protection matters.

Pursuant to the PRC Environmental Protection Law, the environmental impact statement on any construction project must assess the pollution that the project is likely to produce and its impact on the environment, and stipulate preventive and curative measures; the statement shall be submitted to competent administrative department of environmental protection for approval. Installations for the prevention and control of pollution in construction projects must be designed, built and commissioned together with the principal part of the project.

Pursuant to the PRC Environment Impact Assessment Law, which was promulgated in October 2002 and most recently amended in December 2018, mainland China implements a classification-based management on the environmental impact assessment of construction projects according to the impact of the construction projects on the environment. Construction units, which fall within corresponding classified administration catalog, shall prepare an Environmental Impact Report or an Environmental Impact Statement, or fill out the Environmental Impact Registration Form.

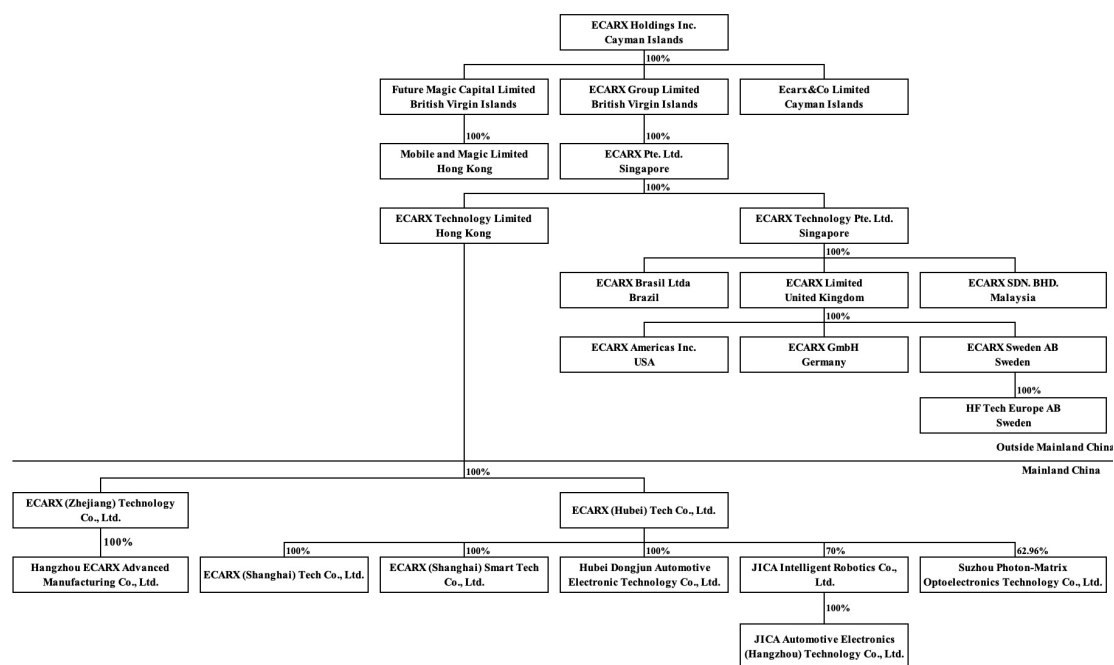
Pursuant to the Regulations on Urban Drainage and Sewage Disposal, which was promulgated in October 2013 and came into effect in January 2014, and the Measures for the Administration of Permits for the Discharge of Urban Sewage into the Drainage Network, which was promulgated in January 2015, amended on December 1, 2022 and became effective on February 1, 2023, drainage entities covered by urban drainage facilities shall discharge sewage into urban drainage facilities in accordance with the provisions of the state. Where a drainage entity needs to discharge sewage into urban drainage facilities, it shall apply for a drainage license in accordance with the provisions of these Measures. The drainage entity that has not obtained the drainage license shall not discharge sewage into urban drainage facilities.

Regulation on Fire Control

Pursuant to the PRC Fire Safety Law promulgated by the SCNPC in April 1998 and last amended and implemented on April 29, 2021, and the Interim Provisions on Administration of Fire Control Design Review and Acceptance of Construction Project promulgated by the Ministry of Housing and Urban-Rural Development on April 1, 2020, last amended on August 21, 2023 and effective on October 30, 2023, the construction unit of other construction projects must complete the fire protection filing of the fire protection completion acceptance within five working days after the completion acceptance of the construction project. If a construction project fails to pass the fire safety inspection before it is put into use, or does not meet the fire safety requirements after the inspection, it will be ordered to suspend the construction and use of such project, or suspend production and business, and be imposed a fine.

C. Organizational Structure

The following diagram illustrates our corporate structure, including our subsidiaries as of the date of this annual report.



D. Property, Plants and Equipment

Our main offices are located in various cities in China, including Hangzhou, Shanghai, Wuhan, Dalian, Chengdu, and Suzhou. We also have offices in Gothenburg, London, San Diego, Singapore and Stuttgart. As of December 31, 2025, we had leased premises as summarized below and under operating lease agreements from independent third parties. We believe that our existing facilities are generally adequate to meet our current needs, but we expect to seek additional space as needed to accommodate future growth.

Location	Approximate Size in Square Meters	Primary Use	Lease Term (years)
Hangzhou	16,342	Operations, R&D	5~7 years
Shanghai	3,380	Operations, R&D	5 years
Wuhan	7,388	Product R&D	1~6 years
Dalian	2,290	Product R&D	4~6 years
Chengdu	1,306	Product R&D	3 years
Suzhou	1,675	Operations, R&D	3~5 years
Gothenburg	2,164	Product R&D	5 years
London	2,999	Operations	10 years
San Diego	588	R&D	3 years
Singapore	742	Operations	3 years
Stuttgart	954	R&D	7.5 years

We started in-house production at our Hangzhou Fuyang facility since April 2024, marking a critical milestone in the Company's strategy to vertically integrate our production and supply chain capabilities. In July 2024, we acquired Hubei Dongjun Automotive Electronic Technology Co., Ltd., as a significant supplement to our in-house production capabilities in China.

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

The following discussion of our financial condition and results of operations is based upon, and should be read in conjunction with, our audited consolidated financial statements and the related notes included in this annual report. This report contains forward-looking statements. See "Forward-Looking Information." In evaluating our business, you should carefully consider the information provided under the caption "Item 3. Key Information—D. Risk Factors" in this annual report. We caution you that our businesses and financial performance are subject to substantial risks and uncertainties.

A. Operating Results

As a global mobility technology provider, we develop full stack automotive computing platforms including SoCs, central computing platforms, operating systems and software. Our current core products include infotainment head units, digital cockpits, autonomous driving control unit, vehicle chip-set solutions, a core operating system and integrated software stack.

We have established a successful track record since our inception. As of December 31, 2025, there were over 11 million vehicles on the road with ECARX products and solutions onboard. As of December 31, 2025, we had a team of over 1,400 employees based in 13 major locations in China, UK, USA, Singapore, Malaysia, Sweden and Germany, approximately 70% of whom are involved in research and development, providing the foundation for us to serve 28 vehicle brands across the globe.

In 2024, we acquired a controlling financial interest in HF Tech Europe AB, an entity under common control. Comparative financial information for 2023 is presented by combining assets, liabilities, revenues, expenses, and equity of ECARX and HF Tech Europe AB using the pooling-of-interests method. All intercompany transactions and balances between the combining entities have been eliminated. Please refer to Note 3(a) of our audited consolidated financial statements included in this annual report.

Our total revenues increased by 16.5% from US\$662.2 million in 2023 to US\$771.5 million in 2024, and further by 9.9% to US\$847.9 million in 2025. We recorded a net loss of US\$143.9 million, US\$137.8 million and US\$68.9 million in 2023, 2024 and 2025, respectively.

Key Factors Affecting Our Results of Operations

Our results of operations are affected by the following company-specific factors.

Our ability to continue to increase the sales of our products and services

Our results of operations depend significantly on our ability to continue to attract orders from automotive OEMs and Tier 1 automotive suppliers, which can affect our sales volume.

Since our incorporation, Geely Holding and its ecosystem OEMs have played an important role in the development of our business and revenue base. Collaboration with Geely and its affiliated brands provided a platform to demonstrate our technology, scale our solutions and establish a strong operational foundation within the global automotive industry. Building on this foundation, we have progressively expanded our customer base beyond the Geely ecosystem, securing programs with additional automotive OEMs and Tier 1 suppliers across multiple geographies. Today, our strategy is focused on

broadening our global reach and serving a diversified set of automotive partners, while continuing to support leading brands within the Geely ecosystem. Our experience working closely within the Geely ecosystem has enabled us to develop proven products, deep automotive expertise and scalable technology platforms, positioning us to capture opportunities across the wider global automotive market.

Our ability to build orders for our products and services both within and without the Geely ecosystem will have a significant impact on our sales revenue and therefore the results of our business.

Continued investments in R&D and innovation

Technology is a key competing factor in our industries and our financial performance will be significantly dependent on our ability to maintain our technological leadership. As of December 31, 2025, we had a team of over 1,432 full-time employees globally, among which approximately 70% are involved in research and development.

In addition, we have and we plan to continue to explore joint ventures, acquisitions, and other forms of strategic partnerships for research and development opportunities.

Our ability to maintain and improve operating efficiency

Our results of operations are further affected by our ability to achieve and maintain operating efficiency, as measured by our total operating expenses as a percentage of our revenues. This is critical to the success of our business and our future profitability. As our business grows, we expect to achieve and improve our operating efficiency and enjoy economies of scale. Our future performance will depend on our ability to achieve such efficiency and deliver on these economies of scale.

Key Components of Results of Operations

Revenues

We generate revenues primarily through sales of goods, software licensing and services.

Sales of goods revenues. Our main products include:

- Automotive computing platform, which we supply to automotive OEMs and Tier 1 automotive suppliers to be assembled on cars with infotainment head unit or digital cockpit, and autonomous driving control unit;
- SoC core modules, where we sell standardized computing board, which integrates SoC with core integrated circuits and peripheral to automotive OEMs or Tier 1 automotive suppliers; and
- Automotive merchandise and other products, which are primarily basic electronic components such as resistor, capacitor and circuit board sold to automotive suppliers.

Software licensing. We generate revenues by licensing our customers the rights to the intellectual property of bundled software. Such bundled software is configured into standardized in-vehicle operating system by us to support the overall in-vehicle software framework and infrastructure of automotive OEMs.

Service revenues. We generate revenues by providing the following services:

- Automotive computing platform design and development service;
- Connectivity service, which enables automobiles access to the internet for end-users; and
- Other services, including technical consulting services provided to automotive companies.

The following table sets forth a breakdown of revenues by type both in absolute amount and as a percentage of our revenues for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	US\$	%	US\$	%	US\$	%
	(in thousands, except percentages)					
Revenues						
Sales of goods revenues	467,403	70.6	611,245	79.2	703,093	82.9
Software license revenues	62,796	9.5	42,455	5.5	29,698	3.5
Service revenues	132,027	19.9	117,830	15.3	115,067	13.6
Total	662,226	100.0	771,530	100.0	847,858	100.0

Cost of revenues

Our cost of revenues can be categorized as cost of goods sold, cost of software license and cost of services, which are the costs and expenses that are directly related to providing our products, licenses and services to customers including overheads. These cost and expenses primarily include (i) costs of raw materials, production labor costs, processing fee charged by outsourced factories, (ii) warehousing and transportation costs of inventories, (iii) staff costs of the quality control and supply chain departments, including share-based compensation expenses, and (iv) others, primarily consisted of depreciation, warranty cost, and license fees of software purchased from suppliers.

The following table sets forth a breakdown of our cost of revenues by nature both in absolute amount and as a percentage of our revenues for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	US\$	%	US\$	%	US\$	%
	(in thousands, except percentages)					
Cost of revenues						
Cost of goods sold	385,929	58.3	537,620	69.7	610,285	72.0
Cost of software license	16,978	2.5	17,783	2.3	17,193	2.0
Cost of services	80,701	12.2	56,028	7.2	59,118	7.0
Total	483,608	73.0	611,431	79.2	686,596	81.0

Gross profit and gross margin

Our gross profit represents our revenues less cost of revenues. Gross margin represents our gross profit as a percentage of revenue. In 2023, 2024 and 2025, our gross profit was US\$178.6 million, US\$160.1 million and US\$161.3

million, respectively, and our gross margin was 27.0%, 20.8%, and 19.0%, respectively. The following table sets forth our gross profit and gross margin by types of revenue for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	Gross Profit US\$	Gross Margin %	Gross Profit US\$	Gross Margin %	Gross Profit US\$	Gross Margin %
	(in thousands, except percentages)					
Sales of goods	81,474	17.4	73,625	12.0	92,808	13.2
Software License	45,818	73.0	24,672	58.1	12,505	42.1
Service	51,326	38.9	61,802	52.5	55,949	48.6
Total	178,618	27.0	160,099	20.8	161,262	19.0

Operating expenses

Our operating expenses consist of (i) research and development expenses, (ii) selling, general and administrative expenses, (iii) other income, and (iv) others, net.

The following table sets forth a breakdown of our operating expenses both in absolute amount and as a percentage of our revenues for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	US\$	%	US\$	%	US\$	%
	(in thousands, except percentages)					
Operating expenses						
Research and development expenses	177,679	26.8	174,864	22.7	123,337	14.5
Selling, general and administrative expenses	131,717	19.9	108,195	14.0	93,841	11.1
Other income	(1,009)	(0.2)	—	—	—	—
Others, net	247	—	(64)	—	(1,143)	(0.1)
Total	308,634	46.5	282,995	36.7	216,035	25.5

Our research and development expenses primarily consist of direct material cost, outsourced development expenses, payroll and related costs including share-based compensation related to research and development of new technologies and expenses associated with the use by these functions of facilities and equipment, such as rental and depreciation.

Our selling, general and administrative expenses primarily consist of payroll, employee benefits, share-based compensation, travelling and general expenses, professional service fees, advertising costs, rental, depreciation and amortization expenses.

Other income represents recharges of certain management expenses to a related party.

Taxation

Cayman Islands

The Cayman Islands currently levies no taxes on corporations based upon profits, income, gains or appreciation. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or brought within the jurisdiction of the Cayman Islands. In addition, the Cayman Islands does not impose withholding tax on dividend payments.

Hong Kong

Our subsidiaries incorporated in Hong Kong are generally subject to Hong Kong profits tax at a rate of 16.5%. For the years 2018 and onwards, the first HK\$2,000 of profits generated by an entity incorporated in Hong Kong is taxed at a rate of 8.25%, while the remaining profits will continue to be taxed at 16.5% tax rate. In December 2022, a refined Foreign Sourced Income Exemption ("FSIE") regime was published in Hong Kong and took effect

from January 1, 2023. Under the new FSIE regime, certain foreign sourced income would be deemed as being sourced from Hong Kong and chargeable to Hong Kong Profits Tax, if the recipient entity fails to meet the prescribed exception requirements. Certain dividends, interests, intellectual property income and disposal gains, if any, received by us and our Hong Kong subsidiaries may be subject to the new tax regime.

Mainland China

Under the PRC Enterprise Income Tax Law effective from January 1, 2008 and last amended on December 29, 2018, our mainland China subsidiaries, and consolidated affiliated entities and their subsidiaries are subject to the statutory rate of 25%, subject to preferential tax treatments available to qualified enterprises in certain encouraged sectors of the economy. Enterprises that qualify as “high and new technology enterprises” are entitled to a preferential rate of 15% subject to renewal every three years. In December 2023, ECARX Hubei was certified as a high and new technology enterprise, or HNTE, and is entitled to benefit from a preferential income tax rate of 15% for a period of three years from 2023 to 2025 if HNTE status is satisfied in the relevant year. In November 2024, JICA Intelligent Robotics Co., Ltd. was certified as a high and new technology enterprise and is entitled to benefit from a preferential income tax rate of 15% for a period of three years from 2024 to 2026 if HNTE status is satisfied in the relevant year.

We are currently subject to value-added tax, or VAT, at rates of 6% and 13% on the products and services we provide, less any deductible VAT we have already paid or borne. We are also subject to surcharges on VAT payments in accordance with the law of mainland China.

Dividends paid by our wholly foreign-owned mainland China subsidiary to our intermediary holding company in Hong Kong will be subject to a withholding tax rate of 10%, unless the Hong Kong entity satisfies all the requirements under the Arrangement between mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and receives approval from the tax authority. If our Hong Kong subsidiary satisfies all the requirements under the tax arrangement and receives approval from the tax authority, then the dividends paid to the Hong Kong subsidiary would be subject to withholding tax at the standard rate of 5%.

If our company in the Cayman Islands or any of our subsidiaries outside of mainland China were deemed a “resident enterprise” under the PRC Enterprise Income Tax Law, it would be subject to enterprise income tax on its worldwide income at a rate of 25%. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China—If we are classified as a mainland China resident enterprise for purposes of income tax in mainland China, such classification could result in unfavorable tax consequences to us and our non-mainland China shareholders.”

Results of Operations

The following table sets forth our results of operations with line items in absolute amount and as a percentage of our revenues for the periods indicated.

	For the Year Ended December 31,					
	2023		2024		2025	
	US\$	%	US\$	%	US\$	%
	(in thousands, except percentages)					
Revenue						
– Sales of goods revenues	467,403	70.6	611,245	79.2	703,093	82.9
– Software license revenues	62,796	9.5	42,455	5.5	29,698	3.5
– Service revenues	132,027	19.9	117,830	15.3	115,067	13.6
Total revenues	662,226	100.0	771,530	100.0	847,858	100.0
Cost						
– Cost of goods sold	(385,929)	(58.3)	(537,620)	(69.7)	(610,285)	(72.0)
– Cost of software licenses	(16,978)	(2.5)	(17,783)	(2.3)	(17,193)	(2.0)
– Cost of services	(80,701)	(12.2)	(56,028)	(7.2)	(59,118)	(7.0)
Total cost of revenues	(483,608)	(73.0)	(611,431)	(79.2)	(686,596)	(81.0)
Gross profit	178,618	27.0	160,099	20.8	161,262	19.0
Operating expenses:						
– Research and development expenses	(177,679)	(26.8)	(174,864)	(22.7)	(123,337)	(14.5)
– Selling, general and administrative expenses	(131,717)	(19.9)	(108,195)	(14.0)	(93,841)	(11.1)
– Other income	1,009	0.2	—	—	—	—
– Others, net	(247)	—	64	—	1,143	0.1
Total operating expenses	(308,634)	(46.5)	(282,995)	(36.7)	(216,035)	(25.5)
Loss from operations	(130,016)	(19.5)	(122,896)	(15.9)	(54,773)	(6.5)
Interest income	4,313	0.7	3,078	0.4	3,710	0.4
Interest expense	(11,239)	(1.7)	(18,568)	(2.4)	(23,772)	(2.8)
(Loss) gain from equity method investments	(6,142)	(0.9)	5,611	0.7	1,236	0.1
Other non-operating (expenses) income, net	(1,340)	(0.2)	(4,766)	(0.6)	5,904	0.7
Loss before income taxes	(144,424)	(21.6)	(137,541)	(17.8)	(67,695)	(8.1)
Income tax benefit (expense)	525	0.1	(210)	—	(1,244)	(0.1)
Net loss	(143,899)	(21.5)	(137,751)	(17.8)	(68,939)	(8.2)

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenues

	For the Year Ended December 31,		Change	
	2024	2025		
	US\$	US\$	US\$	%
	(in thousands, except percentages)			
Sales of Goods Revenues	611,245	703,093	91,848	15.0
Automotive computing platform	536,582	627,067	90,485	16.9
SoC core modules	73,944	74,910	966	1.3
Merchandise and other products	719	1,116	397	55.2
Software License Revenues	42,455	29,698	(12,757)	(30.0)
Service Revenues	117,830	115,067	(2,763)	(2.3)
Automotive computing platform—design and development service	78,470	69,827	(8,643)	(11.0)
Connectivity service	34,112	36,834	2,722	8.0
Other services	5,248	8,406	3,158	60.2
Total Revenues	771,530	847,858	76,328	9.9

Our revenues increased by US\$76.3 million from US\$771.5 million for the year ended December 31, 2024 to US\$847.9 million for the year ended December 31, 2025, primarily driven by an increase in the sales volume of Antora®, Venado™, and Pikes® series automotive computing platform products, partially offset by a decline in software license revenue and services revenue.

Sales of Goods Revenues. Sales of goods revenues increased by US\$91.8 million from US\$611.2 million for the year ended December 31, 2024 to US\$703.1 million for the year ended December 31, 2025, primarily due to a US\$236.1 million increase in the sales volume of automotive computing platform products, driven by an increase in the sales volume of Antora®, Venado™, and Pikes® series, partially offset by a US\$145.6 million decrease from changes in the per unit price. Additionally, there was a US\$6.3 million increase attributable to changes in SoC core modules unit price as a result of product mix change and a US\$5.4 million decline from decreased sales volume of SoC core modules. Sales of automotive merchandise and other products increased by US\$0.4 million from 2024 to 2025.

Software License Revenues. Software license service revenues decreased by US\$12.8 million from US\$42.5 million for the year ended December 31, 2024 to US\$29.7 million for the year ended December 31, 2025, primarily driven by a decrease in intellectual property license revenue. Intellectual property license revenue was US\$2.2 million in 2025 compared to US\$17.2 million in 2024 as multiple projects reached mass production stage in that year generating license revenue.

Service Revenues. Service revenues decreased by US\$2.8 million from US\$117.8 million for the year ended December 31, 2024 to US\$115.1 million for the year ended December 31, 2025, principally as a result of a decrease in the total value of design and development contracts for automotive computing platforms completed during the year.

Cost of revenues

	For the Year Ended December 31,		Change	
	2024	2025		
	US\$	US\$	US\$	%
	(in thousands, except percentages)			
Cost of revenues				
Cost of goods sold	537,620	610,285	72,665	13.5
Cost of software licenses	17,783	17,193	(590)	(3.3)
Cost of services	56,028	59,118	3,090	5.5
Total	611,431	686,596	75,165	12.3

Our cost of revenues increased by US\$75.2 million from US\$611.4 million for the year ended December 31, 2024 to US\$686.6 million for the year ended December 31, 2025. The increase was primarily driven by an increase in sales volume of automotive computing platform products and higher design and development contract cost, partially offset by a decrease in the cost of SoC core modules.

Gross profit and gross margin

	For the Year Ended December 31,			
	2024	2025	Change	
	US\$	US\$	US\$	%
	(In thousands, except percentages)			
Gross profit	160,099	161,262	1,163	0.7
Gross margin (%)	20.8	19.0	—	(1.8)

Our gross profit increased from US\$160.1 million for the year ended December 31, 2024 to US\$161.3 million for the year ended December 31, 2025, mainly driven by the sales volume increase of automotive computing platform products. On the other hand, our gross margin decreased from 20.8% for the year ended December 31, 2024 to 19.0% for the year ended December 31, 2025, primarily attributed to the decrease of intellectual property license revenue which carries a higher margin.

Operating expenses

	For the Year Ended December 31,			
	2024	2025	Change	
	US\$	US\$	US\$	%
	(In thousands, except percentages)			
Operating expenses				
Research and development expenses	174,864	123,337	(51,527)	(29.5)
Selling, general and administrative expenses	108,195	93,841	(14,354)	(13.3)
Others, net	(64)	(1,143)	(1,079)	1,685.9
Total	282,995	216,035	(66,960)	(23.7)

Research and development expenses. Our research and development expenses decreased by US\$51.6 million from US\$174.9 million for the year ended December 31, 2024 to US\$123.3 million for the year ended December 31, 2025, reflecting continued strategic resource prioritization and R&D integration efforts.

Selling, general and administrative expenses. Our selling, general and administrative expenses decreased by US\$14.4 million from US\$108.2 million for the year ended December 31, 2024 to US\$93.8 million for the year ended December 31, 2025, primarily driven by improved operating efficiencies, reduction in staff cost including share-based compensation expense, and lower outsourced consulting, and lease expenses.

Loss from operations

We had a loss from operations of US\$54.8 million for the year ended December 31, 2025, narrowed by 55% in comparison with a loss from operations of US\$122.9 million for the year ended December 31, 2024. The decrease was primarily attributable to the reduction in operating expenses.

Interest income

Our interest income increased by US\$0.6 million from US\$3.1 million for the year ended December 31, 2024 to US\$3.7 million for the year ended December 31, 2025, primarily due to the increase in loans to related parties made during 2025.

Interest expense

Our interest expense increased by US\$5.2 million from US\$18.6 million for the year ended December 31, 2024 to US\$23.8 million for the year ended December 31, 2025, primarily due to an increase in short-term and long-term borrowings in 2025 compared to 2024.

(Loss) gain from equity method investments

We recorded a gain from equity method investments in the amount of US\$5.6 million for the year ended December 31, 2024 and US\$1.2 million for the year ended December 31, 2025. The change was primarily due to a one-off gain of US\$17.9 million in 2024 from the partial sale of equity interest in SiEngine in 2024, partially offset by losses from other equity method investments. During 2025, we recorded small gains from the sale of our investment in the joint venture we had with smart, equity pick up in U Chance and dividend income from ACO Tech in excess of the carrying value of investment.

Other non-operating (expenses) income, net

Change in fair value of equity investments

We recorded a fair value loss of our investments in equity securities of US\$6.1 million and US\$0.2 million for the years ended December 31, 2024 and 2025, respectively, which was mainly affected by the market prices of these listed securities.

Change in fair value of warrant liabilities

We recorded a loss in fair value of warrant liabilities of US\$0.5 million for the year ended December 31, 2024, compared to a gain of US\$0.1 million for the year ended December 31, 2025. The change in fair value was affected by the market price changes in our warrants between the two reporting dates.

Government grants

For the years ended December 31, 2024 and 2025, we recorded income from government grants totaling US\$2.8 million and US\$5.9 million, respectively, as a result of support and incentives from local governments, which primarily consisted of subsidies for research and development activities.

Foreign currency exchange gains, net

We recorded foreign currency exchange losses of US\$1.2 million for the year ended December 31, 2025, compared to losses of US\$1.0 million for the year ended December 31, 2024. The increase in foreign currency exchange losses was primarily attributable to the impact on non-functional currency transactions and account balances of the fluctuations in the foreign currency exchange rates.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenues

	For the Year Ended December 31,		Change	
	2023	2024		
	US\$	US\$	US\$	%
	(in thousands, except percentages)			
Sales of Goods Revenues	467,403	611,245	143,842	30.8
Automotive computing platform	385,886	536,582	150,696	39.1
SoC core modules	70,140	73,944	3,804	5.4
Merchandise and other products	11,377	719	(10,658)	(93.7)
Software License Revenues	62,796	42,455	(20,341)	(32.4)
Service Revenues	132,027	117,830	(14,197)	(10.8)
Automotive computing platform—design and development service	94,641	78,470	(16,171)	(17.1)
Connectivity service	31,142	34,112	2,970	9.5
Other services	6,244	5,248	(996)	(16.0)
Total Revenues	662,226	771,530	109,304	16.5

Our revenues increased by US\$109.3 million from US\$662.2 million for the year ended December 31, 2023 to US\$771.5 million for the year ended December 31, 2024, primarily due to an increase in sales volume of automotive computing platform products with Geely Auto and Geely ecosystem brand-penetration, partially offset by a decline in software license revenue and services revenue.

Sales of Goods Revenues. Sales of goods revenues increased by US\$143.8 million from US\$467.4 million for the year ended December 31, 2023 to US\$611.2 million for the year ended December 31, 2024, primarily due to a US\$188 million increase attributable to the increase in the sales volume of automotive computing platform products, driven by an increase in the sales volume of digital cockpits with Geely Auto and Geely ecosystem brand-penetration, and the ramping up of autonomous driving control unit (ADCU) sales volume, which was partially offset by a US\$31 million decrease resulting from changes in the per unit price. Additionally, a US\$18 million increase from SoC core modules unit price changes, offset by a US\$13 million and US\$10 million decline from lower sales volume of SoC modules and automotive merchandise and other products, respectively, contributed to the change between the two reporting periods.

Software License Revenues. Software license service revenues decreased by US\$20.3 million from US\$62.8 million for the year ended December 31, 2023 to US\$42.5 million for the year ended December 31, 2024, primarily driven by a decrease in the sales volume of navigation and operating software and decrease in intellectual property license revenue.

Service Revenues. Service revenues decreased by US\$14.2 million from US\$132.0 million for the year ended December 31, 2023 to US\$117.8 million for the year ended December 31, 2024, principally as a result of a decrease in the total value of design and development contracts for automotive computing platforms completed during the year.

Cost of revenues

	For the Year Ended December 31,		Change	
	2023	2024		
	US\$	US\$	US\$	%
	(in thousands, except percentages)			
Cost of revenues				
Cost of goods sold	385,929	537,620	151,691	39.3
Cost of software licenses	16,978	17,783	805	4.7
Cost of services	80,701	56,028	(24,673)	(30.6)
Total	483,608	611,431	127,823	26.4

Our cost of revenues increased by US\$127.8 million from US\$483.6 million for the year ended December 31, 2023 to US\$611.4 million for the year ended December 31, 2024. The increase was primarily driven by an increase in sales volume of automotive computing platform products. The increased sales volume contributed to the increase in the cost of goods sold. The decrease in cost of services was mainly linked to the decrease in service revenue.

Gross profit and gross margin

	For the Year Ended December 31,			
	2023	2024	Change	
	US\$	US\$	US\$	%
	(In thousands, except percentages)			
Gross profit	178,618	160,099	(18,519)	(10.4)
Gross margin (%)	27.0	20.8	—	(6.2)

Our gross profits decreased from US\$178.6 million for the year ended December 31, 2023 to US\$160.1 million for the year ended December 31, 2024. The decrease in gross margin was attributable to the aggressive competition in the automotive sector, the pricing strategy implemented to stimulate automotive computing platform revenue growth, and a shift in the overall revenue mix in 2024 compared to the prior year. As a result, our gross margins decreased from 27.0% for the year ended December 31, 2023 to 20.8% for the year ended December 31, 2024, a decrease in gross margin of 6.2% percentage points.

Operating expenses

	For the Year Ended December 31,			
	2023	2024	Change	
	US\$	US\$	US\$	%
	(In thousands, except percentages)			
Operating expenses				
Research and development expenses	177,679	174,864	(2,815)	(1.6)
Selling, general and administrative expenses	131,717	108,195	(23,522)	(17.9)
Other income	(1,009)	—	1,009	(100.0)
Others, net	247	(64)	(311)	—
Total	308,634	282,995	(25,639)	(8.3)

Research and development expenses. Our research and development expenses decreased by US\$2.8 million from US\$177.7 million for the year ended December 31, 2023 to US\$174.9 million for the year ended December 31, 2024.

Selling, general and administrative expenses. Our selling, general and administrative expenses decreased by US\$23.5 million from US\$131.7 million for the year ended December 31, 2023 to US\$108.2 million for the year ended December 31, 2024, primarily driven by improved operating efficiencies, a reduction in staff cost including share-based compensation expense, and lower outsourced consulting, and IT expenses.

Other income. Our other income represents recharges of certain management expenses to a related party. There were no recharges in 2024 due to the discontinuance of the contractual arrangement with the related party.

Loss from operations

We had a loss from operations of US\$122.9 million for the year ended December 31, 2024, narrowed by 5% in comparison with a loss from operations of US\$130.0 million for the year ended December 31, 2023. The decrease primarily attributable to the reduction in operating expenses, partially offset by a decline in gross margin due to competitive industry dynamics and the pricing strategy implemented to expand market share and revenue growth for automotive computing platform, as well as a shift in the overall revenue mix in 2024 compared to the prior year.

Interest income

Our interest income decreased by US\$1.2 million from US\$4.3 million for the year ended December 31, 2023 to US\$3.1 million for the year ended December 31, 2024, primarily due to the decrease in loans to related parties made during 2024.

Interest expense

Our interest expense increased by US\$7.4 million from US\$11.2 million for the year ended December 31, 2023 to US\$18.6 million for the year ended December 31, 2024, primarily due to additional interests accrued on convertible notes and increased short-term borrowings in 2024 compared to 2023.

(Loss) gain from equity method investments

We recorded a loss from equity method investments in the amount of US\$6.1 million for the year ended December 31, 2023 and a gain from equity method investments in the amount of US\$5.6 million for the year ended December 31, 2024. The change was primarily due to a gain of US\$17.9 million from the partial sale of equity interest in SiEngine in 2024.

Other non-operating (expenses) income, net

Change in fair value of an equity security

We recorded a fair value loss of an equity security of US\$3.2 million and US\$6.1 million for the years ended December 31, 2023 and 2024, respectively, which was mainly affected by the market prices of this listed equity security.

Change in fair value of warrant liabilities

We recorded a gain in fair value of warrant liabilities of US\$1.7 million for the year ended December 31, 2023, compared to a loss of US\$0.5 million for the year ended December 31, 2024. The change in fair value is affected by the market price changes in warrants between two reporting dates.

Government grants

For the years ended December 31, 2023 and 2024, we recorded income from government grants totaling US\$1.7 million and US\$2.8 million, respectively, as a result of support and incentives from local governments, which primarily consisted of subsidies for research and development activities.

Foreign currency exchange gains, net

We recorded foreign currency exchange losses of US\$1.0 million for the year ended December 31, 2024, compared to losses of US\$1.5 million for the year ended December 31, 2023. The decrease in foreign currency exchange losses was primarily attributable to the impact on non-functional currency transactions and account balances of the fluctuations in the foreign currency exchange rates.

B. Liquidity and Capital Resources

Cash flows and working capital

The following table sets forth a summary of our cash flows for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
	(in thousands)		
Summary Consolidated Cash Flow Data			
Net cash used in operating activities	(172,440)	(59,980)	(94,391)
Net cash (used in) provided by investing activities	87,265	(8,121)	(70,482)
Net cash provided by financing activities	40,619	36,355	203,863
Effect of foreign currency exchange rate changes on cash and restricted cash	(2,030)	(2,183)	4,102
Net (decrease) increase in cash and restricted cash	(46,586)	(33,929)	43,092
Cash and restricted cash at the beginning of the year	130,679	84,093	50,164
Cash and restricted cash at the end of the year	84,093	50,164	93,256

To date, we have funded our operating and investing activities primarily through cash generated from financing activities (including credit facilities).

Related party borrowings

For the years ended December 31, 2023, 2024 and 2025, we borrowed unsecured loans with aggregated principal amounts of US\$44.5 million, US\$41.8 million and US\$111.3 million, respectively, from Geely Holding and its subsidiaries, bearing weighted-average interest rates of 4.1%, 3.9% and 3.9% per annum, respectively. During the same periods, we repaid loans totaling US\$44.5 million, US\$41.8 million and US\$84.1 million, respectively. Of the 2025 repayments, US\$29.4 million was settled through debt assignments and offset arrangements.

In March 2024, we entered into an accounts receivable factoring agreement with a finance company of Geely Holding with a minimum interest rate of 6.0% per annum. In October 2024, the interest rate was reduced to 4.8% per annum and the factoring limits were increased from US\$20 million to US\$35 million. In March 2025, we paid US\$21 million and concurrently received US\$21 million. In July 2025 and August 2025, we received a further US\$3 million and US\$4 million, respectively. In September US\$21 million was repaid and renewed. In November 2025, we repaid US\$28 million and concurrently received US\$28 million. In November 2025, the interest rate increased to 5.0% per annum and the factoring limit remained unchanged.

Bank borrowings

For the years ended December 31, 2023, 2024 and 2025, we borrowed loans with aggregated principal amounts of US\$208.8 million, US\$222.4 million and US\$334.0 million, respectively, from banks in mainland China, bearing weighted-average interest rates of 3.9%, 3.9% and 3.7% per annum, respectively. During the same periods, we repaid loans with principal amount of US\$163.2 million, US\$201.6 million and US\$216.6 million, respectively.

Debt financing

In October 2025, we entered into the 2025 ATW Convertible Note Purchase Agreement with ATW Mobility SPV LLC under which we agreed to issue and sell, in one or more registered direct offerings by us directly to the investor the 2025 ATW Convertible Notes for up to an aggregate principal amount of US\$150,000,000 that will be convertible into Class A Ordinary Shares. We issued and sold to ATW Mobility SPV LLC a 2025 ATW Convertible Note in the original principal amount of US\$50,000,000 on October 30, 2025.

In November 2025, we entered into the 2025 Convertible Note Purchase Agreement with an existing holder of the 2022 Notes. The 2025 Convertible Note Purchase Agreement contemplates the issuance and sale by us of up to US\$100 million of the 2025 Convertible Notes on terms similar to the 2022 Notes in connection with the refinancing of the 2022 Notes. US\$60 million of the 2025 Convertible Notes were issued and subscribed to in November 2025 and US\$40 million in February 2026 pursuant to the 2025 Convertible Note Purchase Agreement and on terms similar to the 2022 Notes.

Equity financing

On March 28, 2025, we issued 25,000,000 Class A ordinary shares upon a follow-on public offering at a public offering price of US\$1.80 per share. We received net proceeds of US\$42.6 million.

In January 2026, we entered into a subscription agreement with Geely Investment Holding Ltd. Pursuant to the terms of the agreement, Geely Investment Holding Ltd. subscribed for and purchased from us, through a private placement, a total of 27,297,002 newly issued Class A Ordinary Shares at

a price of US\$1.67 per ordinary share, for a total purchase price of US\$45.6 million. The Class A Ordinary Shares purchased by Geely Investment Holding Ltd. in this private placement are subject to a six-month lock-up period with certain customary exceptions.

We have incurred losses since inception. As of December 31, 2025, we had an accumulated deficit of US\$1,190.5 million and its consolidated current liabilities exceeded current assets in the amount of US\$339.8 million. In addition, we recorded net cash used in operating activities in the amount of US\$94.4 million for the year ended December 31, 2025. We will require additional liquidity to continue our operations over the next 12 months.

Historically, we had relied principally on proceeds from the issuance of redeemable convertible preferred shares, convertible notes, and bank and related party borrowings to finance our operations and business expansion. We have evaluated plans to continue as a going concern which include, but are not limited to, (i) reducing discretionary capital and operating expenses; (ii) obtaining additional facilities from banks and renewal of existing bank borrowings; (iii) issuance of new equity and convertible debt securities; (iv) obtaining extended financial support from controlling shareholder and related parties; and (v) accelerating pace of collections of amounts due from related and third parties to optimize operational efficiency. Subsequent to December 31, 2025, the Company has secured a new issuance of Class A ordinary shares totaling US\$45.6 million from Geely Investment Holding Ltd. and issued US\$40 million of 2025 Convertible Notes pursuant to the 2025 Convertible Note Purchase Agreement. Notwithstanding this, feasibility of some of these plans is contingent upon factors outside of the control of us and as such we concluded that substantial doubt about its ability to continue as a going concern has not been alleviated as of the reporting date. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business and Industry—We had negative net cash flows from operations in the past and have not been profitable, which may continue in the future. A note regarding our ability to continue as a going concern has been included in our consolidated financial statements.”

In the event that additional financing is required from third party sources, we may not be able to raise it on acceptable terms or at all. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Business and Industry—Our business plans require a significant amount of capital. In addition, our future capital needs may require us to sell additional equity or debt securities that may dilute our shareholders or introduce covenants that may restrict our operations or our ability to pay dividends.” The issuance and sale of additional equity would also result in further dilution to our shareholders. The incurrence of indebtedness would result in increasing fixed obligations and could result in operating covenants that would restrict our operations.

We had cash and restricted cash of US\$93.3 million as of December 31, 2025. As of December 31, 2025, US\$80.7 million of our cash and cash equivalents were held in China and US\$2.1 million were denominated in U.S. dollars. Substantially all of our revenues have been, and we expect them to continue to be, denominated in Renminbi in the short-term. Under existing foreign exchange regulations in mainland China, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior SAFE approval as long as certain routine procedural requirements are fulfilled. Therefore, our mainland China subsidiaries are allowed to pay dividends in foreign currencies to us without prior SAFE approval by following certain routine procedural requirements. However, approval from or registration with competent authorities is required where the Renminbi is to be converted into foreign currency and remitted out of mainland China to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may at its discretion restrict access to foreign currencies for current account transactions in the future. Economic uncertainty in China and around the world could also adversely affect our liquidity and capital resources in the future, and our cash requirements may fluctuate based on the timing and extent of many factors such as those discussed above.

Operating activities

Net cash used in operating activities increased by US\$34.4 million from December 31, 2024 to 2025, primarily attributable to increases in inventories and amounts due from related parties, increases in accounts payable and amounts due to related parties offset by a lower level of non-cash items compared to 2024.

For the year ended December 31, 2025, net cash used in operating activities was US\$94.4 million. The difference between our cash used in operating activities and our net loss of US\$68.9 million for the same year from operations was attributable to certain non-cash items, primarily consisting of share-based compensation of US\$13.3 million and depreciation and amortization of US\$19.9 million, and certain changes in working capital accounts, primarily consisting of (i) increase in inventories of US\$31.9 million, (ii) increase in amounts due from related parties of US\$30.8 million, (iii) increase in amounts due to related parties of US\$20.4 million, and (iv) decrease in contract liabilities of US\$19.0 million.

Net cash used in operating activities decreased by US\$112.5 million from December 31, 2023 to 2024, primarily attributable to improvements in cash conversion cycle with accelerated accounts receivable collection, as well as narrowed net loss.

For the year ended December 31, 2024, net cash used in operating activities was US\$60.0 million. The difference between our net cash used in operating activities and our net loss of US\$137.8 million for the same period from continuing operations was attributable to certain non-cash items, primarily consisting of share-based compensation expense of US\$19.1 million, depreciation and amortization of US\$20.6 million, and certain changes in working capital accounts, primarily consisting of (i) decrease in accounts receivable of US\$46.2 million, (ii) decrease in prepayments and other current assets and other non-current assets of US\$22.4 million, (iii) decrease in contract liabilities of US\$21.6 million, (iv) decrease in accrued expenses and other current liabilities and income taxes payable of US\$17.2 million, (v) decrease in accounts payable of US\$12.3 million, and (vi) increase in notes payable of US\$17.9 million.

For the year ended December 31, 2023, net cash used in operating activities was US\$172.4 million. The difference between our net cash used in operating activities and our net loss of US\$143.9 million for the same period from continuing operations was attributable to certain non-cash items, primarily consisting of share-based compensation of US\$24.9 million, depreciation and amortization of US\$12.1 million, and loss from equity method investments of US\$6.1 million, and certain changes in working capital accounts, primarily consisting of (i) increase in accounts receivable of US\$80.4 million, (ii) increase in accounts payable of US\$48.0 million, and (iii) decrease in contract liabilities of US\$39.5 million.

Investing activities

Net cash used in investing activities was US\$70.5 million for the year ended December 31, 2025 compared with net cash used in investing activities of US\$8.1 million for the year ended December 31, 2024. The change mainly due to a higher level of short-term investments compared to 2024 and a new investment in convertible loan in 2025.

For the year ended December 31, 2025, net cash used in investing activities was US\$70.5 million, which was mainly attributable to (i) cash paid for available-for-sale debt investment of US\$43.0 million, (ii) cash paid for equity securities of US\$17.0 million, (iii) net cash paid for short-term investments of US\$12.4 million, and (iv) payments for purchase of property and equipment and intangible assets of US\$12.2 million, partially offset by (v) cash received from partial sale of equity interest in SiEngine of US\$17.9 million.

Net cash used in investing activities was US\$8.1 million for the year ended December 31, 2024 compared with net cash provided by investing activities of US\$87.3 million for the year ended December 31, 2023. The change mainly due to the collection of proceeds from the sale of Zenseact in 2023 of US\$115.0 million.

For the year ended December 31, 2024, net cash used in investing activities was US\$8.1 million, which was mainly attributable to (i) payments for purchase of property and equipment and intangible assets of US\$15.9 million, (ii) cash paid for acquisition of equity method investments of US\$7.5 million, and (iii) payments for acquisition of Suzhou Photon-Matrix, net of cash acquired of US\$6.3 million, partially offset by (iv) proceeds from sale of HaleyTek AB of US\$19.9 million, and (v) net cash proceeds from short-term investments of US\$2.0 million.

For the year ended December 31, 2023, net cash provided by investing activities was US\$87.3 million, which was mainly attributable to proceeds from sale of Zenseact of US\$115.0 million received during the year, partially offset by payments for purchase of property and equipment and intangible assets of US\$8.9 million and cash paid for acquisition of short-term investment of US\$22.5 million.

Financing activities

Net cash provided by financing activities increased by US\$167.5 million from US\$36.4 million for the year ended December 31, 2024 to US\$203.9 million for the year ended December 31, 2025, primarily due to an increase of US\$96.5 million in net borrowings from banks and financial institutions in 2025 compared to 2024, a net increase in convertible notes of US\$41.2 million in 2025 and issuance of new equity of US\$43.2 millions in 2025.

For the year ended December 31, 2025, net cash provided by financing activities was US\$203.9 million, which was mainly attributable to (i) net proceeds from bank borrowings and borrowings from related parties of US\$151.9 million, (ii) net proceeds from issuance of ordinary shares upon follow-on public offering of US\$42.6 million, and (iii) net proceeds from issuance of convertible notes of US\$106.2 million, partially offset by (iii) repayment of convertible notes of US\$65.0 million, and (v) cash paid for repurchase of ordinary shares of US\$29.0 million.

Net cash provided by financing activities decreased by US\$4.2 million from US\$40.6 million for the year ended December 31, 2023 to US\$36.4 million for the year ended December 31, 2024, primarily due to net change in short-term borrowings from banks and related parties and financing for the acquisition of intangible assets.

For the year ended December 31, 2024, net cash provided by financing activities was US\$36.4 million, which was mainly attributable to (i) net increase in borrowings from banks of US\$20.9 million, (ii) from related parties of US\$21.0 million; and (iii) receipt of government grants of US\$7.0 million, partially offset by the financing for (i) the purchase of intangible assets of US\$7.3 million and (ii) repurchase of ordinary shares of US\$3.0 million.

For the year ended December 31, 2023, net cash provided by financing activities was US\$40.6 million, primarily consisting of (i) net proceeds from short-term bank borrowings and borrowings from related parties of US\$45.6 million, (ii) receipt of government grants of US\$6.9 million, partially offset by (iii) cash paid for the costs of the merger of US\$11.3 million.

Capital expenditures

Our capital expenditures are primarily incurred for the purchase of property, equipment, and intangible assets. Our total capital expenditures were US\$8.9 million, US\$15.9 million and US\$12.2 million for the years ended December 31, 2023, 2024 and 2025, respectively. We will continue to make capital expenditures to meet the needs of our research and development activities.

Material Cash Requirements

Other than the ordinary cash requirements for our operations, research and development, and our capital expenditure, our material cash requirements as of December 31, 2025 and any subsequent interim period primarily include interest and principal payments for our borrowings from banks and related parties, convertible notes, operating lease commitments, purchase commitments, and capital commitments.

Our operating lease commitment primarily consists of future minimum lease rentals payable under non-cancellable term of operating lease agreements for our offices and production facilities.

Our purchase commitment primarily consists of future minimum purchase commitment related to the purchase of research and development services.

Our capital commitment primarily consists of total capital expenditures contracted but not yet reflected in the consolidated financial statements.

In December 2025, we entered into a subscription agreement with Lotus Technology Inc. (Nasdaq: LOT), and strategically invested US\$23 million through a private placement. Pursuant to the agreement, we subscribed for a total of 16,788,321 newly issued ordinary shares of Lotus Technology Inc. at a price of US\$1.37 per ordinary share. The ordinary shares issued in this private placement are subject to a six-month lock-up period, with certain customary exceptions. Our investment commitment is towards the remaining tranche of this investment of US\$6.0 million.

We intend to fund our existing and future material cash requirements with our existing cash balance, additional loan facilities from banks, financial support from controlling shareholder, future equity offerings, as well as renewing our existing bank loans when they fall due, as necessary, although such plans are contingent upon many factors out of our control. We will continue to make cash commitments, including capital expenditures, to support the growth of our business.

The following table sets forth our contractual obligations as of December 31, 2025.

	Payment Due by Period					
	Total	Less than one year	1–2 Years	2–3 Years	3–5 Years	Over 5 Years
	(US\$ in thousands)					
Operating lease commitment	25,572	5,413	5,350	4,352	6,716	3,741
Purchase commitment	45,351	45,351	—	—	—	—
Capital commitment	2,601	2,601	—	—	—	—
Investment commitment	6,000	6,000	—	—	—	—
Borrowings from banks	316,246	310,659	5,587	—	—	—
Total	399,996	374,250	10,937	4,352	6,716	3,741

As of December 31, 2025, the outstanding balance of 2025 ATW Convertible Notes payable was US\$38.8 million, which will be due in 2026.

As of December 31, 2025, the outstanding balance of 2025 Convertible Notes payable was US\$60.3 million, which will be due in 2028.

Other than as shown above, we did not have any significant capital and other commitments, long-term obligations, or guarantees as of December 31, 2025.

Off-balance Sheets Arrangements

We have not entered into any financial guarantees or other commitments to guarantee the payment obligations of any third parties. In addition, we have not entered into any derivative contracts that are indexed to our shares and classified as shareholders' equity or that are not reflected in our consolidated financial statements. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity, or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk, or credit support to us or engages in leasing, hedging, or product development services with us.

Holding Company Structure

ECARX Holdings Inc. is a holding company with no material operations of its own. We conduct our operations in China through our PRC subsidiaries and, prior to the Restructuring, also through our former VIE, Hubei ECARX. As a result, our ability to pay dividends depends significantly upon dividends paid by our mainland China subsidiaries. If our existing mainland China subsidiaries or any newly formed ones incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us. In addition, our wholly foreign-owned subsidiaries in mainland China are permitted to pay dividends to us only out of their retained earnings, if any, as determined in accordance with the accounting standards and regulations in mainland China. Under the PRC law, each of our mainland China subsidiaries and, prior to the Restructuring, Hubei ECARX, is required to set aside at least 10% of its after-tax profits each year, if any, after making up previous years' accumulated losses, if any, to fund certain statutory reserve funds until such reserve funds reach 50% of its registered capital. In addition, each of our wholly foreign-owned subsidiaries in mainland China may allocate a portion of its after-tax profits based on the accounting standards in mainland China to enterprise expansion funds and staff bonus and welfare funds at its discretion. The statutory reserve funds and the discretionary funds are not distributable as cash dividends. Remittance of dividends by a wholly foreign-owned company out of mainland China is subject to examination by the banks designated by SAFE. Our mainland China subsidiaries have not paid dividends and will not be able to pay dividends until they generate accumulated profits and meet the requirements for statutory reserve funds.

Inflation

To date, inflation in mainland China has not materially impacted our results of operations. According to the National Bureau of Statistics of China, the year-over-year percent change in the consumer price index for December 2023, 2024 and 2025 were a decrease of 0.3%, an increase of 0.2% and 0.8%, respectively. Although we have not been materially affected by inflation in the past, we can provide no assurance that we will not be affected by higher rates of inflation in China in the future.

Recently Issued Accounting Pronouncements

A list of recently issued accounting pronouncements that are relevant to us is included in Note 2(ee) of our consolidated financial statements included elsewhere in this annual report.

C. Research and Development, Patents and Licenses, etc.

See "Item 4. Information on the Company—B. Business Overview—Intellectual Property" of this annual report.

D. Trend Information

Other than as disclosed elsewhere in this annual report, we are not aware of any trends, uncertainties, demands, commitments or events for the year ended December 31, 2025 that are reasonably likely to have a material and adverse effect on our total revenues, income, profitability, liquidity or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future results of operations or financial conditions.

E. Critical Accounting Estimates

We prepare our consolidated financial statements in accordance with U.S. GAAP. In doing so, we have to make estimates and assumptions. Our critical accounting estimates are those estimates that involve a significant level of uncertainty at the time the estimate is made, and changes in them have had or are reasonably likely to have a material effect on our financial condition or results of operations. Accordingly, actual results could differ materially from our estimates. We base our estimates on past experience and other assumptions that we believe are reasonable under the circumstances, and we evaluate these estimates on an ongoing basis.

The following descriptions of critical accounting policies, judgments and estimates should be read in conjunction with our consolidated financial statements and accompanying notes and other disclosures included in this annual report. When reviewing our financial statements, you should consider (i) our selection of critical accounting policies, (ii) the judgments and other uncertainties affecting the application of such policies, and (iii) the sensitivity of reported results to changes in conditions and assumptions.

Share-based compensation

We measure the cost of employee and non-employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award and recognizes the cost over the period the employee and non-employee is required to provide service in exchange for the award, which generally is the vesting period. For awards with performance conditions, compensation cost is recognized over the estimated vesting period if it is probable that the performance condition will be achieved.

The fair value of restricted stock units, or RSUs, and options is estimated using the binomial model and the Performance Share Unit, or PSUs is estimated using the Monte-Carlo simulation model with certain assumptions. The expected volatility for RSUs, options and PSUs was estimated based on the historical volatility of comparable peer public companies with a time horizon close to the expected term of our RSUs, option and PSUs. With respect to the RSUs and options issued in US\$, the risk-free interest rate was separately estimated based on the yield to maturity of U.S. Treasury bonds for a term consistent with the expected term of our RSUs, options and PSUs in effect at the valuation date. Expected dividend yield is zero as we do not anticipate any dividend payments in the foreseeable future. Expected term is the contract life of the RSUs, options and PSUs.

Impairment of long-lived assets

We test long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. If the carrying amount of an asset group exceeds its estimated undiscounted future cash flows, an impairment loss is recognized in the amount of the excess of the asset group's carrying value over its fair value. We determine the fair value of the asset group based on the forecasted discounted cash flows. Significant inputs used in the income approach primarily included revenue growth rates and discount rate. For the years ended December 31, 2023, 2024 and 2025, impairment losses of US\$1.4 million, US\$0.2 million and US\$3.4 million were recognized, respectively.

Item 6. Directors, Senior Management and Employees**A. Directors and Senior Management**

The following table sets forth certain information relating to our executive officers and directors as of the date of this annual report. Our board of directors is comprised of six directors.

Directors and Executive Officers	Age	Position/Title
Ziyu Shen	42	Chairman and Chief Executive Officer
Zenggang Liu	40	Director
Lone Fønss Schrøder	66	Director
Jim Zhang (Zhang Xingsheng)	70	Independent Director
Grace Hui Tang	66	Independent Director
Jun Hong Heng	44	Independent Director
Peter Cirino	54	Chief Operating Officer
Dylan Da-Long Jeng	56	Chief Financial Officer

Ziyu Shen has served as our director and Chief Executive Officer since November 2019 and our Chairman since May 2021. Mr. Shen has served as director and Chief Executive Officer of Hubei ECARX since 2017. In addition to his current roles in our company, Mr. Shen is also serving as a director of DREAMSMART TECHNOLOGY PTE. LTD. and as Chairman and Chief Executive Officer of Hubei Xingji Meizu Group Co., Ltd. Prior to founding ECARX, Mr. Shen served as General Manager of Shanghai Pateo Network Technology Service Co., Ltd. from October 2012 to March 2016. Earlier in his career, Mr. Shen was an industry director of T-Systems P. R. China Ltd. from October 2011 to October 2012, and before then he worked at Shanghai OnStar Telematics Service Co., Ltd. as senior manager from August 2009 to October 2011, and had worked as an engineer and then as a senior manager at Shanghai General Motors Company Limited from August 2006 to August 2008. Mr. Shen received a master's degree in electronics and communication engineering from Shanghai Jiao Tong University in 2011.

Zenggang Liu has served as our director since January 2025. Mr. Liu joined Baidu in 2014 and currently serves as the deputy general manager of Baidu Maps. He oversees Baidu Maps' open platform business and navigation business, and has amassed substantial experience in the mapping industry. Mr. Liu received a bachelor's degree from Harbin Institute of Technology and a master's degree from Northeastern University.

Lone Fønss Schrøder has served as a director since October 2025. Ms. Schroeder is an experienced international CEO and Chairperson with decades of leadership across the automotive, technology, finance, retail and industrial sectors. She has been a driving force behind high-impact partnerships among leading industry players, shaping transformative collaboration and innovation across the global industrial landscape. She currently serves as Chairperson of Geely Sweden Holdings AB and IKEA's Ikano Bank, and as Chair of the Nomination Committee at Volvo Cars, where she has been a central force in the company's shift towards electrification, software-defined vehicles, and new mobility models. Ms. Schroeder has previously served as CEO of Concordium, Wallenius Lines, and Star Air (Maersk), and spent more than 20 years in senior executive roles at A.P. Møller – Maersk. She is advisor for leading technology platform companies, including ServiceNow and works with AI, digital end-to-end platforms, and data-driven transformation. Ms. Schroeder is Danish and lives in Switzerland and holds master's degrees in business & economics from Copenhagen Business School and the in law from University of Copenhagen, and studied Web3 Technologies at MIT Sloan School of Management.

Jim Zhang (Zhang Xingsheng) has served as a director since March 2021. Mr. Zhang is the founding partner of Daotong Investment Co., Ltd. which was established in December 2013. Mr. Zhang served as an independent director at Volvo Car AB (SSE: VOLCAR-B) from August 2018 to May 2022 and as a director at The Nature Conservancy's North Asia Region from 2008 to 2013. Mr. Zhang also served as Chairman at Beijing Link Capital Investment Co., Ltd. from 2005 to 2008. Prior to that, Mr. Zhang held various leadership position at Asiainfo Holdings, Inc., a company previously listed on Nasdaq, from 2003 to 2005, including as its director, president, and Chief Executive Officer. Mr. Zhang served as Executive Vice President and Chief Marketing Officer at Ericsson (China) Co., Ltd. from 1990 to 2003. Mr. Zhang served as deputy manager at China Telecom Construction Corporation from 1986 to 1990 and worked as an engineer at Beijing Long Distance Telecom Office from 1977 to 1986. Mr. Zhang received his MBA from BI-Fudan MBA program offered in partnership by BI Norwegian Business School and School of Management Fudan University in 1999 and a bachelor's degree in 1981 from Beijing University of Post and Telecommunications.

Grace Hui Tang has served as a director since March 2021. Ms. Tang was an audit partner at PricewaterhouseCoopers from 2001 to 2020, when she retired. Ms. Tang has served as a director at Textainer Group Holdings Limited (NYSE: TGH) since July 2020 and as a director at Elkem ASA (ELK: Oslo) since April 2021. Ms. Tang also serves as a director at Bria Biosciences Ltd (HKG: 2137) since July 2021 and as of July 2022, she has been appointed as a director, of NetEase Inc. (NASDAQ: NTES). Ms. Tang is a member of the AICPA and HKICPA. Ms. Tang has also dedicated herself to social, welfare and educational affairs, she serves as an advisor to the Beijing Capital Market and Securities Legal Affairs Committee since 2006 and as a supervising board member of Beijing New Sunshine Leukemia Charity Foundation since 2011, a public fund that had been awarded the highest grade qualification by the Civil Affairs Bureau of Beijing and she is also the treasurer for the Silvermine Arts Foundation in the USA. Ms. Tang is an adjunct professor at the Guanghua School of Management of Peking University. Ms. Tang received a bachelor's degree in accounting from the University of Utah in June 1982 and an MBA from Utah State University in June 1984.

Jun Hong Heng has served as a director since December 2022. Mr. Heng is the Founder of Crescent Cove Advisors, LP and has served as Chief Investment Officer of Crescent Cove since August 2018. Mr. Heng is also the Founder of Crescent Cove Capital Management LLC and has served as its Chief Investment Officer since February 2016. Mr. Heng has also served as a member of the board of directors of Luminar Technologies, Inc. since June 2021. Prior to Crescent Cove Capital Management LLC, Mr. Heng served as Principal of Myriad Asset Management, an investment firm, from August 2011 to January 2015, where he focused on Asian credit and equity, including special situations. From September 2008 to July 2011, he served as Vice President of Argyle Street Management, a spin-off from Goldman Sachs Asian Special Situations Group. Previously, Mr. Heng served as an analyst at Morgan Stanley, where he focused on Asia, and as an analyst at Bear, Stearns & Co., where he served in a multi-disciplinary role across technology, media and telecommunications, mergers and acquisitions, and equity and debt capital markets. Mr. Heng holds a B.B.A. in Finance and Accounting from the Stephen M. Ross School of Business at the University of Michigan.

Peter Cirino has served as our Chief Operating Officer since September 2022. Mr. Cirino has more than 25 years' experience in automotive technology and electronics having led organizations across the Americas, Europe, and Asia. Most recently, Mr. Cirino led Aptiv's connections systems business in the Americas. Prior to Aptiv, he led A123 Systems, an emerging lithium-ion battery business operating across China, Europe and North America. Mr. Cirino has a BS Mechanical Engineering from Cornell University and MBA from Duke University, both in the US.

Dylan Da-Long Jeng has served as our Chief Financial Officer since March 23, 2026. Mr. Jeng has over 25 years of experience in corporate finance and capital markets across the United States and Asia-Pacific. Prior to joining us, Mr. Jeng served as special assistant to the chairman at Hon Hai Precision Industry Co., Ltd. (TWSE: 2317), where he was responsible for corporate finance strategy, internal control governance, investor relations and post-investment management across the group's AI, Robotics, and EV verticals. Mr. Jeng served as chief financial officer of Guangzhou XAG Co., Ltd., where he led overall financial-related corporate governance, strategy development and execution. Mr. Jeng held senior finance and corporate roles at several multinational companies, including serving as head of corporate restructuring at NovaBridge Biosciences (NASDAQ: NBP), formerly I-Mab, where he played a key role in its NASDAQ listing, and as vice president at SciClone Pharmaceuticals, Inc. (NASDAQ: SCLN), where he was responsible for the tax accounting and the related internal control risk management. Mr. Jeng began his career with leading professional services firms, including KPMG and PricewaterhouseCoopers. Mr. Jeng received his master's degree in accounting (taxation) and his bachelor's degree in accounting from Long Island University. He is a certified public accountant.

B. Compensation

Compensation of Directors and Executive Officers

In 2025, we paid an aggregate of US\$2.9 million in cash and benefits to our executive officers as a group and we paid US\$0.4 million compensation to our non-executive directors. We have not set aside or accrued any amount to provide pension, retirement or other similar benefits to our executive officers. Our mainland China subsidiaries are required by law to make contributions equal to certain percentages of each employee's salary for his or her pension insurance, medical insurance, unemployment insurance, work-related injury insurance and maternity insurance and other statutory benefits, and a housing provident fund.

Employment Agreements and Indemnification Agreements

Each of the executive officers is party to an employment agreement with us. Under these agreements, the employment of each of executive officers is for a specified time period, and may be terminated for cause, at any time and without advance notice or compensation, for certain acts of the executive officer, such as conviction or plea of guilty to a

felony or any crime involving moral turpitude, negligent or dishonest acts to our detriment, or misconduct or a failure to perform agreed duties. In such case of termination, we will provide severance payments to the executive officer as expressly required by applicable law of the jurisdiction where the executive officer is based. The employment may also be terminated without cause upon three-month advance written notice. The executive officer may resign at any time with three-month advance written notice.

Each of our executive officers has agreed to hold, both during and after the termination or expiry of his or her employment agreement, a strict confidence not to use, except as required in the performance of his or her duties in connection with the employment or pursuant to applicable law, any confidential information or trade secrets, any confidential information or trade secrets of our customers or prospective customers, or the confidential or proprietary information of any third party received by us and for which we have confidential obligations. The executive officers have also agreed to disclose in confidence to all inventions, designs, and trade secrets which they conceive, develop, or reduce to practice during the executive officer's employment with us and to assign all right, title, and interest in them to us, and assist us in obtaining and enforcing patents, copyrights, and other legal rights for these inventions, designs, and trade secrets.

In addition, each executive officer has agreed to be bound by non-competition and non-solicitation restrictions during the term of his or her employment and typically for one year following the last date of employment. Specifically, each executive officer has agreed not to (a) approach any suppliers, clients, customers, or contacts of us or other persons or entities introduced to the executive officer in his or her capacity as a representative of us for the purpose of doing business with such persons or entities that will harm the business relationships between us and these persons or entities, (b) assume employment with or provide services to any of the competitors of us, or engage, whether as principal, partner, licensor, or otherwise, any of such competitors, without the express consent of us; or (c) seek directly or indirectly, to solicit the services of any employees of us on or after the date of the executive officer's termination, or in the year preceding such termination, without the express consent of us.

We have entered into indemnification agreements with each of our directors and executive officers. Under these agreements, we have agreed to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being our director or officer.

Share Incentive Plans

The 2019 Share Incentive Plan

In December 2019, our board of directors approved and adopted a share incentive plan which was subsequently restated and amended in December 2021 (the plan as restated and amended is referred to as the "2019 Share Incentive Plan"). The principal purpose of the 2019 Share Incentive Plan is to attract, retain and motivate selected members of the senior management, consultants, and our employees and our consolidated affiliates through the granting of share-based compensation awards.

As of February 28, 2026, (i) the maximum aggregate number of Ordinary Shares which may be issued pursuant to all awards under the 2019 Share Incentive Plan is 27,438,015 and (ii) 27,438,015 restricted shares have been issued and outstanding, excluding awards that were forfeited or cancelled after the grant dates.

The following paragraphs describe the principal terms of the 2019 Share Incentive Plan.

Types of awards. The 2019 Share Incentive Plan permits the awards of restricted shares.

Plan administration. Mr. Ziyu Shen, or any committee or person authorized by Mr. Shen, administers the 2019 Share Incentive Plan. The plan administrator determines, among other things, the participants eligible to receive awards, the type or types of awards to be granted to each eligible participant, the number of awards to be granted to each eligible participant, and the terms and conditions of each award grant.

Award Agreement. Awards granted under the 2019 Share Incentive Plan are evidenced by an award agreement that sets forth terms, conditions and limitations for each award, which may include the terms of the award, the provisions applicable in the event that the grantee's employment or service terminates, and the authority of us to unilaterally or bilaterally amend, modify, suspend, cancel or rescind the award.

Eligibility. We may grant awards to members of senior management, consultants, and employees of our company.

Vesting schedule. In general, the plan administrator determines the vesting schedule, which is specified in the award agreement.

Payment for Awards. The plan administrator determines the purchase price, as applicable, for each award, which is stated in the award agreement. All or part of awards that are not fully paid will terminate after five years from the date of award, unless otherwise provided in the award agreement.

Transfer restrictions. Awards may not be transferred in any manner by the eligible participant other than in accordance with the terms of the 2019 Share Incentive Plan, or the award agreement or otherwise as determined by the plan administrator. Subject to the fulfillment of stipulated conditions, participants may request for the sale of ordinary shares of us underlying his/her awards in which case we will have the discretion to allow the transfer of either such ordinary shares, or the participant's interests in such ordinary shares.

Termination and amendment of the 2019 Share Incentive Plan. Unless terminated earlier, the 2019 Share Incentive Plan has a term of ten years. Our board of directors has the authority to terminate, amend, suspend or modify the 2019 Share Incentive Plan, provided that certain amendments to the plan require the approval of our shareholders. However, unless otherwise determined by the plan administrator in good faith, no such action may adversely affect in any material way any award previously granted pursuant to the 2019 Share Incentive Plan.

The 2021 Option Incentive Plan

In July 2021, our board of directors approved and adopted the 2021 Option Incentive Plan, to attract and retain the best available personnel, provide additional incentives to employees, directors and consultants, and promote the success of our business. The maximum aggregate number of Ordinary Shares that may be issued under the 2021 Option Incentive Plan is 16,802,069. As of February 28, 2026, options with a total of 10,647,331 underlying Ordinary Shares have been granted under the 2021 Option Incentive Plan and outstanding, excluding awards that were forfeited or cancelled after the grant dates.

The following paragraphs summarize the principal terms of the 2021 Option Incentive Plan.

Type of Awards. The 2021 Option Incentive Plan permits the awards of options.

Plan Administration. Our board of directors administers the 2021 Option Incentive Plan. The plan administrator determines the participants to receive awards, the type and number of awards to be granted to each participant, and the terms and conditions of each grant.

Award Agreement. Awards granted under the 2021 Option Incentive Plan are evidenced by an award agreement that sets forth the terms, conditions and limitations for each award, which may include the term of the award, the provisions applicable in the event that the grantee's employment or service terminates, and our authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind the award.

Eligibility. We may grant awards to members of senior management and key employees of our company.

Vesting Schedule. In general, the plan administrator determines the vesting schedule, which is specified in the award agreement.

Exercise of Options. The plan administrator determines the exercise price for each award, which is stated in the award agreement. Options that are vested and exercisable will terminate if they are not exercised prior to the time as the plan administrator determines at the time of grant. However, the maximum exercisable term is ten years from the date of grant.

Transfer Restrictions. Awards may not be transferred in any manner by the participant other than in accordance with the exceptions provided in the 2021 Option Incentive Plan or the award agreement or otherwise determined by the plan administrator.

Termination and Amendment of the Plan. Unless terminated earlier, the 2021 Option Incentive Plan has a term of ten years from the date of its effectiveness. Our board of directors has the authority to terminate, amend, suspend or modify the 2021 Option Incentive Plan, provided that certain amendments to the plan require the approval of our shareholders. However, unless otherwise determined by the plan administrator in good faith, no such action may adversely affect in any material way any award previously granted pursuant to the 2021 Option Incentive Plan.

The 2022 Share Incentive Plan

In December 2022, our board of directors approved and adopted the 2022 Share Incentive Plan, to attract and retain the best available personnel, provide additional incentives to employees, directors and consultants, and promote the success of our business. The maximum aggregate number of ordinary shares that may be issued under the 2022 Share Incentive Plan is 18,903,472. As of February 28, 2026, 16,256,872 ordinary shares have been issued under the 2022 Share Incentive Plan.

The following paragraphs summarize the principal terms of the 2022 Share Incentive Plan.

Types of Awards. The 2022 Share Incentive Plan permits the awards of options, restricted shares, restricted share units or other equity incentive awards pursuant to the authorizations of the administrator under the 2022 Share Incentive Plan.

Plan Administration. Our board of directors or a committee of one or more members of our board (or such other administrator to which such committee delegates all of its authority) administers the 2022 Share Incentive Plan. The administrator of 2022 Share Incentive Plan determines, among other things, the eligibility of individuals to receive awards, the type and number of awards to be granted to each eligible individual, and the terms and conditions of each award. We have established a committee for the administration of the 2022 Share Incentive Plan in March 2023, consisting of Mr. Ziyu Shen, Ms. Grace Hui Tang and Mr. Jim Zhang (Zhang Xingsheng).

Award Agreement. Each award granted under the 2022 Share Incentive Plan is evidenced by an award agreement.

Eligibility. We may grant awards to employees, consultants and directors of our company. The general scope of eligible individuals shall be determined by the Committee.

Vesting Schedule. In general, the administrator determines the vesting schedule, if any, which is specified in the award agreement.

Exercise of Options. The exercise price per share subject to an option shall be determined by the administrator and set forth in the award agreement which may be a fixed price or a variable price related to the fair market value of the shares; provided, however, that no option may be granted to an individual subject to taxation in the United States at less than the fair market value on the date of grant, without compliance with Section 409A of the Code, or the holder's consent.

Transfer Restrictions. Awards may not be transferred in any manner by the holder other than in accordance with the exceptions provided in the 2022 Share Incentive Plan, such as transfers to us or transfers upon the death of the holder, pursuant to such conditions and procedures as the administrator may establish.

Termination and Amendment of the 2022 Share Incentive Plan. Unless terminated earlier, the 2022 Share Incentive Plan has a term of 10 years. The Committee has the authority to terminate, amend or modify the plan.

Equity Incentive Trust

SHINE LINK VENTURE LIMITED is a limited liability company incorporated in British Virgin Islands and wholly owned by J&H Trust, a trust established under a trust deed dated November 26, 2019 between Mr. Ziyu Shen and Trident Trust company (HK) Limited as trustee. Through J&H Trust, interests in the Ordinary Shares and other rights and interests under awards granted pursuant to the 2019 Share Incentive Plan are provided to certain grant recipients who are assigned beneficial interests in the J&H Trust corresponding to the number of Ordinary Shares granted to such participant under the 2019 Share Incentive Plan. Specifically, upon the payment of purchase price and the satisfaction of vesting and other conditions, eligible participants are assigned beneficial interests in the J&H Trust corresponding to the number of Ordinary Shares granted to such participant under the 2019 Share Incentive Plan. In addition, SHINE LINK VENTURE

LIMITED holds Ordinary Shares representing incentive awards granted to certain of our founding members in 2017 which are also administered through SHINE LINK VENTURE LIMITED and J&H Trust.

Awards Granted

The following table summarizes, as of February 28, 2026, the number of restricted share units we have granted to certain of our directors and officers, excluding awards that were forfeited or cancelled after the relevant grant dates.

Name	Ordinary Shares Underlying Restricted Share Units	Date of Grant
Jun Hong Heng	40,944	December 31, 2023
	89,037	December 31, 2024
	76,923	December 31, 2025
Peter Cirino	735,793	June 1, 2024
	247,500	December 31, 2024

The following table summarizes, as of February 28, 2026, the number of options we have granted to certain of our directors and officers, excluding awards that were forfeited or cancelled after the relevant grant dates.

Name	Number of Class A Ordinary Shares Underlying Options	Exercise Price (US\$/Share)	Date of Grant	Date of Expiration
Grace Hui Tang	46,952	0.5	December 31, 2023	December 31, 2033
	123,362	0.5	December 31, 2024	December 31, 2034
	101,266	0.5	December 31, 2025	December 31, 2035
Jim Zhang (Zhang Xingsheng)	46,952	0.5	December 31, 2023	December 31, 2033
	123,362	0.5	December 31, 2024	December 31, 2034
	101,266	0.5	December 31, 2025	December 31, 2035

C. Board Practices

Board of Directors

Our board of directors consists of six directors as of the date of this annual report. The seventh amended and restated memorandum and articles of association of ECARX Holdings provide that the minimum number of directors shall be three and the exact number of directors shall be determined from time to time by our board of directors.

A director is not required to hold any shares in us by way of qualification. A director who is in any way, whether directly or indirectly, interested in a contract or transaction or proposed contract or transaction with us is required to declare the nature of his or her interest at a board meeting. Subject to Nasdaq listing rules and disqualification by the chairman of the relevant board meeting, a director may vote in respect of any contract or transaction or proposed contract or transaction notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of directors at which any such contract or transaction or proposed contract or transaction shall come before the meeting for consideration.

The directors may exercise all the powers of the company to raise or borrow money and to mortgage, or charge its undertaking, property, and assets (present or future), uncalled capital or any part thereof, and to issue debentures, debenture stock, bonds, or other securities, whether outright or as collateral security for any debt, liability, or obligation of our company or of any third party.

No non-employee director has a service contract with us that provides for benefits upon termination of service.

Committees of the Board of Directors

We have established an audit committee, a compensation committee, and a nominating and corporate governance committee under our board of directors and have adopted a charter for each of the three committees. Our board of director has also established a cybersecurity committee. Each committee's members and functions are described below.

Audit Committee

The audit committee consists of Mr. Jun Hong Heng, Ms. Grace Hui Tang and Mr. Jim Zhang (Zhang Xingsheng). Ms. Grace Hui Tang is the chairperson of the audit committee. Ms. Grace Hui Tang satisfies the criteria of an audit committee financial expert as set forth under the applicable rules of the SEC. Each of Mr. Jun Hong Heng, Ms. Grace Hui Tang and Mr. Jim Zhang (Zhang Xingsheng) satisfies the requirements for an "independent director" within the meaning of the Nasdaq listing rules and the criteria for independence set forth in Rule 10A-3 of the Exchange Act.

The audit committee oversees our accounting and financial reporting processes. The audit committee is responsible for, among other things:

- appointing the independent auditors and pre-approving all auditing and non-auditing services permitted to be performed by the independent auditors;
- reviewing with the independent auditors any audit problems or difficulties and management's response;
- discussing the annual audited financial statements with management and the independent auditors;
- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any steps taken to monitor and control major financial risk exposures;
- reviewing and approving all proposed related party transactions;
- meeting separately and periodically with management and the independent auditors; and monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance.

Compensation Committee

The compensation committee consists of Mr. Jun Hong Heng, Mr. Jim Zhang (Zhang Xingsheng) and Ms. Grace Hui Tang. Mr. Jim Zhang (Zhang Xingsheng) is the chairperson of the compensation committee. Each of Mr. Jun Hong Heng, Mr. Jim Zhang (Zhang Xingsheng) and Ms. Grace Hui Tang satisfies the requirements for an "independent director" within the meaning of the Nasdaq listing rules.

The compensation committee assists the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. Our chief executive officer may not be present at any committee meeting during which his compensation is deliberated. The compensation committee is responsible for, among other things:

- reviewing and approving, or recommending to the board for its approval, the compensation for our chief executive officer and other executive officers;
- reviewing and recommending to the board for determination with respect to the compensation of our non-employee directors;
- reviewing periodically and approving any incentive compensation or equity plans, programs similar arrangements; and selecting compensation consultant, legal counsel or other advisor only after taking into consideration all factors relevant to that person's independence from management.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee consists of Mr. Jun Hong Heng, Mr. Jim Zhang (Zhang Xingsheng) and Ms. Grace Hui Tang. Mr. Jim Zhang (Zhang Xingsheng) is the chairperson of the nominating and

corporate governance committee. Each of Mr. Jun Hong Heng, Mr. Jim Zhang (Zhang Xingsheng) and Ms. Grace Hui Tang satisfies the requirements for an “independent director” within the meaning of the Nasdaq listing rules.

The nominating and corporate governance committee assist the board of directors in selecting individuals qualified to become our directors and in determining the composition of the board and committees. The nominating and corporate governance committee is responsible for, among other things:

- selecting and recommending to the board nominees for election by the shareholders or appointment by the board;
- reviewing annually with the board the current composition of the board with regards to characteristics such as independence, knowledge, skills, experience and diversity;
- making recommendations on the frequency and structure of board meetings and monitoring the functioning of the committees of the board; and advising the board periodically with regards to significant developments in the law and practice of corporate governance as well as compliance with applicable laws and regulations, and making recommendations to the board on all matters of corporate governance and on any remedial action to be taken.

Cybersecurity Committee

Mr. Ziyu Shen is the sole member of the cybersecurity committee.

The cybersecurity committee assists our board of directors in ensuring that we will comply with all applicable laws and regulations on cybersecurity and national security. The cybersecurity committee is responsible for, among other things:

- implementing safeguards and security policies on the collection, storage, transfer and dissemination of personal data and other important data in compliance with all applicable laws and regulations on cybersecurity and national security;
- preserving the privacy of personal data and security of other important data collected, and preventing such information from being divulged, damaged, or lost;
- mitigating the risk of core data, important data or a large amount of personal information being stolen, leaked, destroyed, and illegally used or illegally transferred abroad;
- mitigating the risk of critical information infrastructure, core data, important data or a large amount of personal information being affected, controlled, or used with malicious intent by foreign governments, as well as the risk relating to information security;
- reviewing and approving disclosures, transfer and dissemination of personal data and important data;
- overseeing the conduct of security assessment of information to be provided overseas, prior to the cross-border transfer of any data;
- ensuring the legality, appropriateness and necessity of the cross-border data transfer and the purpose, scope and method of the data processing activities of the overseas recipient;
- ensuring that any cross-border transfer of data will not create any risk to national security, public interests, or the legitimate rights and interests of individuals or organizations that may arise from such transfer;
- ensuring that any products and services that affect or may affect national securities must be compliant with national cybersecurity review;
- maintaining the security of internet systems; and advising our board of director with regards to significant developments in the law and practice of cybersecurity, national security as well as compliance with applicable laws and regulations, and making recommendations to the board on all matters of cybersecurity and national security.

Duties of Directors

Under Cayman Islands law, directors owe fiduciary duties to the company, including a duty of loyalty, a duty to act honestly, and a duty to act in what they consider in good faith to be in the company’s best interests. Directors must also exercise their powers only for a proper purpose. Directors also have a duty to act with skill and care. It was previously

considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as amended and restated from time to time, and the class rights vested thereunder in the holders of the shares. We have the right to seek damages if a duty owed by our directors is breached. A shareholder may in certain circumstances have rights to seek damages in the name of the company if a duty owed by our directors is breached.

Appointment and Removal of Directors

The seventh amended and restated memorandum and articles of association of ECARX Holdings provide that all directors may be appointed by ordinary resolution and removed by ordinary resolution. The seventh amended and restated memorandum and articles of association of ECARX Holdings also provide that the directors may, by the affirmative vote of a simple majority of the remaining directors present and voting at a board meeting, appoint any person to be a director so as to fill a casual vacancy or as an addition to the existing board of director. A director may be appointed on terms that he or she shall automatically retire from office at the next or a subsequent annual general meeting or upon any specified event or after any specified period in a written agreement between our company and the director, if any; but no such term shall be implied in the absence of express provision. Our directors currently do not serve for a fixed term and there is no requirement for them to retire by rotation nor to make themselves eligible for re-election.

The office of a director shall be vacated if, amongst other things, such director (a) becomes bankrupt or makes any arrangement or composition with his or her creditors, (b) dies or is found to be or becomes of unsound mind, (c) resigns his or her office by notice in writing to us, (d) without special leave of absence from the board, is absent from meetings of the board for three consecutive meetings, and the board resolves that his or her office be vacated; or (e) is removed from office pursuant to any other provision of the seventh amended and restated memorandum and articles of association of ECARX Holdings.

Terms of Directors and Executive Officers

A director shall hold office until such time as he or she resigns his office by notice in writing to us, is removed from office by ordinary resolution or is otherwise disqualified from acting as a director or removed in accordance with the seventh amended and restated memorandum and articles of association of ECARX Holdings.

D. Employees

As of December 31, 2025, we had 1,432 full-time employees globally, comprising 1,000 employees engaged in research and development and related technical and engineering functions, 154 employees engaged in quality and manufacturing operation, 246 employees engaged in general management and administration, and 32 employees engaged in marketing and sales. As of December 31, 2025, we had 20 employees in London, England, 1,322 employees in China, and 90 employees in other countries.

	As of December 31 2025	
	Number	%
Functions:		
Research and development	1,000	70
Quality and manufacturing operation	154	11
General and administration	246	17
Marketing and sales	32	2
Total	1,432	100

Our success depends on our ability to attract, motivate, train and retain qualified personnel. We believe we offer our employees competitive compensation packages and an environment that encourages self-development and, as a result, have generally been able to attract and retain qualified personnel and maintain a stable core management team.

As required by regulations in China, we participate in various employee social security plans that are organized by municipal and provincial governments, including pension, unemployment insurance, maternity insurance, work-related

injury insurance, medical insurance and housing insurance. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses, and certain allowances of our employees, up to a maximum amount specified by the local government from time to time. Bonuses are generally discretionary and based in part on employee performance and in part on the overall performance of our business. We have granted, and plan to continue to grant, share-based incentive awards to our employees to incentivize their contributions to our growth and development.

We enter into standard labor contracts and confidentiality agreements with our employees. We are party to a collective labor agreement applicable to our employees in Sweden. None of our other employees are represented by a union or are subject to collective bargaining agreements. To date, we have not experienced any significant labor disputes.

E. Share Ownership

The following table sets forth information regarding the beneficial ownership of our Ordinary Shares as of February 28, 2026:

- each person who beneficially owns 5.0% or more of the outstanding Ordinary Shares;
- each person who is an executive officer or director; and
- all executive officers and directors as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to, or the power to receive the economic benefit of ownership of, the securities. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares that the person has the right to acquire within 60 days are included, including through the exercise of Warrants or any option or other right or the conversion of any other security. However, these shares are not included in the computation of the percentage ownership of any other person.

The calculations in the table below are based on 335,099,068 Class A Ordinary Shares and 45,960,916 Class B Ordinary Shares outstanding as of the date of this annual report. 23,871,971 Warrants, 2025 ATW Convertible Notes for an aggregate principal amount of US\$50 million and convertible into Class A Ordinary Shares at an initial conversion price of US\$2.59 per share (subject to customary adjustments on the conversion price), and 2025 Convertible Notes for an aggregate principal amount of US\$100 million and convertible into Class A Ordinary Shares at a conversion price of US\$2.62 per share (subject to customary adjustments on the conversion price) were also issued and outstanding as of the date of this annual report.

	Ordinary Shares Beneficially Owned				
	Class A Ordinary Shares	Class B Ordinary Shares	Total Ordinary Shares	% of Total Ordinary Shares	% of Voting Power ⁽²⁾
Directors and Executive Officers⁽¹⁾					
Ziyu Shen ⁽³⁾	3,000,000	21,480,458	24,480,458	6.4	27.4
Zenggang Liu	—	—	—	—	—
Lone Fønss Schröder	—	—	—	—	—
Jim Zhang (Zhang Xingsheng)	271,580	—	271,580	—	—
Grace Hui Tang	271,580	—	271,580	—	—
Jun Hong Heng	10,182,520	—	10,182,520	2.9	1.3
Peter Cirino	983,293	—	983,293	*	*
Dylan D. Jeng	—	—	—	—	—
All Directors and Executive Officers as a Group	14,708,973	21,480,458	36,189,431	10.6	30.5
Principal Shareholders					
Fu&Li Industrious Innovators Limited ⁽⁴⁾	144,440,574	24,480,458	168,921,032	44.3	49.0
Jie&Hao Holding Limited ⁽³⁾	3,000,000	21,480,458	24,480,458	6.4	27.4
Baidu (Hong Kong) Limited ⁽⁵⁾	22,367,946	—	22,367,946	5.9	2.8

- (1) Unless otherwise indicated, the business address for our directors and executive officers is Second Floor North, International House, 1 St. Katharine's Way, London E1W 1UN, United Kingdom.
- (2) For each person or group included in this column, percentage of total voting power represents voting power based on both Class A Ordinary Shares and Class B Ordinary Shares held by such person or group with respect to all outstanding Ordinary Shares as a single class. Each holder of Class A Ordinary Shares is entitled to one vote per share. Each holder of Class B Ordinary Shares is entitled to 10 votes per share. Class B Ordinary Shares are convertible at any time by the holder into Class A Ordinary Shares on a one-for-one basis, while Class A Ordinary Shares are not convertible into Class B Ordinary Shares under any circumstances.
- (3) Represents 21,480,458 Class B Ordinary Shares and 3,000,000 Class A Ordinary Shares held by Jie&Hao Holding Limited, a limited liability company incorporated in British Virgin Islands. Mr. Ziyu Shen holds 100% of the issued and outstanding shares of Little SJH Holding Limited and Little SJH Holding Limited holds 1% of shares in Jie&Hao Holding Limited and its shares are voting shares. Magician Hao Holding Limited, which is owned by a trust established for the benefit of Mr. Ziyu Shen and his family, holds 99% of shares in Jie&Hao Holding Limited and its shares are non-voting shares. Mr. Ziyu Shen is solely entitled to exercise the voting and dispositive power in respect of all ordinary shares held by Jie&Hao Holding Limited. The address of Jie&Hao Holding Limited, Little SJH Holding Limited and Magician Hao Holding Limited is Craigmuir Chambers, Road Town, Tortola, VG 1110, British Virgin Islands.
- (4) Represents 144,440,574 Class A Ordinary Shares and 24,480,458 Class B Ordinary Shares held by Fu&Li Industrious Innovators Limited, a limited liability company incorporated in British Virgin Islands. Mr. Eric Li (Li Shufu) holds 100% of the issued and outstanding shares of Minghao Group Limited and Minghao Group Limited holds 1% of shares in Fu&Li Industrious Innovators Limited and its shares are voting shares. Industrious Innovators Limited, which is owned by a trust established for the benefit of Mr. Eric Li (Li Shufu) and his family, holds 99% of shares in Fu&Li Industrious Innovators Limited and its shares are non-voting shares. Mr. Eric Li (Li Shufu) is solely entitled to exercise the voting and dispositive power in respect of all ordinary shares held by Fu&Li Industrious Innovators Limited. The address of Fu&Li Industrious Innovators Limited, Minghao Group Limited and Industrious Innovators is Craigmuir Chambers, Road Town, Tortola, VG 1110, British Virgin Islands.
- (5) Represents 22,367,946 Class A Ordinary Shares held by Baidu (Hong Kong) Limited, a limited liability company incorporated in Hong Kong and wholly owned by Baidu Holdings Limited. Baidu Holdings Limited is a limited liability company incorporated in British Virgin Islands and wholly owned by Baidu, Inc., a Nasdaq and Hong Kong Stock Exchange listed company. The address of Baidu (Hong Kong) Limited is Room 2609, China Resources Building 26 Harbour Road, Wanchai, Hong Kong. The address of Baidu Holdings Limited and Baidu, Inc. is Baidu Campus, No. 10 Shangdi 10th Street, Haidian District, Beijing 100085, People's Republic of China.

Enforceability of Civil Liabilities

ECARX Holdings is incorporated under the laws of the Cayman Islands. Service of process upon ECARX Holdings and upon its directors and officers named in this annual report, may be difficult to obtain within the United States. Furthermore, because substantially all of our assets are located outside the United States, any judgment obtained in the United States against us may not be collectible within the United States.

We have been advised by our Cayman Islands legal counsel that there is uncertainty as to whether the courts of the Cayman Islands would (i) recognize or enforce judgments of U.S. courts predicated upon the civil liability provisions of the federal securities laws of the United States or the securities laws of any state in the United States, or (ii) entertain original actions brought in the Cayman Islands that are predicated upon the federal securities laws of the United States or the securities laws of any state in the United States.

We have also been advised by our Cayman Islands legal counsel that although there is no statutory enforcement in the Cayman Islands of judgments obtained in the federal or state courts of the United States (and the Cayman Islands are not a party to any treaties for the reciprocal enforcement or recognition of such judgments), a judgment obtained in such jurisdiction will be recognized and enforced in the courts of the Cayman Islands at common law, without any re-examination of the merits of the underlying dispute, by an action commenced on the foreign judgment debt in the Grand Court of the Cayman Islands; provided that such judgment must be final and conclusive and for a liquidated sum, and must not be in respect of taxes or a fine or penalty, inconsistent with a Cayman Islands judgment in respect of the same matter, impeachable on the grounds of fraud or obtained in a manner, and or be of a kind the enforcement of which is, contrary to natural justice or the public policy of the Cayman Islands (awards of punitive or multiple damages may well be held to be contrary to public policy. A Cayman Islands court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere.

In addition, we have been advised by our legal counsel as to the law of mainland China that there is uncertainty as to whether courts in mainland China would (i) recognize or enforce judgments of U.S. courts predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States, or (ii) entertain original actions brought in mainland China predicated upon the securities laws of the United States or any state in the United States.

We have also been advised by our legal counsel as to the law of mainland China that the recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedures Law. Courts in mainland China may recognize and enforce foreign judgments in accordance with the requirements, public policy considerations and conditions set forth in applicable provisions of laws in mainland China relating to the enforcement of civil liability, including the PRC Civil Procedures Law, based either on treaties between mainland China and the country where the judgment is made or on principles of reciprocity between jurisdictions. There exists no treaty or other forms of reciprocity between mainland China and the United States or the Cayman Islands governing the recognition and enforcement of foreign judgments as of the date of this annual report.

Furthermore, according to the PRC Civil Procedures Law, courts in mainland China will not enforce a foreign judgment if they decide that the judgment violates the basic principles of the law in mainland China or national sovereignty, security or public interest. As a result, it is uncertain whether and on what basis a court in mainland China would enforce a judgment rendered by a U.S. court or the Cayman Islands.

F. Disclosure of a Registrant’s Action to Recover Erroneously Awarded Compensation

Not applicable.

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

Please refer to “Item 6. Directors, Senior Management and Employees—E. Share Ownership.”

B. Related Party Transactions

Employment Agreements and Indemnification Agreements

See “Item 6. Directors, Senior Management and Employees—B. Compensation.”

Share Incentives

See “Item 6. Directors, Senior Management and Employees—B. Compensation—Share Incentive Plans.”

Agreements with Geely Holding’s Subsidiaries

We have developed various products and services and supplied them to Geely Holding’s subsidiaries. A product development agreement has typically been entered into between us (through a subsidiary or, prior to the Restructuring, Hubei ECARX) and a Geely Holding subsidiary regarding the customization and development of automotive products for specific Geely Holding’s vehicle models. The product development agreement has either taken the form of a new product development agreement or a development agreement depending on the requirement of the relevant Geely Holding subsidiary. A new product development agreement or a development agreement sets forth the fees payable to us and is accompanied by technical and quality specifications or engineering statement of work applicable to the products. The purchase price of the product is subsequently agreed to between the parties. The fees typically are of a fixed amount and payable by the Geely Holding subsidiary in one lump sum or by milestones.

The purchase of products and services by the Geely Holding subsidiary from us is and has been typically completed through purchase orders under one of the following sets of standard terms adopted by the Geely Holding subsidiary in respect of its suppliers.

- **Purchasing Contract General Terms and Conditions.** These general terms and conditions apply to all documents between us and the signing Geely Holding subsidiary, including all purchase orders, executed between the parties during the development, supply, post-sales, and other phases of the relevant automotive products, service parts, assemblies, accessories, raw materials, tooling, design, engineering, or other services, and software embedded in goods or provided separately. The specific products and services to be purchased by the Geely Holding subsidiary and their quantity are set forth in the purchase orders issued by such Geely Holding subsidiary under these general terms and conditions. The prices for the specific products and services to be purchased by the

Geely Holding subsidiary are separately agreed between the parties. We issue invoices monthly, typically payable within 60 or 75 days, depending on the nature of the products and services subject to the purchase orders.

- **Direct Material Global Purchasing Terms and Conditions.** These terms and conditions apply to the purchases of production goods and services by the relevant Geely Holding subsidiary from us including: (i) production and service parts, components, assemblies, and accessories, (ii) raw materials, (iii) tooling, (iv) design, engineering, or other services, and (v) software embedded in goods or provided separately. The specific goods and services to be purchased and the price, quantity, and payment terms are set forth in the purchase orders. These terms and conditions include certain pricing principles to guide the good faith negotiations between the parties. The initial term of a production purchase order begins on its effective date and expires on June 30 of the next calendar year and is renewed automatically on July 1 for an additional 12 months unless a notice of non-renewal is issued.

Contractual arrangements with Zhejiang Huanfu

Prior to December 2021, we provided the TSP maintenance service using our own service team. In response to the tightening of the regulatory framework governing data security, cybersecurity and privacy by PRC government authorities, we transferred the right to data business to Zhejiang Huanfu (the “transfer of Right to Data”) in December 2021.

In January 2022, we entered into a procurement framework agreement with Zhejiang Huanfu and thereafter concluded several procurement-related contracts pursuant to the procurement framework agreement to procure certain data-related services (including hosting of information, including personal data, as well as IT system support and troubleshooting) from Zhejiang Huanfu and fulfill the obligations to perform connectivity service that were committed to prior to the aforementioned transfer to Zhejiang Huanfu for the sole purpose of restricting our access to personal data. In 2022 and 2023, we also licensed certain intellectual property to Zhejiang Huanfu to enable it to perform such data-related services.

In 2024, we also provided technical consulting services to Zhejiang Huanfu regarding the development of telematics products and licensed certain intellectual property to Zhejiang Huanfu relating to information security of telematics service.

Contractual arrangements with Hubei ECARX

In 2023, in connection with our autonomous driving systems, we engaged Hubei ECARX for an autonomous driving compliance and cloud data compliance service after having compared the pricing terms with the quotations obtained from other unrelated third-party vendors. Under this contract, Hubei ECARX is responsible for (i) the collection and storage of general sensor data (as opposed to surveying and mapping data); (ii) the desensitization of such data in a regulation compliant environment; and (iii) the provision of the desensitized data to the Company for its ADAS/autonomous driving products and technologies.

Contractual arrangements with DreamSmart and its subsidiaries

In November 2023, we entered into a strategic cooperation agreement and a licensing agreement with Hubei Xingji Meizu Group Co., Ltd., or Xingji Meizu, an indirect subsidiary of DreamSmart Technology Pte Ltd. (“DreamSmart Singapore”). Pursuant to the strategic cooperation agreement, Xingji Meizu and we will further collaborate in the development and commercialization of the Flyme Auto intelligent cockpit solutions for three years. Pursuant to the licensing agreement, we obtained certain rights to distribute the Flyme Auto intelligent cockpit solutions worldwide for three years with a total licensing fee of RMB150 million payable by us in installments. In May 2025, the parties entered into an amendment agreement and agreed to extend the license for an additional term of 8 years to November 2033 on an exclusive basis for no additional consideration.

In 2025, ECARX Hubei entered into a technology development entrustment agreement with Xingji Meizu, under which Meizu was engaged to provide software development, system integration, testing, and related technical services in connection with an intelligent cockpit software project for an end customer. The agreement has a total contract value of RMB50.0 million (tax inclusive) and covers services provided over the period from July 2025 through December 2027. Payments are made based on agreed milestones and advance payments, with deliverables subject to acceptance. Intellectual property created under the agreement is generally owned by the end customer, subject to customary background IP carve-outs.

In August 2025, ECARX Hubei also entered into a loan agreement with Xingji Meizu pursuant to which ECARX (Hubei) provided a RMB49.0 million loan to Meizu for working capital and general corporate purposes. The loan bears interest at 4.06% per annum, calculated based on the actual number of days outstanding, and has a one-year term ending in August 2026, subject to customary acceleration events. The loan is repayable in a single lump sum of principal and accrued interest at maturity.

In December 2025, we entered into a convertible loan agreement with DreamSmart Singapore pursuant to which we provided RMB300 million (equivalent to US\$43 million) of funding to a subsidiary of DreamSmart Singapore, Hubei DreamSmart Group Co., Ltd. (“DreamSmart Hubei”) with a contractual term of 36 months. The interest is calculated at an annual interest rate, which is equal to the average of the five-year Loan Prime Rate (“LPR”) and the one-year LPR published by the National Interbank Funding Center on the date of the loan disbursement (including such date), plus 45 basis points (one basis point being 0.01%).

In December 2025, we also entered into a production procurement framework agreement with Xingji Meizu for a one year term with an aim to create an efficient procurement channel for integrated circuit materials across ECARX group entities. This agreement further integrates Meizu into ECARX’s automotive electronics supply chain. The framework agreement has a one-year term and does not commit us or our affiliates to any minimum purchase volume. Binding obligations arise only upon issuance of specific purchase orders, which set forth product specifications, quantities, pricing, and delivery terms. Our affiliates may transact independently with Meizu under the framework without joint or several liability.

In January 2026, ECARX Holdings Inc. entered into a loan agreement with DreamSmart Infinity Hong Kong Limited, a Meizu affiliate, pursuant to which ECARX Holdings Inc. provided a US\$4.6 million loan for general business operations. The loan bears interest at 4.06% per annum, calculated on an actual-days basis, and has a one-year term ending in January 2027, with repayment of principal and accrued interest in a single payment at maturity, subject to customary early-maturity provisions.

For additional information and details of the nature and amounts of transactions with related parties, see Note 28 to our consolidated financial statements included in this annual report.

C. Interests of Experts and Counsel

Not applicable.

Item 8. Financial Information

A. Consolidated Statements and Other Financial Information

We have appended consolidated financial statements filed as part of this annual report.

Legal Proceedings

We may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of our business. We are currently not a party to any material legal or administrative proceedings.

Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial costs and diversion of our resources, including our management’s time and attention.

Dividend Policy

ECARX Holdings, our subsidiaries, and Hubei ECARX have not declared or paid dividends or made any distributions as of the date of this annual report. We do not intend to declare dividends or make distributions in the near future. Any determination to pay dividends on our ordinary shares would be at the discretion of our board of directors, subject to applicable laws, and would depend on our financial condition, results of operations, capital requirements, general business conditions, and other factors that our board of directors may deem relevant.

As a holding company, ECARX Holdings may rely on dividends from our subsidiaries for cash requirements, including any payment of dividends to its shareholders. The ability of our subsidiaries to pay dividends or make

distributions to ECARX Holdings may be restricted by laws and regulations applicable to them or the debt they incur on their own behalf or the instruments governing their debt. Restrictions on the ability of our mainland China subsidiaries to pay dividends to an offshore entity primarily include: (i) the mainland China subsidiaries may pay dividends only out of their accumulated after-tax profits upon satisfaction of applicable statutory conditions and procedures, if any, determined in accordance with accounting standards and regulations in mainland China; (ii) each of the mainland China subsidiaries is required to set aside at least 10% of its after-tax profits each year, if any, to fund certain reserve funds until the total amount set aside reaches 50% of its registered capital; (iii) the mainland China subsidiaries are required to complete certain procedural requirements related to foreign exchange control in order to make dividend payments in foreign currencies; and (iv) a withholding tax, at the rate of 10% or lower, is payable by the mainland China subsidiary upon dividend remittance.

Under Cayman Islands law, while there are no exchange control regulations or currency restrictions, ECARX Holdings is also subject to certain restrictions under Cayman Islands law on dividend distribution to its shareholders, namely that it may only pay dividends out of profits or share premium account, and provided always that in no circumstances may a dividend be paid if this would result in ECARX being unable to pay its debts as they fall due in the ordinary course of business.

B. Significant Changes

Except as disclosed elsewhere in this annual report, we have not experienced any significant changes since the date of our audited consolidated financial statements included in this annual report.

Item 9. The Offer and Listing

A. Offering and Listing Details

Our Class A Ordinary Shares and Warrants have been listed on The Nasdaq Global Market since December 21, 2022 under the symbol “ECX” and “ECXWW,” respectively.

B. Plan of Distribution

Not applicable.

C. Markets

Our Class A Ordinary Shares and Warrants are listed on Nasdaq under the symbols “ECX” and “ECXWW,” respectively.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional Information

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The following are summaries of material provisions of our seventh amended and restated memorandum and articles of association, as well as the Companies Act (As Revised) insofar as they relate to the material terms of our ordinary shares.

A summary description of the Warrants is also set forth below.

Registered Office and Objects

The registered office of our company is at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The objects for which our company is established are unrestricted and we have full power and authority to carry out any object not prohibited by the Companies Act (As Revised) or any other law of the Cayman Islands.

Board of Directors

See “Item 6. Directors, Senior Management and Employees—C. Board Practices—Board of Directors.”

Ordinary Shares

General

Holders of Class A Ordinary Shares and Class B Ordinary Shares generally have the same rights except for voting and conversion rights. We maintain a register of our shareholders and a shareholder will only be entitled to a share certificate if our board of directors resolves that share certificates be issued.

Although Mr. Eric Li (Li Shufu) and Mr. Ziyu Shen (each a “Co-Founder”) control the voting power of all of the issued and outstanding Class B Ordinary Shares, their controls over those shares are not permanent and are subject to reduction or elimination. As further described below, upon any transfer of Class B Ordinary Shares by a holder thereof to any person which is not Mr. Li or Mr. Shen or an affiliate of them, those shares will automatically and immediately convert into Class A Ordinary Shares.

Dividends

The holders of Ordinary Shares are entitled to such dividends as the board of directors may in its discretion lawfully declare from time to time, or as shareholders may declare by ordinary resolution. Class A Ordinary Shares and Class B Ordinary Shares rank equally as to dividends and other distributions. Dividends may be paid either in cash or in specie.

Voting Rights

In respect of all matters upon which holders of Ordinary Shares are entitled to vote, each Class A Ordinary Share is entitled to one vote and each Class B Ordinary Share is entitled to ten votes. Voting at any meeting of shareholders is decided by way of a poll and not by way of a show of hands. A poll shall be taken in such manner as the chairperson of the meeting directs and the result of a poll shall be deemed to be the resolution of the meeting.

Class A Ordinary Shares and Class B Ordinary Shares shall vote together on all matters as a single class except as otherwise required by law. An ordinary resolution to be passed by the shareholders requires a simple majority of votes cast by such shareholders as, being entitled to do so, vote at a general meeting of our company, while a special resolution requires not less than two-thirds of votes cast by such shareholders as, being entitled to do so, vote at a general meeting of our company. Both ordinary resolutions and special resolutions may also be passed by a unanimous written resolution signed by all members entitled to vote. A special resolution is required for important matters such as a change of name or making changes to our then existing memorandum and articles of association.

Optional and Mandatory Conversion

Each Class B Ordinary Share is convertible into one Class A Ordinary Share at any time at the option of the holder thereof. Class A Ordinary Shares are not convertible into Class B Ordinary Shares under any circumstances.

Upon any direct or indirect sale, transfer, assignment or disposition of Class B Ordinary Shares by a holder thereof or the direct or indirect transfer or assignment of the voting power attached to such Class B Ordinary Shares through voting proxy or otherwise to any person which is not a Co-Founder or a Co-Founder's affiliate, such Class B Ordinary Share will automatically and immediately convert into an equal number of Class A Ordinary Share.

Upon any direct or indirect sale, transfer, assignment, or disposition of a majority of the issued and outstanding voting securities of, or the direct or indirect transfer or assignment of the voting power attached to such voting securities through voting proxy or otherwise, or the direct or indirect sale, transfer, assignment, or disposition of all or substantially all of the assets of, a holder of Class B Ordinary Shares that is an entity to any person that is not Mr. Eric Li (Shufu Li) or Mr. Ziyu Shen or their respective affiliate, such Class B Ordinary Share will automatically and immediately convert into an equal number of Class A Ordinary Share; provided, that any such direct or indirect sale, transfer, assignment, or disposition to an affiliate of Mr. Eric Li (Shufu Li) or Mr. Ziyu Shen shall result in the automatic and immediate conversion of the Class B Ordinary Shares into an equal number of Class A Ordinary Shares if Mr. Eric Li (Shufu Li) or Mr. Ziyu Shen does not continue to have sole dispositive power and exclusive voting control over the Class B Ordinary Shares after such sale, transfer, assignment, or disposition.

Transfer of Ordinary Shares

Subject to applicable laws, including securities laws, and the restrictions contained in the seventh amended and restated memorandum and articles of association of ECARX Holdings and to any lock-up agreements to which a shareholder may be a party, any shareholders may transfer all or any of their Class A Ordinary Shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors.

Class B Ordinary Shares may be transferred only to a Co-Founder or a Co-Founder's affiliate and any Class B Ordinary Shares transferred otherwise will be converted into Class A Ordinary Shares as described above. See "—Optional and Mandatory Conversion."

Our board of directors may in their absolute discretion decline to register any transfer of shares which is not fully paid up or on which we have a lien. Our board of directors may also decline to register any transfer of any share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the shares to which it relates (if any) and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of shares;
- the instrument of transfer is properly stamped, if required;
- in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four; or
- a fee of such maximum sum as Nasdaq may determine to be payable, or such lesser sum as our board of directors may from time to time require, is paid to us in respect thereof.

If our board of directors refuses to register a transfer they shall, within three calendar months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

Liquidation

On the winding up of our company, if the assets available for distribution amongst our shareholders shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed among our shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, all monies payable to our company for unpaid calls or otherwise. If our assets available for distribution are insufficient to repay the whole of the share capital, the assets will be distributed so that, as nearly as may be, the losses are borne by our shareholders in proportion to the par value of the shares held by them.

Calls on Ordinary Shares and Forfeiture of Ordinary Shares

Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their Ordinary Shares. The Ordinary Shares that have been called upon and remain unpaid are, after a notice period, subject to forfeiture.

Redemption and Repurchase of Ordinary Shares

Subject to the provisions of the Companies Act (As Revised) of the Cayman Islands, we may issue shares that are to be redeemed or are liable to be redeemed at the option of the shareholder or us. The redemption of such shares will be effected in such manner and upon such other terms as we may, by either our board of directors or by the shareholders by ordinary resolution, determine before the issue of the shares. We may purchase our own shares (including any redeemable shares) on such terms and in such manner and terms as have been approved by the our board of directors or by the shareholders by ordinary resolution.

Variations of Rights of Shares

If at any time our share capital is divided into different classes of shares, all or any of the rights attached to any class may, subject to any rights or restrictions for the time being attached to any class, only be materially and adversely varied with the consent in writing of the holders of at least two-thirds (2/3) of the issued shares of that class, or with the sanction of a special resolution passed by a majority of not less than two-thirds of the votes cast at a separate meeting of the holders of the shares of that class where at least one-third (1/3) in nominal or par value amount of the issued shares of that class are present (provided that if at any adjourned meeting of such holders a quorum as above defined is not present, those shareholders who are present shall form a quorum).

General Meetings of Shareholders

We may (but shall not be obliged to) in each calendar year hold an annual general meeting. The annual general meeting shall be held at such time and place as our board of directors may determine. At least seven calendar days' notice shall be given for any general meeting. The chairperson of our board of directors or our board of directors may call general meetings. Our board of directors must convene an extraordinary general meeting upon the requisition of shareholders holding at least one-third of the votes attaching to all issued and outstanding shares of our company that as at the date of the deposit carry the right to vote at general meetings of our company. One or more shareholders holding shares which carry in aggregate (or representing by proxy) not less than one-third (1/3) of all votes attaching to all shares in issue and entitled to vote at such general meeting present shall be a quorum for all purposes; provided, that the presence in person or by proxy of holders of a majority of our Class B Ordinary Shares shall be required in any event.

Inspection of Books and Records

Our board of directors will determine whether, to what extent, at what times and places and under what conditions or regulations our accounts and books will be open to the inspection by shareholders, and no shareholder will otherwise have any right of inspecting any account or book or document of us except as required by law or authorized by our board of directors or our shareholders by special resolution.

Changes in Capital

We may from time to time by ordinary resolution:

- increase our share capital by new shares of such amount as we think expedient;
- consolidate and divide all or any share capital into shares of a larger amount than existing shares;
- sub-divide our existing shares or any of them into shares of a smaller amount; provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share will be the same as it was in case of the share from which the reduced share is derived; or
- cancel any shares that at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

We may by special resolution reduce our share capital or any capital redemption reserve in any manner authorized by the Companies Act (As Revised) of the Cayman Islands.

Registration Rights

Certain of our shareholders are entitled to certain registration rights, pursuant to which we have agreed to provide customary demand registration rights and “piggyback” registration rights with respect to such registrable securities and, subject to certain circumstances, to file a resale shelf registration statement to register the resale under the Securities Act of such registrable securities.

Warrants

Public Warrants

Each whole Warrant entitles the registered holder to purchase one Class A Ordinary Share at a price of US\$11.50 per share, subject to adjustment as discussed below. Pursuant to the Warrant Agreement, a Warrant holder may exercise its Warrants only for a whole number of Ordinary Shares. This means only a whole Warrant may be exercised at a given time by a Warrant holder. The Warrants will expire five years after the completion of the Business Combination, at 5:00 p.m., New York City time, or earlier upon redemption or liquidation.

We will not be obligated to deliver any Class A Ordinary Shares pursuant to the exercise of a Warrant and will have no obligation to settle such exercise unless a registration statement under the Securities Act with respect to the Class A Ordinary Shares underlying the Warrants is then effective and a prospectus relating thereto is current, subject to us satisfying our obligations described below with respect to registration, or a valid exemption from registration is available. No Warrant will be exercisable for cash or on a cashless basis, and we will not be obligated to issue a Class A Ordinary Share upon exercise of a Warrant unless the Class A Ordinary Share issuable upon such Warrant exercise has been registered, qualified or deemed to be exempt under the securities laws of the state of residence of the registered holder of the Warrants. In the event that the conditions in the two immediately preceding sentences are not satisfied with respect to a Warrant, the holder of such Warrant will not be entitled to exercise such Warrant and such Warrant may have no value and expire worthless. In no event will we be required to net cash settle any Warrant.

We have filed the registration statement within the timeframe set forth in the Warrant Agreement and have agreed to use our commercially reasonable efforts to maintain the effectiveness of such registration statement and a current prospectus relating to those Class A Ordinary Shares until the Warrants expire or are redeemed, as specified in the Warrant Agreement. If the Class A Ordinary Shares are at the time of any exercise of a Warrant are not listed on a national securities exchange such that they satisfy the definition of a “covered security” under Section 18(b)(1) of the Securities Act, we may, at our option, require holders of public Warrants who exercise their Warrants to do so on a “cashless basis” in accordance with Section 3(a)(9) of the Securities Act and, in the event we so elect, we will not be required to file or maintain in effect a registration statement, but we will use our commercially reasonable efforts to register or qualify the shares under applicable blue sky laws to the extent an exemption is not available. During any period when we will have failed to maintain an effective registration statement, Warrant holders may exercise Warrants on a “cashless basis” in accordance with Section 3(a)(9) of the Securities Act or another exemption; provided that if the exemption under Section 3(a)(9) of the Securities Act, or another exemption, is not available, holders will not be able to exercise their Warrants on a cashless basis.

In the case of a cashless exercise, each holder would pay the exercise price by surrendering the Warrants for that number of Class A Ordinary Shares equal to the quotient obtained by dividing (x) the product of the number of Class A Ordinary Shares underlying the Warrants, multiplied by the excess of the “fair market value” less the exercise price of the Warrants by (y) the fair market value. The “fair market value” as used in this paragraph means the volume-weighted average price of the Class A Ordinary Shares as reported during the 10-trading day period ending on the trading day prior to the date on which the notice of exercise is received by the Warrant agent.

A holder of a Warrant may notify us in writing in the event we elect to be subject to a requirement that such holder will not have the right to exercise such Warrant, to the extent that after giving effect to such exercise, such person (together with such person’s affiliates), to the warrant agent’s actual knowledge, would beneficially own in excess of 9.8% (or such other amount as a holder may specify) of the Class A Ordinary Shares issued and outstanding immediately after giving effect to such exercise.

Redemption of Warrants when the price per Class A Ordinary Share equals or exceeds US\$18.00

We may redeem the outstanding Warrants (except as described herein with respect to the Sponsor Warrants):

- in whole and not in part;
- at a price of US\$0.01 per Warrant;
- upon a minimum of 30 days' prior written notice of redemption to each Warrant holder; and
- if, and only if, the closing price of the Class A Ordinary Shares equals or exceeds US\$18.00 per share (as adjusted for adjustments to the number of shares issuable upon exercise or the exercise price of a Warrant as described under the heading “—Warrants—Public Warrants—Anti-Dilution Adjustments”) for any 20 trading days within a 30-trading day period ending three trading days before we send the notice of redemption to the Warrant holders.

If and when the Warrants become redeemable by us, we may not exercise our redemption right if the issuance of Class A Ordinary Shares upon exercise of the Warrants is not exempt from registration or qualification under applicable state blue sky laws or we are unable to effect such registration or qualification.

We have established the last of the redemption criterion discussed above to prevent a redemption call unless there is at the time of the call a significant premium to the Warrant exercise price. If the foregoing conditions are satisfied and we issue a notice of redemption of the Warrants, each Warrant holder will be entitled to exercise his, her or its Warrant prior to the scheduled redemption date. However, the price of the Class A Ordinary Shares may fall below the US\$18.00 redemption trigger price (as adjusted for adjustments to the number of shares issuable upon exercise or the exercise price of a Warrant as described below under the heading “—Warrants—Public Warrants—Anti-dilution Adjustments”) as well as the US\$11.50 (for whole shares) Warrant exercise price after the redemption notice is issued.

If we call the Warrants for redemption as described above, our management will have the option to require any holder that wishes to exercise its Warrant to do so on a “cashless basis.” In determining whether to require all holders to exercise their Warrants on a “cashless basis,” our management will consider, among other factors, our cash position, the number of Warrants that are outstanding and the dilutive effect on its shareholders of issuing the maximum number of Class A Ordinary Shares issuable upon the exercise of the Warrants. If our management takes advantage of this option, all holders of Warrants would pay the exercise price by surrendering their Warrants for that number of Class A Ordinary Shares equal to the quotient obtained by dividing (x) the product of the number of Class A Ordinary Shares underlying the Warrants, multiplied by the difference between the exercise price of the Warrants and the “fair market value” by (y) the fair market value. For this purpose, “fair market value” means the average reported last sale price of the Class A Ordinary Shares for the 10 trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of Warrants. If our management takes advantage of this option, the notice of redemption will contain the information necessary to calculate the number of shares of Class A Ordinary Shares to be received upon exercise of the Warrants, including the “fair market value” in such case.

Anti-dilution Adjustments

If the number of issued and outstanding Class A Ordinary Shares is increased by a capitalization or share dividend payable in Class A Ordinary Shares, or by a subdivision of ordinary shares or other similar event, then, on the effective date of such capitalization or share dividend, subdivision or similar event, the number of Class A Ordinary Shares issuable on exercise of each Warrant will be increased in proportion to such increase in the outstanding ordinary shares. A rights offering made to all or substantially all holders of ordinary shares entitling holders to purchase Class A Ordinary Shares at a price less than the “historical fair market value” (as defined below) will be deemed a share dividend of a number of Class A Ordinary Shares equal to the product of (i) the number of Class A Ordinary Shares actually sold in such rights offering (or issuable under any other equity securities sold in such rights offering that are convertible into or exercisable for Class A Ordinary Shares) and (ii) one minus the quotient of (x) the price per Class A Ordinary Share paid in such rights offering and (y) the historical fair market value. For these purposes, (i) if the rights offering is for securities convertible into or exercisable for Class A Ordinary Shares, in determining the price payable for Class A Ordinary Shares, there will be taken into account any consideration received for such rights, as well as any additional amount payable upon exercise or conversion and (ii) “historical fair market value” means the volume weighted average price of Class A Ordinary Shares as reported during the 10-trading day period ending on the trading day prior to the first date on which the Class A Ordinary Shares trade on the applicable exchange or in the applicable market, regular way, without the right to receive such rights.

In addition, if we, at any time while the Warrants are outstanding and unexpired, pay a dividend or make a distribution in cash, securities or other assets to all or substantially all of the holders of the Class A Ordinary Shares on account of such Class A Ordinary Shares (or other securities into which the Warrants are convertible), other than (a) as described above, or (b) any cash dividends or cash distributions which, when combined on a per share basis with all other cash dividends and cash distributions paid on the Class A Ordinary Shares during the 365-day period ending on the date of declaration of such dividend or distribution does not exceed US\$0.50 (as adjusted to appropriately reflect any other adjustments and excluding cash dividends or cash distributions that resulted in an adjustment to the exercise price or to the number of Class A Ordinary Shares issuable on exercise of each Warrant) but only with respect to the amount of the aggregate cash dividends or cash distributions equal to or less than US\$0.50 per share, then the Warrant exercise price will be decreased, effective immediately after the effective date of such event, by the amount of cash and/or the fair market value of any securities or other assets paid on each Class A Ordinary Share in respect of such event.

If the number of issued and outstanding Class A Ordinary Shares is decreased by a consolidation, combination or reclassification of Class A Ordinary Shares or other similar event, then, on the effective date of such consolidation, combination, reclassification or similar event, the number of Class A Ordinary Shares issuable on exercise of each Warrant will be decreased in proportion to such decrease in issued and outstanding Class A Ordinary Shares.

Whenever the number of Class A Ordinary Shares purchasable upon the exercise of the Warrants is adjusted, as described above, the Warrant exercise price will be adjusted by multiplying the Warrant exercise price immediately prior to such adjustment by a fraction (x) the numerator of which will be the number of Class A Ordinary Shares purchasable upon the exercise of the Warrants immediately prior to such adjustment and (y) the denominator of which will be the number of Class A Ordinary Shares so purchasable immediately thereafter.

In case of any reclassification or reorganization of the issued and outstanding Class A Ordinary Shares (other than those described above or that solely affects the par value of such Class A Ordinary Shares), or in the case of any merger or consolidation of us with or into another corporation (other than a consolidation or merger in which we are the continuing corporation and that does not result in any reclassification or reorganization of the issued and outstanding Class A Ordinary Shares), or in the case of any sale or conveyance to another corporation or entity of the assets or other property of us as an entirety or substantially as an entirety in connection with which we are dissolved, the holders of the Warrants will thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the Warrants and in lieu of the Class A Ordinary Shares immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of Class A Ordinary Shares or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the holder of the Warrants would have received if such holder had exercised their Warrants immediately prior to such event. However, if such holders were entitled to exercise a right of election as to the kind or amount of securities, cash or other assets receivable upon such consolidation or merger, then the kind and amount of securities, cash or other assets for which each Warrant will become exercisable will be deemed to be the weighted average of the kind and amount received per share by such holders in such consolidation or merger that affirmatively make such election, and if a tender, exchange or redemption offer has been made to and accepted by such holders under circumstances in which, upon completion of such tender or exchange offer, the maker thereof, together with members of any group (within the meaning of Rule 13d-5(b)(1) under the Exchange Act) of which such maker is a part, and together with any affiliate or associate of such maker (within the meaning of Rule 12b-2 under the Exchange Act) and any members of any such group of which any such affiliate or associate is a part, own beneficially (within the meaning of Rule 13d-3 under the Exchange Act) more than 50% of the issued and outstanding Class A Ordinary Shares, the holder of a Warrant will be entitled to receive the highest amount of cash, securities or other property to which such holder would actually have been entitled as a shareholder if such Warrant holder had exercised the Warrant prior to the expiration of such tender or exchange offer, accepted such offer and all of the Class A Ordinary Shares held by such holder had been purchased pursuant to such tender or exchange offer, subject to adjustment (from and after the consummation of such tender or exchange offer) as nearly equivalent as possible to the adjustments provided for in the warrant agreement. If less than 70% of the consideration receivable by the holders of Class A Ordinary Shares in such a transaction is payable in the form of shares in the successor entity that is listed for trading on a national securities exchange or is quoted in an established over-the-counter market, or is to be so listed for trading or quoted immediately following such event, and if the registered holder of the Warrant properly exercises the Warrant within 30 days following public disclosure of such transaction, the Warrant exercise price will be reduced as specified in the Warrant Agreement based on the Black-Scholes value (as defined in the Warrant Agreement) of the Warrant. The purpose of such exercise price reduction is to provide additional value to holders of the Warrants when an extraordinary transaction occurs during the exercise period of the Warrants pursuant to which the holders of the Warrants otherwise do not receive the full potential value of the Warrants. The purpose of such exercise price reduction is to provide additional value to holders of the Warrants when an extraordinary transaction occurs during

the exercise period of the Warrants pursuant to which the holders of the Warrants otherwise do not receive the full potential value of the Warrants.

The warrant agreement provides that the terms of the Warrants may be amended without the consent of any holder for the purpose of (i) curing any ambiguity or correct any mistake, including to conform the provisions of the Warrant Agreement to the description of the terms of the Warrants and the Warrant Agreement set forth in this annual report, or defective provision (ii) amending the provisions relating to cash dividends on ordinary shares as contemplated by and in accordance with the Warrant Agreement or (iii) adding or changing any provisions with respect to matters or questions arising under the Warrant Agreement as the parties to the Warrant Agreement may deem necessary or desirable and that the parties deem to not adversely affect the rights of the registered holders of the Warrants, provided that the approval by the holders of at least 65% of the then-outstanding public Warrants is required to make any change that adversely affects the interests of the registered holders.

The Warrant holders do not have the rights or privileges of holders of ordinary shares and any voting rights until they exercise their Warrants and receive Class A Ordinary Shares. After the issuance of Class A Ordinary Shares upon exercise of the Warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by shareholders.

We have agreed that, subject to applicable law, any action, proceeding or claim against it arising out of or relating in any way to the Warrant Agreement will be brought and enforced in the courts of the State of New York or the United States District Court for the Southern District of New York, and we irrevocably submit to such jurisdiction, which jurisdiction will be the exclusive forum for any such action, proceeding or claim. This provision applies to claims under the Securities Act but does not apply to suits brought to enforce any liability or duty created by the Exchange Act or any claim for which the federal district courts of the United States of America are the sole and exclusive forum.

Sponsor Warrants

Except as described below, the Sponsor Warrants have terms and provisions that are identical to those of the Warrants that were sold as part of the units in COVA's initial public offering. The Sponsor Warrants will not be redeemable by us so long as they are held by the Sponsor or its permitted transferees (except as otherwise set forth herein). If the Sponsor Warrants are held by holders other than the Sponsor or its permitted transferees, the Sponsor Warrants will be redeemable by us in all redemption scenarios and exercisable by the holders on the same basis as the Warrants.

The Sponsor, or its permitted transferees, has the option to exercise the Sponsor Warrants on a cashless basis. If holders of the Sponsor Warrants elect to exercise them on a cashless basis, they would pay the exercise price by surrendering his, her or its Sponsor Warrants for that number of Class A Ordinary Shares equal to the quotient obtained by dividing (x) the product of the number of Class A Ordinary Shares underlying the Sponsor Warrants, multiplied by the excess of the "Sponsor fair market value" (defined below) over the exercise price of the Sponsor Warrants by (y) the Sponsor fair market value. For these purposes, the "Sponsor fair market value" shall mean the average reported closing price of the Class A Ordinary Shares for the 10 trading days ending on the third trading day prior to the date on which the notice of Sponsor Warrant exercise is sent to the Warrant agent.

Any amendment to the terms of the Sponsor Warrants or any provision of the Warrant Agreement with respect to the Sponsor Warrants will require a vote of holders of at least 65% of the number of the then outstanding Sponsor Warrants.

C. Material Contracts

We have not entered into any material contracts other than in the ordinary course of business and other than those described in "Item 4. Information on the Company" or elsewhere in this annual report.

D. Exchange Controls

See "Item 4. Information on the Company—B. Business Overview—Regulations—Regulation on Foreign Exchange."

E. Taxation

The following summary of Cayman Islands and U.S. federal income tax considerations generally applicable to an investment in our ordinary shares is based upon laws and relevant interpretations thereof in effect as of the date of this annual report, all of which are subject to change. This summary does not deal with all possible tax consequences relating to an investment in our ordinary shares, such as the tax consequences under state, local and other tax laws.

Cayman Islands Tax Considerations

The following summary contains a description of certain Cayman Islands income tax consequences of the acquisition, ownership and disposition of ordinary shares based on the advice of Maples and Calder (Hong Kong) LLP, our Cayman Islands counsel, but it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase ordinary shares. The summary is based upon the tax laws of the Cayman Islands and regulations thereunder as of the date hereof, which are subject to change.

Prospective investors should consult their professional advisors on the possible tax consequences of buying, holding or selling any shares under the laws of their country of citizenship, residence or domicile.

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Class A Ordinary Shares and Warrants, collectively referred to as the "Securities." The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws, payments of dividends and capital in respect of Securities will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal or a dividend or capital to any holder of the Securities, as the case may be, nor will gains derived from the disposal of the Securities be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporate or capital gains tax and no estate duty, inheritance tax or gift tax.

No stamp duty is payable in respect of the issue of Securities or on an instrument of transfer in respect of Securities.

We have been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, have obtained undertakings from the Governor in Cabinet of the Cayman Islands in the following form:

In accordance with section 6 of the Tax Concessions Act (As Revised) of the Cayman Islands, the Governor in Cabinet of the Cayman Islands has undertaken with us that:

- (a) no law which is thereafter enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to us or our operations; and
- (b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:
 - (i) on or in respect of the shares, debentures or other obligations of us; or
 - (ii) by way of the withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concessions Act.

The concessions apply for a period of 20 years from February 18, 2022.

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to holders of our ordinary shares levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands.

U.S. Federal Income Tax Considerations

The following is a general summary of U.S. federal income tax considerations generally applicable to the ownership and disposition of the Securities by U.S. Holders (defined below) that hold Securities as “capital assets” for U.S. federal income tax purposes (generally, property held for investment). This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the “Code”), Treasury regulations promulgated thereunder (the “Regulations”), rulings, official pronouncements, and judicial decisions, all as in effect on the date hereof and all of which are subject to change and differing interpretations, possibly with retroactive effect, which may give rise to U.S. federal income tax considerations different from those discussed herein. There can be no assurance that the Internal Revenue Service (the “IRS”) would not assert, or that a court would not sustain a position contrary to those described below.

This discussion does not address all aspects of U.S. federal income taxation that may be important to holders in light of their individual circumstances, or to holders subject to special treatment under the U.S. tax laws, such as:

- our officers or directors;
- banks, financial institutions or financial services entities;
- broker-dealers;
- taxpayers that are subject to the mark-to-market accounting rules;
- tax-exempt entities;
- S-corporations, partnerships and other pass-through entities or arrangements;
- governments or agencies or instrumentalities thereof;
- insurance companies;
- regulated investment companies;
- real estate investment trusts;
- expatriates or former long-term residents of the United States;
- persons that actually or constructively own Class A Ordinary Shares representing ten percent or more of our shares by vote or value;
- persons that acquired Securities pursuant to an exercise of employee share options, in connection with employee share incentive plans or otherwise as compensation or in connection with services;
- persons that hold Securities as part of a straddle, constructive sale, hedging, conversion or other integrated or similar transaction; or
- U.S. Holders (as defined below) whose functional currency is not the U.S. dollar.

Furthermore, this discussion does not address any aspect of U.S. federal non-income tax laws, such as gift, estate, Medicare and minimum tax, or any state, local or non-U.S. tax laws.

THIS SUMMARY DOES NOT PURPORT TO BE A COMPREHENSIVE ANALYSIS OR DESCRIPTION OF ALL POTENTIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS RELATING TO OWNING AND DISPOSING OF SECURITIES. HOLDERS OF SECURITIES SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE OWNERSHIP AND DISPOSITION OF SECURITIES, INCLUDING THE APPLICABILITY AND EFFECTS OF U.S. FEDERAL, STATE, LOCAL, AND OTHER TAX LAWS.

As used in this annual report, the term “U.S. Holder” means a beneficial owner of Securities (as determined for U.S. federal income tax purposes) that is for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) that is created or organized (or treated as created or organized) in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if (A) a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or (B) it has in effect under applicable U.S. Treasury regulations a valid election to be treated as a U.S. person.

If a partnership (or other entity or arrangement classified as a partnership for U.S. federal income tax purposes) is the beneficial owner of Securities, the U.S. federal income tax treatment of the partnership or a partner in the partnership will generally depend on the status of the partner and the activities of the partner and the partnership. If you are a partnership or a partner of a partnership holding Securities, we urge you to consult your own tax advisor.

Taxation of Distributions

Subject to the PFIC rules discussed below under “—Passive Foreign Investment Company Status,” a U.S. Holder will generally be required to include in gross income as a dividend the amount of any distribution paid on the Class A Ordinary Shares (including the amount of any tax withheld) to the extent the distribution is paid out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). Any such dividend will not be eligible for the dividends-received deduction generally allowed to domestic corporations in respect of dividends received from other domestic corporations. We do not intend to maintain calculations of our earnings and profits for U.S. federal income tax purposes. Accordingly, U.S. Holders should expect all cash distributions made by us to be reported as dividends for U.S. federal income tax purposes. Any dividend will generally not be eligible for the dividends received deduction allowed to corporations in respect of dividends received from U.S. corporations.

With respect to non-corporate U.S. Holders, dividends will generally be taxed at the lower long-term capital gains rate applicable to “qualified dividend income,” provided that the Class A Ordinary Shares are readily tradable on an established securities market in the United States, or, in the event that we are deemed to be a PRC resident enterprise under the PRC Enterprise Income Tax Law, we are eligible for the benefits of the United States-PRC income tax treaty (the “Treaty”), we are not treated as a PFIC in the year the dividend is paid or in the preceding year and certain holding period and other requirements are met. U.S. Treasury Department guidance indicates that shares listed on Nasdaq (such as the Class A Ordinary Shares) will be considered readily tradable on an established securities market in the United States. Even if the Class A Ordinary Shares are listed on Nasdaq, there can be no assurance that the Class A Ordinary Shares will be considered readily tradable on an established securities market in future years. U.S. Holders should consult their tax advisors regarding the availability of such lower rate for any dividends paid with respect to Class A Ordinary Shares.

Dividends paid on our Class A Ordinary Shares, if any, will generally be treated as income from foreign sources and will generally constitute passive category income for U.S. foreign tax credit purposes. Depending on the U.S. Holder’s individual facts and circumstances, a U.S. Holder may be eligible, subject to a number of complex limitations, to claim a foreign tax credit in respect of any nonrefundable foreign withholding taxes imposed on dividends received on our Class A Ordinary Shares. A U.S. Holder that does not elect to claim a foreign tax credit for foreign taxes withheld may instead claim a U.S. federal income tax deduction in respect of such withholding, but only for a year in which such holder elects to do so for all creditable foreign income taxes. The rules governing the foreign tax credit are complex and their outcome depends in large part on the U.S. Holder’s individual facts and circumstances. Accordingly, U.S. Holders should consult their tax advisors regarding the availability of the foreign tax credit in light of their particular circumstances.

Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition of Class A Ordinary Shares and Warrants

Subject to the PFIC rules described below under “—Passive Foreign Investment Company Status,” a U.S. Holder will generally recognize capital gain or loss on the sale or other taxable disposition of the Class A Ordinary Shares or Warrants in an amount equal to the difference between the amount realized on the disposition and such U.S. Holder’s adjusted tax basis in such Class A Ordinary Shares or Warrants. Any such capital gain or loss generally will be long-term capital gain or loss if the U.S. Holder’s holding period for such Class A Ordinary Shares or Warrants exceeds one year. Long-term capital gain realized by a non-corporate U.S. Holder is currently eligible for reduced rates of taxation. The deduction of capital losses is subject to limitations.

As described in “Item 5. Operating and Financial Review and Prospects—A. Operating Results—Taxation—Mainland China,” if we are deemed to be a mainland China resident enterprise under the PRC Enterprise Income Tax Law, gains from the disposition of the Class A Ordinary Shares or Warrants may be subject to PRC income tax and will generally be U.S.-source, which may limit a U.S. Holder’s ability to claim a U.S. foreign tax credit with respect to any such PRC income tax. If a U.S. Holder is eligible for the benefits of the Treaty, such holder may be able to elect to treat such gain as mainland China source income under the Treaty. Pursuant to U.S. Treasury regulations, however, if a U.S. Holder is not eligible for the benefits of the Treaty or does not elect to apply the Treaty, then such holder may not be able to claim a U.S. foreign tax credit for any mainland China tax imposed on the disposition of the Class A Ordinary Shares or Warrants. The rules regarding foreign tax credits and deduction of foreign taxes are complex. U.S. Holders should consult

their tax advisors regarding the availability of a U.S. foreign tax credit or deduction in light of their particular circumstances, including their eligibility for benefits under the Treaty, and the potential impact of the U.S. Treasury regulations.

Exercise, Lapse or Redemption of a Warrant

Subject to the PFIC rules described below under “—Passive Foreign Investment Company Status” and except as discussed below with respect to the cashless exercise of a warrant, a U.S. Holder will generally not recognize gain or loss upon the acquisition of a Class A Ordinary Share pursuant to the exercise of a Warrant for cash. A U.S. Holder’s tax basis in a Class A Ordinary Share received upon exercise of the Warrant will generally be an amount equal to the sum of the U.S. Holder’s tax basis in the exercised Warrant and the exercise price. The U.S. Holder’s holding period for a Class A Ordinary Share received upon exercise of the Warrant will begin on the date following the date of exercise (or possibly the date of exercise) of the Warrant and will not include the period during which the U.S. Holder held the Warrant. If a Warrant is allowed to lapse unexercised, a U.S. Holder will generally recognize a capital loss equal to such holder’s tax basis in the Warrant.

The tax consequences of a cashless exercise of a warrant are not clear under current law. Subject to the PFIC rules discussed below, a cashless exercise may not be taxable, either because the exercise is not a realization event or because the exercise is treated as a “recapitalization” for U.S. federal income tax purposes. Although we expect a U.S. Holder’s cashless exercise of our warrants (including after we provide notice of our intent to redeem warrants for cash) to be treated as a recapitalization, a cashless exercise could alternatively be treated as a taxable exchange in which gain or loss would be recognized.

In either tax-free situation, a U.S. Holder’s tax basis in the Class A Ordinary Shares received would generally equal the U.S. Holder’s tax basis in the Warrants. If the cashless exercise is not treated as a realization event, it is unclear whether a U.S. Holder’s holding period for the Class A Ordinary Share will commence on the date of exercise of the warrant or the day following the date of exercise of the warrant. If the cashless exercise is treated as a recapitalization, the holding period of the Class A Ordinary Shares would include the holding period of the warrants.

It is also possible that a cashless exercise may be treated in part as a taxable exchange in which gain or loss would be recognized. In such event, a portion of the Warrants to be exercised on a cashless basis could, for U.S. federal income tax purposes, be deemed to have been surrendered in consideration for the exercise price of the remaining Warrants, which would be deemed to be exercised. For this purpose, a U.S. Holder may be deemed to have surrendered a number of Warrants having an aggregate value equal to the exercise price for the total number of warrants to be deemed exercised. Subject to the PFIC rules discussed below, the U.S. Holder would recognize capital gain or loss in an amount equal to the difference between the exercise price for the total number of warrants deemed exercised and the U.S. Holder’s tax basis in such Warrants. In this case, a U.S. Holder’s tax basis in the Class A Ordinary Shares received would equal the U.S. Holder’s tax basis in the Warrants exercised plus (or minus) the gain (or loss) recognized with respect to the surrendered warrants. It is unclear whether a U.S. Holder’s holding period for the Class A Ordinary Shares would commence on the date of exercise of the warrant or the day following the date of exercise of the warrant.

Due to the absence of authority on the U.S. federal income tax treatment of a cashless exercise, there can be no assurance which, if any, of the alternative tax consequences and holding periods described above would be adopted by the IRS or a court of law. Accordingly, a U.S. Holder should consult its tax advisor regarding the tax consequences of a cashless exercise.

Subject to the PFIC rules described below, if we redeem warrants for cash or purchase warrants in an open market transaction, such redemption or purchase will generally be treated as a taxable disposition to the U.S. Holder, taxed as described above.

Possible Constructive Distributions

The terms of each Warrant provide for an adjustment to the number of Class A Ordinary Shares for which the Warrant may be exercised or to the exercise price of the warrant in certain events, as discussed in the section of this annual report captioned “Memorandum and Articles of Association—Warrants—Public Warrants.” An adjustment that has the effect of preventing dilution generally is not taxable. The U.S. Holders of the Warrants would, however, be treated as receiving a constructive distribution from us if, for example, the adjustment increases such U.S. Holders’ proportionate

interests in our assets or earnings and profits (e.g. through an increase in the number of Class A Ordinary Shares that would be obtained upon exercise or through a decrease to the exercise price of a Warrant) as a result of a distribution of cash or other property to the holders of Class A Ordinary Shares which is taxable to the U.S. Holders of such Class A Ordinary Shares as described under “—Taxation of Distributions” above. Such constructive distribution would be subject to tax as described under that section in the same manner as if the U.S. Holders of the warrants received a cash distribution from us equal to the fair market value of such increased interest, and would increase a U.S. Holder’s adjusted tax basis in its Warrants to the extent that such distribution is treated as a dividend.

Passive Foreign Investment Company Status

A non-U.S. corporation will be classified as a PFIC for U.S. federal income tax purposes if either (i) at least 75% of its gross income in a taxable year is passive income or (ii) at least 50% of its assets in a taxable year (ordinarily determined based on fair market value and averaged quarterly over the year) are held for the production of, or produce, passive income. Passive income generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business) and gains from the disposition of passive assets. For purposes of these rules, we will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation if we own, directly, indirectly or constructively, 25% or more (by value) of its stock.

Based on the current and anticipated value of our assets and the composition of our income and assets, including goodwill and other unbooked intangibles, we do not believe we were a PFIC for our taxable year ended December 31, 2025 and we do not presently expect to be a PFIC for the current taxable year or the foreseeable future. However, PFIC status is a factual determination that must be made annually at the close of each taxable year on the basis of the composition of our income and assets and our subsidiaries’ income and assets and, thus, is subject to change. Accordingly, there can be no assurance that we or any of our subsidiaries will not be treated as a PFIC for any taxable year.

If we are determined to be a PFIC for any taxable year (or portion thereof) that is included in the holding period of a U.S. Holder of Class A Ordinary Shares or Warrants and, in the case of Class A Ordinary Shares, the U.S. Holder did not make an applicable purging election, or a mark-to-market election, such U.S. Holder would generally be subject to special and adverse rules with respect to (i) any gain recognized by the U.S. Holder on the sale or other disposition of its Class A Ordinary Shares or Warrants and (ii) any “excess distribution” made to the U.S. Holder (generally, any distributions to such U.S. Holder during a taxable year of the U.S. Holder that are greater than 125% of the average annual distributions received by such U.S. Holder in respect of the Class A Ordinary Shares during the three preceding taxable years of such U.S. Holder or, if shorter, such U.S. Holder’s holding period for the Class A Ordinary Shares).

Under these rules:

- the U.S. Holder’s gain or excess distribution will be allocated ratably over the U.S. Holder’s holding period for the Class A Ordinary Shares or Warrants, as applicable;
- the amount allocated to the U.S. Holder’s taxable year in which the U.S. Holder recognized the gain or received the excess distribution, or to the period during the U.S. Holder’s holding period before the first day of our first taxable year in which we were a PFIC, will be taxed as ordinary income;
- the amount allocated to other taxable years (or portions thereof) during the U.S. Holder’s holding period will be subject to tax at the highest tax rate in effect and applicable to the U.S. Holder for that year, and an additional tax equal to the interest charge generally applicable to underpayments of tax will be imposed on the U.S. Holder with respect to the tax attributable to each such other taxable year.

If we are a PFIC and, at any time, have a non-U.S. subsidiary that is classified as a PFIC, a U.S. Holder will generally be deemed to own a portion of the shares of such lower-tier PFIC, and could incur liability for the deferred tax and interest charge described above with respect to distributions made by such lower-tier subsidiary or gains recognized by us on the disposition of all or part of the interests in such lower-tier PFIC or the U.S. Holders otherwise were deemed to have disposed of an interest in the lower-tier PFIC. U.S. Holders should consult their tax advisors regarding the tax issues raised by lower-tier PFICs.

If we are a PFIC and the Class A Ordinary Shares constitute “marketable stock,” a U.S. Holder may avoid the adverse PFIC tax consequences discussed above if such U.S. Holder, at the close of the first taxable year in which it holds (or is deemed to hold) the Class A Ordinary Shares, makes a mark-to-market election with respect to such shares for such

taxable year. Such U.S. Holder will generally include for each of its taxable years as ordinary income the excess, if any, of the fair market value of its Class A Ordinary Shares at the end of such year over its adjusted basis in its Class A Ordinary Shares. The U.S. Holder also will recognize an ordinary loss in respect of the excess, if any, of its adjusted basis of its Class A Ordinary Shares over the fair market value of its Class A Ordinary Shares at the end of its taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). The U.S. Holder's basis in its Class A Ordinary Shares will be adjusted to reflect any such income or loss amounts, and any further gain recognized on a sale or other taxable disposition of its Class A Ordinary Shares will be treated as ordinary income. Currently, a mark-to-market election may not be made with respect to Warrants.

The mark-to-market election is available only for "marketable stock," generally, stock that is regularly traded on a national securities exchange that is registered with the SEC, including Nasdaq (where the Class A Ordinary Shares are listed), or on a foreign exchange or market that the IRS determines has rules sufficient to ensure that the market price represents a legitimate and sound fair market value. We anticipate that the Class A Ordinary Shares should qualify as being regularly traded, but no assurances may be given in this regard. Moreover, a mark-to-market election made with respect to Class A Ordinary Shares would not apply to a U.S. Holder's indirect interest in any lower tier PFICs in which we own shares. U.S. Holders should consult their tax advisors regarding the availability and tax consequences of a mark-to-market election with respect to the Class A Ordinary Shares in light of their particular circumstances.

We do not intend to provide information necessary for U.S. Holders to make a qualified electing fund election which, if available, would result in tax treatment different from (and generally less adverse than) the general tax treatment for PFICs described above.

A U.S. Holder that owns (or is deemed to own) shares in a PFIC during any taxable year, may be required to file an IRS Form 8621 and such other information as may be prescribed by the U.S. Treasury Department. Failure to comply with applicable reporting requirements will extend the statute of limitations until such required information is furnished to the IRS.

The PFIC rules are complex. U.S. Holders should consult their tax advisors concerning the U.S. federal income tax considerations with respect to holding and disposing of Securities if we were, are, or become a PFIC, including with respect to the ability to make a mark-to-market election and the applicable annual PFIC filing requirements.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the periodic reporting and other informational requirements of the Exchange Act, and are required to file reports and other information with the SEC. Specifically, we are required to file annually a Form 20-F within four months after the end of each fiscal year, which is December 31. All information filed with the SEC can be obtained over the internet at the SEC's website at www.sec.gov. As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing the furnishing and content of quarterly reports and proxy statements, and officers and directors are exempt from the short-swing profit recovery provisions (and principal shareholders are additionally exempt from the reporting provisions) contained in Section 16 of the Exchange Act.

In accordance with Nasdaq Stock Market Rule 5250(d), we will post this annual report on our website at <https://ir.ecarxgroup.com>. In addition, we will provide hardcopies of our annual report free of charge to shareholders upon request.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

Not applicable.

Item 11. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Our exposure to interest rate risk primarily relates to decrease in market interest rates as most of our liabilities to credit institutions, amounts due to related parties and convertible notes carry a fixed interest rate. However, due to the tenure of these borrowings, interest payment terms and the instrument features, we are not exposed to material interest rate risk arising therefrom and interest income generated by excess cash, which is mostly held in interest-bearing bank deposits, bank notes, and wealth management products. Due to the short-term nature of our borrowings and investments, we have not been exposed to material risks due to changes in market interest rates.

We closely monitor the effects of changes in the interest rates on our interest rate risk exposures, but we have not used any derivative financial instruments to manage our interest risk exposure.

Foreign Exchange Risk

The revenue and expenses of our entities in mainland China are generally denominated in Renminbi and their assets and liabilities are denominated in Renminbi. Our international revenues and expenses are denominated in foreign currencies and expose us to the risk of fluctuations in foreign currency exchange rates against the Renminbi. A significant portion of our short-term investments are denominated in U.S. dollars, and fluctuations in exchange rates between U.S. dollars and Renminbi may result in foreign exchange gains or losses. Currently, we do not have any hedging transactions to reduce our exposure to foreign currency exchange risk. In addition, the value of your investment in our securities will be affected by the exchange rate between the U.S. dollar and Renminbi because the value of our business is effectively denominated in Renminbi, while our securities will be traded in U.S. dollars.

Renminbi is not freely convertible into foreign currencies. Remittances of foreign currencies into mainland China or remittances of Renminbi out of mainland China as well as exchange between Renminbi and foreign currencies require approval by foreign exchange administrative authorities with certain supporting documentation. The State Administration for Foreign Exchange, under the authority of the People's Bank of China, controls the conversion of Renminbi into other currencies.

The conversion of Renminbi into foreign currencies, including U.S. dollars, is based on rates set by the People's Bank of China. The Renminbi has fluctuated against the U.S. dollar, at times significantly and unpredictably. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between Renminbi and the U.S. dollar in the future.

To the extent that we need to convert U.S. dollars into Renminbi for our operations, appreciation of the Renminbi against the U.S. dollar would have an adverse effect on the Renminbi amount we receive from the conversion. Conversely, if we decide to convert Renminbi into U.S. dollars for the purpose of making payments for dividends on our Ordinary Shares or for other business purposes, appreciation of the U.S. dollars against the Renminbi would have a negative effect on the U.S. dollar amounts available to us.

As of December 31, 2025, we had RMB-denominated cash and cash equivalents, restricted cash and short-term investments of RMB548.3 million, and U.S. dollar-denominated cash and cash equivalents, restricted cash and short-term investments of US\$34.4 million. Assuming we had converted RMB548.3 million into U.S. dollars at the exchange rate of RMB6.9801 for US\$1.00 as of December 31, 2025, our U.S. dollar cash balance would have been US\$112.9 million. If the RMB had depreciated by 10% against the U.S. dollar, our U.S. dollar cash balance would have been US\$105.8 million instead. Assuming we had converted US\$34.4 million into RMB at the exchange rate of RMB6.9801 for US\$1.00 as of December 31, 2025, our RMB cash balance would have been RMB788.2 million. If the RMB had depreciated by 10% against the U.S. dollar, our RMB cash balance would have been RMB812.2 million instead.

Item 12. Description of Securities Other than Equity Securities

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Not applicable.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds.

None.

Item 15. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e)) under the Exchange Act. These are designed to ensure that information required to be disclosed in the Company's reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives. Our management, with the participation of our chief executive officer and chief financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2025.

Based upon that evaluation, our management has concluded that, as of December 31, 2025, our disclosure controls and procedures were effective in ensuring that the information required to be disclosed by us in the reports that we file and furnish under the Exchange Act was recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting and Attestation Report of the Registered Public Accounting Firm

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP.

As required by Section 404 of the Sarbanes-Oxley Act of 2002 and related rules as promulgated by the SEC, our management including our chief executive officer and chief financial officer assessed the effectiveness of internal control over financial reporting as of December 31, 2025 using the criteria set forth in the report "Internal Control—Integrated Framework (2013)" published by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this

assessment, our management has concluded that the Company's internal control over financial reporting was effective as of December 31, 2025.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness of our internal control over financial reporting to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Attestation Report of the Registered Public Accounting Firm

This annual report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. As a company with less than US\$1.235 billion in revenues for fiscal year of 2025 and based on our review of other applicable criteria, we qualify as an "emerging growth company" pursuant to the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002 in the assessment of the emerging growth company's internal control over financial reporting.

Changes in Internal Control over Financial Reporting

For Hubei Dongjun and HF Tech Europe AB which had been acquired in 2024 and were subsequently included in the scope of our internal control over financial reporting in 2025, we conducted a thorough assessment of its financial reporting processes. As of December 31, 2025, management has determined that our internal control over financial reporting for Hubei Dongjun and HF Tech Europe AB was effective.

Other than the addition of Hubei Dongjun and HF Tech Europe AB, there were no changes in our internal control over financial reporting that occurred during the period covered by this annual report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. However, we remain steadfast in our commitment to continuous improvement, and we remain vigilant and proactive in identifying opportunities to further refine and optimize our internal control systems. This ongoing process of enhancement ensures that our internal control not only meets current regulatory requirements but also adapts to evolving business conditions and industry good practices, thereby providing robust support for the accuracy of our financial reporting and operational efficiency.

Item 16 [RESERVED]

Item 16A. Audit Committee Financial Expert

Our board of directors has determined that Ms. Grace Hui Tang, an independent director (under the standards set forth in Nasdaq Stock Market Rule 5605(a)(2) and Rule 10A-3 under the Exchange Act) and chairman of our audit committee, is an audit committee financial expert.

Item 16B. Code of Ethics

Our board of directors adopted a code of business conduct and ethics that applies to our directors, officers, employees and advisors. We have posted a copy of our code of business conduct and ethics on our website at <https://ir.ecarxgroup.com/governance/governance-documents>.

Item 16C. Principal Accountant Fees and Services

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by KPMG Huazhen LLP, our principal external auditors, and KPMG member firms for the periods indicated.

	For the Year Ended December 31,	
	2024	2025
	(in thousands of US\$)	
Audit fees ⁽¹⁾	1,550	2,055
Audit-related fees ⁽²⁾	—	—

(1) “Audit fees” represent the aggregate fees billed for each of the fiscal years listed for professional services rendered by our principal accountant for the audit of our annual consolidated financial statements and statutory financial statements of certain subsidiaries.

(2) “Audit-related fees” represents fees for non-attest services.

Our Audit Committee pre-approves all audit and non-audit services provided by the independent registered public accounting firm prior to the engagement with respect to such services. The Chairperson of the Audit Committee has been delegated the authority by such committee to pre-approve audit and non-audit services by the independent registered public accounting firm. Such pre-approvals should be presented to the entire Audit Committee at the next Audit Committee meeting.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

In December 2024, our board of directors authorized a share repurchase program under which we may repurchase up to US\$20,000,000 of our Ordinary Shares until the close of business on September 30, 2025, U.S. Eastern Time. The program was subsequently extended up to March 31, 2026 with an increased aggregate repurchase limit of US\$40,000,000. The table below is a summary of the shares repurchased by us under this share repurchase program during the year ended December 31, 2025. All shares were repurchased in the open market.

Period	Total Number of Ordinary Shares Purchased	Average Price Paid Per Ordinary Share	Total Number of Ordinary Shares Purchased as Part of the Publicly Announced Plan	Approximate Dollar Value of Ordinary Shares that May Yet Be Purchased
January 2025	1,400,075	\$2.08	1,903,075	\$36,077,108
March 2025	2,054,972	\$2.61	3,958,047	\$30,715,312
April 2025	15,660,239	\$1.08	19,618,286	\$13,831,469
May 2025	1,782,465	\$1.69	21,400,751	\$10,811,138
Total	20,897,751	US\$1.35	21,400,751	\$10,811,138

Item 16F. Change in Registrant’s Certifying Accountant

Not applicable.

Item 16G. Corporate Governance

As a Cayman Islands exempted company listed on Nasdaq Stock Market, we are subject to the Nasdaq corporate governance listing standards. However, Nasdaq rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the Nasdaq corporate governance listing standards. As a result, our

shareholders may be afforded less protection than they would otherwise enjoy under the Nasdaq Stock Market corporate governance listing standards applicable to U.S. domestic issuers. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Securities—We qualify as a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to United States domestic public companies.” We followed home country practice with respect to the requirements that (i) a majority of our board of directors consist of independent directors, and (ii) we hold an annual general meeting of shareholders.

As a result, you will not have the same protection afforded to shareholders of companies that are subject to these corporate governance requirements.

Item 16H. Mine Safety Disclosure

Not applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

Item 16J. Insider Trading Policies

Our board of directors has established insider trading policies and procedures to provide guidance on the purchases, sales, and other dispositions of our securities by our directors, officers, employees and other relevant persons, with the goal of promoting compliance with applicable insider trading laws, rules and regulations, and the listing standards of Nasdaq.

The Amended and Restated Statement of Policies Governing Material, Non-Public Information and the Prevention of Insider Trading is filed as Exhibit 11.2 to this annual report on Form 20-F.

Item 16K. Cybersecurity

Risk Management and Strategy

We have implemented comprehensive cybersecurity risk assessment procedures to ensure effectiveness in cybersecurity management, strategy and governance and reporting cybersecurity risks. We have also integrated cybersecurity risk management into our overall enterprise risk management system.

We have developed a comprehensive cybersecurity threat defense system to address both internal and external cyber threats. This comprehensive system spans multiple security domains, including network, host and applications. It integrates a range of security capabilities, such as threat defense, continuous monitoring, in-depth analysis, rapid response, as well as endpoint protection. Our approach to managing cybersecurity risks and safeguarding sensitive data is multi-faceted, involving technological safeguards, procedural protocols, a rigorous program of surveillance on our corporate network, continuous testing of aspects of our security posture internally and with third-party consultants or collaborators, a solid incident response framework and regular cybersecurity training sessions for our employees. Our IT department and information security department is actively engaged in continuous monitoring of the performance of our infrastructure to ensure prompt identification and response to potential issues, including potential cybersecurity threats.

As of the date of this annual report, we have not experienced any material cybersecurity incidents or identified any material cybersecurity threats that have affected or are reasonably likely to materially affect us, our business strategy, results of operations or financial condition.

Governance

The cybersecurity committee of our board of directors is responsible for overseeing our cybersecurity risk management and is informed on risks from cybersecurity threats. Our cybersecurity committee reviews, approves and maintains oversight of the disclosure (i) on Form 6-K for material cybersecurity incidents (if any) and (ii) related to cybersecurity matters in the periodic reports (including annual report on Form 20-F) of our company.

On the management level, our cybersecurity officer, compliance officers and chief information officer (the “Cybersecurity Risk Management Officers”), are responsible for assessing, identifying and managing material risks from cybersecurity threats to our company and monitoring the prevention, detection, mitigation and remediation of material cybersecurity incidents. Our Cybersecurity Risk Management Officers report to our board of directors and cybersecurity committee (i) on a quarterly basis regarding their assessment, identification and management on material risks from cybersecurity threats happened in the ordinary course of our business operations and (ii) on disclosure concerning cybersecurity matters in our Form 6-K for material cybersecurity incidents (if any) and our annual report on Form 20-F.

If a cybersecurity incident occurs, our Cybersecurity Risk Management Officers will immediately organize relevant personnel for internal assessment and, depending on the situation, seek the opinions of external experts and legal advisors. If it is determined that the incident could potentially be a material cybersecurity event, our Cybersecurity Risk Management Officers will promptly report the incident and assessment results to our cybersecurity committee and our cybersecurity committee will decide on the response measures and whether any disclosure is necessary. If such disclosure is determined to be necessary, our Cybersecurity Risk Management Officers shall promptly prepare disclosure material for review and approval by our cybersecurity committee before it is disseminated to the public.

PART III**Item 17. Financial Statements**

We have elected to provide financial statements pursuant to Item 18.

Item 18. Financial Statements

The consolidated financial statements of ECARX Holdings Inc. and its subsidiaries are included at the end of this annual report.

Item 19. Exhibits

Exhibit Number	Description of Document
1.1	Seventh Amended and Restated Memorandum and Articles of Association of ECARX Holdings Inc. (incorporated by reference to Exhibit 4.1 to the Registration Statement Form S-8 (File No. 333-269756) filed with the Securities and Exchange Commission on February 14, 2023)
2.1	Warrant Agreement, dated February 4, 2021, between COVA Acquisition Corp. and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 4.4 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on October 11, 2022)
2.2	Specimen Ordinary Share Certificate of ECARX Holdings Inc. (incorporated by reference to Exhibit 4.5 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
2.3	Specimen Warrant Certificate of ECARX Holdings Inc. (incorporated by reference to Exhibit 4.6 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
2.4	Assignment, Assumption and Amendment Agreement, dated December 20, 2022, by and among COVA Acquisition Corp., ECARX Holdings Inc., and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 2.4 to the annual report on Form 20-F (File No. 001-41576) filed with the Securities and Exchange Commission on April 24, 2023)
2.5	Registration and Shareholder Rights Agreement dated February 4, 2021, by and among COVA Acquisition Corp., COVA Acquisition Sponsor LLC and certain shareholders of COVA Acquisition Corp. (incorporated by reference to Exhibit 4.8 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
2.6	Registration Rights Agreement, dated December 20, 2022, by and among ECARX Holdings Inc., COVA Acquisition Sponsor LLC and certain shareholders of ECARX Holdings Inc.
2.7	Description of Securities
2.8	Indenture, dated October 30, 2025, by and between ECARX Holdings Inc. and U.S. Bank, National Association (incorporated by reference to Exhibit 4.1 to the current report on Form 6-K (File No. 001-41576) furnished to the Securities and Exchange Commission on October 30, 2025)
2.9	First Supplemental Indenture, dated October 30, 2025, by and between ECARX Holdings Inc. and U.S. Bank, National Association (incorporated by reference to Exhibit 4.2 to the current report on Form 6-K (File No. 001-41576) furnished to the Securities and Exchange Commission on October 30, 2025)
4.1	Agreement and Plan of Merger, dated as of May 26, 2022, by and among COVA Acquisition Corp., ECARX Holdings Inc., Ecarx Temp Limited, and Ecarx&Co Limited (incorporated by reference to Exhibit 2.1 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
4.2	Investment Management Trust Agreement, dated February 4, 2021, by and between Continental Stock & Trust Company and COVA Acquisition Corp. (incorporated by reference to Exhibit 10.1 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)

- 4.3 [Administrative Services Agreement, dated February 4, 2021 by and between COVA Acquisition Sponsor LLC and COVA Acquisition Corp. \(incorporated by reference to Exhibit 10.2 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.4 [Letter Agreement, dated February 4, 2021, among COVA Acquisition Sponsor LLC, COVA Acquisition Corp. and officers and directors of COVA Acquisition Corp. \(incorporated by reference to Exhibit 10.3 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.5 [Private Placement Warrants Purchase Agreement, dated February 4, 2021, between COVA Acquisition Corp. and COVA Acquisition Sponsor LLC. \(incorporated by reference to Exhibit 10.4 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.6 [Promissory Note between COVA Acquisition Corp. and COVA Acquisition Sponsor LLC, dated May 26, 2022 \(incorporated by reference to Exhibit 10.5 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.7 [Strategic Investment Agreement, dated May 26, 2022 by and between ECARX Holdings Inc. and Luminar Technologies, Inc. \(incorporated by reference to Exhibit 10.6 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.8 [Strategic Investment Agreement, dated May 26, 2022 by and between ECARX Holdings Inc. and Geely Investment Holding Ltd. \(incorporated by reference to Exhibit 10.7 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.9 [Sponsor Support Agreement and Deed, dated May 26, 2022 by and among ECARX Holdings Inc., COVA Acquisition Corp., COVA Acquisition Sponsor LLC and other parties named therein \(incorporated by reference to Exhibit 10.8 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.10 [ECARX Shareholder Support Agreement and Deed, dated May 26, 2022, by and among ECARX Holdings Inc., COVA Acquisition Corp., and other parties named therein \(incorporated by reference to Exhibit 10.9 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.11[†] [ECARX Holdings Inc. 2019 Equity Incentive Plan \(incorporated by reference to Exhibit 10.10 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.12[†] [ECARX Holdings Inc. 2021 Option Incentive Plan \(incorporated by reference to Exhibit 10.11 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.13[†] [ECARX Holdings Inc. 2022 Share Incentive Plan \(incorporated by reference to Exhibit 10.2 to the Registration Statement Form S-8 \(File No. 333-269756\) filed with the Securities and Exchange Commission on February 14, 2022\)](#)
- 4.14 [Form of Indemnification Agreement between ECARX Holdings Inc. and its directors and executive officers \(incorporated by reference to Exhibit 10.12 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.15[#] [English Translation of Working Capital Loan Contract, dated April 22, 2021, by and between Industrial Bank Co., Ltd. Wuhan Branch and Hubei ECARX Technology Co., Ltd. \(incorporated by reference to Exhibit 10.13 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.16[#] [English Translation of Credit Facility Agreement, dated July 7, 2020, by and between China Merchants Bank Co., Ltd., Wuhan Branch and Hubei ECARX Technology Co., Ltd. \(incorporated by reference to Exhibit 10.14 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)
- 4.17[#] [English Translation of Credit Facility Agreement, dated February 1, 2021, by and between China Merchants Bank Co., Ltd., Wuhan Branch and Hubei ECARX Technology Co., Ltd. \(incorporated by reference to Exhibit 10.15 to the Registration Statement Form F-4 \(File No. 333-267813\) filed with the Securities and Exchange Commission on November 14, 2022\)](#)

4.18#	English Translation of Termination Agreement of Current Control Documents dated April 8, 2022, by and between ECARX (Wuhan) Technology Co., Ltd. and Hubei ECARX Technology Co., Ltd. (incorporated by reference to Exhibit 10.16 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
4.19#	English Translation of Restructuring Framework Agreement, dated April 8, 2022, by and between ECARX (Hubei) Tech Co., Ltd. and Hubei ECARX Technology Co., Ltd. (incorporated by reference to Exhibit 10.17 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
4.20	English Translation of Supplemental Agreement to the Restructuring Framework Agreement, dated May 13, 2022, by and between ECARX (Hubei) Tech Co., Ltd. and Hubei ECARX Technology Co., Ltd. (incorporated by reference to Exhibit 10.18 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
4.21#	Master Commercialization Agreement, dated September 14, 2021, by and between Hubei ECARX Technology Co., Ltd. (referred to as ECARX (Hubei) Technology Co., Ltd.) and HaleyTek AB (previously known as Volvo Car Services 10 AB) (incorporated by reference to Exhibit 10.19 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
4.22	Transfer Agreement of Rights and Obligations, dated March 1, 2022, by and among Hubei ECARX Technology Co., Ltd., HaleyTek AB (previously known as Volvo Car Services 10 AB) and ECARX (Hubei) Tech Co., Ltd. (incorporated by reference to Exhibit 10.20 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
4.23#	English Translation of Working Capital Loan Contract, dated June 28, 2022, by and between Industrial Bank Co., Ltd. Wuhan Branch and ECARX (Hubei) Tech Co., Ltd., as amended on June 29, 2022. (incorporated by reference to Exhibit 10.21 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
4.24#	Convertible Note Purchase Agreement, dated May 9, 2022, by and between ECARX Holdings Inc. and Lotus Technology Inc. (incorporated by reference to Exhibit 10.22 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
4.25	Convertible Note Purchase Agreement, dated October 25, 2022, by and among ECARX Holdings Inc., SPDB International (Hong Kong) Limited and CNCB (Hong Kong) Investment Limited (incorporated by reference to Exhibit 10.23 to the Registration Statement Form F-4 (File No. 333-267813) filed with the Securities and Exchange Commission on November 14, 2022)
4.26	Sale and Purchase Agreement, dated December 31, 2022, by and between Volvo Car Corporation and ECARX Technology Limited (incorporated by reference to Exhibit 4.26 to the annual report on Form 20-F (File No. 001-41576) filed with the Securities and Exchange Commission on April 24, 2023)
4.27	Capital Contribution Agreement, dated June 30, 2023, by and between JICA Intelligent Robotics Co., Ltd., ECARX (Hubei) Tech Co., Ltd. and Geely Automotive Group Co., Ltd. (incorporated by reference to Exhibit 10.26 to the Post-effective Amendment No.1 to Registration Statement Form F-1 (File No. 333-271861) filed with the Securities and Exchange Commission on October 2, 2023)
4.28	Strategic Cooperation Agreement, dated November 15, 2023, by and between ECARX (Hubei) Tech Co., Ltd. and Hubei Xingji Meizu Group Co., Ltd.
4.29	Flyme Auto Intelligent Cockpit Solution License Agreement, dated November 15, 2023 by and between ECARX (Hubei) Tech Co., Ltd. and Hubei Xingji Meizu Group Co., Ltd.
4.30#	Shareholder Agreement, dated November 16, 2023, by and between ECARX (Hubei) Tech Co., Ltd. and smart Software Technology Co., Ltd.
4.31	Strategic Cooperation Agreement, dated December 13, 2023, by and between ECARX (Hubei) Tech Co., Ltd. and Black Sesame Intelligent Technology Co., Ltd.
4.32	English Translation of Components Procurement and R&D Services Agreement by and between Geely Automobile Holdings Limited, ECARX (Hubei) Technology Co., Ltd. and certain parties thereto (incorporated by reference to Exhibit 99.2 to the current report on Form 6-K (File No. 001-41576) furnished to the Securities and Exchange Commission on November 18, 2024)
4.33*	Securities Purchase Agreement, dated October 30, 2025, by and between ECARX Holdings and ATW Mobility SPV LLC

4.34	Convertible Loan Agreement, dated December 4, 2025, by and among ECARX Holdings, ECARX (Hubei) Tech Co., Ltd., DREAMSMART TECHNOLOGY PTE. LTD. and Hubei DreamSmart Group Co., Ltd. (incorporated by reference to Exhibit 10.1 to the current report on Form 6-K (File No. 001-41576) furnished to the Securities and Exchange Commission on December 4, 2025)
4.35	Convertible Note Purchase Agreement, dated November 3, 2025, by and between ECARX Holdings and SPDB International (Hong Kong) Limited (incorporated by reference to Exhibit 10.1 to the current report on Form 6-K (File No. 001-41576) furnished to the Securities and Exchange Commission on November 3, 2025)
4.36	Subscription Agreement, dated December 23, 2025, by and between ECARX Holdings and Lotus Technology Inc. (incorporated by reference to Exhibit 10.1 to the current report on Form 6-K (File No. 001-41576) furnished to the Securities and Exchange Commission on December 29, 2025)
4.37	Subscription Agreement, dated January 8, 2026, by and between ECARX Holdings and Geely Investment Holding Ltd. (incorporated by reference to Exhibit 10.1 to the current report on Form 6-K (File No. 001-41576) furnished to the Securities and Exchange Commission on January 12, 2026)
8.1*	List of subsidiaries of ECARX Holdings Inc.
11.1	Code of Business Conduct and Ethics of the Registrant (incorporated by reference to Exhibit 11.1 to the annual report on Form 20-F (File No. 001-41576) filed with the Securities and Exchange Commission on April 24, 2023)
11.2	Amended and Restated Statement of Policies Governing Material, Non-Public Information and the Prevention of Insider Trading of the Registrant (incorporated by reference to Exhibit 11.2 to the annual report on Form 20-F (File No. 001-41576) filed with the Securities and Exchange Commission on March 26, 2025)
12.1*	CEO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2*	CFO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1**	CEO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
13.2**	CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
15.1*	Consent of Maples and Calder (Hong Kong) LLP
15.2*	Consent of Han Kun Law Offices
15.3*	Consent of KPMG Huazhen LLP
97.1	Clawback Policy of the Registrant (incorporated by reference to Exhibit 97.1 to the annual report on Form 20-F (File No. 001-41576) filed with the Securities and Exchange Commission on March 26, 2025)
101.INS*	Inline XBRL Instance Document - this instance document does not appear on the Interactive Data
101.SCH*	Inline XBRL Taxonomy Extension Scheme Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed with this annual report.

** Furnished with this annual report.

Certain portions of this exhibit have been redacted or omitted.

† Indicates a management contract or compensatory plan.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing its annual report on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

ECARX Holdings Inc.

By: /s/ Ziyu Shen

Name: Ziyu Shen

Title: Chief Executive Officer

Date: March 30, 2026

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Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
ECARX Holdings Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of ECARX Holdings Inc. and subsidiaries (the Company) as of December 31, 2024 and 2025, the related consolidated statements of comprehensive loss, changes in shareholders' deficit, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2025, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

Change in Reporting Currency

As described in Note 2(c) to the consolidated financial statements, the Company has elected to change its reporting currency from Chinese Renminbi to United States Dollars on January 1, 2025.

Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2(a) to the consolidated financial statements, the Company has incurred recurring losses and had net cash used in operating activities and net current liabilities that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2(a). The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG Huazhen LLP

We have served as the Company's auditor since 2021.

Shanghai, China
March 30, 2026

ECARX HOLDINGS INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	Note	As of December 31,	
		2024*	2025
		US\$	US\$
ASSETS			
Current assets			
Cash	4	44,250	87,118
Restricted cash	4	5,914	6,138
Short-term investments		17,882	31,158
Accounts receivable – third parties, net	5	30,057	14,806
Accounts receivable – related parties, net	5, 28	187,330	185,536
Notes receivable	6	2,291	5,958
Inventories	7	31,865	62,341
Amounts due from related parties, net	28	5,007	53,737
Prepayments and other current assets, net	8	61,531	36,383
Total current assets		386,127	483,175
Non-current assets			
Long-term investments, net	9	2,164	61,503
Property and equipment, net	10	21,855	26,705
Intangible assets, net	11	42,204	40,381
Operating lease right-of-use assets	17	18,206	16,770
Goodwill	3.b	3,504	3,686
Other non-current assets – third parties	18	3,880	30,189
Other non-current assets – related parties	28	36,403	—
Total non-current assets		128,216	179,234
Total assets		514,343	662,409

* Restated (refer to Note 2(c))

The accompanying notes are an integral part of these consolidated financial statements.

ECARX HOLDINGS INC.
CONSOLIDATED BALANCE SHEETS (CONTINUED)
(In thousands, except share and per share data)

	Note	As of December 31,	
		2024*	2025
		US\$	US\$
LIABILITIES			
Current liabilities			
Short-term borrowings	12	185,243	310,659
Accounts payable – third parties		220,308	192,756
Accounts payable – related parties	28	69,967	104,483
Notes payable		19,344	19,311
Amounts due to related parties	28	24,071	54,648
Contract liabilities, current – third parties	13	876	123
Contract liabilities, current – related parties	13	20,493	7,325
Operating lease liabilities, current	17	5,611	4,983
Convertible notes payable, current	16	64,473	38,819
Accrued expenses and other current liabilities	15	85,477	88,875
Income tax payable		2,787	1,022
Total current liabilities		698,650	823,004
Non-current liabilities			
Long term borrowings	12	—	5,587
Contract liabilities, non-current – third parties	13	3	—
Contract liabilities, non-current – related parties	13	5,084	10
Convertible notes payable, non-current	16	—	60,283
Operating lease liabilities, non-current	17	16,696	15,696
Warrant liabilities, non-current	14	1,201	1,125
Provisions	15	14,993	17,804
Other non-current liabilities – third parties	22	13,349	20,675
Deferred tax liabilities	23	2,070	1,700
Total non-current liabilities		53,396	122,880
Total liabilities		752,046	945,884
Commitments and contingencies	27		

* Restated (refer to Note 2(c))

The accompanying notes are an integral part of these consolidated financial statements.

ECARX HOLDINGS INC.
CONSOLIDATED BALANCE SHEETS (CONTINUED)
(In thousands, except share and per share data)

	Note	As of December 31,	
		2024*	2025
		US\$	US\$
SHAREHOLDERS' DEFICIT			
Class A Ordinary Shares (US\$0.000005 par value, 8,000,000,000 shares authorized as of December 31, 2024 and 2025; 296,169,110 shares and 336,406,528 shares issued as of December 31, 2024 and 2025, respectively, 291,166,110 shares and 310,505,777 shares outstanding as of December 31, 2024 and 2025, respectively)	19	2	2
Class B Ordinary Shares (US\$0.000005 par value, 1,000,000,000 shares authorized as of December 31, 2024 and 2025; 48,960,916 and 45,960,916 shares issued and outstanding as of December 31, 2024 and 2025, respectively)	19	—	—
Treasury shares (5,003,000 and 25,900,751 shares held as of December 31, 2024 and 2025, respectively)	19	(1,019)	(30,004)
Additional paid-in capital		895,010	958,052
Accumulated deficit		(1,124,452)	(1,190,495)
Accumulated other comprehensive loss		(9,209)	(20,219)
Total deficit attributable to ordinary shareholders of ECARX Holdings Inc.		(239,668)	(282,664)
Noncontrolling interests		1,965	(811)
Total shareholders' deficit		(237,703)	(283,475)
Liabilities and shareholders' deficit		514,343	662,409

* Restated (refer to Note 2(c))

The accompanying notes are an integral part of these consolidated financial statements.

ECARX HOLDINGS INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands, except share and per share data)

	Note	Year ended December 31,		
		2023*	2024*	2025
		US\$	US\$	US\$
Revenues	21			
Sales of goods revenues (including related parties amounts of US\$383,228, US\$531,994 and US\$622,115 for the years ended December 31, 2023, 2024 and 2025, respectively)		467,403	611,245	703,093
Software license revenues (including related parties amounts of US\$41,389, US\$34,332 and US\$27,555 for the years ended December 31, 2023, 2024 and 2025, respectively)		62,796	42,455	29,698
Service revenues (including related parties amounts of US\$127,693, US\$116,660 and US\$108,120 for the years ended December 31, 2023, 2024 and 2025, respectively)		132,027	117,830	115,067
Total revenues		662,226	771,530	847,858
Cost of goods sold (including related parties amounts of US\$61,367, US\$104,692 and US\$243,623 for the years ended December 31, 2023, 2024 and 2025, respectively)		(385,929)	(537,620)	(610,285)
Cost of software licenses (including related parties amounts of US\$3,160, US\$15,910 and US\$22,117 for the years ended December 31, 2023, 2024 and 2025, respectively)		(16,978)	(17,783)	(17,193)
Cost of services (including related parties amounts of US\$12,636, US\$2,480 and US\$875 for the years ended December 31, 2023, 2024 and 2025, respectively)		(80,701)	(56,028)	(59,118)
Total cost of revenues		(483,608)	(611,431)	(686,596)
Gross profit		178,618	160,099	161,262
Research and development expenses (including related parties amounts of US\$4,894, US\$15,979 and US\$10,068 for the years ended December 31, 2023, 2024 and 2025, respectively)		(177,679)	(174,864)	(123,337)
Selling, general and administrative expenses (including related parties amounts of US\$2,482, US\$1,233 and US\$837 for the years ended December 31, 2023, 2024 and 2025, respectively)		(131,717)	(108,195)	(93,841)
Other income - related parties	28	1,009	—	—
Others, net		(247)	64	1,143
Total operating expenses		(308,634)	(282,995)	(216,035)
Loss from operations		(130,016)	(122,896)	(54,773)
Interest income (including related parties amounts of US\$2,252, US\$1,623 and US\$2,278 for the years ended December 31, 2023, 2024 and 2025, respectively)		4,313	3,078	3,710
Interest expenses (including related parties amounts of US\$1,717, US\$2,165 and US\$1,818 for the years ended December 31, 2023, 2024 and 2025, respectively)		(11,239)	(18,568)	(23,772)
(Loss) gain from equity method investments, net		(6,142)	5,611	1,236
Other non-operating (expenses) income, net	22	(1,340)	(4,766)	5,904
Loss before income taxes		(144,424)	(137,541)	(67,695)
Income tax benefit (expense)	23	525	(210)	(1,244)
Net loss		(143,899)	(137,751)	(68,939)
Net loss attributable to noncontrolling interests		10,584	7,986	2,896
Net loss available to ECARX Holdings Inc. ordinary shareholders		(133,315)	(129,765)	(66,043)
Loss per ordinary share				
— Basic and diluted loss per share, ordinary shares	24	(0.40)	(0.39)	(0.20)
Weighted average number of ordinary shares used in computing loss per ordinary share				
— Weighted average number of ordinary shares	24	337,407,225	336,641,846	338,659,826
Net loss		(143,899)	(137,751)	(68,939)
Other comprehensive income (loss):				
Fair value change of available-for-sale debt investment, net of nil income taxes	9	—	—	(143)
Foreign currency translation adjustments, net of nil income taxes		6,505	3,849	(10,747)
Comprehensive loss		(137,394)	(133,902)	(79,829)
Comprehensive loss attributable to noncontrolling interests		11,264	8,208	2,776
Comprehensive loss attributable to ordinary shareholders		(126,130)	(125,694)	(77,053)

* Restated (refer to Note 2(c))

The accompanying notes are an integral part of these consolidated financial statements.

ECARX HOLDINGS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT
(In thousands, except share and per share data)

	Class A Ordinary Shares		Class B Ordinary Shares		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	Total deficit attributable to ordinary shareholders of the Company	Non-redeemable noncontrolling interests	Total shareholders' deficit
	Number of Shares	Amount	Number of shares	Amount						
		US\$		US\$						
Balance as of December 31, 2022¹	288,434,474	2	48,960,916	—	853,365	(861,372)	(20,465)	(28,470)	23,476	(4,994)
Net loss	—	—	—	—	—	(133,315)	—	(133,315)	(10,584)	(143,899)
Share-based compensation (Note 20)	—	—	—	—	24,866	—	—	24,866	—	24,866
Combination of a subsidiary under common control (Note 3.a)	—	—	—	—	409	—	—	409	—	409
Issuance of Class A ordinary shares under 2022 Share Incentive Plan (Note 19)	554,575	— *	—	—	— *	—	—	— *	—	— *
Foreign currency translation adjustment, net of nil income taxes	—	—	—	—	—	—	7,185	7,185	(680)	6,505
Balance as of December 31, 2023¹	288,989,049	2	48,960,916	—	878,640	(994,687)	(13,280)	(129,325)	12,212	(117,113)

¹ Restated (refer to Note 2(c))

* Amounts less than US\$0.5

The accompanying notes are an integral part of these consolidated financial statements.

ECARX HOLDINGS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT (CONTINUED)
(In thousands, except share and per share data)

	Class A Ordinary Shares		Class B Ordinary Shares		Treasury Shares		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	Total deficit attributable to ordinary shareholders of the Company	Noncontrolling interests	Total shareholders' deficit
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount						
	US\$	US\$	US\$	US\$	US\$	US\$						
Balance as of December 31, 2023¹	288,989,049	2	48,960,916	—	—	—	878,640	(994,687)	(13,280)	(129,325)	12,212	(117,113)
Net loss	—	—	—	—	—	—	—	(129,765)	—	(129,765)	(7,986)	(137,751)
Share-based compensation (Note 20)	—	—	—	—	—	—	18,515	—	—	18,515	—	18,515
Combination of a subsidiary under common control (Note 3.a)	—	—	—	—	—	—	(1,948)	—	—	(1,948)	—	(1,948)
Acquisition of Suzhou Photon-Matrix (Note 3.c)	—	—	—	—	—	—	—	—	—	—	(2,002)	(2,002)
Acquisition of noncontrolling interests (Note 3.c)	—	—	—	—	—	—	(295)	—	—	(295)	(37)	(332)
Issuance of Class A ordinary shares under 2022 Share Incentive Plan (Note 19)	7,180,061	— [*]	—	—	—	—	98	—	—	98	—	98
Repurchase of ordinary shares (Note 19)	(5,003,000)	— [*]	—	—	5,003,000	(1,019)	—	—	—	(1,019)	—	(1,019)
Foreign currency translation adjustment, net of nil income taxes	—	—	—	—	—	—	—	—	4,071	4,071	(222)	3,849
Balance as of December 31, 2024¹	291,166,110	2	48,960,916	—	5,003,000	(1,019)	895,010	(1,124,452)	(9,209)	(239,668)	1,965	(237,703)

¹ Restated (refer to Note 2(c))

* Amounts less than US\$0.5

The accompanying notes are an integral part of these consolidated financial statements.

ECARX HOLDINGS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT (CONTINUED)
(In thousands, except share and per share data)

	Class A Ordinary Shares		Class B Ordinary Shares		Treasury Shares		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	Total deficit attributable to ordinary shareholders of the Company	Noncontrolling interests	Total shareholders' deficit
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount						
		US\$		US\$		US\$						
Balance as of December 31, 2024¹	291,166,110	2	48,960,916	—	5,003,000	(1,019)	895,010	(1,124,452)	(9,209)	(239,668)	1,965	(237,703)
Net loss	—	—	—	—	—	—	—	(66,043)	—	(66,043)	(2,896)	(68,939)
Share-based compensation (Note 20)	—	—	—	—	—	—	13,341	—	—	13,341	—	13,341
Issuance of Class A ordinary shares under 2022 Share Incentive Plan (Note 19)	8,130,272	—*	—	—	—	—	332	—	—	332	—	332
Issuance of Class A ordinary shares upon follow-on public offering (Note 19)	25,000,000	—*	—	—	—	—	42,578	—	—	42,578	—	42,578
Re-designated ordinary shares from class B to Class A (Note 19)	3,000,000	—*	(3,000,000)	—*	—	—	—	—	—	—	—	—
Repurchase of ordinary shares (Note 19)	(20,897,751)	—*	—	—	20,897,751	(28,985)	—	—	—	(28,985)	—	(28,985)
Issuance of Class A ordinary shares for convertible notes conversion (Note 19)	4,107,146	—*	—	—	—	—	7,664	—	—	7,664	—	7,664
Waiver of loan receivables from a related party under common control (Note 28)	—	—	—	—	—	—	(873)	—	—	(873)	—	(873)
Fair value change of available-for-sale debt investment (Note 9)	—	—	—	—	—	—	—	—	(143)	(143)	—	(143)
Foreign currency translation adjustment, net of nil income taxes	—	—	—	—	—	—	—	—	(10,867)	(10,867)	120	(10,747)
Balance as of December 31, 2025	310,505,777	2	45,960,916	—	25,900,751	(30,004)	958,052	(1,190,495)	(20,219)	(282,664)	(811)	(283,475)

ted (refer to Note 2(c))
units less than US\$0.5

The accompanying notes are an integral part of these consolidated financial statements.

ECARX HOLDINGS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, except share and per share data)

	Year ended December 31,		
	2023*	2024*	2025
	US\$	US\$	US\$
Operating activities:			
Net loss	(143,899)	(137,751)	(68,939)
<i>Adjustments to reconcile net loss to net cash used in operating activities:</i>			
Allowance for credit losses	1,063	1,814	(1,208)
Reversal of provision for prepayments and other current assets	(185)	—	—
Write-down of inventories	1,502	925	1,340
Share-based compensation	24,866	19,056	13,341
Depreciation and amortization	12,110	20,570	19,871
Reduction of carrying amount of right-of-use assets	5,482	5,835	4,522
Loss (gain) from equity method investments	6,142	(5,611)	(1,236)
Change in fair value of equity securities	3,208	6,114	221
Accretion of interest expenses	409	289	4,413
Change in fair value of warrant liabilities	(1,675)	477	(76)
Change in fair value of derivative financial assets	—	—	(175)
Change in fair value of derivative financial liabilities	—	—	(214)
Loss/(gain) on disposal of property and equipment, and intangible assets	247	(64)	437
Net unrealized foreign exchange losses/(gains)	5,671	3,373	(3,329)
Impairment of property and equipment and intangible assets	1,445	234	3,410
Deferred income tax benefit	(16)	(2,531)	(450)
Noncash interest income	—	—	(838)
<i>Changes in operating assets and liabilities, net of effects of consolidation / deconsolidation of subsidiaries:</i>			
Accounts receivable - third parties, net	20,673	14,124	15,074
Accounts receivable - related parties, net	(101,048)	32,068	(1,872)
Notes receivable	11,275	5,985	(3,667)
Inventories	2,384	(9,257)	(31,935)
Amounts due from related parties	5,713	(1,826)	(30,819)
Prepayments and other current assets and other non-current assets	441	22,404	(18,532)
Accounts payable - third parties	46,180	(39,339)	(27,552)
Accounts payable - related parties	1,833	27,056	41,899
Notes payable	(23,015)	17,945	(33)
Contract liabilities - third parties	(605)	680	(756)
Contract liabilities - related parties	(38,906)	(22,317)	(18,242)
Amounts due to related parties	(1,174)	(1,397)	20,396
Accrued expenses and other current liabilities and income tax payable	(17,830)	(17,244)	(8,431)
Operating lease liabilities	(3,040)	(4,208)	(4,714)
Provisions	8,309	2,616	2,811
Distributions from equity method investees, return on investment	—	—	892
Net cash used in operating activities	(172,440)	(59,980)	(94,391)

* Restated (refer to Note 2(c))

The accompanying notes are an integral part of these consolidated financial statements.

ECARX HOLDINGS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(In thousands, except share and per share data)

	Year ended December 31,		
	2023*	2024*	2025
	US\$	US\$	US\$
Investing activities:			
Cash paid for acquisition of short-term investments	(22,469)	(40,936)	(38,192)
Proceeds from redemption of short-term investments	3,355	42,934	25,754
Loans and advances to related parties	(29,433)	(1,488)	(11,371)
Cash collection of loans to related parties and advances to related parties	29,388	2,439	5,832
Cash paid for acquisition of equity method investments	—	(7,451)	—
Proceeds from sale of equity method investments	—	19,899	334
Payments for acquisition of Hubei Dongjun, net of cash acquired	—	(1,565)	—
Payments for acquisition of Suzhou Photon-matrix, net of cash acquired	—	(6,266)	—
Cash received from partial sale of equity interest in SiEngine	—	—	17,947
Proceeds from sale of Zenseact	115,000	—	—
Payments for available-for-sale debt investments	—	—	(42,979)
Payments for equity securities	—	—	(17,000)
Purchase of property and equipment, and intangible assets	(8,881)	(15,907)	(12,168)
Proceeds from disposal of property and equipment, and intangible assets	305	220	1,008
Distributions from equity method investees in excess of cumulative earnings	—	—	353
Net cash (used in) provided by investing activities	87,265	(8,121)	(70,482)
Financing activities:			
Proceeds from short-term borrowings	208,792	222,432	328,550
Repayment of short-term borrowings	(163,237)	(201,554)	(216,645)
Proceeds from long-term borrowings	—	—	5,475
Borrowings from related parties	44,458	83,381	188,495
Repayments of borrowings from related parties	(44,458)	(62,360)	(153,972)
Acquisition of an entity under common control	—	(1,915)	—
Cash payment not soon after purchase of intangible assets	—	(7,270)	(7,383)
Cash paid to acquire noncontrolling interests	—	(332)	—
Cash payment not soon after a business acquisition of Hubei Dongjun	—	—	(1,614)
Proceeds from employee stock option exercises	—	—	256
Proceeds from issuance of ordinary shares	—	—	43,200
Cash paid for follow-on public offering cost	—	—	(622)
Cash paid for repurchase of ordinary shares	—	(3,000)	(28,985)
Proceeds from issuance of convertible notes	—	—	108,500
Payment for issuance costs of convertible notes	(500)	—	(2,325)
Repayments of convertible notes	—	—	(65,000)
Cash paid for costs of the Merger	(11,289)	—	(1,000)
Proceeds from conditional government grants	6,853	6,973	6,933
Net cash provided by financing activities	40,619	36,355	203,863
Effect of foreign currency exchange rate changes on cash and restricted cash	(2,030)	(2,183)	4,102
Net decrease in cash and restricted cash	(46,586)	(33,929)	43,092
Cash and restricted cash at the beginning of the year	130,679	84,093	50,164
Cash and restricted cash at the end of the year	84,093	50,164	93,256

ECARX HOLDINGS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(In thousands, except share and per share data)

	Year ended December 31,		
	2023*	2024*	2025
	US\$	US\$	US\$
Reconciliation of cash and restricted cash:			
Cash	80,283	44,250	87,118
Restricted cash	3,810	5,914	6,138
Total cash and restricted cash	84,093	50,164	93,256
Supplemental information:			
Income tax paid	280	1,775	3,218
Interest paid	9,013	15,554	23,276
Non-cash investing and financing activities:			
Payable for purchase of property and equipment, and intangible assets	17,920	18,485	23,917
Receivables from partial sale of equity interest in SiEngine	—	17,947	—
Receivables from shares issued upon exercise of options	—	98	174
Transfer of notes receivable as part of consideration to purchase intangible assets	7,022	—	—
Payable for issuance cost of convertible notes payable	—	—	2,210
Issuance of ordinary shares through conversion of convertible notes	—	—	7,664
Waiver of loan receivables from a related party under common control	—	—	873
Debt assignment and offset with related parties	—	—	29,415

* Restated (refer to Note 2(c))

The accompanying notes are an integral part of these consolidated financial statements.

ECARX HOLDINGS INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except share and per share data, or otherwise noted)

1. Description of business and organization

(a) Description of business

ECARX Holdings Inc. (“ECARX” or the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on November 12, 2019. The Company along with its subsidiaries is collectively referred to as “the Group”. The terms “we,” “our,” and “us” refer to the Group, unless the context indicates otherwise. We are a global mobility-tech company partnering with original equipment manufacturers (“OEM”s) to reshape the automotive landscape as the industry transitions to an electrified and physical Artificial Intelligence (“AI”) future. As OEMs develop new vehicle platforms from the ground up, we are developing a full-stack solution - central computer, system on a chip (“SoC”) and software to help continuously improve the in-car user experience. Our products continue to shape the interaction between people and vehicles by rapidly advancing the technology at the heart of smart mobility. We are engaged in the sales of SoC core modules, automotive computing platform products, software stacks as well as the provision of research and development services.

(b) Merger

On December 20, 2022 (the “Closing Date”), the Company consummated its merger (“Merger”) with COVA Acquisition Corp. (“COVA”) pursuant to a merger agreement dated May 26, 2022. The ordinary shares of the Company and Public Warrants are listed on the Nasdaq Stock Market LLC, or “Nasdaq”, under the trading symbols “ECX” and “ECXWW”, respectively, on December 21, 2022.

2. Summary of significant accounting policies

(a) Basis of presentation

These consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”).

These consolidated financial statements have been prepared assuming the Company will continue as a going concern. The going concern assumption contemplates the realization of assets and satisfaction of liabilities in the normal course of business. However, substantial doubt about the Company’s ability to continue as a going concern exists.

The Company has incurred losses since its inception. As of December 31, 2025, the Company had an accumulated deficit of US\$1,190,495 and its consolidated current liabilities exceeded current assets in the amount of US\$339,829. In addition, the Company recorded net cash used in operating activities in the amount of US\$94,391 for the year ended December 31, 2025. The Company will require additional liquidity to continue its operations over the next 12 months.

Historically, the Company had relied principally on proceeds from the issuance of redeemable convertible preferred shares, convertible notes, and bank and related party borrowings to finance its operations and business expansion. The Company has evaluated plans to continue as a going concern which include, but are not limited to, (i) reducing discretionary capital and operating expenses; (ii) obtaining additional facilities from banks and renewal of existing bank borrowings; (iii) issuance of new equity and convertible debt securities; (iv) obtaining extended financial support from controlling shareholder and related parties; and (v) accelerating pace of collections of amounts due from related and third parties to optimize operational efficiency. Subsequent to December 31, 2025, the Company has secured a new equity issuance of Class A ordinary shares totaling US\$45.6 million from Geely Investment Holding Ltd. and issued US\$40 million of convertible notes pursuant to the 2025 Convertible Note Purchase Agreement. Notwithstanding this, feasibility of some of these plans is contingent upon factors outside of the control of the Company and, as such, the Company concluded that substantial doubt about its ability to continue as a going concern has not been alleviated as of the reporting date.

These consolidated financial statements do not include any adjustments to the carrying amounts and classification of assets, liabilities, and reported expenses that may be necessary if the Company were unable to continue as a going concern.

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(b) Principles of consolidation

The consolidated financial statements include the financial statements of the Company and its consolidated subsidiaries. All intercompany transactions and balances among the Company and its consolidated subsidiaries have been eliminated upon consolidation. Noncontrolling interests are separately presented as a component of shareholders' deficit in the consolidated financial statements.

(c) Change in reporting currency

With effect from January 1, 2025, the Company decided to change its reporting currency from Chinese Renminbi ("RMB") to U.S. dollars ("US\$"). This change was made as a result of the Company's assessment that the change will help provide a clearer understanding of the Group's financial performance to investors and improve comparability of the Group's performance to peers, particularly due to the Group's ongoing international expansion.

The change in the reporting currency is a voluntary change and is accounted for retrospectively. The comparative financial information presented has been translated into the new reporting currency as if the Group has always used US\$ as the reporting currency. Translation gains and losses from the application of the US\$ as the reporting currency are included as part of the cumulative foreign currency translation adjustment, which is reported as a component of shareholders' deficit under accumulated other comprehensive loss.

(d) Use of estimates

The preparation of the consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, related disclosures of contingent assets and liabilities at the balance sheet date, and the reported revenues and expenses during the reported period in the consolidated financial statements and accompanying notes. Significant accounting estimates include, but not limited to, the fair values of assets acquired and liabilities assumed and the consideration transferred in a business combination; expected credit losses for accounts receivable and amounts due from related parties; recoverability of contract cost assets included in other current assets and non-current assets; realizability of inventories; accrual for warranty obligations; useful lives and recoverability of property, equipment and intangible assets and operating lease right-of-use assets; impairment of goodwill; recoverability and fair value of long-term investments; fair values of share-based compensation awards; and incremental borrowing rates of the Group's leases. Changes in facts and circumstances may result in these estimates to be revised. Actual results could differ from those estimates, and as such, differences may be material to the consolidated financial statements.

(e) Cash and restricted cash

Cash consists of cash at bank. Restricted cash represents cash that cannot be withdrawn without the permission of third parties. The Group's restricted cash are bank deposits pledged for notes payable and restricted cash due to litigation.

(f) Short-term investments

The Group's short-term investments represent the Group's fixed rate debt securities issued by financial institutions which are redeemable at the option of the Group on any working day or have the original maturities of less than twelve months. The Group's short-term investments are classified as held-to-maturity based on the positive intent and ability to hold the securities to maturity. Income related to these securities is included in interest income in the consolidated statements of comprehensive loss.

(g) Accounts receivable and current expected credit losses

Accounts receivable represent those receivables derived in the ordinary course of business when the Group has sold the products or provided services to its customers and when its right to consideration is unconditional (i.e., only the passage of time is required before payment is due). Accounts receivable are presented net of allowance for credit losses.

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Expected credit losses include losses expected based on known credit issues with specific customers as well as a general expected credit loss allowance based on relevant information, including historical loss rates, current conditions, and reasonable economic forecasts that affect collectability. The Group updates allowance for credit losses on a quarterly basis with changes in the allowance recognized in the consolidated statements of comprehensive loss.

An allowance for credit losses is recorded into general and administrative expenses. Receivables which are deemed to be uncollectible are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Group does not have any off-balance-sheet credit exposure related to its customers.

(h) Notes receivable

Notes receivable are primarily bank acceptance notes issued by reputable financial institutions that entitle the Group to receive the full face value amount from the financial institutions at maturity, which is typically six months from the date of issuance. The Group accepts bank acceptance notes from customers for products sold or services performed in the ordinary course of business.

(i) Inventories

Inventories consist of raw materials, work-in-process, and finished goods, are accounted for using the moving weighted average method and are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price of the inventory in the ordinary course of business less reasonably predictable costs of completion, disposal and transportation.

Cost of work-in-process and finished goods comprise primarily direct materials and manufacturing charges from outsourced factories or owned factories. The Group identifies potentially slow-moving and obsolete inventories through physical counts, monitoring of inventories on hand and specific identification. The Group records inventory write-downs for excess or obsolete inventories based upon assumptions on current and future demand forecasts. If the inventory on hand is in excess of future demand forecast, the excess amounts are written off. Write-downs to inventory are recorded in the cost of revenues to reduce the carrying amount of any obsolete and excess inventories to their estimated net realizable value.

(j) Business combinations

The Group accounts for business combinations using the acquisition method, which requires the identification of the acquirer, the determination of the acquisition date and the allocation of the purchase price paid by the acquirer to the identifiable tangible and intangible assets acquired, the liabilities assumed, including any contingent consideration and any noncontrolling interest in the acquiree at their acquisition date fair values. Goodwill represents the excess of the purchase price over the fair value of net assets acquired, including the amount assigned to identifiable intangible assets. Identifiable intangible assets with finite lives are amortized over their expected useful lives. Acquisition-related costs are expensed in the periods in which the costs are incurred. The results of operations of acquired businesses are included in our consolidated financial statements from the acquisition date.

In a business combination achieved in stages, the Group remeasures the previously held equity interest in the acquiree immediately before obtaining control at its acquisition date fair value and the remeasurement gain or loss, if any, is recognized in the consolidated statements of comprehensive loss.

(k) Goodwill

At acquisition date, the Group allocates goodwill to the reporting unit based on how it expects the reporting unit to benefit from the business combination. The Group evaluates goodwill for impairment at least annually, or as circumstances warrant. Goodwill is evaluated at the reporting unit level by comparing the fair value of the reporting unit with its carrying amount including goodwill. An impairment of goodwill exists if the carrying amount of the reporting unit exceeds its fair value. The impairment loss is the amount by which the carrying amount exceeds the

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reporting unit's fair value, limited to the total amount of goodwill allocated to that reporting unit. The Group did not incur impairment charges for goodwill in the years ended December 31, 2024 and 2025, and the group had no goodwill prior to 2024.

(I) Long-term investments

Equity method investments

The Group applies the equity method to account for equity interests in investees over which the Group has significant influence but does not own a majority equity interest or controls the investee otherwise.

Under the equity method of accounting, the Group's share of the investees' results of operations is reported as (loss) gain from equity method investments in the consolidated statements of comprehensive loss. When the Group's share of losses in the equity investee equals or exceeds its interest in the equity investee, the Group does not recognize further losses, unless the Group has incurred obligations or made payments or guarantees on behalf of the equity investee, or the Group holds other investments in the investee.

Distributions received from an equity method investee are recognized as a reduction in the carrying amount of the investment. When such distributions reduce the carrying amount below zero, the Group accounts for the excess as a gain in (loss) gain from equity method investments in the consolidated statements of comprehensive loss, provided that (a) the distributions are not refundable by agreement or law, and (b) the Group is not liable for the investee's obligations and is not committed or expected to provide financial support. The Group then suspends recognition of its share of subsequent investee income until the cumulative income equals the gain previously recognized. Otherwise, the excess distribution is recorded as a liability and the equity method continues to be applied.

The Group recognizes an impairment loss when there is a decline in value below the carrying value of the equity method investment that is considered to be other-than-temporary. The process of assessing and determining whether impairment on an investment is other-than-temporary requires a significant amount of judgment. To determine whether an impairment is other-than-temporary, management considers whether it has the ability and intent to hold the investment until recovery and whether evidence indicating the carrying value of the investment is recoverable outweighs evidence to the contrary. Evidence considered in this assessment includes the reasons for the impairment, the severity and duration of the decline in value and any change in value subsequent to the period end.

Equity securities

Equity investments with readily determinable fair values are measured and recorded at fair value using the market approach based on the quoted prices in active markets at the reporting date. The Group classifies the valuation techniques that use these inputs as Level 1 of fair value measurements.

Debt securities

The Group accounts for debt securities as available-for-sale when they are not classified as either trading or held-to-maturity. Available-for-sale debt securities are recorded at fair value, with unrealized gains and losses, net of related tax effect, are excluded from earnings and are reported as a separate component of accumulated other comprehensive loss until realized.

We regularly review available-for-sale debt securities for impairment. If we do not intend to sell the investment or it is not more likely than not that we will be required to sell the investment before recovery of our amortized cost, we evaluate qualitative criteria, such as the financial health of and specific prospects for the issuer, to determine whether we do not expect to recover the amortized cost basis of the investment. We also evaluate quantitative criteria including determining whether there has been an adverse change in expected future cash flows. If we do not expect to recover the entire amortized cost basis of the investment, we consider the investment to contain an expected credit loss, and we record the difference between the investment's amortized cost basis and its recoverable amount in earnings as an allowance for credit loss and the difference between the investment's recoverable amount and fair value in other comprehensive income/(loss). If we intend to sell the investment or it is more likely than not we will be required to sell

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the investment before recovery of its amortized cost basis, the investment is considered impaired, and we recognize the entire difference between the investment's amortized cost basis and its fair value in earnings.

(m) Property and equipment

Property and equipment are carried at cost less accumulated depreciation and impairment, if any.

Depreciation on property and equipment is calculated on the straight-line method over the estimated useful lives of the assets as below:

<i>Category</i>	<i>Estimated useful life</i>
Machinery and electronic equipment	3 – 10 years
Transportation vehicles	4 years
Office and other equipment	5 years
Leasehold improvements	Shorter of the lease term and the estimated useful lives of the assets

Construction in progress represents property and equipment under construction. Construction in progress is transferred to property and equipment and depreciation commences when an asset is ready for its intended use.

Gains or losses arising from the disposal of an item of property and equipment are determined based on the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of disposal.

(n) Intangible assets

Intangible assets mainly include purchased intangible assets. Purchased intangible assets are initially recognized and measured at cost upon acquisition. Separately identifiable intangible assets that have determinable lives are amortized over their estimated useful lives on a straight-line method as follows. In determining the useful life of an intangible asset, the Group considers the factors such as the expected use of the asset by the Group, and any legal, regulatory, or contractual provisions that may limit the useful life:

<i>Category</i>	<i>Estimated useful life</i>
Software	3 – 10 years
Distribution and licensing rights	3 – 10 years
Patent	3 – 10 years
Trademarks	10 years
Developed technology	10 years

(o) Impairment of long-lived assets

Long-lived assets are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. If circumstances require a long-lived asset or asset group to be tested for possible impairment, the Group first compares undiscounted cash flows expected to be generated by that asset or asset group to its carrying amount. If the carrying amount of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, an impairment is recognized to the extent that the carrying amount exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

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(p) Product warranties

The Group provides product warranties on all applicable products based on the contracts with its customers at the time of sale of products. The Group accrues a warranty reserve for the products sold, which includes the best estimate of projected costs to settle indemnity for claims under warranties. Factors that affect the Group's warranty obligation include product defect rates and costs of repair or replacement. These factors are estimates that may change based on new information that becomes available each period. The portion of the warranty reserve expected to be incurred within the next 12 months is included within accrued expense and other current liabilities while the remaining balance is included in provision on the consolidated balance sheets. Warranty cost is recorded as a component of cost of goods sold in the consolidated statements of comprehensive loss. The Group reevaluates the adequacy of the warranty accrual on a regular basis.

The Group recognizes the benefit from a recovery of the costs associated with the warranty when specifics of the recovery have been agreed with the Group's suppliers and the amount of the recovery is virtually certain.

(q) Value added taxes

The Group's PRC subsidiaries are subject to value added tax ("VAT") on its products and services, less any deductible VAT the Group has already paid or borne. They are also subject to surcharges on VAT payments in accordance with PRC law. VAT is not included in the revenue recognized for the Group. Revenue from sales of products and provision of services are generally subject to VAT at the rate of 6% to 13%, and subsequently paid to PRC tax authorities after netting input VAT on purchases.

The excess of output VAT over input VAT is reflected in accrued expenses and other current liabilities, and the excess of input VAT over output VAT is reflected in prepayments and other current assets in the consolidated balance sheets.

(r) Commitments and contingencies

In the normal course of business, the Group is subject to loss contingencies, such as legal proceedings and claims arising out of its business, that cover a wide range of matters including, among others, government investigations, shareholder lawsuits, and non-income tax matters. An accrual for a loss contingency is recognized when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. If a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, is disclosed.

(s) Fair value measurement

The Group measures certain assets and liabilities at fair value. Fair value is the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Observable inputs reflect assumptions market participants would use in pricing an asset or liability based on market data obtained from independent sources while unobservable inputs reflect a reporting entity's pricing based upon their own market assumptions.

The fair value hierarchy consists of the following three levels:

Level 1 — Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 — Includes other inputs that are directly or indirectly observable in the marketplace.

Level 3 — Inputs are derived from valuation techniques in which one or more significant inputs or value drivers are unobservable.

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(t) Revenue recognition

The Group accounts for revenue in accordance with Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers (“ASC 606”). In accordance with ASC 606, the Group recognizes revenue upon the transfer of control of promised products or services to the Group’s customers, in the amount of consideration the Group expects to receive for those products or services (excluding VAT collected on behalf of government authorities).

The Group generates revenues from sales of goods, software license and services.

Sales of goods

Sales of goods include the following products:

- a. Automotive computing platform, which Tier 1 automotive suppliers or the Original Equipment Manufacturers (“OEM”) purchase from the Group and assemble on cars with infotainment head unit or digital cockpit;
- b. SoC core modules, where the Group sells standardized computing board, which integrates SoC with core integrated circuits and peripherals to Tier 1 automotive suppliers or the OEMs; and
- c. Automotive merchandise and other products, which are primarily basic electronic components such as resistor, capacitor and circuit board sold to automotive suppliers.

The Group is mainly engaged by the related parties to manufacture and sell automotive computing platforms. The Group also generates revenue from the sales of SoC core modules, automotive merchandise and other products. Revenues are recognized when the automotive computing platform, SoC core modules, automotive merchandise or other products are accepted by the customers, which is the point in time that control of the product is transferred to the customers. The selling price, which is specified in the purchase orders, is fixed. The Group determines that it is the principal of the contract and recognizes revenue generated from sales of products on a gross basis as the Group has control of products before they are transferred to the customers. Unless a product was defective, the Group does not provide customers any right of product return.

Software license revenues

Software license revenues include revenues from sales of software stack, which incorporates the service software framework to connect the application layer to the operating system layer of the overall cockpit system.

The Group generates revenues from licensing its software to its customers, which are Tier 1 automotive suppliers, in two types of contracts. Customers may subscribe to term licenses or purchase perpetual licenses, which provide customer with the same functionality but for different duration.

For subscription to licenses, the Group licenses its software to its customers for a fixed period. The customers then indicate their acceptance upon receiving the software by providing a written notice. For perpetual licenses, the Group does not license customers for a specific period and it is accepted by customer with an acceptance notice.

The Group’s software licenses have significant standalone functionality which is not expected to substantively change during the license term. The nature of the software is functional and a right to use the Group’s intellectual property according to ASC 606. Revenues related to the fixed period software licenses, is fixed and are recognized at a point in time upon customers’ acceptance which is when the control is transferred to the customer. Revenues related to perpetual licenses are recognized when subsequent sale occurs using the sales-based royalties guidance under ASC606 as this type of software is invoiced based on the subsequent sale made by Tier 1 automotive suppliers to the OEMs after the software has been configured into Tier 1 supplier’s auto parts. The license does not have a renewal term. Post-contract customer support, which includes technical support and unspecified minor bug fixes, are provided to all customers. The post-contract customer support is not material and not accounted for as a distinct performance obligation.

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Service revenues

The Group generates revenues by provision of the following services:

- a. Automotive computing platform design and development service;
- b. Connectivity service, which enables end-users of secure connected car service; and,
- c. Other services, including technical consulting services provided to automotive companies. The performance obligations are satisfied, and revenues are recognized, at a point in time the customers accept the services, as the criteria for recognition of revenue over time are not met.

The Group provides design and development services on automotive computing platform for OEMs. The contracts for design and development services are separate from the contracts for manufacture of automotive computing platform because they are not entered into at or near the same time. The Group entered into a number of contracts with OEMs upon the commencement of design and development services on automotive computing platform. After the fulfillment of the design and development services, the Group delivers customized deliverables to the OEMs.

For such contracts, the Group recognizes revenue at a point in time because (1) the customer does not receive benefits until the delivery of deliverables; (2) the Company does not create or enhance assets which the customer controls as the assets are created or enhanced; and (3) the Group does not have any enforceable rights to payment for performance completed to date before the deliverables are accepted by the customers.

The connectivity service includes mobile data traffic and telematics services provider (“TSP”) maintenance service. The Group purchases mobile data traffic from its suppliers and maintains a mobile data pool to provide mobile data service pack to its related parties. In the meantime, the Group provides TSP maintenance service to its related parties with key duties to provide hosting of information, including personal data, as well as IT system support and troubleshooting.

The connectivity service commences upon activation of the mobile data service pack and remains effective with agreed standard connectivity speed (1) over the duration of ownership under the first registered owner of the automobiles or (2) over the shorter of (i) an agreed fixed period or (ii) the duration of ownership under the first registered owner. Therefore, the Group estimates the period when the mobile data service pack is activated and recognizes the connectivity service revenue over the estimated period on a straight-line basis.

The Group determines that it is the principal in providing such connectivity service, as it has control over the services, either providing the TSP maintenance service by itself or obtaining a right to and control the services provided by Zhejiang Huanfu (see Note 28), including negotiating arrangement details with customers, establishing prices for services, selecting data traffic suppliers and management of the data traffic pool to fulfil users’ needs, as well as being primarily responsible for fulfilling the promise, including issues that may arise during the provision of the services.

Contract liabilities

The timing of revenue recognition, billings and cash collections result in accounts receivable and contract liabilities. The Group’s contract liabilities consist of advance payments from clients and billings in excess of revenues recognized. The Group classifies contract liabilities as current or noncurrent based on the timing of when the Group expects to recognize the revenues.

Contract costs

Incremental costs of obtaining a contract with a customer is recognized as contract cost assets if the Group expects to recover those costs. Costs incurred to fulfill such contracts which are not in the scope of other guidance are recognized as contract cost assets when those costs:

- relate directly to the contracts that the Group can specifically identify;
- are expected to be recovered; and

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- generate or enhance resources of the Group that will be used in satisfying performance obligations in the future.

The Group recognizes an impairment loss of contract cost assets in the statement of comprehensive loss to the extent that the carrying amount of the assets exceeds:

- a. The amount of consideration that the Group expects to receive in the future and that the Group has received but not recognized as revenue, less
- b. The costs that relate directly to providing those services and that have not been recognized as expenses.

(u) Research and development expenses

Research and development expenses mainly consist of direct material cost, outsourced development expenses, payroll, share-based compensation related to research and development personnel, and expenses associated with the use of facilities and equipment by these functions, such as lease rental and depreciation. Research and development expenses are expensed as incurred.

(v) Selling and marketing expenses

Selling and marketing expense mainly consists of payroll and share-based compensation related to the selling and marketing activities, advertising costs, rental, depreciation related to selling and marketing functions. Advertising costs are expensed as incurred. The advertising costs were US\$2,491, US\$4,253 and US\$4,313 for the years ended December 31, 2023, 2024 and 2025, respectively.

(w) Government grants

The Group's PRC subsidiaries received cash subsidies from certain local governments, which consist of specific purpose grants and general-purpose subsidies. Specific purpose grants are government subsidies designated to be used for a specific purpose, such as for construction of factory buildings and production facilities. General purpose subsidies are government subsidies provided for general purpose use and are not contingent upon any further actions or performance of the Group and the amounts do not have to be refunded under any circumstances.

Government grants are recognized when there is reasonable assurance that the Group will comply with the conditions attached to it and the grants will be received. Grants that compensate the Group for expenses incurred are recognized as other non-operating (expenses) income, net in the Group's consolidated statements of comprehensive loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the acquisition cost of an asset are recorded as a liability in the Group's consolidated balance sheets and are recognized as other non-operating (expenses) income, net in the Group's consolidated statements of comprehensive loss over the useful life of the asset.

(x) Income tax

Current income taxes are provided on the basis of income before income taxes for financial reporting purposes and adjusted for income and expense items which are not taxable or deductible for income tax purposes, in accordance with the regulations of the relevant tax jurisdictions.

Deferred income taxes are provided for using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the tax consequences attributable to differences between carrying amounts of assets and liabilities in the financial statements and their respective tax bases, and operating loss carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred taxes of a change in tax rates is recognized in the consolidated statements of comprehensive loss in the period that includes the enactment date.

A valuation allowance is provided to reduce the amount of deferred income tax assets if based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred income tax assets will not be realized. This assessment considers, among other matters, the nature, frequency and severity of current and cumulative

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losses, forecasts of futures profitability, the duration of statutory carryforward periods, the Group's operating history and tax credit carryforwards, if any, not expiring.

The Group applies a "more-likely-than-not" recognition threshold in the evaluation of uncertain tax positions. The Group recognizes the benefit of a tax position in its consolidated financial statements if the tax position is "more-likely-than-not" to prevail based on the facts and technical merits of the position. Tax positions that meet the "more-likely-than-not" recognition threshold are measured at the largest amount of tax benefit that has a greater than fifty percent likelihood of being realized upon settlement. Unrecognized tax benefits may be affected by changes in interpretation of laws, rulings of tax authorities, tax audits, and expiry of statutory limitations. In addition, changes in facts, circumstances and new information may require the Group to adjust the recognition and measurement estimates with regard to individual tax positions. Accordingly, unrecognized tax benefits are periodically reviewed and re-assessed. Adjustments, if required, are recorded in the Group's consolidated financial statements in the period in which the change that necessitates the adjustments occur. The ultimate outcome for a particular tax position may not be determined with certainty prior to the conclusion of a tax audit and, in certain circumstances, a tax appeal or litigation process. The Group records interest and penalties related to unrecognized tax benefits (if any) in interest expense and general and administrative expenses, respectively.

(y) Share-based compensation

The Group measures the cost of employee and non-employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award and recognizes the cost over the period the employee and non-employee are required to provide service in exchange for the award, which generally is the vesting period. For graded vesting awards with only service condition, the Group recognizes compensation cost on a straight-line basis over the requisite service period, provided that the cumulative amount of compensation cost recognized at any date at least equals the portion of the grant-date value of such award that is vested at that date.

Awards granted to employees with performance conditions are measured at fair value on the grant date and are recognized as the compensation expenses over the performance period as the performance targets become probable to achieve. The Group adjusts the compensation cost based on the probability of achievement of the performance targets at the end of each reporting period. The rewards are earned upon attainment of identified performance targets. Awards granted to employees with market conditions are measured at fair value on the grant date and are recognized as the compensation expenses over the estimated requisite service period, regardless of whether the market condition has been satisfied if the requisite service period is fulfilled.

The Group elects to recognize the effect of forfeitures in compensation costs when they occur. To the extent the required vesting conditions are not met resulting in the forfeiture of the share-based awards, previously recognized compensation expense relating to those awards is reversed.

(z) Employee benefits

The Group compensates its employees through short-term employee benefits and defined contribution plans. Short-term employee benefits consist of salaries, social benefit costs, paid annual leave, and bonuses that are expected to be settled within twelve months of the reporting period in which services are rendered. Short-term employee benefits are recognized at the undiscounted amounts expected to be paid when the liabilities are settled and presented within accrued expenses and other current liabilities in the consolidated balance sheets.

For defined contribution plans, premiums are paid monthly to a separate legal entity or the local labor bureau that manages pension plans on behalf of various employers. The Group has no further commitments beyond its monthly contribution. Employee social benefits included as expenses in the accompanying consolidated statements of comprehensive loss amounted to US\$33,968, US\$33,465 and US\$27,634 for the years ended December 31, 2023, 2024 and 2025, respectively.

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(aa) Leases

The Group leases premises for offices under non-cancellable operating leases. There are no capital improvement funding, lease concessions, escalated rent provisions or contingent rent in the lease agreements. The Group has no legal or contractual asset retirement obligations at the end of the lease term.

Right-of-use assets and lease liabilities are recognized upon lease commencement for operating leases based on the present value of lease payments over the lease term. As the rate implicit in the lease cannot be readily determined, the Group uses different incremental borrowing rates for subsidiaries in different countries at the lease commencement date in determining the present value of lease payments. The incremental borrowing rates were determined based on the rates of interest that each subsidiary would be expected to pay to borrow an amount equal to the lease payments on a collateralized basis over a similar term.

The Group has elected not to recognize right-of-use assets or lease liabilities for leases with an initial term of 12 months or less and recognizes a single lease cost on a straight-line basis over the lease term.

(bb) Foreign currency

The Group uses US\$ as its reporting currency. Functional currency of the entities consolidated within the Group is the currency of the primary economic environment in which the entity operates. Transactions denominated in currencies other than the functional currency are remeasured into the functional currency at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in a foreign currency are remeasured into the functional currency using the applicable exchange rate at the balance sheet date. The resulted exchange differences are recorded as foreign currency exchange gains (losses), net in the consolidated statements of comprehensive loss.

The assets and liabilities of the Company's foreign subsidiaries whose functional currency is not US\$ are translated into US\$ from functional currencies at the current exchange rates while revenues and expenses are translated from functional currencies at average exchange rates. Equity accounts other than earnings (deficits) generated in the current period are translated into at the appropriate historical rates. The resulting foreign currency translation adjustments are recorded as a component of other comprehensive income (loss) in the consolidated statements of comprehensive loss, and the accumulated foreign currency translation adjustments are recorded as a component of accumulated other comprehensive income (loss) in the consolidated statements of changes in shareholders' deficit.

(cc) Loss per share

Basic loss per share is computed by dividing net loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the periods presented using the two-class method. Under the two-class method, any net income is allocated between ordinary shares and other participating securities based on their participating rights. Shares issuable for little to no consideration upon the satisfaction of certain conditions are considered as outstanding shares and included in the computation of basic earnings per share as of the date that all necessary conditions have been satisfied.

Diluted loss per share is calculated by dividing net loss attributable to ordinary shareholders, as adjusted for the effect of dilutive ordinary equivalent shares, if any, by the weighted average number of ordinary and dilutive ordinary equivalent shares outstanding during the year. Ordinary equivalent shares consist of shares issuable upon the conversion of convertible notes, using the if-converted method, and ordinary shares issuable upon the exercise of warrants, options and unvested RSUs and PSUs (as described in Note 20) using the treasury stock method. Ordinary equivalent shares are not included in the denominator of the diluted loss per share calculation when inclusion of such share would be anti-dilutive.

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(dd) Statutory reserves

In accordance with the PRC Company Law, the paid-in capitals of the PRC subsidiaries are not allowed to be transferred to the Company by way of cash dividends, loans or advances, nor can they be distributed except in the event of a liquidation.

In addition, in accordance with the PRC Company Law, the Group's PRC subsidiaries must make appropriations from their after-tax profits as determined under the generally accepted accounting principles in the PRC ("PRC GAAP") to non-distributable reserve funds including statutory surplus fund and discretionary surplus fund. The appropriation to the statutory surplus fund must be 10% of the after-tax profits after offsetting any prior year losses as determined under PRC GAAP. Appropriation is not required if the statutory surplus fund has reached 50% of the registered capital of the PRC companies. Appropriation to the discretionary surplus fund is made at the discretion of the PRC companies.

The statutory surplus fund and discretionary surplus fund are restricted for use. They may only be applied to offset losses or increase the registered capital of the respective companies. These reserves are not allowed to be transferred to the Company by way of cash dividends, loans or advances, nor can they be distributed except in the event of a liquidation.

No appropriation to statutory surplus fund was made during the years ended December 31, 2023, 2024 and 2025. The balance of the statutory surplus was nil as of December 31, 2024 and 2025.

No appropriation to the discretionary surplus fund was made by the Group's PRC subsidiaries.

(ee) Recently adopted accounting pronouncements

The Group adopted Accounting Standards Update (ASU) No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, on a prospective basis. The amendments require disclosure of specific categories in the rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. This standard also requires further disaggregation of income taxes paid by federal, state, and foreign taxes, and by individual jurisdictions exceeding a specific threshold. Refer to Note 23 for further information.

The Group adopted ASU 2023-07, *Segment Reporting - Improvements to Reportable Segment Disclosures (Topic 280)* on January 1, 2024 which requires public entities to disclose (1) significant segment expenses by reportable segment if they are regularly provided to the Chief Operating Decision Maker (CODM) and included in each reported measure of segment profit or loss, (2) other segment items by reportable segment, (3) more than one measure of segment profit or loss used by the CODM, provided that at least one of the reported measures includes the segment profit or loss measure that is most consistent with GAAP measurement principles, (4) CODM's title and position on both an annual and an interim basis. The Group adopted this ASU from January 1, 2024 (see Note 29).

The Group adopted ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326)*, Measurement of Credit Losses on Financial Instruments, and subsequent amendments to the initial guidance within ASU 2018-19, ASU 2019-04, ASU 2019-05, ASU 2019-11 and ASU 2020-02 (collectively referred to as ASC 326) on January 1, 2023 using the modified retrospective approach. ASC 326 requires the measurement and recognition of expected credit losses using the current expected credit loss model for financial assets held at amortized cost, which includes the Group's accounts receivable, notes receivable, amounts due from related parties and other financial assets. It replaces the existing incurred loss impairment model with an expected loss methodology. The recorded credit losses are adjusted each period for changes in expected lifetime credit losses. On adoption of ASC 326, there is no change to accumulated deficit as of January 1, 2023.

(ff) New accounting pronouncements

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. The standard is intended to improve financial reporting by requiring that public business entities disclose additional information about specific expense categories in the notes to financial

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statements at interim and annual reporting periods. This update is effective for the Group from January 1, 2027. The Group is in the process determining the impact of the adoption of the update on its consolidated financial statements.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326)*. This ASU amends ASC 326-20 to provide a practical expedient (for all entities) and an accounting policy election (for all entities, other than public business entities, that elect the practical expedient) related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. This update is effective for the Group from January 1, 2026. The Group does not expect a material impact on its consolidated financial statements on adoption of this update.

In September 2025, the FASB issued ASU 2025-06 *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40)*. This update introduces targeted improvements to the recognition and capitalization guidance for internal-use software costs. The update eliminates the prior “project stage” framework and instead requires capitalization of software development costs when (i) management has authorized and committed to funding the software project, and (ii) it is probable that the project will be completed and the software will be used to perform its intended function. In assessing the probability threshold, entities are required to evaluate whether significant development uncertainty exists, including whether the software contains novel or unproven functionality or whether significant performance requirements have not been identified or continue to be substantially revised. The update is effective for the Group beginning January 1, 2028, with early adoption permitted. Transition may be applied prospectively, retrospectively, or under a modified approach. The Group is in the process determining the impact of the adoption of the update on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832)*. This update establishes guidance on the recognition, measurement, and presentation of government grants received by business entities. The new guidance leverages the principles in the accounting framework for government assistance in IFRS, specifically IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*; makes certain targeted improvements; and modifies certain of the existing disclosure requirements in ASC 832, Government Assistance. The new guidance is effective for public business entities in annual periods beginning after December 15, 2028 (including interim periods within) and one year later for all other entities, with early adoption permitted in any period for which financial statements have not yet been issued. The guidance can be applied on a modified prospective basis, a modified retrospective basis, or a full retrospective basis. The Group is in the process determining the impact of the adoption of the update on its consolidated financial statements.

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3. Acquisitions

a. Combinations between entities under common control

(i) Acquisition of HF Tech Europe AB (“HF EU”)

On June 30, 2024, Ecarx Sweden AB. (“Ecarx SE”) acquired all issued and outstanding shares of HF EU, an entity under common control, at a purchase consideration of SEK21,271 (equivalent to US\$1,915) which was settled in December 2024. Both the Group and HF EU are under the control of Mr. Eric Li (Shufu Li). As the acquisition of HF EU was a combination between entities under common control, the consolidated financial statements have been presented by combining assets, liabilities, revenues, expenses and equity of the Group and HF EU using the pooling-of-interests method. All intercompany transactions and balances between the combining entities have been eliminated.

(ii) Acquisition of JICA Intelligent Robotics Co., Ltd. (“JICA”)

On June 30, 2023, ECARX (Hubei) Tech Co., Ltd. (“ECARX (Hubei) Tech”) made additional capital injection amounting to RMB266,667 (equivalent to US\$36,775) to JICA, of which RMB201,000 (equivalent to US\$27,367) was settled as of December 31, 2025, and the remaining RMB65,667 (equivalent to US\$9,408) is payable in 2026. Prior to the capital injection, ECARX (Hubei) Tech held 50% ownership interest in JICA, with the other 50% owned by Geely Automotive Group Co., Ltd. (“Geely Auto”). Both the Group and JICA are under the control of Mr. Eric Li (Shufu Li). Following the additional investment in JICA, ECARX (Hubei) Tech has a controlling interest of 70% in JICA. As the acquisition of JICA was a combination between entities under common control, the consolidated financial statements have been presented by combining assets, liabilities, revenues, expenses and equity of the Group and JICA using the pooling-of-interests method as if the transaction occurred at the beginning of the comparative period presented. All intercompany transactions and balances between the combining entities have been eliminated.

b. Acquisition of Hubei Dongjun

On May 20, 2024, the Group entered into an agreement with Hubei Dongjun Industrial Group (the “Dongjun Group”) to acquire the remaining 51% interest in Hubei Dongjun from Dongjun Group for a total consideration of RMB23,500 (equivalent to US\$3,230) of which RMB11,750 (equivalent to US\$1,616) was paid in July 2024 and the remaining RMB11,750 (equivalent to US\$1,614) was settled in 2025. Following this, Hubei Dongjun became a wholly-owned subsidiary of the Group. The acquisition was consummated in July 2024 and was recorded as a business combination achieved in stages, or a step acquisition, using the acquisition method of accounting. At the acquisition date, the fair value of previously-held equity method investment was RMB22,200 (equivalent to US\$3,039) determined using the

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Income Approach valuation technique and resulted in a gain of RMB1,174 (equivalent to US\$161) on remeasurement of previously-held equity method investment to fair value.

The allocation of purchase price to the fair value of the assets acquired and liabilities assumed were as follows:

	US\$
Cash	51
Accounts receivable - third parties, net	4,326
Prepayments and other current assets	110
Inventories	966
Notes receivable	603
Property and equipment, net	1,776
Intangible assets, net	99
Non-deductible goodwill	3,522
Short-term borrowings	(978)
Accounts payable - third parties	(3,783)
Accrued expenses and other current liabilities	(436)
Carrying value of existing investment	(2,865)
Gain on equity method investment derecognized	(161)
Total consideration	3,230
Supplemental schedule of noncash investing and financing activities	
Fair values of assets acquired and liabilities assumed excluding cash of RMB374 (equivalent to US\$51)	2,696
Non-deductible goodwill	3,522
Fair value of derecognized investment	(3,039)
Consideration payable as included in "accrued expenses and other current liabilities"	(1,614)
Consideration paid	1,565

Goodwill has been allocated to our China reporting unit which is determined by the Group to be ECARX (Hubei) Tech and its subsidiaries, as this is a component of our operating segment which is a business and for which discrete financial information is available and segment management regularly reviews its operating results.

c. Asset acquisition of Suzhou Photon-Matrix Optoelectronics Technology Co., Ltd (“Suzhou Photon Matrix”)

On January 31, 2024, the Group entered into share purchase agreements with existing third-party shareholders of Suzhou Photon-Matrix, pursuant to which the Group acquired 13.10% additional equity interest in Suzhou Photon-Matrix for a total cash consideration of RMB46,306 (equivalent to US\$6,422). Prior to the transaction, the Group held 49.17% equity interest in Suzhou Photon-Matrix and accounted for the interest as an equity method investment (refer to Note 9). As a result of the transactions, the Group’s equity interest increased to 62.27%, and the Group obtained control in Suzhou Photon-Matrix.

The transaction was accounted for as an asset acquisition rather than a business combination as what the Group acquired does not include a substantive process that together with input to significantly contribute to the ability to create output. In determining the cost basis to be allocated to assets acquired, the Group measured its previously held equity interest and noncontrolling interest at their carrying values. The cost of assets acquired was allocated to the individual assets acquired or liabilities assumed based on their relative fair values. A deferred tax liability of RMB34,348 (equivalent to US\$4,788) was determined by using a simultaneous equation, and this increased the carrying amount of the developed technology intangible asset acquired to RMB138,569 (equivalent to US\$19,315). The Group assessed the estimated useful life of the developed technology to be 10 years.

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	US\$
Supplemental schedule of noncash investing and financing activities	
Assets acquired and liabilities assumed excluding cash of RMB1,121 (equivalent to US\$156)	13,907
Carrying amount of derecognized investment	(4,855)
Noncontrolling interest	2,002
Deferred tax liability	(4,788)
Consideration paid	6,266

In July 2024, the Group further acquired 0.69% interest in Suzhou-Photon Matrix for a consideration of US\$332 from a third-party shareholder and the difference of US\$295 between consideration paid and carrying amount of the acquired interest was recorded in additional paid-in capital as this transaction is presented as equity transaction among owners.

4. Cash and restricted cash

A reconciliation of cash at bank and restricted cash in the consolidated balance sheets to the total amount in the consolidated statement of cash flows is as follows:

	As of December 31,	
	2024	2025
	US\$	US\$
Cash at banks	44,250	87,118
Restricted cash	5,914	6,138
Cash and restricted cash shown in the consolidated statements of cash flows	50,164	93,256

As of December 31, 2024 and 2025, the Group's restricted cash of US\$5,805 and US\$6,138 were pledged for notes payable, and US\$109 and nil were restricted due to a dispute with a customer, respectively.

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Cash and restricted cash are amounts deposited with financial institutions at the locations noted below:

	As of December 31,	
	2024	2025
	US\$	US\$
Financial institutions in the Chinese mainland		
– Denominated in RMB	29,736	78,546
– Denominated in US\$	11,979	2,134
– Denominated in Great Britain Pound (“GBP”)	12	6
– Denominated in Hong Kong Dollar (“HKD”)	2	—
Total cash balances held in the Chinese mainland	41,729	80,686
Financial institutions in Sweden		
– Denominated in Swedish Krona (“SEK”)	5,191	3,429
– Denominated in US\$	29	—
– Denominated in Euro	2,272	6,735
Total cash balances held in Sweden	7,492	10,164
Financial institutions in the United Kingdom		
– Denominated in GBP	665	1,118
Total cash balances held in the United Kingdom	665	1,118
Total cash balances held at financial institutions in other jurisdictions	278	1,288
Total cash balances held at financial institutions	50,164	93,256
Cash on hand	—	—
Total cash balances	50,164	93,256

5. Accounts receivable, net

Accounts receivable, net consisted of the following:

	As of December 31,	
	2024	2025
	US\$	US\$
Accounts receivable, third parties	30,527	15,345
Less: Allowance for credit losses, third parties	(470)	(539)
Accounts receivable, third parties, net	30,057	14,806
Accounts receivable, related parties	190,327	186,705
Less: Allowance for credit losses, related parties	(2,997)	(1,169)
Accounts receivable, related parties, net	187,330	185,536

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The movement of the allowance for credit losses is as follows:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Balance at the beginning of the year	998	2,064	3,467
Additions	1,405	1,815	917
Reversal	(342)	(1)	(2,125)
Write-off	(72)	(321)	(675)
Foreign currency translation adjustments	75	(90)	124
Balance at the end of the year	2,064	3,467	1,708

Factoring agreement

In March 2024, the Group entered into an accounts receivable factoring agreement with a finance company of Geely Group with a minimum interest rate of 6% per annum. The one-year factoring agreement provides the Group with factoring limits of US\$20,528 on a revolving basis, measured by the aggregate amount advanced for the unpaid balance of certain trade accounts receivable from specified customers from time to time. In October 2024, the interest rate was reduced to 4.8% per annum and the factoring limits were increased from US\$20,528 to US\$35,035. In November 2025, the interest rate increased to 5.0% and the factoring limits remained unchanged.

The Group accounts for transfers of accounts receivable in accordance with ASC 860, Transfers and Servicing (“ASC 860”). Pursuant to ASC 860, the Group does not derecognize customers’ accounts receivable when receiving advance payments from the finance company due to the recourse obligations retained by the Group. As of December 31, 2024 and 2025, factoring accounts receivable of US\$52,335 and US\$36,051, respectively, were not derecognized and were restricted as security for the advanced amounts of US\$21,021 and US\$28,292 received by the Group, respectively, which were recorded as amounts due to related parties on the consolidated balance sheets. The factoring proceeds from the finance company was considered financing activities and reported as “Borrowings from related parties” in the consolidated statements of cash flows.

6. Notes receivable

The Group collects notes receivable from its customers for sales of automotive computing platform, SoC Core Modules and other products. Notes receivable as of December 31, 2024 and 2025 were bank acceptance notes.

7. Inventories

Inventories consisted of the following:

	As of December 31,	
	2024	2025
	US\$	US\$
Raw materials	24,181	40,718
Work-in-process	2,529	7,012
Finished goods	5,155	14,611
Total	31,865	62,341

The Group recorded inventory write-down of US\$1,502, US\$925 and US\$1,340 for the years ended December 31, 2023, 2024 and 2025, respectively.

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8. Prepayments and other current assets, net

Prepayments and other current assets, net consisted of the following:

	As of December 31,	
	2024	2025
	US\$	US\$
Prepayments to suppliers	22,849	13,222
Receivables from partial sale of equity interest in SiEngine (refer to Note 9)	17,947	—
Contract cost assets	9,525	2,724
Deductible VAT	4,083	5,221
Others	7,127	15,216
Prepayments and other current assets, net	61,531	36,383

A reversal of provision of US\$185 was recorded for prepayments and other current assets for the year ended December 31, 2023. No provision was made for prepayments and other current assets as of December 31, 2024 and 2025, respectively.

9. Long-term investments, net

	As of December 31,	
	2024	2025
	US\$	US\$
Equity method investments, net	1,436	1,163
– SiEngine Technology Co., Ltd. (“SiEngine”)	—	—
– Smart Automobile Co., Ltd. (“Smart”)	—	—
– Shenzhen U Chance Technology Co., Ltd. (“U Chance”)	973	1,163
– ACO Tech Sdn. Bhd. (“ACO Tech”)	463	—
Equity securities	728	17,507
Available-for-sale debt investments	—	42,833
Total long-term investments, net	2,164	61,503

Equity method investments, net

Management evaluated whether there was other-than-temporary impairment based on the facts, including recent financing activities, projected and historical financial performance of the investees. Nil, US\$894 and nil impairment loss was recognized for the years ended December 31, 2023, 2024 and 2025, which was included in the (Loss) gain from equity method investments.

The Group held several equity method investments as of December 31, 2024 and 2025, which included:

- *SiEngine*

On July 26, 2021, the Group acquired 34.61% equity interest of SiEngine from the controlling shareholder of the Company, at the cash consideration of US\$10,600 plus the issuance of 9,882,082 Series B Redeemable Convertible Preferred Shares at the issuance price of US\$9.70 per share valuing US\$95,800. The Group initially recognized the investment at the carrying amount of the Company’s controlling shareholder, which was nil, as a transaction between entities under common control. The excess of consideration over the carrying amount of the equity investment was recorded as a deemed dividend in the amount of RMB689,670 (equivalent to US\$106,408)

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to the controlling shareholder. In December 2024, the Group disposed of 3.29% of its equity interest in SiEngine to a third-party investor for a consideration of RMB130,000 (equivalent to US\$17,947), which was received during the year ended December 31, 2025. As the carrying value of the Group's equity interest in SiEngine is zero, the entire amount was recorded as a gain and included in (Loss) gain from equity method investments, net.

- *smart*

In November 2023, the Group entered into a shareholders' agreement with smart Automobile Co., Ltd., a subsidiary of smart mobility Pte. Ltd, to establish a China-based joint venture with a cash consideration of RMB49,000 (equivalent to US\$6,777) for the development of automotive operating system software, in which the Group owns 49% equity interest. The Group settled the cash consideration by March 2024.

In December 2025, the Group disposed of its entire equity interest in the joint venture for a consideration of RMB2,369 (equivalent to US\$334). As the carrying value of the Group's equity interest in this joint venture is zero, the entire amount was recorded as a gain and included in (Loss) gain from equity method investments.

- *U Chance*

On September 1, 2021, the Group sold 2% equity interest of a PRC subsidiary, Hubei Dongjun, at the cash consideration of RMB1,000 (equivalent to US\$155). As a result of the transaction, the Group's equity interest in the subsidiary decreased from 51% to 49% and the Group lost control over the subsidiary.

In May 2024, Hubei Dongjun distributed on a pro rata basis its equity interest in U Chance to each of its equity holders, namely the Group and Dongjun Group based on their respective shareholding. As a result, U Chance was spun-off from Hubei Dongjun and the Group directly held 49% equity interest in U Chance. The Group continues to account for its investment in U Chance as equity method investment at its carrying amount. The Group further invested RMB4,900 (equivalent to US\$674) to U Chance after the spin-off.

The Group received distribution of US\$294 from U Chance in 2025.

- *ACO tech*

In June 2019, the Group established ACO Tech, a joint venture with Proton Edar Sdn. Bhd. (a subsidiary of Proton Holdings Bhd.), to localize and supply automotive computing platform products for Proton. The Group holds a 10% equity interest in ACO Tech.

In 2025, the Group received distributions of MYR4,000 (equivalent to US\$951) from ACO Tech, which exceeded the carrying value of the investment. The excess of US\$353 was recognized as equity method earnings in the year and included in (loss)gain from equity method investments.

Equity securities

- **Luminar**

In May 2022, the Group entered into strategic investment agreements with Luminar Technologies, Inc., ("Luminar") a Delaware corporation. Pursuant to the strategic investment agreement, Luminar was to fulfil the agreement obligation by electing on its sole discretion to (1) pay cash in the amount of US\$15,000 to the Group, or (2) issue shares to the Group in the number equal to the quotient of US\$15,000 divided by the volume-weighted average price of Luminar's shares listed on Nasdaq for twenty (20) consecutive trading days immediately preceding the closing date of the Group's merger with COVA, at the par value of US\$0.0001 per share, provided that no fractional shares will be issued, upon the completion of the Group's Merger with COVA. Pursuant to this agreement, upon the Group's Merger with COVA, Luminar settled its obligation by issuing 2,030,374 shares to the Company worth US\$12,588. The fair value of these shares decreased to US\$728 and US\$11 as of December 31, 2024 and 2025, respectively. The fair value change of US\$6,114 and US\$717 were recorded in

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Other non-operating (expenses) income, net in the consolidated statements of comprehensive loss for the years ended December 31, 2024 and 2025, respectively. In December 2025, Luminar filed for Chapter 11 bankruptcy.

• **Lotus Technology Inc.**

On December 23, 2025, the Company entered into a Subscription Agreement with Lotus Technology Inc. (“Lotus”), ultimately controlled by the controlling shareholder of the Company, to purchase 16,788,321 ordinary shares of Lotus at per share price of US\$1.37 for an aggregate subscription amount of US\$23,000. As of December 31, 2025, the Company purchased the first tranche of 12,408,759 ordinary shares of Lotus for US\$17,000 and recorded a gain of US\$496 due to the change in market price of Lotus’s ordinary shares in Other non-operating (expenses) income, net in the consolidated statements of comprehensive loss. The Group also recognized the forward contract to purchase the remaining 4,379,562 ordinary shares of Lotus at a fixed price of US\$1.37 per share as derivative asset which was included in prepayments and other current assets and recorded a gain on fair value change of US\$175.

Available-for-sale debt investments

• **Investment in DreamSmart Technology Pte. Ltd. (“DreamSmart Singapore”)**

In December 2025, the Company, through its subsidiary, entered into a Convertible Loan arrangement with DreamSmart Singapore, ultimately controlled by the controlling shareholder of the Company, pursuant to which the Company provided RMB300,000 (equivalent to US\$42,979) of funding to a subsidiary of DreamSmart Singapore, Hubei DreamSmart Group Co., Ltd. (“DreamSmart Hubei”) with a contractual term of 36 months. DreamSmart Singapore indirectly holds 100% of the equity interest in DreamSmart Hubei. The investment was classified as available-for-sale debt investment because the investment contains liquidation preference and redemption provision and is redeemable at the option of the investor. The Company recorded the investment at fair value. Unrealized loss of US\$143, net of nil income taxes, was recorded in other comprehensive loss for the year ended December 31, 2025.

The following table provides information about the reconciliation of the Level 3 fair value measurement of available-for-sale debt investments for the year indicated:

	US\$
Balance at December 31, 2024	42,979
Unrealized loss	(143)
Foreign currency translation adjustments	(3)
Balance at December 31, 2025	42,833

The fair value of available-for-sale debt investments is measured using income approach that involves several assumptions including risk-free interest rates and bond yields. The fair value of available-for-sale debt investments as of December 31, 2025 were estimated with the following key assumptions:

	As of December 31,
	2025
Risk-free interest rates (i)	1.38% - 3.55%
Bond Yield (ii)	6.07 %

- i. The risk-free interest rates were estimated based on the yield to maturity of U.S. treasury bonds and China Government Bond for a term consistent with the expected term of available-for-sale debt investments in effect at the valuation date.
- ii. The bond yields were estimated based on the market yield of comparable bonds with similar credit rating.

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10. Property and equipment, net

Property and equipment, net, consisted of the following:

	As of December 31,	
	2024	2025
	US\$	US\$
Machinery and electronic equipment	39,512	50,915
Transportation vehicles	576	786
Office and other equipment	2,894	2,033
Leasehold improvements	7,456	8,922
Construction in progress	2,009	420
Property and equipment	52,447	63,076
Less: accumulated depreciation	(29,194)	(35,063)
Less: impairment	(1,398)	(1,308)
Property and equipment, net	21,855	26,705

Depreciation on property and equipment was allocated as follows:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Cost of revenues	77	618	1,515
Selling, general and administrative expenses	4,222	2,581	2,273
Research and development expenses	3,317	4,681	3,878
Total depreciation expenses	7,616	7,880	7,666

Impairment loss on obsolete and damaged equipment of property and equipment was allocated as follows:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Selling, general and administrative expenses	64	—	—
Research and development expenses	965	144	119
Total impairment loss	1,029	144	119

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11. Intangible assets, net

Intangible assets, net consisted of the following:

	As of December 31,	
	2024	2025
	US\$	US\$
Software	22,406	23,923
Distribution and licensing rights	25,248	34,176
Trademark	37	40
Patent	362	380
Developed technology (Refer to Note 3.(c))	18,874	19,851
Intangible assets	66,927	78,370
Less: accumulated amortization	(24,236)	(34,476)
Less: impairment	(487)	(3,513)
Intangible assets, net	42,204	40,381

In November 2023, the Group entered into a licensing agreement with Hubei Xingji Meizu Group Co., Ltd., (“Xingji Meizu”), a related party. Pursuant to the licensing agreement, the Group obtained a non-exclusive license under certain software of Xingji Meizu to develop and sell this software worldwide for three years. The consideration is due in three equal annual installments of US\$7,007. The Group recognized US\$20,141 software license rights based on the present value of the consideration and amortized it over three years. In May 2025, the Group entered into a modification agreement with Xingji Meizu and both parties agreed to extend the license for additional 8 years from the modification date to November 2033 on an exclusive basis for no additional consideration. The Group accounted for the modification as an extension of the licensing period and the carrying amount of the intangible asset on the modification date is amortized over the remaining contractual period.

Amortization of intangible assets was allocated as follows:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Cost of revenues	1,127	6,682	3,515
Selling, general and administrative expenses	1,418	1,232	1,145
Research and development expenses	1,949	4,776	7,545
Total amortization expense	4,494	12,690	12,205

Estimated amortization expenses relating to the existing intangible assets with finite lives for the next five years is as follows:

	As of December 31,
	US\$
2026	11,139
2027	8,919
2028	6,601
2029	5,842
2030	3,484

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Impairment loss was allocated as follows:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Selling, general and administrative expenses	376	90	223
Research and development expenses ¹	40	—	3,068
Total impairment loss	416	90	3,291

¹ For the year ended December 31, 2025 the Company recognized US\$3,068 of impairment losses related to developed technology due to weaker-than-expected operations, as the carrying amount was not recoverable based on the undiscounted cash flows. The fair value was estimated using discounted cash flows under the income approach classified in Level 3 of the fair value hierarchy. Significant unobservable inputs used in the fair value measurement include revenue growth rates, technology migration rates and discount rate, which were determined with the assistance of an independent valuation specialist.

12. Borrowings

Borrowings consisted of the following:

	As of December 31,	
	2024	2025
	US\$	US\$
Short-term borrowings		
Unsecured bank loans	185,243	310,659
Long-term borrowings		
Unsecured bank loans	—	5,587

The weighted average interest rates of short-term borrowings outstanding as of December 31, 2024 and 2025 were 3.91% and 3.70% per annum, respectively. The weighted average interest rates of long-term borrowings outstanding as of December 31, 2025 were 2.81% per annum. The outstanding long-term borrowing matures in 2027.

As of December 31, 2024 and 2025, the Group had a total line of bank credit in the amount of US\$272,416 and US\$329,498, of which the unused portion was US\$87,173 and US\$13,252, respectively.

13. Contract liabilities

Contract liabilities consisted of the following:

	As of December 31,	
	2024	2025
	US\$	US\$
Current liabilities – third parties	876	123
Current liabilities – related parties	20,493	7,325
Non-current liabilities – third parties	3	—
Non-current liabilities – related parties	5,084	10
Contract liabilities, current and non-current	26,456	7,458

Contract liabilities primarily relate to upfront non-refundable payments from the Group's customers for the purchase of connectivity services and automotive computing platform products in advance of transfer of control of the products

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or services under the contract. Amounts that are expected to be recognized as revenues within one-year are included as current contract liabilities while the remaining balance recognized as non-current contract liabilities.

The amount of revenue recognized that was included in the contract liabilities balance at the beginning of the year was US\$25,160 and US\$20,973 for the years ended December 31, 2024 and 2025, respectively.

As of December 31, 2024 and 2025, the aggregated amounts of the transaction price allocated to the remaining performance obligation under the Group's existing contracts are US\$26,456 and US\$8,880, respectively.

As of December 31, 2025, revenue expected to be recognized in the future related to the unsatisfied performance obligations is as follows:

Year ending December 31,	Amount
2026	8,870
2027	10
2028	—
2029	—
2030	—

The Group has elected the practical expedient not to disclose the information about remaining performance obligations which are part of contracts that have an original duration of one year or less.

14. Warrant liabilities***ECARX Warrants in connection with the Merger***

In December 2022, COVA Public Shares and COVA Public Warrants ceased trading upon consummation of the Merger and were delisted from Nasdaq and deregistered under the Exchange Act. Concurrently, the Company issued 23,871,971 ECARX warrants, including 14,999,971 public warrants that the Company applied for listing on Nasdaq with the symbol "ECXWW" ("ECARX Public Warrants") and 8,872,000 private warrants ("ECARX Private Warrants", collectively referred to as "ECARX Warrants") to the then holders of COVA Public Warrants and COVA Private Warrants.

ECARX Public Warrants are exercisable commencing thirty (30) days after the completion of the Merger, provided that the Company has an effective registration statement under the Securities Act covering the shares of Class A Ordinary Shares issuable upon exercise of ECARX Public Warrants and a current prospectus relating to them is available (or the Company permits holders to exercise ECARX Public Warrants held by them on a cashless basis and such cashless exercise is exempt from registration under the Securities Act). The warrants have an exercise price of US\$11.50 per whole share, subject to adjustments, and will expire five (5) years after the completion of the Merger or earlier upon redemption or liquidation.

ECARX Private Warrants are identical to the ECARX Public Warrants, except that ECARX Private Warrants and the shares of Class A common stock issuable upon exercise of the ECARX Private Warrants will not be transferable, assignable or saleable. Additionally, ECARX Private Warrants are non-redeemable so long as they are held by permitted transferees. If ECARX Private Warrants are held by someone other than permitted transferees as stipulated in the warrant agreement, the ECARX Private Warrants will be redeemable by the Company and exercisable by such holders on the same basis as ECARX Public Warrants.

ECARX Warrants are recorded as liability-classified financial instruments in accordance with ASC Topic 815 ("ASC 815"), *Derivatives and Hedging* as the Company may be required to net settle the liability outside of the Company's control. As such, ECARX Warrants are recognized at fair value at the issuance date and measured subsequently at fair value with changes in fair value recognized in earnings or losses.

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Given ECARX Public Warrants are publicly traded on Nasdaq, the liability is measured at fair value using observable inputs and categorized in Level 1 of the fair value hierarchy, while ECARX Private Warrant liability is measured at fair value using unobservable inputs and categorized in Level 3 of the fair value hierarchy. The Binomial Option Pricing Model with the following key assumptions is used for estimating the fair value of ECARX Private Warrants.

	As of December 31,	
	2024	2025
Risk-free rate of return (%)	4.27 %	3.47 %
Volatility	50.20 %	71.00 %
Expected dividend yield	0.0 %	0.0 %
Expected term	3.0 years	2.0 years
Fair value of the underlying ordinary shares	US\$2.11	US\$1.72

The risk-free rate of return was based on the yield of US Treasury Notes for the expected remaining life of the warrant liabilities. The Company estimates the volatility of its common stock using a binomial lattice model based on the price of public warrant as of the valuation date. Expected dividend yield is zero as the Company does not anticipate any dividend payments in the foreseeable future. Expected term to exercise the warrant liabilities is up to December 2027. The fair value of the Company's ordinary shares was obtained from the listed trading price of the Company.

The table below reflects the movement of ECARX Warrants for the years ended December 31, 2024 and 2025:

	2024		2025	
	ECARX Public Warrants	ECARX Private Warrants	ECARX Public Warrants	ECARX Private Warrants
	US\$	US\$	US\$	US\$
January 1,	450	274	750	451
Loss (gain) due to change in fair value	300	177	(74)	(2)
December 31,	750	451	676	449

15. Accrued expenses and other liabilities

Accrued expenses and other liabilities consisted of the following:

	As of December 31,	
	2024	2025
	US\$	US\$
Salaries and benefits payables	18,490	14,547
Taxes payable	16,447	22,219
Product warranties	6,868	8,233
Accrued costs of the Merger	7,900	6,900
Other payables and accrued charges*	35,772	36,976
Accrued expenses and other current liabilities	85,477	88,875

* Other payables and accrued charges primarily include accrual for research and development expenses.

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Product warranties

The following table provides a reconciliation of changes in the product warranties:

	Year ended December 31,	
	2024	2025
	US\$	US\$
Balance at the beginning of the year	18,650	21,861
Additions	9,657	8,922
Settlements	(5,813)	(5,967)
Foreign currency translation adjustments	(633)	1,221
Balance at the end of the year	21,861	26,037
Including:		
Current portion of warranty included in "Accrued expenses and other current liabilities"	6,868	8,233
Non-current portion of warranty included in "Provisions"	14,993	17,804

16. Convertible notes payable

	Convertible Notes due 2025	Convertible Notes due 2026	Convertible Notes due 2028	Total
	US\$	US\$	US\$	US\$
Balance as of December 31, 2022	63,775	—	—	63,775
Accretion of interest expense	409	—	—	409
Balance as of December 31, 2023	64,184	—	—	64,184
Accretion of interest expense	289	—	—	289
Balance as of December 31, 2024	64,473	—	—	64,473
Issuance of convertible notes	—	42,880	60,000	102,880
Accretion of interest expense	527	3,603	283	4,413
Conversion to ordinary shares	—	(7,664)	—	(7,664)
Repayments of convertible notes	(65,000)	—	—	(65,000)
Balance as of December 31, 2025	—	38,819	60,283	99,102
– Current portion	—	38,819	—	38,819
– Non-current portion	—	—	60,283	60,283

• *Convertible Notes due 2025*

On October 25, 2022, the Company entered into a convertible note purchase agreement (the "Investor Note Purchase Agreement") with certain institutional investors, pursuant to which the Company agreed to issue and sell US\$65,000 aggregate principal amount of unsecured convertible notes (the "Investor Notes", each an "Investor Note") due to mature on November 8, 2025 (the "Investor Note Maturity Date"). The Investor Notes bear interest at a rate of 5% per annum. The holder of Investor Notes has the right to earn 9% internal rate of return if the Notes are not converted or redeemed before the Investor Note Maturity Date.

Each holder of an Investor Note now has the right from time to time to convert all or any portion of the Investor Notes (plus any accrued but unpaid interest thereon) into fully paid and non-assessable Class A ordinary shares of the Company to such number which is equal to the quotient of (x) the outstanding principal and accrued but unpaid interest of such Note divided by (y) conversion price.

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All or any portion of the Investor Notes is convertible into fully paid and non-assessable ECARX Class A Ordinary Shares (the “Investor Note Conversion Shares”) at a conversion price equal to US\$11.50 per share, subject to customary anti-dilution adjustments and certain limitations on the conversion right as described in the Investor Note.

The Company incurred issuance costs of US\$1,225 which is presented on the balance sheet as a direct deduction from the Investor Notes. Investor Notes are classified as a long-term debt initially on balance sheet and measured at amortized cost.

During 2024, the Group determined that it is probable that the Investor Notes will not be converted prior to the Investor Note Maturity Date of November 8, 2025. Accordingly, an additional interest of US\$662 was accrued to account for the noteholders’ right to 9% internal rate of return on the principal amount of the Investor Notes in 2024. The Company repaid Investor Note on its maturity in 2025.

As of December 31, 2024, the fair value of Convertible Notes due 2025 was valued at US\$66,000 and was classified within Level 3. The fair value of the Convertible Notes due 2025 was estimated by management with the assistance of an independent valuation firm, using the binomial model with the key assumptions including risk-free rate of return, volatility, and bond yield.

• ***Convertible Notes due 2026***

On October 30, 2025, the Company entered into a Securities Purchase Agreement with an investor, ATW Mobility SPV LLC, to issue a new series of senior convertible notes in the aggregate amount of US\$150,000. Initially, the investor purchased notes with aggregate principal amount of US\$50,000 (the “Initial Note”) repayable in installments on several instalment dates (“Installment Date” with total installments payable amounting to 107% of the principal amount. The Initial Note will mature on October 30, 2026.

The Initial Note was issued at an initial conversion price of US\$2.59 per share subject to customary anti-dilution adjustments. Unless the Initial Note is converted into the Company’s ordinary shares, is redeemable at 107% of the principal amount including an early redemption option with the issuer. The Initial Note can also be redeemed early at the option of the holder in an event of default at the redemption premium of 25% or change of control at the redemption premium of 20%. In the event of bankruptcy of the issuer, the Initial Note becomes mandatorily redeemable at the redemption premium of 25% (collectively, “Mandatory or Early redemption features”). The Initial Note does not bear any coupon interest.

The Initial Note is convertible anytime at the option of the holder and, at any instalment date, at the option of the issuer. The Initial Note is also mandatorily convertible if the daily volume weighted average price (VWAP) of ordinary shares of the Company exceeds US\$3.88 per share for 15 consecutive trading days and the aggregate daily dollar volume during such period is more than US\$3,000.

Mandatory or early redemption features were bifurcated as a separate single compound derivative liability and measured at fair value as it is not clearly and closely related to the debt host contract. After the bifurcation, the Initial Note was accounted for using amortized cost method. The fair value of the bifurcated feature was initially measured at US\$1,085 and subsequently remeasured to US\$871 as at December 31, 2025, and was recorded as derivative liability included in accrued expenses and other current liabilities in the consolidated balance sheet. The gain on changes in fair value of derivative liability of US\$214 was recognized in the changes in the fair value of derivative financial liabilities and assets included in other non-operating (expenses) income, net in the consolidated statement of comprehensive loss for the year ended December 31, 2025.

The Initial Note was initially recorded net of issuance costs of US\$6,035 and the fair value of embedded derivative bifurcated at inception, and subsequently measured at amortized cost.

The fair value of the Initial Note payable was estimated by management with the assistance of an independent valuation firm, using the binomial model with the key assumptions including risk-free rate of returns, volatility and bond yields. As of December 31, 2025, the fair value of the Convertible Notes due 2026 was measured at US\$41,944 and was classified within Level 3.

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The fair value of derivative liability is measured using income approach with the key assumptions including bond yields and the probability of triggering events. The fair value of derivative liability is estimated with the following key assumptions:

	<u>As of December 31,</u>
	<u>2025</u>
Bond yields (i)	16.23% - 16.28%
Probability of triggering events (ii)	1.61%

- i. The bond yields were estimated based on the market yield of comparable bonds with similar credit rating.
ii. Probability of triggering events was estimated based on the average cumulative issuer-weighted global default rates by similar industry group.

• Convertible Notes due 2028

In November 2025, the Company entered into convertible note purchase agreements with certain institutional investors to issue convertible notes (“Convertible Senior Notes”) with an aggregate principal amount of US\$60,000 and maturity date of November 14, 2028. The Convertible Senior Notes bear interest at a rate of 5% per annum. Each holder of the Convertible Senior Notes has the right to earn 9% internal rate of return if the Convertible Senior Notes are not converted or redeemed before the maturity.

Each holder of Convertible Senior Notes has the right from time to time to convert all or any portion of Convertible Senior Notes (plus any accrued but unpaid interest thereon) into fully paid and non-assessable ECARX Class A Ordinary Shares (the “Senior Note Conversion Shares”) at a conversion price equal to US\$2.62 per share, subject to customary anti-dilution adjustments.

Each holder of Convertible Senior Notes also has the right to require the Company to redeem for cash all outstanding principal amount of such Convertible Senior Notes prior to the maturity, upon occurrence of certain events such as change of control, delisting of the Company’s shares, sale or transfer of substantially all assets, suspension of trading of the Company’s shares for more than ten business days or an event of default.

Convertible Senior Notes are classified as a long-term debt initially on balance sheet and measured at amortized cost subsequently.

As of December 31, 2025, the fair value of the Convertible Senior Notes was valued at US\$56,535 and was classified within Level 3. The fair value was estimated by management with the assistance of an independent valuation firm, using the binomial model with the key assumptions including risk-free rate of return, volatility, and bond yield.

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17. Leases

Supplemental balance sheet information related to operating leases was as follows:

	As of December 31,	
	2024	2025
	US\$	US\$
Operating Leases		
Operating lease right-of-use assets	18,206	16,770
Total operating lease assets	18,206	16,770
Operating lease liabilities, current	5,611	4,983
Operating lease liabilities, non-current	16,696	15,696
Total operating lease liabilities	22,307	20,679

The components of lease costs were as follows:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Operating lease costs	6,751	7,180	6,060
Short-term lease costs	518	445	73
Total	7,269	7,625	6,133

The lease costs were allocated as follows:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Selling, general and administrative expenses	3,990	4,366	3,265
Research and development expenses	3,279	3,259	2,868
Total	7,269	7,625	6,133

Supplemental cash flow information related to operating leases was as follows:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	4,406	5,422	6,112
Right-of-use assets obtained in exchange for lease obligations			
Operating leases	7,918	3,952	3,494

Weighted average remaining lease term and weighted average discount rate for leases are as follows:

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	Year ended December 31,		
	2023	2024	2025
Weighted average remaining lease term (years):			
Operating leases	6.14	5.59	5.33
Weighted average discount rate:			
Operating leases	8.65%	8.06%	8.34%

Maturities of operating lease liabilities were as follows:

	As of December 31, 2025
	US\$
2026	5,413
2027	5,350
2028	4,352
2029	3,475
2030	3,241
2031 and thereafter	3,741
Total undiscounted lease payments	25,572
Less imputed interest	(4,893)
Present value of lease liabilities	20,679
Operating lease liabilities, current	4,983
Operating lease liabilities, non-current	15,696

18. Other non-current assets - third parties

	As of December 31	
	2024	2025
	US\$	US\$
Contract cost assets	—	26,620
Others	3,880	3,569
Prepayments and other current assets	3,880	30,189

19. Ordinary shares and treasury shares

The authorized share capital of the Company is US\$50 divided into 10,000,000,000 shares comprising of (i) 8,000,000,000 Class A Ordinary Shares with par value of US\$0.000005 each, (ii) 1,000,000,000 Class B Ordinary Shares with par value of US\$0.000005 each, and (iii) 1,000,000,000 shares with par value of US\$0.000005 each of such class or classes (however designated) as the Board of Directors may determine in accordance with the Articles.

Ordinary shares

In 2023, the Company issued 554,575 Class A Ordinary Shares for the 2022 Share Incentive Plan.

In 2024, the Company issued 7,180,061 Class A Ordinary Shares for the 2022 Share Incentive Plan.

In 2025, the Company issued 8,130,272 Class A Ordinary Shares for the 2022 Share Incentive Plan.

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On March 28, 2025, the Group issued 25,000,000 Class A ordinary shares upon follow-on public offering at a public offering price of US\$1.80 per share. The Group received net proceeds of US\$42,578.

During the year ended December 31, 2025, the Group issued 4,107,146 Class A ordinary shares upon conversion of aggregate US\$7,664 principal amount of its convertible notes.

In 2025, 3,000,000 Class B ordinary shares held by Jie&Hao Holding Limited were converted into equivalent number of Class A ordinary shares.

Treasury shares

On July 15, 2024, the Company received a written notice from a shareholder relating to the surrender of 4,500,000 Class A ordinary shares of the Company by that shareholder for no consideration. These surrendered shares were designated and held in the name of the Company as treasury shares.

In December 2024, the Group kicked-off a share repurchase program under which the Company may repurchase up to US\$20,000 of its ordinary shares until the close of business on September 30, 2025. The limit was subsequently increased to an aggregate amount of US\$40,000 up to the end of March 31, 2026. Under the repurchase program, the Company's proposed repurchases may be made from time to time in the open market at prevailing market prices, in privately negotiated transactions, in block trades and/or through other legally permissible means, depending on market conditions and in accordance with applicable rules and regulations. During the year ended December 31, 2025, the Company repurchased 20,897,751 shares (2024: 503,000 shares) in the open market for a total consideration, including related expenses, of US\$28,985 (2024: US\$1,019) which are reported as treasury shares on the consolidated balance sheets.

20. Share based compensation

(a) Restricted Share Unit ("RSU")

2019 RSU Plan

In December 2019, Mr. Ziyu Shen set up a trust (the "Trust"), of which he acted as the sole beneficiary. He transferred 23,859,142 ordinary shares he owned, representing 10.0% of total outstanding shares of the Company, to the Trust, and entered into 2019 RSU agreements with key employees and external consultants, which were modified in December 2021 (the "2019 Modified RSU Plan"). 2019 Modified RSU Plan entitled the grantees to purchase the economic beneficial right of the ordinary shares in the Trust.

RSUs granted under the 2019 RSU Plan have a contractual term of ten years and have varying vesting terms that requires the grantees to render services for a period maximum to five years under which the grantees earn an entitlement to vest over such stipulated services period.

Pursuant to the 2019 Modified RSU Plan, the Company granted an aggregate number of 4,342,364, nil and 230,000 RSUs to employees during the years ended December 31, 2023, 2024 and 2025, respectively. In July 2025, in connection with an employee's termination of employment, the employee voluntarily surrendered to the Company 230,000 vested RSUs, which were cancelled without consideration.

Modifications

During the years ended December 31, 2023, 2024 and 2025, the vesting condition or exercise price of 4,175,352, 4,935,321 and 2,396,730 RSUs, respectively, granted under the 2019 Modified RSU Plan were modified. The Company accounted for those modifications as a Type I (probable-to-probable) modification and recognized incremental compensation costs of US\$2,349, US\$1,458 and US\$28, respectively.

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2022 Share Incentive Plan

In December 2022, the Company's Board of Directors approved a share award plan (the "2022 Share Incentive Plan") for the granting of options, restricted shares, restricted share units or other equity incentive awards (collectively referred to as the "Awards"), to attract and retain the best available personnel, provide additional incentives to employees, directors and consultants, and promote the success of the Company's business. The maximum aggregate number of ordinary shares that may be issued under the 2022 Share Incentive Plan is 18,903,472.

RSUs granted under the 2022 Share Incentive Plan have a contractual term of ten years and have varying vesting terms that requires the grantees to render services for a period maximum to four years under which the grantees earn an entitlement to vest over such stipulated services period.

During the years ended December 31, 2023, 2024 and 2025, 460,671, 1,256,490 and 97,195 RSUs were granted under the 2022 Share Incentive Plan, respectively, among which, 460,671, 824,830 and 76,923 RSUs were granted to directors or officers, respectively.

The following table summarizes activities of the Company's RSUs for the year ended December 31, 2025:

	Number of RSUs	Weighted Average Exercise Price US\$	Weighted Average Fair value at grant date US\$	Weighted remaining contractual years	Aggregate intrinsic value US\$
Outstanding as of December 31, 2024	11,863,038	0.31	4.04	—	—
Granted (new RSUs)	327,195	—*	1.71	—	—
Granted (replacement RSUs)	2,396,730	0.67	1.48	—	—
Forfeited	(52,019)	—	2.02	—	—
Replaced	(2,396,730)	0.74	3.27	—	—
Exercised	(8,998,984)	0.33	5.14	—	—
Cancelled	(230,000)	0.38	5.05	—	—
Outstanding as of December 31, 2025	2,909,230	0.38	2.02	7.23	3,423
Exercisable as of December 31, 2025	2,761,834	0.43	1.84	3.20	3,133

* Amount less than US\$0.01

The weighted-average grant-date fair value of RSUs granted for the years ended December 31, 2023, 2024 and 2025 was US\$1.65, US\$1.83 and US\$1.71 per RSU, respectively. Total intrinsic value of RSUs exercised was US\$55,086, US\$23,901 and US\$46,764 for the years ended December 31, 2023, 2024 and 2025, respectively.

The fair value of the RSUs granted in 2023, 2024 and 2025 was estimated using the binomial model with the following assumptions used:

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	Year ended December 31,		
	2023	2024	2025
Risk-free rate of return (i)	2.65% - 4.25%	4.06%	3.94% - 3.95%
Volatility (ii)	44.58% - 44.73%	44.56%	47.57% - 47.65%
Expected dividend yield (iii)	0.0%	0.0%	0.0%
Fair value of underlying ordinary share (iv)	US\$3.68-US\$6.91	US\$0.96 - US\$1.60	US\$1.72 - US\$2.50
Expected terms (v)	10 years	10 years	10 years

- i. With respect to the RSUs issued in US\$ or RMB, the risk-free interest rate was separately estimated based on the yield to maturity of U.S. Treasury bonds or China Government Bond for a term consistent with the expected term of the Company's RSUs in effect at the valuation date.
- ii. Expected volatility was estimated based on the historical volatility of comparable peer public companies with a time horizon close to the expected term of the Company's RSUs.
- iii. Expected dividend yield is zero as the Company does not anticipate any dividend payments in the foreseeable future.
- iv. The fair value of the underlying ordinary share is the closing price of the Company's ordinary shares traded in the open market as of the grant date.
- v. Expected term is the contract life of the RSUs.

As of December 31, 2025, US\$159 of total unrecognized compensation expense related to the RSUs is expected to be recognized over a weighted-average period of 2.7 years.

(b) Performance Share Units ("PSUs")

In June 2024, the Group's board of directors approved the grant of total 6,000,000 PSUs to certain executive officers under the 2022 Share Incentive Plan with nil exercise price. The vesting of PSUs is contingent on meeting certain financial performance targets, market conditions and continued service.

The following table summarizes activities of the Company's PSUs for the year ended December 31, 2025:

	Number of PSUs	Weighted Average Fair value at grant date
		US\$
Outstanding as of December 31, 2024	2,000,000	1.69
Granted	933,334	1.72
Vested	(928,667)	1.71
Forfeited	(1,674,667)	1.70
Cancelled	(330,000)	1.69
Outstanding as of December 31, 2025	—	—

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The weighted-average grant-date fair value of PSUs granted for the years ended December 31, 2024 and 2025 was US\$1.69 and US\$1.72 per PSU, respectively. Total intrinsic value of PSUs exercised was nil and US\$781 for the years ended December 31, 2024 and 2025, respectively.

The fair value of the PSUs granted in 2024 was estimated using the Monte Carlo simulation with the following assumptions used. The fair value of the PSUs granted in 2025 was estimated using the closing price as of the grant dates of listed trading price of the Company.

Grant date:	Year ended December 31, 2024
Risk-free rate of return (i)	4.26%
Volatility (ii)	43.25%
Expected dividend yield (iii)	0.00%
Fair value of underlying ordinary share (iv)	US\$1.69
Expected terms (v)	10 years

- (i) The risk-free interest rate was estimated based on the yield to maturity of U.S. Treasury bonds for a term consistent with the expected term of the Company's PSUs in effect at the valuation date.
- (ii) Expected volatility was estimated based on the historical volatility of comparable peer public companies with a time horizon close to the expected term of the Company's PSUs.
- (iii) Expected dividend yield is zero as the Company does not anticipate any dividend payments in the foreseeable future.
- (iv) Fair value of underlying ordinary share is the closing price of the Company's ordinary shares traded in the open market as of the grant date.
- (v) Expected term is the contract life of the PSUs.

(c) Options***2021 Option Plan***

In July 2021, the Company's shareholders and Board of Directors approved a share option plan (the "2021 Option Plan"), which granted the employees, directors and officers an option to purchase ordinary shares of the Company at an exercise price of US\$9.70 per share. The grantees are entitled to cumulative vesting of 25% of the total grants for every twelve-month service period since their employment commencement. The share options can only be exercised upon the occurrence a qualified IPO. The maximum aggregate number of ordinary shares that may be issued under the 2021 Option Incentive Plan is 16,802,069.

In January 2023, the Company granted 63,464 share options to certain employees.

2022 Share Incentive Plan

Share options granted under the 2022 Share Incentive Plan have a contractual term of ten years and have varying vesting terms that requires the grantees to render services for a period maximum to four years under which the grantees earn an entitlement to vest over such stipulated services period.

During the years ended December 31, 2023, 2024 and 2025, 93,904, 5,821,580 and 7,850,352 options were granted under the 2022 Share Incentive Plan, respectively, among which, 93,904, 246,724 and 202,532 options were granted to directors or officers, respectively.

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The following table summarizes activities of the options for the year ended December 31, 2025.

	Number of options	Weighted Average Exercise Price	Weighted Average Fair value at grant date	Weighted remaining contractual years	Aggregate intrinsic value
		US\$	US\$		US\$
Outstanding at December 31, 2024	15,935,056	6.65	2.57	—	—
Granted	7,850,532	0.34	1.66	—	—
Forfeited	(490,137)	0.75	1.27	—	—
Exercised	(663,908)	0.50	1.22	—	—
Outstanding at December 31, 2025	22,631,543	4.77	2.32	7.52	52,545
Exercisable as of December 31, 2025	13,853,496	7.55	2.50	6.24	34,602

The weighted-average grant-date fair value of options granted for the years ended December 31, 2023, 2024 and 2025 was US\$3.12, US\$1.24 and US\$1.66 per option, respectively. Total intrinsic value of options exercised was nil, US\$136 and US\$812 for the years ended December 31, 2023, 2024 and 2025, respectively.

The fair value of the options granted in 2023, 2024 and 2025 was estimated using the binomial model with the following assumptions used:

	Year ended December 31,		
	2023	2024	2025
Risk-free rate of return (i)	3.79% – 3.88%	4.48% - 4.69%	4.09% - 4.58%
Volatility (ii)	44.37% – 44.95%	47.09% - 47.34%	46.39% - 47.34%
Expected dividend yield (iii)	0.0%	0.0%	0.0%
Fair value of underlying ordinary share (iv)	US\$3.16 - US\$8.02	US\$1.14 - US\$1.84	US\$1.57 - US\$2.11
Expected terms (v)	10 years	10 years	10 years

- i. The risk-free interest rate was estimated based on the yield to maturity of U.S. Treasury bonds for a term consistent with the expected term of the Company's options in effect at the valuation date.
- ii. Expected volatility was estimated based on the historical volatility of comparable peer public companies with a time horizon close to the expected term of the Company's options.
- iii. Expected dividend yield is zero as the Company does not anticipate any dividend payments in the foreseeable future.
- iv. The fair value of the underlying ordinary share is the closing price of the Company's ordinary shares traded in the open market as of the grant date.
- v. Expected term is the contract life of the option awards.

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As of December 2025, US\$7,036 of total unrecognized compensation expense related to the options is expected to be recognized over a weighted-average period of 3.23 years.

Compensation expense recognized for RSUs, PSUs and options for the years ended December 31, 2023, 2024 and 2025 is allocated as follows.

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Selling, general and administrative expenses	20,895	16,836	11,693
Research and development expenses	3,971	2,220	1,648
Total	24,866	19,056	13,341

21. Revenue information

Revenues are disaggregated as follow:

Major products/services lines:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Sales of goods revenues	467,403	611,245	703,093
<i>Automotive computing platform</i>	385,886	536,582	627,067
<i>SoC Core Modules</i>	70,140	73,944	74,910
<i>Automotive merchandise and other products</i>	11,377	719	1,116
Software license revenues	62,796	42,455	29,698
Service revenues	132,027	117,830	115,067
<i>Automotive computing Platform – Design and development service</i>	94,641	78,470	69,827
<i>Connectivity service</i>	31,142	34,112	36,834
<i>Other services</i>	6,244	5,248	8,406
Total revenues	662,226	771,530	847,858

Timing of revenue recognition:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Point in time	631,084	737,418	811,024
Over time	31,142	34,112	36,834
Total revenues	662,226	771,530	847,858

For the years ended December 31, 2023, 2024 and 2025, 98.2%, 97.6% and 95.3% of the Group's revenues were generated in the PRC.

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22. Other non-operating (expenses) income, net

Other non-operating (expenses) income, net consisted of the following:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Change in fair value of equity securities (Note 9)	(3,208)	(6,114)	(221)
Change in fair value of warrant liabilities (Note 14)	1,675	(477)	76
Change in fair value of derivative assets (Note 9)	—	—	175
Change in fair value of derivative liabilities (Note 16)	—	—	214
Government grants	1,672	2,798	5,942
Foreign currency exchange losses, net	(1,479)	(973)	(1,223)
Others, net	—	—	941
Total other non-operating (expenses) income, net	(1,340)	(4,766)	5,904

The Group received government grants of US\$8,516, US\$10,244 and US\$13,611 during the years ended December 31, 2023, 2024 and 2025 respectively, and recognized US\$1,672, US\$2,798 and US\$5,942 as non-operating (expenses) income, net in the Group's consolidated statements of comprehensive loss for the years ended December 31, 2023, 2024 and 2025 respectively.

There were no significant commitments, contingencies or provision for recapture conditions for the government subsidies received for the years ended December 31, 2023, 2024 and 2025.

As of December 31, 2024 and 2025, deferred government grants are recorded as follow:

	As of December 31,	
	2024	2025
	US\$	US\$
Accrued expenses and other current liabilities	795	853
Other non-current liabilities – third parties ¹	13,349	20,675

¹ The Group was awarded grants from governments and conditional on the tax contribution in certain specified regions in the next few years. The government grants have been received and recognized as other non-current liabilities – third parties, which will be released to government grants in the consolidated statements of comprehensive loss when the conditions attached for tax contribution are satisfied. As of December 31, 2024 and 2025, the Group estimated that the conditions attached for tax contribution would be not probable to be satisfied, thus the Group classifies these liabilities as other non-current liabilities – third parties.

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23. Income taxes

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to income or capital gains taxes. Additionally, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

British Virgin Islands

Under the current laws of the British Virgin Islands (“BVI”), the Company’s BVI subsidiaries are not subject to income or capital gains taxes. Additionally, the British Virgin Islands does not impose a withholding tax on payments of dividends to shareholders.

Hong Kong

Our subsidiaries incorporated in Hong Kong are generally subject to Hong Kong profits tax at a rate of 16.5%. For the years 2018 and onwards, the first HK\$2,000 of profits generated by an entity incorporated in Hong Kong is taxed at a rate of 8.25%, while the remaining profits will continue to be taxed at 16.5% tax rate. In December 2022, a refined Foreign Sourced Income Exemption (“FSIE”) regime was published in Hong Kong and took effect from January 1, 2023. Under the new FSIE regime, certain foreign sourced income would be deemed as being sourced from Hong Kong and chargeable to Hong Kong Profits Tax, if the recipient entity fails to meet the prescribed exception requirements. Certain dividends, interests, intellectual property income and disposal gains, if any, received by us and our Hong Kong subsidiaries may be subject to the new tax regime.

Mainland PRC

Under the Enterprise Income Tax Law (“EIT Law”) in mainland PRC, domestic companies are subject to Enterprise Income Tax (“EIT”) at a uniform rate of 25%. The Company’s PRC subsidiaries are subject to the statutory income tax rate at 25%, unless a preferential EIT rate is otherwise stipulated.

The enterprise income tax rate will be reduced to 15% for state-encouraged High and New Technology Enterprises (“HNTE”). In December 2023, ECARX (Hubei) Tech was certified as an HNTE by the Hubei provincial government for a period from 2023 to 2025 if all the criteria for HNTE status is satisfied in the relevant year.

In December 2024, JICA is certified as an HNTE by the Jiangsu provincial government for a period of 3 years from 2024 to 2026 if all the criteria for HNTE status is satisfied in the relevant year.

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The components of loss before income taxes are as follows:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Cayman Islands	(7,657)	(16,918)	(13,699)
British Virgin Islands	2,691	(824)	(779)
Hong Kong	(2,478)	7,304	(7,227)
Sweden	1,911	449	8,494
United Kingdom	(35,166)	(26,200)	(17,251)
Americas	(3,752)	785	176
Germany	(1,895)	(3,516)	409
Singapore	—	—	(8,346)
Malaysia	—	—	(34)
Mainland PRC	(98,078)	(98,621)	(29,438)
Total	(144,424)	(137,541)	(67,695)

Withholding tax on undistributed dividends

Dividends paid to non-PRC-resident corporate investor from profits earned by the PRC subsidiaries are subject to a withholding tax. The EIT Law and its relevant regulations impose a withholding tax at 10%, unless reduced by a tax treaty or agreement, for dividends distributed by a PRC-resident enterprise to its non-PRC-resident corporate investor for earnings generated beginning on January 1, 2008.

The Company's subsidiaries located in the PRC were in accumulated loss status as of December 31, 2023, 2024 and 2025. Accordingly, no deferred tax liability had been accrued for the Chinese dividend withholding taxes as of December 31, 2024 and 2025.

The Group does not file combined or consolidated tax returns, therefore, losses from individual subsidiaries may not be used to offset other subsidiaries' earnings within the Group.

(a) Income taxes benefit (expense)

Income tax benefit (expense) recognized in the consolidated statements of comprehensive loss consisted of the following:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Current income tax benefit (expense)			
Mainland PRC	1,060	(1,242)	(168)
Others	(551)	(1,499)	(1,526)
Total current income tax benefit (expense)	509	(2,741)	(1,694)
Deferred income tax benefit			
Mainland PRC	—	2,539	464
Others	16	(8)	(14)
Total deferred income tax benefit	16	2,531	450
Income tax benefit (expense)	525	(210)	(1,244)

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(b) Tax reconciliation

A reconciliation of the provision for income taxes to the amount computed by applying the 25% statutory PRC corporate income tax rate to income before income taxes after the adoption of ASU 2023-09 is as follows:

	Year ended December 31, 2025	
	US\$	%
Tax calculated at the statutory tax rate:	(16,924)	25%
Non-deductible expenses and non-taxable income	1,333	(2)%
Research and development expenses additional deduction	(2,954)	4%
Effect of preferential tax rate	2,720	(4)%
Change in valuation allowance	5,512	(8)%
Prior year return-to-provision true up	405	(1)%
Foreign tax effect:		
United Kingdom		
Tax rate differential	1,038	(2)%
Change in valuation allowance	2,979	(4)%
Non-deductible expenses	296	—%
Cayman Islands		
Tax rate differential	3,425	(5)%
Singapore		
Tax rate differential	875	(1)%
Non-taxable income	(669)	1%
Change in valuation allowance	1,881	(3)%
Hong Kong		
Tax rate differential	614	(1)%
Change in valuation allowance	877	(1)%
Non-deductible expenses	408	(1)%
Other tax jurisdictions	(572)	1%
Total	1,244	(2)%

Reconciliation of the differences between PRC statutory income tax rate and the Group's effective income tax rates for the years ended December 31, 2023, and 2024 are as follows:

	Year ended December 31,	
	2023	2024
Computed expected income tax benefit	25%	25%
Effect of preferential tax rate	(4)%	(7)%
Effect of different tax jurisdiction	(2)%	(4)%
Change in tax rate	(18)%	(4)%
Prior year return-to-provision true up	2%	—%
Non-deductible expenses and non-taxable income	(4)%	(1)%
Research and development expenses additional deduction	6%	5%
Change in valuation allowance	(5)%	(14)%
Actual income tax expense	—%	—%

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According to the PRC Tax Administration and Collection Law, the statute of limitation is three years if the underpayment of taxes is due to computational errors made by the taxpayer or the withholding agent. The statute of limitation is extended to five years under special circumstances where the underpayment of taxes is more than RMB100. In the case of transfer pricing issues, the statute of limitation is 10 years. There is no statute of limitation in the case of tax evasion. The income tax returns of the Company's PRC subsidiaries for the years from 2020 to 2025 are open to examination by the PRC tax authorities.

(c) Deferred taxes

The principal components of the deferred tax assets and liabilities are as follows:

	As of December 31,	
	2024	2025
	US\$	US\$
Deferred tax assets:		
Inventories	435	539
Allowance for doubtful accounts	521	273
Intangible assets	17,224	18,477
Plant, property and equipment	291	263
Contract cost assets	202	15
Accrued product warranties	3,271	3,906
Accrued salaries and benefits	641	442
Accounts payable, accrued expenses and other liabilities	10,471	11,353
Donation	20	21
Government grants	3,456	5,297
Unrealized investment loss of equity method investments	174	—
Operating lease liabilities	1,544	685
Net operating loss carryforwards	69,314	84,889
Total deferred tax assets	107,564	126,160
Less: valuation allowance	(102,576)	(119,072)
Deferred tax assets, net of valuation allowance	4,988	7,088
Deferred tax liabilities:		
Operating lease right-of-use assets	(1,640)	(825)
Depreciation of plant, property, and equipment	(1,183)	(3,031)
Unrealized investment gain of equity method investments	—	(966)
Intangible assets	(4,221)	(3,955)
Total deferred tax liabilities	(7,044)	(8,777)
Net deferred tax liabilities	(2,056)	(1,689)

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Analyzed as:

	As of December 31,	
	2024	2025
	US\$	US\$
Deferred tax assets	14	11
Deferred tax liabilities	(2,070)	(1,700)
Net deferred tax liabilities	(2,056)	(1,689)

The following table presents the movement of the valuation allowance for the deferred tax assets:

	As of December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Balance as of January 1,	77,874	81,830	102,576
Increase during the year	6,418	23,648	10,915
Foreign currency translation adjustments	(2,462)	(2,902)	5,581
Balance as of December 31	81,830	102,576	119,072

Deferred tax assets are included in other non-current assets – third parties on consolidated balance sheets.

Net operating loss carryforwards of the Company’s subsidiaries in jurisdictions other than the PRC do not expire. As of December 31, 2024 and 2025, the balance of net operating loss carryforwards of the Company’s subsidiaries in jurisdictions other than the PRC amounted to US\$85,405 and US\$117,246, respectively.

As of December 31, 2025, the net operating loss carryforwards by the PRC companies will expire during the period from year 2026 to year 2035, if unused by the following year-end:

Year ending December 31,	Amount
	US\$
2026	5,428
2027	14,698
2028	4,246
2029	4,024
2030	3,439
2031	93
2032	102,601
2033	67,322
2034	125,973
2035	61,155
Total	388,979

The recoverability of these net operating loss carryforwards is evaluated by assessing the adequacy of future expected taxable income from all sources, including reversal of taxable temporary differences, forecasted operating earnings and available tax planning strategies. To the extent the Company does not consider it more-likely-than-not that a deferred tax asset will be recovered, a valuation allowance is generally established. To the extent that a valuation allowance was established, and it is subsequently determined that it is more-likely-than-not that the deferred tax assets will be

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recovered, the change in the valuation allowance is recognized in income tax (expense)/benefit on the consolidated statements of comprehensive loss.

As of December 31, 2025, the valuation allowances were related to the deferred income tax assets of subsidiaries of the Company which were in loss position. These entities were in a cumulative loss position, which is a significant negative indicator to overcome that sufficient income will be generated over the periods in which the deferred income tax assets are deductible or utilized. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

(d) Income taxes paid

The amounts of cash income taxes paid by the Company during the year ended December 31, 2025 are as follows:

	Year ended December 31, 2025
	US\$
Mainland PRC	1,105
Hong Kong	942
Sweden	1,068
Other foreign jurisdictions	103
Income taxes, net of amounts refunded	3,218

24. Loss per share

Basic and diluted net loss per share for the years ended December 2023, 2024 and 2025 have been calculated as follows:

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Numerator:			
Net loss attributable to ECARX Holdings Inc.	(133,315)	(129,765)	(66,043)
Denominator:			
Weighted average number of ordinary shares – basic and diluted	337,407,225	336,641,846	338,659,826
Net loss per share attributable to ordinary shareholders			
— Basic and diluted	(0.40)	(0.39)	(0.20)

The potentially dilutive instruments that have not been included in the calculation of diluted loss per share as their inclusion would be anti-dilutive are as follows:

	Year ended December 31,		
	2023	2024	2025
Warrants	23,871,971	23,871,971	23,871,971
Options	11,260,718	15,935,056	22,631,543
RSU	—	218,884	147,396
Convertible notes	5,652,174	5,652,174	11,640,584

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For the year ended December 31, 2024, unvested PSUs of 792,000 shares are not included in the calculation of basic or diluted loss per share, as the issuance of such shares is contingent upon qualifying conditions, which was not satisfied as of the year end.

25. Risks and concentration*Concentration of credit risk*

Financial instruments that potentially expose the Group to concentrations of credit risk consist principally of cash, restricted cash, short-term investments, accounts receivables, notes receivable, amounts due from related parties and other receivables included in prepayments and other current assets.

The Group's policy requires cash, restricted cash and short-term investments to be placed with high quality financial institutions. The Group regularly evaluates the credit standing of the counterparties or financial institutions.

The Group conducts credit evaluations on its customers prior to delivery of goods or services. The assessment of customer creditworthiness is primarily based on historical collection records, research of publicly available information and customer on site visits by senior management. Based on this analysis, the Group determines what credit terms, if any, to offer to each customer individually. If the assessment indicates a likelihood of collection risk, the Group will not deliver the services or sell the products to the customer or require the customer to pay cash to secure payment or to make significant down payments.

Concentration of customers and suppliers

The Group currently has a concentrated customer base with a limited number of key customers, particularly Geely Group and its subsidiaries. Geely Group and its subsidiaries represents 83.3% and 69.7% of the Group's accounts receivable - related parties, net, as of December 31, 2024 and 2025, respectively. During the years ended December 31, 2023, 2024 and 2025, Geely Group and its subsidiaries contributed 78.5%, 81.8% and 68.1% of the Group's total related parties and third parties' revenues, respectively, which excluded the sales of SoC core modules or software licenses by the Group to its third-party customers that were integrated into infotainment and cockpit products and sold by such third-party customers to Geely Group and its subsidiaries.

The following table summarizes customers with greater than 10.0% of the accounts receivable - third parties, net:

	As of December 31,	
	2024	2025
Customer A, a third party	25.7 %	23.3 %
Customer B, a third party	54.1 %	38.3 %
Customer C, a third party	Less than 10.0%	18.4 %

The following table summarizes suppliers with greater than 10.0% of the total related parties and third parties' accounts payable:

	As of December 31,	
	2024	2025
Supplier A, a third party	14.6 %	10.9 %
Supplier B, a third party	28.2 %	Less than 10.0%
Supplier D, a third party	13.1 %	21.9 %

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Suppliers accounting for more than 10.0% of total related parties and third parties' purchases are as follows:

	Year Ended December 31,		
	2023	2024	2025
Supplier A, a third party	20.2 %	17.3 %	10.5 %
Supplier B, a third party	15.4 %	21.8 %	Less than 10.0%
Supplier C, a third party	12.1 %	Less than 10.0%	Less than 10.0%
Supplier D, a third party	Less than 10.0%	12.2 %	28.9 %

26. Fair value measurement

Assets and liabilities measured at fair value on a recurring basis include derivative assets, equity securities, available-for-sale debt investments, warrant liabilities and derivative liability.

The following tables set the major financial instruments measured at fair value, by level within the fair value hierarchy as of December 31, 2024 and 2025.

	Fair Value Measurement at Reporting Date Using			
	Fair Value as of December 31, 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	US\$	US\$	US\$	US\$
Assets				
Prepayments and other current assets, net – derivative asset	175	175	—	—
Long-term investments, net – equity securities	17,507	17,507	—	—
Long-term investments, net – available-for-sale debt investments	42,833	—	—	42,833
Liabilities				
Warrant liabilities – public warrants	676	676	—	—
Warrant liabilities – private warrants	449	—	—	449
Accrued expenses and other current liabilities – derivative liability	871	—	—	871

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	Fair Value Measurement at Reporting Date Using			
	Fair Value as of December 31, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	US\$	US\$	US\$	US\$
Assets				
Long-term investments, net – equity securities	728	728	—	—
Liabilities				
Warrant liabilities – public warrants	750	750	—	—
Warrant liabilities – private warrants	451	—	—	451

Valuation techniques

Derivative asset: Derivative asset represents a forward contract. The fair value is determined using quoted prices for the underlying securities in active markets and accordingly, the Company classifies the valuation techniques that use these inputs as Level 1.

Equity securities: The Company values the listed equity securities using quoted prices for the underlying securities in active markets and accordingly, the Group classifies the valuation techniques that use these inputs as Level 1.

Available-for-sale debt investments: As the Company's available-for-sale debt investment is not traded in an active market with readily observable quoted prices, the Company uses significant unobservable inputs (Level 3) to measure its fair value at inception and at each subsequent balance sheet date. See Note 9 for information about the significant unobservable inputs used in the respective fair value measurements.

Public Warrants and Private Warrants: Public Warrants is classified as Level 1 due to the use of the observed trading price. For Private Warrants, see Note 14 for information about the significant unobservable inputs (Level 3) used in the fair value measurements.

Derivative liability: Derivative liability represents the bifurcated feature embedded in the Initial Note. The fair value of derivative liability is measured using income approach. See Note 16 for information about the significant unobservable inputs used in the respective fair value measurements.

The other financial assets and liabilities of the Group primarily consist of cash, restricted cash, short-term investments, accounts receivable, notes receivable, amounts due from related parties, receivables included in prepayments and other current assets and other non-current assets, short-term borrowings, long term borrowings, accounts payable, notes payable, amounts due to related parties, convertible notes payable, operating lease liabilities, payables included in accrued expenses and other current liabilities and other non-current liabilities. As of December 31, 2024 and 2025, the fair values of long-term borrowings and operating lease liabilities approximate to their carrying values, which is due to that the underlying interest rates approximated to the market rates for similar instruments with similar maturities. The carrying values of other financial instruments approximate their fair values due to the short-term maturity of these instruments or their interest rates are comparable to the prevailing interest rates in the market.

The Group's non-financial assets, such as property and equipment and intangible assets, would be measured at fair value only if they were determined to be impaired. See Note 11 for information about the significant unobservable inputs used in the fair value measurement of intangible assets – developed technology.

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(In thousands, except share and per share data, or otherwise noted)

27. Commitments and contingencies*Purchase commitments*

As of December 31, 2025, the Group has future minimum purchase commitment related to the purchase of research and development services. Total purchase obligations contracted but not yet reflected in the consolidated financial statements as of December 31, 2025 were as follows:

	<u>Total</u>	<u>Less than one year</u>	<u>1-2 Years</u>	<u>2-3 Years</u>	<u>3-5 Years</u>	<u>Over 5 Years</u>
	US\$	US\$	US\$	US\$	US\$	US\$
Purchase commitments	45,351	45,351	—	—	—	—

Capital commitments

Total capital expenditures contracted but not yet reflected in the consolidated financial statements as of December 31, 2025 were as follows:

	<u>Total</u>	<u>Less than one year</u>	<u>1-2 Years</u>	<u>2-3 Years</u>	<u>3-5 Years</u>	<u>Over 5 Years</u>
	US\$	US\$	US\$	US\$	US\$	US\$
Capital commitments	2,601	2,601	—	—	—	—

Commitments to purchase equity securities

	<u>Total</u>	<u>Less than one year</u>	<u>1-2 Years</u>	<u>2-3 Years</u>	<u>3-5 Years</u>	<u>Over 5 Years</u>
	US\$	US\$	US\$	US\$	US\$	US\$
Commitments to purchase equity securities	6,000	6,000	—	—	—	—

ECARX HOLDINGS INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except share and per share data, or otherwise noted)**28. Related party balances and transactions**

(a) Related Parties

<i>Names of the major related parties</i>	<i>Nature of relationship</i>
Zhejiang Geely Holding Group (“Geely Group”) and its subsidiaries	Entity controlled by the controlling shareholder of the Company
Anhui Xinzhi Technology Co., Ltd. (“Anhui Xinzhi”)	Entity controlled by the controlling shareholder of the Company
Zhejiang Huanfu Technology Co., Ltd., (“Zhejiang Huanfu”)	Entity controlled by the controlling shareholder of the Company
Hubei Xingji Meizu Group Co., Ltd. (“Xingji Meizu”)	Entity controlled by the controlling shareholder of the Company
Wuhan Xingji Meizu Technology Co., Ltd and its subsidiaries	Entity controlled by the controlling shareholder of the Company
Hubei ECARX Technology Co., Ltd (“Hubei ECARX”)	Entity controlled by the controlling shareholder of the Company
Arteus Group Limited (“Arteus”)	Entity controlled by the controlling shareholder of the Company
DreamSmart Technology Pte. Ltd. (“DreamSmart”) and its subsidiaries	Entity controlled by the controlling shareholder of the Company
HaleyTek AB	Entity controlled by the controlling shareholder of the Company
Proton Holdings Berhad and its subsidiaries	Entity that the controlling shareholder of the Company has significant influence
SiEngine Technology Co., Ltd. (“SiEngine”)	Entity which is under significant influence of the Company
Shenzhen U Chance Technology Co., Ltd.	Entity which is under significant influence of the Company
Smart Automobile Co., Ltd.	Entity that the controlling shareholder of the Company has significant influence
Smart (Zhejiang) Software Technology Co., Ltd. (“smart Zhejiang”)	Entity that the controlling shareholder of the Company has significant influence
ACO Tech Sdn. Bhd.	Entity which is under significant influence of the Company
Hubei Dongjun Automotive Electronic Technology Co., Ltd. (“Hubei Dongjun”)	Entity which is under significant influence of the Company before consolidation in July 2024 (Note 3.b)

(b) Significant transactions with related parties, except transactions disclosed elsewhere in these consolidated financial statements:

Contractual arrangements with Zhejiang Huanfu

In 2023 and 2024, the Group licensed certain intellectual property to Zhejiang Huanfu to enable it to perform certain data-related services (including TSP maintenance service) and also provided technical consulting services to

ECARX HOLDINGS INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except share and per share data, or otherwise noted)

Zhejiang Huanfu on the development of telematics products and licensed certain intellectual property to Zhejiang Huanfu on information security of telematics service. Details of transactions with Zhejiang Huanfu are included below.

Contractual arrangements with Hubei ECARX

In 2023, in connection with the Group's autonomous driving systems, the Group engaged Hubei ECARX for an autonomous driving compliance and cloud data compliance service after having compared the pricing terms with the quotations obtained from other unrelated third-party vendors. Under this contract, Hubei ECARX is responsible for (i) the collection and storage of general sensor data (as opposed to surveying and mapping data); (ii) the desensitization of such data in a regulation compliant environment; and (iii) the provision of the desensitized data to the Company for its ADAS/autonomous driving products and technologies. Amount paid to Hubei ECARX for these services and interest income from loan are disclosed below. Details of transactions with Hubei Ecarx are included below.

Contractual arrangements with DreamSmart and its subsidiary Xingji Meizu

In addition to the disclosure in Note 9, the Group had significant transaction arrangements with DreamSmart and its subsidiary Xingji Meizu as noted below:

In 2023, the Group entered into a strategic cooperation agreement and a licensing agreement with Xingji Meizu, an indirect subsidiary of DreamSmart, pursuant to which, the Group licensed certain intellectual properties to Xingji Meizu for the development of the Flyme Auto intelligent cockpit solutions. In addition, the Group obtained certain rights to distribute the Flyme Auto intelligent cockpit solutions worldwide for three years with a total licensing fee of RMB150,000 (equivalent to US\$21,020) in installments. In May 2025, the Group and Xingji Meizu entered into an amendment agreement and agreed to extend the license for an additional term of 8 years to November 2033 on an exclusive basis for no additional consideration.

During 2023 to 2025, the Group entered into several technology development entrustment agreements with Xingji Meizu, under which Xingji Meizu was engaged to provide software development, system integration, testing, and related technical services in connection with certain intelligent cockpit software projects for end customers.

In September 2023, the Group entered into a loan agreement with Xingji Meizu, pursuant to which, the Group provided a loan to Xingji Meizu in an amount of US\$27,413 with an interest rate of 4.20% per annum, which was fully repaid in December 2023. In August 2025, the Group provided a loan to Xingji Meizu amounting to US\$6,880 for working capital and general corporate purposes. The loan bears interest at 4.06% per annum, calculated based on the actual number of days outstanding, and has a one-year term ending in August 2026, subject to customary acceleration events.

In December 2025, the Group entered into a production procurement framework agreement with Xingji Meizu for a one-year term. The framework agreement has a one-year term and does not commit to any minimum purchase volume.

ECARX HOLDINGS INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except share and per share data, or otherwise noted)

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Revenues (i):			
Sales of goods revenues	383,228	531,994	622,115
Automotive computing platform	379,382	531,416	621,422
Including:			
Automotive computing platform to Zhejiang Huanfu	148	—	—
Automotive computing platform to Hubei Ecarx	1	—	—
SoC Core Modules	58	224	63
Automotive merchandise and other products	3,788	354	630
Software license revenues	41,389	34,332	27,555
Including: Software license to Zhejiang Huanfu	11,292	5,550	—
Including: Software license to Xingji Meizu	2,117	—	—
Service revenues	127,693	116,660	108,120
Automotive computing platform – Design and development service	94,398	78,020	63,518
Including: Automotive computing platform – Design and development service to Zhejiang Huanfu	—	13,458	—
Including: Automotive computing platform – Design and development service to Xingji Meizu	—	—	2,778
Connectivity service	28,139	34,102	36,356
Other services	5,156	4,538	8,246
Including: Other services to Zhejiang Huanfu	620	15	—
Total	552,310	682,986	757,790

ECARX HOLDINGS INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except share and per share data, or otherwise noted)

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Purchase of products and services (ii)	89,732	157,588	309,303
Including:			
– Purchase of products and services from Zhejiang Huanfu (ii)	14,398	3,485	697
– Purchase of products and services from Hubei Ecarx (ii)	467	2,524	1,065
– Purchase of products and services from Xingji Meizu (ii)	386	16,456	23,227
Rental of office space (ii)	652	778	672
Other income (vi)	1,009	—	—
Interest income on loans due from related parties (iii)	748	62	150
- Interest income from Xingji Meizu	253	—	96
Interest income on loans due from Hubei ECARX (v)	1,504	1,561	2,128
Interest expense on borrowings due to related parties (iv)	1,717	2,165	1,818
Loans and advances to related parties (iii)	29,433	1,488	11,371
- Loans to Xingji Meizu (iii)	27,413	—	6,880
Cash collection of loans to related parties and advances to related parties (iii)	29,388	2,439	5,832
- Cash collection of loans to Xingji Meizu (iii)	27,413	—	—
Borrowings from related parties (iv)	44,458	83,381	188,495
Repayments of borrowings from related parties (iv)	44,458	62,360	153,972
Debt assignment and offset with related parties (iv)	—	—	29,415
Acquisition of software license rights from Xingji Meizu (vii)	21,020	—	—
Advances from related parties (viii)	—	—	15,759
Prepayments to related parties (viii)	—	—	26,504

(c) Balances with related parties:

	As of December 31,	
	2024	2025
	US\$	US\$
Accounts receivable – related parties, net (i)	187,330	185,536
Amounts due from related parties (ii)(iii)(v)(viii)	5,007	53,737
Other non-current assets – related parties (v)	36,403	—
Accounts payable – related parties (ii) (vii)	69,967	104,483
Amounts due to related parties (ii)(iv)(viii)	24,071	54,648
Contract liabilities - current (i)	20,493	7,325
Contract liabilities - noncurrent (i)	5,084	10

(i) The Group sold automotive computing platform products, merchandise and other products, software licenses and provided related technology development services, connectivity service, and other consulting services to a number of related parties. Among these, the Group sold automotive computing platform products, licensed the intellectual property related to TSP software and provided related technology development services and other consulting services to Zhejiang Huanfu. Accounts receivable, net due from related parties arising from sales of products and provision of services were US\$187,330 and US\$185,536 as of December 31, 2024 and 2025, respectively. Contract liabilities, current and contract liabilities, noncurrent were US\$20,493 and US\$7,325 and US\$5,084 and US\$10 as of December 31, 2024 and 2025, respectively.

ECARX HOLDINGS INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
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- (ii) The Group purchased raw materials, technology development services and other consulting services from a number of related parties, of which, US\$5,845, US\$18,072 and US\$32,455 of purchase of raw materials were recorded as inventories as of December 31, 2023, 2024 and 2025, respectively; US\$77,163, US\$123,082 and US\$266,615 were recorded in cost of revenues for the years ended December 31, 2023, 2024 and 2025, respectively; US\$6,724, US\$16,434 and US\$10,233 were recorded in operating expenses for the years ended December 31, 2023, 2024 and 2025, respectively. The Group purchased raw materials, technology development services and TSP maintenance service from Zhejiang Huanfu, of which, US\$14,339, US\$3,484 and US\$629 were recorded in cost of revenues for the years ended December 31, 2023, 2024 and 2025, respectively; and US\$59, US\$1 and US\$68 were recorded in operating expenses for the years ended December 31, 2023, 2024 and 2025, respectively. The Group also purchased research and development service from Hubei Ecarx of which, nil, US\$288 and US\$614 were recorded in cost of revenues, US\$467, US\$2,236 and US\$451 were recorded in operating expenses for the years ended December 31, 2023, 2024 and 2025, respectively. The Group also purchased raw materials, software and research and development services from Xingji Meizu, of which, nil, US\$8,557 and US\$18,103 were recorded in cost of revenues, US\$386, US\$7,899 and US\$5,124 were recorded in operating expenses for the years ended December 31, 2023, 2024 and 2025, respectively. The Group has rented office space from related parties, pursuant to which, the Group recorded rental expenses of US\$652, US\$778 and US\$672 in operating expenses for the years ended December 31, 2023, 2024 and 2025, respectively.

Accounts payable to related parties includes payables arising from purchase of raw materials and services of US\$63,493 and US\$104,483, and amount due from related parties includes prepayments arising from purchase of raw materials and services of US\$3,645 and US\$10,169 as of December 31, 2024 and 2025, respectively. Amounts due to related parties includes payables arising from purchase of technical services and logistics services of US\$1,730 and US\$10,174 as of December 31, 2024 and 2025, respectively.

- (iii) The Group provided loans of US\$29,433, US\$1,488 and US\$11,371 to related parties, and received repayments of US\$29,388, US\$2,439 and US\$5,832 from related parties for the years ended December 31, 2023, 2024 and 2025, respectively. Interest incomes on loans due from related parties were US\$748, US\$62 and US\$150 for the years ended December 31, 2023, 2024 and 2025, respectively. As of December 31, 2024 and 2025, loans and interest receivables from related parties was US\$1,362 and US\$7,024, respectively.

- (iv) In January 2023, ECARX (Hubei) Tech entered into an unsecured loan agreement with Geely Group in an amount of US\$44,458 with an interest rate of 4.1% per annum, which was fully repaid in December 2023.

In January 2024, ECARX (Hubei) Tech obtained renewed US\$41,832 loan from Geely Group. In June 2024, US\$13,697 out of the loan was repaid, the remaining US\$28,135 loan was fully repaid on December 31, 2024.

During 2025, ECARX (Hubei) Tech also obtained US\$84,084 loan from Geely Group and was fully repaid before December 31, 2025.

In January 2025, ECARX (Hubei) Tech obtained a renewed loan in an amount of US\$27,252 loan from Geely Group bearing interest rate of 3.9% per annum. In March 2025, the Group entered into a debt assignment and offset agreement with Geely Group and its subsidiaries with respect to assignment and offset of the loan and accounts receivable from Geely Group and its subsidiaries amounting to US\$4,919. In September 2025, the Group entered into another debt assignment and offset agreement with Geely Group and Hubei ECARX with respect to assignment and offset of the loan due to Geely Group and loan due from Hubei ECARX amounting to US\$24,496. Following these offsets, the loan due to Geely group was fully cleared and no balance remained as at December 31, 2025.

In March 2024, the Group entered into an accounts receivable factoring agreement with a finance company of Geely Group with a minimum interest rate of 6.0% per annum. In October 2024, the interest rate was reduced to 4.8% per annum and the factoring limits were increased from US\$20,528 to US\$35,035 (Note 5). The Group received US\$41,549 in aggregate from the finance company, and US\$20,528 was repaid during the year of 2024. During 2025, the interest rate was increased to 5.0% per annum, while the factoring limit remained unchanged. The Group received US\$77,159 in aggregate from the finance company, of which US\$69,888 was repaid prior to December 31, 2025. The remaining balances were US\$21,021 and US\$28,292 as of December 31, 2024 and 2025, respectively.

Interest expense on borrowings from related parties were US\$1,717, US\$2,165 and US\$1,818 for the years ended December 31, 2023, 2024 and 2025, respectively.

The borrowings and the interest payable on borrowings from related parties was included in the amounts due to related parties and was US\$1,320 and US\$423 as of December 31, 2024 and 2025, respectively.

- (v) As of December 31, 2024, the balance of other non-current assets due from related parties included the amounts due from its former VIE, Hubei ECARX in the amount of US\$32,090, which represented the net present value of a loan provided by the Group to Hubei ECARX with the principal of US\$39,822 and an effective annual interest rate of 5.0%. Pursuant to the debt assignment and offset agreement noted in (iv) above, the Group waived a debt of US\$873 owed by Hubei ECARX, as a result, amounts due from Hubei ECARX of US\$10,040 was included within amounts due from related parties as of December 31, 2025. Interest incomes on loans due from related parties were US\$1,504, US\$1,561 and US\$2,128 for the years ended December 31, 2023, 2024 and 2025 respectively.

In March 2024, the Group provided software licenses to smart Zhejiang for a total consideration of US\$6,748 which is due in three equal annual installments. As of December 31, 2024, amounts due from smart Zhejiang, representing the net present value of the long-term receivables from smart Zhejiang with an effective annual interest rate of 3.95%, of which US\$1,862 was included within accounts receivable – related parties and US\$4,313 was recorded as other non-current assets – related parties. As of December 31, 2025, US\$4,873 was included within accounts receivable - related parties, with the repayment date advanced to June 30, 2026 pursuant to the supplementary agreement.

ECARX HOLDINGS INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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- (vi) Other income from related parties represents the amounts due from Arteus for recharges of expenses including those in relation to management service, sharing of office space, consultancy and other expenses paid by the Group on behalf of Arteus Group Limited. In June 2023, ECARX signed an assignment of rights agreement with Arteus and DreamSmart. The amounts due from Arteus were assigned to DreamSmart, all of which were settled as of December 31, 2024.
- (vii) In November 2023, the Group entered into a licensing agreement with Xingji Meizu, pursuant to which, the Group obtained a non-exclusive license under certain software of Xingji Meizu to develop and sell these software worldwide for three years. The consideration is due by three equal annual installments of US\$7,007. As of December 31, 2024, amounts due to Xingji Meizu of US\$6,474 was included within accounts payable – related parties. In May 2025, the Group entered into a modification agreement with Xingji Meizu, both parties agree to extend the license for additional 8 years from the modification date to November 2033 on an exclusive basis for no additional consideration, and the remaining installments were fully paid during the year ended December 31, 2025.
- (viii) In November 2025, the Group received US\$15,759 from a customer – a subsidiary of Geely Group, as procurement support funds to secure supply chain continuity, which was included in amounts due to related parties as of December 31, 2025. Amid a global shortage of memory chips at year-end, the Group made prepayments totaling US\$26,504 to Xingji Meizu, to ensure the supply of critical chips and prevent delivery disruptions to Geely Group, prompting the Group to obtain temporary funding from Geely Group to support supply chain stability, which was included in amounts due from related parties as of December 31, 2025.

29. Segment reporting

The Group is comprised of a single reportable segment organized around automotive technology and connectivity services for smart vehicles. The Group generates revenues from its technology products and services using its capabilities in delivering turnkey solutions for next-generation smart vehicles, system on a chip, central computing platforms and software. The Group derives its revenue primarily in PRC and manages its activities on a consolidated basis.

The Group uses the management approach in determining its operating segments. The Group's chief operating decision maker ("CODM") is the Chief Executive Officer, who reviews consolidated results when making decisions about allocating resources and assessing performance of the Group. For the purpose of internal reporting and management's operation review, the Group's chief executive officer does not segregate the Group's business by product or service.

The Group's long-lived assets are substantially all located in the PRC and substantially all the Group's revenues are derived from within the PRC, therefore, no geographical information is presented.

The CODM evaluates performance for its single reportable segment based on total revenues, gross profit, operating expenses excluding share-based compensation expense and loss from operation.

The following table presents financial information with respect to the Group's single reportable segment:

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Total revenues	662,226	771,530	847,858
Total cost of revenues	(483,608)	(611,431)	(686,596)
Gross profit	178,618	160,099	161,262
Operating expenses excluding share-based compensation expense ¹	(333,500)	(302,051)	(229,376)
Share-based compensation expense	24,866	19,056	13,341
Total operating expenses	(308,634)	(282,995)	(216,035)
Loss from operation	(130,016)	(122,896)	(54,773)
Interest income	4,313	3,078	3,710
Interest expense	(11,239)	(18,568)	(23,772)
(Loss) gain from equity method investments	(6,142)	5,611	1,236
Other non-operating (expenses) income, net	(1,340)	(4,766)	5,904
Loss before income taxes	(144,424)	(137,541)	(67,695)
Income tax benefit (expense)	525	(210)	(1,244)
Net loss	(143,899)	(137,751)	(68,939)

¹ This measure is not in accordance with, or an alternative to GAAP. The Group excludes share-based compensation expense since it is non-cash in nature and its valuation and measurement depends on factors such as volatility not reflective of the Group's operating performance.

Major Customer

Revenues from a group of customer entities under common control in the segment represented US\$537,053, US\$671,982, US\$754,462, or 81.0%, 87.1% and 89.0% for the years ended December 31, 2023, 2024 and 2025, respectively.

30. Subsequent Events

Sale of investment in U Chance

In January 2026, the Group disposed of its entire equity interest in U Chance to Dongjun Group for a consideration of RMB6,132 (equivalent to US\$878).

Unsecured loan to Xingji Meizu

In March 2026, the Group entered into an unsecured loan agreement to provide a loan to Xingji Meizu in an amount of RMB100,000 (equivalent to US\$14,326) with an interest rate of 4.06% per annum and maturity date of June 27, 2026.

31. Parent only financial information

The following condensed financial statements of the Company have been prepared using the same accounting policies as set out in the accompanying consolidated financial statements. As of December 31, 2025, there were no material contingencies, significant provisions of long-term obligations, mandatory dividend or redemption requirements of convertible redeemable preferred shares or guarantees of the Company, except for those, which have been separately disclosed in the consolidated financial statements.

ECARX HOLDINGS INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except share and per share data, or otherwise noted)

(a) Condensed Balance Sheets

	As of December 31,	
	2024	2025
	US\$	US\$
ASSETS		
Current assets		
Cash	562	635
Short-term investments	17,882	31,158
Prepayments and other assets	1,997	214
Amounts due from related parties	608,993	664,784
Total current assets	629,434	696,791
Non-current assets		
Long-term investments	728	17,507
Total non-current assets	728	17,507
Total assets	630,162	714,298
Current Liabilities		
Convertible notes payable, current	64,473	38,819
Accrued expenses and other current liabilities	13,571	10,458
Amounts due to related parties	23,395	67,631
Share of losses in excess of investments in subsidiaries	767,190	818,646
Total current liabilities	868,629	935,554
Non-current liabilities		
Convertible notes payable, non-current	—	60,283
Warrant liabilities, non-current	1,201	1,125
Total non-current liabilities	1,201	61,408
Total liabilities	869,830	996,962
SHAREHOLDERS' DEFICIT		
Class A Ordinary Shares	2	2
Class B Ordinary Shares	—	—
Treasury Shares	(1,019)	(30,004)
Additional paid-in capital	895,010	958,052
Accumulated deficit	(1,124,452)	(1,190,495)
Accumulated other comprehensive loss	(9,209)	(20,219)
Total shareholders' deficit	(239,668)	(282,664)
Total liabilities and shareholders' deficit	630,162	714,298

ECARX HOLDINGS INC.

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(b) Condensed statements of comprehensive loss

	Year end of December 31,		
	2023	2024	2025
	US\$	US\$	US\$
General and administrative expenses	(3,442)	(3,629)	(3,874)
Interest income	773	1,617	1,639
Interest expense	(3,659)	(8,312)	(11,286)
Foreign currency exchange gains (losses)	178	(4)	(425)
Share of losses from subsidiaries	(125,632)	(112,846)	(52,341)
Changes in fair value of financial instruments	(1,533)	(6,591)	244
Loss before income taxes	(133,315)	(129,765)	(66,043)
Income tax expenses	—	—	—
Net loss	(133,315)	(129,765)	(66,043)

(c) Condensed statements of cash flows

	Year ended December 31,		
	2023	2024	2025
	US\$	US\$	US\$
Net cash used in operating activities	(6,524)	(6,460)	(12,338)
Net cash (used in)/provided by investing activities	(17,000)	8,198	(41,612)
Net cash provided by/(used in) financing activities	8,091	(3,000)	54,023
Effect of foreign currency exchange rate changes on cash	—	—	—
Net decrease in cash	(15,433)	(1,262)	73
Cash at beginning of the year	17,257	1,824	562
Cash at end of the year	1,824	562	635

SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (the “**Agreement**”), dated as of October 30, 2025, is by and among ECARX Holdings Inc., an exempted company incorporated under the laws of the Cayman Islands with offices located at International House, 1 St. Katharine’s Way, London E1W 1UN, United Kingdom (the “**Company**”), and each of the investors listed on the Schedule of Buyers attached hereto (individually, a “**Buyer**” and collectively, the “**Buyers**”).

RECITALS

A. The Company and each Buyer desire to enter into this transaction to purchase Notes (as defined below) pursuant to a currently effective shelf registration statement on Form F-3, which has sufficient availability for the issuance of the Securities (as defined below) on each Closing Date (as defined below) (Registration Number 333-288811) (the “**Registration Statement**”) and has been declared effective in accordance with the Securities Act of 1933, as amended, (the “**1933 Act**”).

B. The Company has authorized one or more new series of senior convertible notes of the Company (with a new series of senior convertible notes to be established for each Closing (as defined below) hereunder), in the aggregate original principal amount of up to \$150,000,000, substantially in the form attached hereto as Exhibit A-1 (the “**Notes**”), which Notes shall be convertible into Ordinary Shares (as defined below) (the Ordinary Shares issuable pursuant to the terms of the Notes, including, without limitation, upon conversion or otherwise, collectively, the “**Conversion Shares**”), in accordance with the terms of the Notes, and issued pursuant to and by, the provisions of (x) an Indenture dated as of the Initial Closing Date (as defined below), by and between the Company and U.S. Bank Trust Company, National Association, as trustee (the “**Trustee**”), in substantially the form attached hereto as Exhibit A-2 (as amended and/or supplemented from time to time, including, without limitation, by any Supplemental Indenture (as defined below), the “**Indenture**”), and (y) one or more supplemental indentures with respect to the Notes in the form attached hereto as Exhibit A-3 (each, a “**Supplemental Indenture**”, and collectively, the “**Supplemental Indentures**”).

C. Each Buyer wishes to purchase, and the Company wishes to sell, at the Initial Closing (as defined below), upon the terms and conditions stated in this Agreement, a Note in the aggregate original principal amount set forth opposite such Buyer’s name in column (3) on the Schedule of Buyers (which aggregate principal amount for all Buyers shall not exceed \$50 million) (each an “**Initial Note**”, and collectively, the “**Initial Notes**”).

D. Subject to the terms and conditions set forth in this Agreement, one or more Buyers may require the Company to participate in one or more Additional Closings (as defined below) for the purchase by such Buyer, and the sale by the Company, of one or more additional Notes with an aggregate original principal amount for all Additional Closings not to exceed the sum of the maximum aggregate principal amounts set forth opposite such Buyer’s name in columns (4) and (5) on the Schedule of Buyers (which aggregate principal amount for all Buyers for all Additional

Closings shall not exceed \$100 million) (each an “**Additional Note**”, and collectively, the “**Additional Notes**” and together with the Initial Notes, the “**Notes**”).

F. The Notes and the Conversion Shares are collectively referred to herein as the “**Securities**.”

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and each Buyer hereby agree as follows:

1. PURCHASE AND SALE OF NOTES.

(a) Purchase of Notes.

(i) Purchase of Initial Notes. Subject to the satisfaction (or waiver) of the conditions set forth in Sections 6(a) and 7(a) below, the Company shall issue and sell to each Buyer, and each Buyer severally, but not jointly, agrees to purchase from the Company on the Initial Closing Date (as defined below), an Initial Note in the original principal amount as is set forth opposite such Buyer’s name in column (3) on the Schedule of Buyers (the “**Initial Closing**”).

(ii) Purchase of Additional Notes. Subject to the satisfaction (or waiver) of the conditions set forth in Sections 1(b)(ii) and Sections 6(b) and 7(b) below, the Company shall issue and sell to such Buyer, and such Buyer severally, but not jointly, with any other Buyer, shall purchase from the Company, on the applicable Additional Closing Date (as defined below), such aggregate principal amount of Additional Notes as is set forth in such applicable Additional Closing Notice (as defined below).

(b) Closing. Each of the Initial Closing and any Additional Closings (as defined below) (collectively, the “**Closings**,” and each date of Closing, a “**Closing Date**”) of the purchase of Notes by the Buyers shall occur at the offices of Kelley Drye & Warren LLP, 3 World Trade Center, 175 Greenwich Street, New York, NY 10007.

(i) Initial Closing. The date and time of the Initial Closing (the “**Initial Closing Date**”) shall be 9:30 a.m., New York time, on the first (1st) Business Day (as defined below) on which the conditions to the Initial Closing set forth in Sections 6(a) and 7(a) below are satisfied or waived (or such other date as is mutually agreed to by the Company and each Buyer). As used herein “**Business Day**” means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York, Cayman Islands, Hong Kong or mainland China are authorized or required by law to remain closed; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to “stay at home”, “shelter-in-place”, “non-essential employee” or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of

commercial banks in The City of New York, Cayman Islands, Hong Kong or mainland China generally are open for use by customers on such day.

(ii) Additional Closings.

(1) Additional Closing Date. If a Buyer has delivered an Additional Closing Notice to the Company, the date and time of the applicable Additional Closing (each, an “**Additional Closing Date**,” and the Initial Closing Date and each Additional Closing Date, each, a “**Closing Date**”) shall be 10:00 a.m., New York time, on the first (1st) Business Day on which the conditions to such Additional Closing set forth in this Section 1(b)(ii) and Sections 6(b) and 7(b) below (the “**Additional Closing Conditions**”) are satisfied or waived (or such other date as is mutually agreed to by the Company and each Buyer).

(2) Additional Closings at Buyer’s Election. Subject to the satisfaction (or waiver) of the Additional Closing Conditions, each Buyer, severally, shall have the right, exercisable on or prior to the applicable Additional Closing Expiration Date (as defined below) by e-mail delivery of a written notice to the Company (each, an “**Additional Closing Notice**”, and the date thereof, each an “**Additional Closing Notice Date**”, and the amount of each Additional Note, an “**Additional Notes Amount**”) to purchase, and to require the Company to sell to such Buyer, at one or more Additional Closings, (i) on or prior to the fifth (5th) Trading Day following the first anniversary of the Initial Closing Date (the “**First Tranche Additional Closing Expiration Date**” and each such closing of such Additional Notes, a “**First Tranche Additional Closing**”, and collectively, the “**First Tranche Additional Closings**”), up to the amount as set forth opposite such Buyer’s name in column (4) on the Schedule of Buyers (subject to reduction, on a dollar-for-dollar basis for the aggregate principal amount of any Additional Notes issued in any First Tranche Additional Closings prior to such applicable Additional Closing Date)(collectively, the “**First Tranche Additional Closing Maximum Amount**”) of Additional Notes, and (ii) on or prior to the fifth (5th) Trading Day following the 18-month anniversary of the Initial Closing Date (the “**Second Tranche Additional Closing Expiration Date**”, and collectively with the First Tranche Additional Closing Expiration Date, each, an “**Additional Closing Expiration Date**” and each such closing of such Additional Notes, a “**Second Tranche Additional Closing**” and collectively, the “**Second Tranche Additional Closings**”, and collectively with the “**First Tranche Additional Closings**”, the “**Additional Closings**” and each an “**Additional Closing**”), up to the amount as set forth opposite such Buyer’s name in column (5) on the Schedule of Buyers (subject to reduction, on a dollar-for-dollar basis for the aggregate principal amount of any Additional Notes issued in any Second Tranche Additional Closings prior to such applicable Additional Closing Date)(collectively, the “**Second Tranche Additional Closing Maximum Amount**”, and together with the First Tranche Additional Closing Maximum Amount, each an “**Additional Closing Maximum Amount**”)

of Additional Notes, *provided that*, during the period commencing from the last day of the third (3rd) calendar month following the end of each Fiscal Year (as defined in the Notes) until the last day of the fourth (4th) calendar month following the end of such Fiscal Year (the “**Additional Closing Restricted Period**”), a Buyer shall only be entitled to deliver an Additional Closing Notice upon the prior written approval of the Company; *provided further that* the Second Tranche Additional Closing Expiration Date (but not the First Tranche Additional Closing Expiration Date for the avoidance of doubt) shall be extended by the actual number of days the Company fails to approve any delivery of Additional Closing Notice during the Additional Closing Restricted Period. Each Additional Closing Notice shall specify (x) the proposed Additional Closing Date of the applicable Additional Closing (which, if unspecified in such Additional Closing Notice, shall be the twentieth (20th) Trading Day after such Additional Closing Notice Date or such other date as is mutually agreed to by the Company and each Buyer), and (y) the applicable Additional Notes Amount of the Additional Note to be issued to such Buyer at such Additional Closing, which amount shall be not less than the lower of (i) \$20,000,000; provided that, such amount shall not exceed the applicable Additional Closing Maximum Amount, and (ii) the applicable Additional Closing Maximum Amount of such applicable Buyer (or such other amount as the Company and such Buyer shall mutually agree).

(c) **Purchase Price.** The aggregate purchase price for the Initial Notes to be purchased by each Buyer (the “**Initial Purchase Price**”) shall be the amount set forth opposite such Buyer’s name in column (6) on the Schedule of Buyers. Each Buyer shall pay \$970 for each \$1,000 of principal amount of Initial Notes to be purchased by such Buyer at the Initial Closing. The aggregate purchase price for the Additional Notes to be purchased by each Buyer at any given Additional Closing (each, an “**Additional Purchase Price**”, and together with the Initial Purchase Price, each, a “**Purchase Price**”) shall be \$970 for each \$1,000 of aggregate principal amount of Additional Notes to be issued in such Additional Closing (which, together with the Additional Purchase Price of each prior Additional Closings, shall not exceed the aggregate amount set forth opposite such Buyer’s name in column (7) on the Schedule of Buyers).

(d) **Form of Payment.**

(i) **Initial Closing.** On the Initial Closing Date, (i) each Buyer shall pay its respective Initial Purchase Price (less, in the case of any Buyer, the amounts withheld pursuant to Section 4(j)) to the Company for the Initial Notes to be issued and sold to such Buyer at the Initial Closing, by wire transfer of immediately available funds in accordance with the Initial Flow of Funds Letter (as defined below) and (ii) the Company shall deliver to each Buyer an Initial Note in the aggregate original principal amount as is set forth opposite such Buyer’s name in column (3) of the Schedule of Buyers duly executed on behalf of the Company and registered in the name of such Buyer or its designee.

(ii) **Additional Closings.** On each applicable Additional Closing Date, (i) each Buyer participating in such Additional Closing shall pay its respective

applicable Additional Purchase Price for such Additional Closing (less, in the case of any Buyer, the amounts withheld pursuant to Section 4(j)) to the Company for the Additional Notes to be issued and sold to such Buyer at such Additional Closing, by wire transfer of immediately available funds in accordance with the applicable Additional Flow of Funds Letter (as defined below) and (ii) the Company shall deliver to each such applicable Buyer an Additional Note in the aggregate original principal amount as is set forth in the applicable Additional Closing Notice to be issued to such Buyer, duly executed on behalf of the Company and registered in the name of such Buyer or its designee.

2. BUYER'S REPRESENTATIONS AND WARRANTIES.

Each Buyer, severally and not jointly, represents and warrants to the Company with respect to only itself that, as of the date hereof and as of each Closing Date in which such Buyer purchases any Notes hereunder, as applicable:

(a) Organization; Authority. Such Buyer is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with the requisite power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents (as defined below) to which it is a party and otherwise to carry out its obligations hereunder and thereunder.

(b) Validity; Enforcement. This Agreement and each of the Transaction Documents to which such Buyer is a party have been duly and validly authorized, executed and delivered on behalf of such Buyer and shall constitute the legal, valid and binding obligations of such Buyer enforceable against such Buyer in accordance with their respective terms, except as such enforceability may be limited by general principles of equity or to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

(c) No Conflicts. The execution, delivery and performance by such Buyer of this Agreement and each of the Transaction Documents to which such Buyer is a party and the consummation by such Buyer of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of such Buyer, or (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which such Buyer is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to such Buyer, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which could not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of such Buyer to perform its obligations hereunder.

(d) Residency. Such Buyer is a resident of that jurisdiction specified below its address on the Schedule of Buyers.

(e) Information. Such Buyer and its advisors, if any, have been furnished with all materials relating to the business, finances and operations of the Company and materials relating to the offer and sale of the Securities that have been requested by such Buyer. Such Buyer and its advisors, if any, have been afforded the opportunity to ask questions of the Company. Neither such inquiries nor any other due diligence investigations conducted by such Buyer or its advisors, if any, or its representatives shall modify, amend or affect such Buyer's right to rely on the Company's representations and warranties contained herein. Such Buyer understands that its investment in the Securities involves a high degree of risk. Such Buyer has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Securities.

(f) No Governmental Review. Such Buyer understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Securities or the fairness or suitability of the investment in the Securities nor have such authorities passed upon or endorsed the merits of the offering of the Securities.

(g) Certain Trading Activities. During the period commencing at the time that the Buyer was first contacted by the Company, or any other Person representing the Company, regarding the transactions contemplated hereby and ending immediately prior to the execution of this Agreement, none of the Buyer, any of its Affiliates or any entity managed or controlled by the Buyer has, directly or indirectly, executed any purchases or sales, including Short Sales, of any securities of the Company (including, without limitation, the Ordinary Shares), or any stock pledge, forward sales contract, option, put, call, swap or similar hedging arrangement (including on a total return basis) with respect to any securities of the Company (including, without limitation, the Ordinary Shares). As used in this Agreement, "**Short Sales**" means "short sales" as defined in Rule 200 promulgated under Regulation SHO under the Exchange Act.

(l) Sufficiency and Source of Funds. The Buyer represents and warrants that (i) has sufficient cash or other sources of immediately available funds to consummate the transactions contemplated by the Transaction Documents, including the payment of the Purchase Price and the satisfaction of any other of its payment obligations to the extent arising under the Transaction Documents, and (ii) the source of such funds will not be derived from, or related to, any activity that is conducted in violation of the Money Laundering Laws (as defined below) or any applicable terrorist financing laws, regulations and conventions, nor, to such Buyer's knowledge, will such funds be derived from any account or Person located in a jurisdiction that is named on any Sanction List (as defined below). "**Money Laundering Laws**" means applicable anti-money laundering statutes, including but not limited to, applicable federal, state, international, foreign or other laws, regulations or government guidance regarding anti-money laundering, including, without limitation, Title 18 U.S. Code Section 1956 and 1957, the Patriot Act, the Bank Secrecy Act, and international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur, all as amended, and any Executive order, directive, or regulation pursuant to the authority of any of the foregoing, or any orders or licenses issued thereunder, of

jurisdictions where the relevant Person conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency, and “**Sanction Lists**” means the Specially Designated Nationals and Blocked Persons List, the Foreign Sanctions Evaders List, the Sectoral Sanctions Identification List, or any other similar list of sanctioned persons administered by the U.S. Treasury Department’s Office of Foreign Assets Control, or any similar list of sanctioned persons administered by the European Union or any individual European Union member state, including the United Kingdom.

(m) Office of Foreign Assets Control. Neither the Investor nor any of its director or officer, nor, to the Investor’s knowledge, any Person that owns a controlling interest in the Investor, is a Person that is (i) named on any Sanction List, nor (ii) located or organized in or resident of any Sanction Country. As used in this Agreement, “**Sanction Country**” means Crimea, Donetsk, and Luhansk regions of Ukraine, Cuba, Iran, North Korea, Sudan or Syria, or any other country or territory embargoed or subject to substantial trade restrictions by the United States, the European Union or any individual European Union member state, including the United Kingdom.

(o) Tax Matters. Notwithstanding anything to the contrary in this Agreement, each Buyer acknowledges and represents that (i) it has reviewed with its own tax advisors the U.S. federal, state, local, and non-U.S. income and other tax consequences of the purchase, ownership, and disposition of the Securities and the transactions contemplated by this Agreement, (ii) it is relying solely on such tax advisors and not on any information in the Prospectus Supplement or any statements or representations of the Company or any of its agents or representatives with respect to such tax consequences, and (iii) the Company has not provided and is not providing any tax advice to such Buyer with respect to the acquisition, ownership, or disposition of the Securities. Each Buyer understands that the tax consequences of an investment in the Securities may depend on such Buyer’s own tax circumstances and that such Buyer must consult its own tax advisors concerning the application of U.S. federal, state, local and non-U.S. income tax laws to its particular situation, as well as any tax consequences arising under the laws of any other taxing jurisdiction.

3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

The Company represents and warrants to each of the Buyers that, except as set forth in the SEC Documents (other than the representations and warranties set forth in Section 3(a) through and including Section 3(e), which shall be qualified only to the extent explicitly set forth in such sections), the following representations are true and correct as of the date hereof and as of each Closing Date:

(a) Organization and Qualification. Each of the Company and each of its Subsidiaries are entities duly organized and validly existing and in good standing under the laws of the jurisdiction in which they are formed, and have the requisite power and authority to own their properties and to carry on their business as now being conducted and as presently proposed to be conducted. Each of the Company and each of its Subsidiaries is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not reasonably be expected to have a

Material Adverse Effect (as defined below). As used in this Agreement, “**Material Adverse Effect**” means any material adverse effect on (i) the business, properties, assets, liabilities, operations (including results thereof), condition (financial or otherwise) or prospects of the Company or any Subsidiary (as defined below), individually or taken as a whole, (ii) the transactions contemplated hereby or in any of the other Transaction Documents or any other agreements or instruments to be entered into in connection herewith or therewith or (iii) the authority or ability of the Company or any of its Subsidiaries to perform any of their respective obligations under any of the Transaction Documents (as defined below).

(i) Subsidiaries and Affiliated Entities. Each of the Company’s direct and indirect subsidiaries as defined under Rule 405 that meets the definition of “significant subsidiary” in Article 1, Rule 1-02 of Regulation S-X under the Exchange Act (each a “**Subsidiary**” and collectively, the “**Subsidiaries**”) as of the date hereof has been identified on Schedule 3(a)(i) hereto. Except as set forth in the SEC Documents, each of the Subsidiaries has been duly incorporated, is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has the corporate power and authority to own its property and to conduct its business; all of the equity interests of each Subsidiary have been duly and validly authorized and issued, are owned directly or indirectly by the Company, are fully paid and non-assessable and, are free and clear of all liens, encumbrances, equities or claims. None of the outstanding share capital or equity interest in any Subsidiary was issued in violation of pre-emptive or similar rights of any security holder of such Subsidiary. All of the constitutive or organizational documents of each of the Subsidiaries comply with the requirements of applicable laws of its jurisdiction of incorporation or organization and are in full force and effect.

(ii) The Company has no Affiliated Entities. As used in this Agreement, “**Affiliated Entities**” means the consolidated entities which the Company controls and through which the Company conducts its operations in the People’s Republic of China (“**PRC**”) by way of contractual arrangements.

(b) Authorization; Enforcement; Validity. The Company has the requisite power and authority to enter into and perform its obligations under this Agreement and the other Transaction Documents and to issue the Securities in accordance with the terms hereof and thereof. The execution and delivery of this Agreement and the other Transaction Documents by the Company, and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Notes and the reservation for issuance and issuance of the Conversion Shares) have been duly authorized by the Company’s board of directors and each of its Subsidiaries’ board of directors or other governing body, as applicable, and (other than (i) the filing with the SEC of (A) the applicable 6-K Filing (as defined below), (B) the Indenture (and/or any amendment or supplement thereto), (C) a Form T-1, (D) a prospectus supplement in connection with the applicable Closing as required by the Registration Statement pursuant to Rule 424(b) under the 1933 Act (the “**Prospectus Supplement**”) supplementing the base prospectus forming part of the Registration Statement (the “**Prospectus**”), and (E) any other filings as may be required by any state securities agencies and the China Securities Regulatory Commission (“**CSRC**”)

(collectively, the “**Required Approvals**”) no further filing, consent or authorization is required by the Company, its Subsidiaries, their respective boards of directors or their shareholders or other governing body. This Agreement has been, and the other Transaction Documents to which it is a party will be prior to such Closing, duly executed and delivered by the Company, and each constitutes the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with its respective terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors’ rights and remedies and except as rights to indemnification and to contribution may be limited by federal or state securities law. “**Transaction Documents**” means, collectively, this Agreement, the Notes, the Indenture, the Supplemental Indentures, the Irrevocable Transfer Agent Instructions, the Custodian Agreements (as defined below), the Leak-Out Agreement (as defined below), the Administrative Fee Letter (as defined below) and each of the other agreements and instruments entered into or delivered by any of the parties hereto in connection with the transactions contemplated hereby and thereby, as may be amended from time to time.

(c) Issuance of Securities; Registration Statement. The issuance of the Notes are duly authorized and upon issuance in accordance with the terms of the Transaction Documents shall be validly issued, fully paid and non-assessable and free from all preemptive or similar rights, mortgages, defects, claims, liens, pledges, charges, taxes, rights of first refusal, encumbrances, security interests and other encumbrances (collectively “**Liens**”) with respect to the issuance thereof. As of each Closing, the Company shall have reserved from its duly authorized share capital not less than the Required Reserve Amount (as defined below). Upon issuance or conversion in accordance with this Agreement and/or the Notes, as applicable, the Conversion Shares, when issued, will be validly issued, fully paid and nonassessable and free from all preemptive or similar rights or Liens with respect to the issue thereof, with the holders being entitled to all rights accorded to a holder of Ordinary Shares. The issuance by the Company of the Securities has been registered under the 1933 Act, the Securities are being issued pursuant to the Registration Statement and all of the Securities are freely transferable and freely tradable by each of the Buyers without restriction, whether by way of registration or some exemption therefrom, assuming the accuracy of the representations and warranties of the Buyers in this Agreement. The Registration Statement is effective and available for the issuance of the Securities thereunder and the Company has not received any notice that the SEC has issued or intends to issue a stop-order with respect to the Registration Statement or that the SEC otherwise has suspended or withdrawn the effectiveness of the Registration Statement, either temporarily or permanently, or intends or has threatened in writing to do so. The “Plan of Distribution” section of the Prospectus (as supplemented by the Prospectus Supplement) permits the issuance and sale of the Securities hereunder and as contemplated by the other Transaction Documents. Upon receipt of the Securities, each of the Buyers will have good and marketable title to the Securities. The Registration Statement and any prospectus included therein, including the Prospectus and the Prospectus Supplement, complied in all material respects with the requirements of the 1933 Act and the Securities Exchange Act of 1934, as amended (the “**1934 Act**”) and the rules and regulations of the SEC promulgated thereunder and all other applicable laws and regulations. At the time the Registration Statement and any

amendments thereto became effective, at the date of this Agreement and at each deemed effective date thereof pursuant to Rule 430B(f)(2) of the 1933 Act, the Registration Statement and any amendments thereto complied and will comply in all material respects with the requirements of the 1933 Act and the TIA (as defined below) did not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading; the Prospectus and any amendments or supplements thereto (including, without limitation the Prospectus Supplement), at the time the Prospectus or any amendment or supplement thereto was issued and at the applicable Closing Date, complied, and will comply, in all material respects with the requirements of the 1933 Act and did not, and will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, *provided* that the Company makes no representation and warranty with respect to (i) that part of the Registration Statement that constitutes the Statement of Eligibility and Qualification (Form T-1) of the Trustee under the TIA or (ii) any statements or omissions in the Registration Statement and the Prospectus and any amendment or supplement thereto made in reliance upon and in conformity with information relating to any underwriter or placement agent furnished to the Company in writing by such underwriter or placement agent expressly for use therein. The Company meets all of the requirements for the use of Form F-3 under the 1933 Act for the offering and sale of the Securities contemplated by this Agreement and the other Transaction Documents, and the SEC has not notified the Company of any objection to the use of the form of the Registration Statement pursuant to Rule 401(g)(1) under the 1933 Act. The Registration Statement meets the requirements set forth in Rule 415(a)(1)(x) under the 1933 Act. At the earliest time after the filing of the Registration Statement that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the 1933 Act) relating to any of the Securities, the Company was not and is not an “Ineligible Issuer” (as defined in Rule 405 under the 1933 Act). The Registration Statement has been filed with the SEC not earlier than three years prior to the date hereof; and no notice of objection of the SEC to the use of such registration statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the 1933 Act has been received by the Company. The Company (i) has not distributed any offering material in connection with the offer or sale of any of the Securities and (ii) until no Buyer holds any of the Securities, shall not distribute any offering material in connection with the offer or sale of any of the Securities to, or by, any of the Buyers (if required), in each case, other than the Registration Statement, the Prospectus or the Prospectus Supplement. In accordance with Rule 5110(b)(7)(C)(i) of the Financial Industry Regulatory Authority Manual, the offering of the Securities has been registered with the SEC on Form F-3 under the 1933 Act pursuant to the standards for Form F-3 in effect prior to October 21, 1992, and the Securities are being offered pursuant to Rule 415 promulgated under the 1933 Act.

(d) No Conflicts. The execution, delivery and performance of the Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Notes and the reservation for issuance and issuance of the Conversion Shares) will not (i) result in a violation of the Memorandum of Association (as defined below), the Articles of Association (as defined below), or the certificate of formation, memorandum of

association, articles of association, bylaws or other organizational documents of the Company or any of its Subsidiaries, or any other securities of the Company or any of its Subsidiaries, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) in any respect under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any of its Subsidiaries is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including, without limitation, foreign, federal and state securities laws and regulations and the rules and regulations of the Nasdaq Global Market (the “**Principal Market**”) and including all applicable foreign, federal and state laws, rules and regulations, including, without limitation, the laws, rules and regulations of the Cayman Islands or PRC applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected), assuming, with respect to clauses (ii) and (iii) above, the receipt of the Required Approvals and except, in the case of clauses (ii) and (iii), as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(e) Consents. Neither the Company nor any Subsidiary is required to obtain any consent from, authorization or order of, or make any filing or registration with (other than the Required Approvals), any Governmental Entity (as defined below) or any regulatory or self-regulatory agency or any other Person in order for it to execute, deliver or perform any of its respective obligations under or contemplated by the Transaction Documents, in each case, in accordance with the terms hereof or thereof. All consents, authorizations, orders, filings and registrations which the Company or any Subsidiary is required to obtain pursuant to the preceding sentence have been or will be obtained or effected on or prior to such Closing Date, and neither the Company nor any of its Subsidiaries are aware of any facts or circumstances which might prevent the Company or any of its Subsidiaries from obtaining or effecting any of the registration, application or filings contemplated by the Transaction Documents. The Company is not in violation of the requirements of the Principal Market and has no knowledge of any facts or circumstances which could reasonably lead to delisting or suspension of the Ordinary Shares. “**Governmental Entity**” means any nation, state, county, city, town, village, district, or other political jurisdiction of any nature, federal, state, local, municipal, foreign, or other government, governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal), multi-national organization or body; or body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature or instrumentality of any of the foregoing, including any entity or enterprise owned or controlled by a government or a public international organization or any of the foregoing.

(f) Acknowledgment Regarding Buyer’s Purchase of Securities. The Company acknowledges and agrees that each Buyer is acting solely in the capacity of an arm’s length purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby and that no Buyer is (i) an officer or director of the Company or any of its Subsidiaries, (ii) to its knowledge, an “affiliate” (as defined in Rule 144 promulgated under the 1933 Act (or a successor rule thereto) (collectively, “**Rule 144**”)) of the Company or any of its Subsidiaries or (iii) to its knowledge, a “beneficial owner” of more than 10% of the Ordinary Shares (as defined for purposes of

Rule 13d-3 of the 1934 Act). The Company further acknowledges that no Buyer is acting as a financial advisor or fiduciary of the Company or any of its Subsidiaries (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated hereby and thereby, and any advice given by a Buyer or any of its representatives or agents in connection with the Transaction Documents and the transactions contemplated hereby and thereby is merely incidental to such Buyer's purchase of the Securities. The Company further represents to each Buyer that the Company's and each Subsidiary's decision to enter into the Transaction Documents to which it is a party has been based solely on the independent evaluation by the Company, each Subsidiary and their respective representatives.

(g) Placement Agent's Fees. The Company shall be responsible for the payment of any placement agent's fees, financial advisory fees, or brokers' commissions (other than for Persons engaged by any Buyer or its investment advisor) relating to or arising out of the transactions contemplated hereby, including, without limitation, placement agent fees payable to D. Boral Capital, LLC, as placement agent (the "**Placement Agent**") in connection with the sale of the Securities. The fees and expenses of the Placement Agent to be paid by the Company or any of its Subsidiaries are as set forth on Schedule 3(g) attached hereto. The Company shall pay, and hold each Buyer harmless against, any liability, loss or expense (including, without limitation, attorney's fees and out-of-pocket expenses) arising in connection with any such claim (other than from Persons engaged by any Buyer or its investment advisor). The Company acknowledges that it has engaged the Placement Agent in connection with the sale of the Securities. Other than the Placement Agent, neither the Company nor any of its Subsidiaries has engaged any placement agent or other agent in connection with the offer or sale of the Securities.

(h) No Integrated Offering. None of the Company, its Subsidiaries or any of their affiliates, nor any Person acting on their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would cause this offering of the Securities to require approval of shareholders of the Company under any applicable shareholder approval provisions, including, without limitation, under the rules and regulations of any exchange or automated quotation system on which any of the securities of the Company are listed or designated for quotation. None of the Company, its Subsidiaries, their affiliates nor any Person acting on their behalf will take any action or steps that would cause the offering of any of the Securities to be integrated with other offerings of securities of the Company.

(i) Dilutive Effect. The Company understands and acknowledges that the number of Conversion Shares could increase in certain circumstances. The Company further acknowledges that its obligation to issue the Conversion Shares pursuant to the terms of the Notes in accordance with this Agreement and the Notes is, in each case, absolute and unconditional regardless of the dilutive effect that such issuance may have on the ownership interests of other shareholders of the Company.

(j) Application of Takeover Protections; Rights Agreement. The Company and its board of directors have taken all necessary action, if any, in order to render inapplicable any control share acquisition, interested shareholder, business combination, poison pill (including, without limitation, any distribution under a rights agreement),

shareholder rights plan or other similar anti-takeover provision under the Memorandum and Articles of Association or the laws of the jurisdiction of its incorporation or otherwise which is or could become applicable to any Buyer as a result of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Securities and any Buyer's ownership of the Securities. The Company and its board of directors have taken all necessary action, if any, in order to render inapplicable any shareholder rights plan or similar arrangement relating to accumulations of beneficial ownership of Ordinary Shares or a change in control of the Company or any of its Subsidiaries.

(k) SEC Documents; Financial Statements. During the two (2) years prior to the date hereof, the Company has timely filed all reports, schedules, forms, proxy statements, statements and other documents required to be filed or furnished by it with the SEC pursuant to the reporting requirements of the 1934 Act (all of the reports, schedules, registrations, forms, statements, information and other documents filed with or furnished to the SEC by the Company and which hereafter may be filed with or furnished to the SEC by the Company, together with all exhibits and appendices included therein and financial statements, notes and schedules thereto and documents incorporated by reference therein being hereinafter referred to as the "**SEC Documents**"). The Company has delivered or has made available to the Buyers or their respective representatives true, correct and complete copies of each of the SEC Documents not available on the EDGAR system. As of their respective dates, the SEC Documents complied in all material respects with the requirements of the 1934 Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. As of their respective dates, the financial statements of the Company included in the SEC Documents complied in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto as in effect as of the time of filing. Such financial statements have been prepared in accordance with generally accepted accounting principles ("**GAAP**"), consistently applied, during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may exclude footnotes or may be condensed or summary statements) and fairly present in all material respects the financial position of the Company as of the dates thereof and the results of its operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments which will not be material, either individually or in the aggregate). The reserves, if any, established by the Company or the lack of reserves, if applicable, are reasonable based upon facts and circumstances known by the Company on the date hereof and there are no loss contingencies that are required to be accrued by the Statement of Financial Accounting Standard No. 5 of the Financial Accounting Standards Board which are not provided for by the Company in its financial statements or otherwise. No other information provided by or on behalf of the Company to any of the Buyers which is not included in the SEC Documents (including, without limitation, information referred to in Section 2(e) of this Agreement or in the disclosure schedules to this Agreement) contains any untrue statement of a material fact or omits to state any material fact necessary in

order to make the statements therein not misleading, in the light of the circumstance under which they are or were made. The Company is not currently contemplating to amend or restate any of the financial statements (including, without limitation, any notes or any letter of the independent accountants of the Company with respect thereto) included in the SEC Documents (the “**Financial Statements**”), nor is the Company currently aware of facts or circumstances which would require the Company to amend or restate any of the Financial Statements, in each case, in order for any of the Financials Statements to be in compliance with GAAP and the rules and regulations of the SEC. The Company has not been informed by its independent accountants that they recommend that the Company amend or restate any of the Financial Statements or that there is any need for the Company to amend or restate any of the Financial Statements.

(l) Absence of Certain Changes. Since the date of the Company’s most recent audited financial statements contained in a Form 20-F, there has been no material adverse change and no material adverse development in the business, assets, liabilities, properties, operations (including results thereof), condition (financial or otherwise) or prospects of the Company or any of its Subsidiaries. Since the date of the Company’s most recent audited financial statements contained in a Form 20-F, neither the Company nor any of its Subsidiaries has (i) declared or paid any dividends, (ii) sold any assets, individually or in the aggregate, outside of the ordinary course of business or (iii) made any capital expenditures, individually or in the aggregate, outside of the ordinary course of business. Neither the Company nor any of its Subsidiaries has taken any steps to seek protection pursuant to any law or statute relating to bankruptcy, insolvency, reorganization, receivership, liquidation or winding up, nor does the Company or any Subsidiary have any knowledge or reason to believe that any of their respective creditors intend to initiate involuntary bankruptcy proceedings or any actual knowledge of any fact which would reasonably lead a creditor to do so.

(m) No Undisclosed Events, Liabilities, Developments or Circumstances. No event, liability, development or circumstance has occurred or exists, or is reasonably expected to exist or occur with respect to the Company, any of its Subsidiaries or any of their respective businesses, properties, liabilities, prospects, operations (including results thereof) or condition (financial or otherwise), that (i) would be required to be disclosed by the Company under applicable securities laws on a registration statement on Form F-3 filed with the SEC relating to an issuance and sale by the Company of its Ordinary Shares, and which has not been publicly announced, (ii) could have a material adverse effect on any Buyer’s investment hereunder or (iii) could have a Material Adverse Effect.

(n) Conduct of Business; Regulatory Permits. Neither the Company nor any of its Subsidiaries is in violation of any term of or in default under its Articles of Association, any certificate of designation, preferences or rights of any other outstanding series of preferred shares of the Company or any of its Subsidiaries or Memorandum of Association or their organizational charter, certificate of formation, memorandum of association, articles of association, Articles of Association or certificate of incorporation or bylaws, respectively. Neither the Company nor any of its Subsidiaries is in violation of any judgment, decree or order or any statute, ordinance, rule or regulation applicable to the Company or any of its Subsidiaries, and neither the Company nor any of its Subsidiaries will conduct its business in violation of any of the foregoing, except in all cases for possible violations which could not, individually or in the aggregate, have a

Material Adverse Effect. Without limiting the generality of the foregoing, the Company is not in violation of any of the rules, regulations or requirements of the Principal Market and has no knowledge of any facts or circumstances that could reasonably lead to delisting or suspension of the Ordinary Shares by the Principal Market in the foreseeable future. During the two years prior to the date hereof, (i) the Ordinary Shares has been listed or designated for quotation on the Principal Market, (ii) trading in the Ordinary Shares has not been suspended by the SEC or the Principal Market and (iii) the Company has received no communication, written or oral, from the SEC or the Principal Market regarding the suspension or delisting of the Ordinary Shares from the Principal Market. The Company and each of its Subsidiaries possess all certificates, authorizations and permits issued by the appropriate regulatory authorities necessary to conduct their respective businesses, except where the failure to possess such certificates, authorizations or permits would not have, individually or in the aggregate, a Material Adverse Effect, and neither the Company nor any such Subsidiary has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit. There is no agreement, commitment, judgment, injunction, order or decree binding upon the Company or any of its Subsidiaries or to which the Company or any of its Subsidiaries is a party which has or would reasonably be expected to have the effect of prohibiting or materially impairing any business practice of the Company or any of its Subsidiaries, any acquisition of property by the Company or any of its Subsidiaries or the conduct of business by the Company or any of its Subsidiaries as currently conducted other than such effects, individually or in the aggregate, which have not had and would not reasonably be expected to have a Material Adverse Effect on the Company or any of its Subsidiaries.

(o) Foreign Corrupt Practices. In the past five (5) years, neither the Company, the Company's Subsidiary or any director, or (to the knowledge of the Company) officer, agent, employee, nor any other person acting for or on behalf of the foregoing (individually and collectively, a "**Company Affiliate**") have violated the U.S. Foreign Corrupt Practices Act (the "**FCPA**") or any other applicable anti-bribery or anti-corruption laws, nor has any Company Affiliate offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, to any officer, employee or any other person acting in an official capacity for any Governmental Entity to any political party or official thereof or to any candidate for political office (individually and collectively, a "**Government Official**") or to any person under circumstances where such Company Affiliate knew or was aware of a high probability that all or a portion of such money or thing of value would be offered, given or promised, directly or indirectly, to any Government Official, for the purpose of:

(i) (A) influencing any act or decision of such Government Official in his/her official capacity, (B) inducing such Government Official to do or omit to do any act in violation of his/her lawful duty, (C) securing any improper advantage, or (D) inducing such Government Official to influence or affect any act or decision of any Governmental Entity, or

(ii) assisting the Company or its Subsidiaries in obtaining or retaining business for or with, or directing business to, the Company or its Subsidiaries.

(p) Sarbanes-Oxley Act. The Company and each Subsidiary is in compliance with any and all applicable requirements of the Sarbanes-Oxley Act of 2002, as amended, and any and all applicable rules and regulations promulgated by the SEC thereunder.

(q) Transactions With Affiliates. Except as would not reasonably result (or with the passage of time, would reasonably be expected to result, as applicable) in a Material Adverse Effect, no current or former employee, partner, director, officer or shareholder (direct or indirect) of the Company or its Subsidiaries, or any associate, or, to the knowledge of the Company, any affiliate of any thereof, or any relative with a relationship no more remote than first cousin of any of the foregoing, is presently, or has ever been, (i) a party to any transaction with the Company or its Subsidiaries (including any contract, agreement or other arrangement providing for the furnishing of services by, or rental of real or personal property from, or otherwise requiring payments to, any such director, officer or shareholder or such associate or affiliate or relative Subsidiaries (other than for ordinary course services as employees, officers or directors of the Company or any of its Subsidiaries)) or (ii) the direct or indirect owner of an interest in any corporation, firm, association or business organization which is a competitor, supplier or customer of the Company or its Subsidiaries (except for a passive investment (direct or indirect) in less than 5% of the common equity of a company whose securities are traded on or quoted through an Eligible Market (as defined in Section 4(i))), nor does any such Person receive income from any source other than the Company or its Subsidiaries which relates to the business of the Company or its Subsidiaries or should properly accrue to the Company or its Subsidiaries. Except as would not reasonably result (or with the passage of time, would reasonably be expected to result, as applicable) in a Material Adverse Effect, no employee, officer, shareholder or director of the Company or any of its Subsidiaries or member of his or her immediate family is indebted to the Company or its Subsidiaries, as the case may be, nor is the Company or any of its Subsidiaries indebted (or committed to make loans or extend or guarantee credit) to any of them, other than (i) for payment of salary for services rendered, (ii) reimbursement for reasonable expenses incurred on behalf of the Company, and (iii) for other standard employee benefits made generally available to all employees or executives (including share option agreements outstanding under any share option plan approved by the Board of Directors of the Company).

(r) Equity Capitalization.

(i) Definitions:

(A) “**Ordinary Shares**” means (x) the Company’s ordinary shares, \$0.000005 par value per share, and (y) any share capital into which such ordinary shares shall have been changed or any share capital resulting from a reclassification of such ordinary shares.

(B) “**Blank Check Shares**” means (x) the Company’s blank check shares, \$0.000005 par value per share, the terms of which may be designated by the board of directors of the Company in a certificate of designations and (y) any share capital into which such shares shall have been changed or any share capital resulting from a reclassification of such

shares (other than a conversion of such shares into Ordinary Shares in accordance with the terms of such certificate of designations).

(ii) Authorized and Outstanding Share Capital. As of the date hereof, the authorized share capital of the Company consists of (A) 9,000,000,000 Ordinary Shares, of which, 349,791,275 Ordinary Shares are issued and outstanding and 46,280,876 Ordinary Shares are reserved for issuance pursuant to Ordinary Share Equivalents (as defined below) (other than the Notes) exercisable or exchangeable for, or convertible into, Ordinary Shares, and (B) 1,000,000,000 Blank Check Shares, none of which are issued and outstanding. 25,900,751 Ordinary Shares are held in the treasury of the Company. “**Ordinary Share Equivalents**” means any share capital or other security of the Company or any of its Subsidiaries that is at any time and under any circumstances directly or indirectly convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any share capital or other security of the Company (including, without limitation, Ordinary Shares) or any of its Subsidiaries.

(iii) Valid Issuance; Available Shares; Affiliates. All of such issued and outstanding shares are duly authorized and have been, or upon issuance will be, validly issued and are fully paid and nonassessable. Schedule 3(r) (iii) sets forth the number of Ordinary Shares, that are, as of the date hereof owned by Persons who are “affiliates” (as defined in Rule 405 of the 1933 Act and calculated based on the assumption that only officers, directors and holders of at least 10% of the Company’s issued and outstanding Ordinary Shares, are “affiliates” without conceding that any such Persons are “affiliates” for purposes of federal securities laws) of the Company or any of its Subsidiaries. Except as set forth on Schedule 3(r)(iii), to the Company’s knowledge, no Person owns 10% or more of the Company’s issued and outstanding Ordinary Shares (calculated based on the assumption that all Ordinary Share Equivalents (as defined below), whether or not presently exercisable or convertible, have been fully exercised or converted (as the case may be) taking account of any limitations on exercise or conversion (including “blockers”) contained therein without conceding that such identified Person is a 10% shareholder for purposes of federal securities laws).

(iv) Existing Securities; Obligations. (A) None of the Company’s or any Subsidiary’s shares, interests or share capital is subject to preemptive rights or any other similar rights or Liens suffered or permitted by the Company or any Subsidiary; (B) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any shares, interests or share capital of the Company or any of its Subsidiaries, or contracts, commitments, understandings or arrangements by which the Company or any of its Subsidiaries is or may become bound to issue additional shares, interests or share capital of the Company or any of its Subsidiaries or options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any shares, interests or share capital of the Company or any of its Subsidiaries; (C) there are no agreements or arrangements under which the Company or any of its

Subsidiaries is obligated to register the sale of any of their securities under the 1933 Act (except pursuant to this Agreement); (D) there are no outstanding securities or instruments of the Company or any of its Subsidiaries which contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any of its Subsidiaries is or may become bound to redeem a security of the Company or any of its Subsidiaries; (E) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Securities; and (F) neither the Company nor any Subsidiary has any share appreciation rights or “phantom share” plans or agreements or any similar plan or agreement.

(v) Organizational Documents. The Company has furnished to the Buyers true, correct and complete copies of the Company’s memorandum of association (as amended and as in effect on the date hereof, the “**Memorandum of Association**”) and articles of association (as amended and as in effect on the date hereof, the “**Articles of Association**”), and the terms of all Ordinary Share Equivalents and the material rights of the holders thereof in respect thereto.

(s) Indebtedness and Other Contracts. Except as disclosed on Schedule 3(s) hereto, neither the Company nor any of its Subsidiaries, (i) has any outstanding debt securities, notes, credit agreements, credit facilities or other agreements, documents or instruments evidencing Indebtedness (other than Contingent Obligations (as defined below)) of the Company or any of its Subsidiaries or by which the Company or any of its Subsidiaries is or may become bound, which individually or in the aggregate is equal to or exceeds \$20,000,000, (ii) is a party to any contract, agreement or instrument, the violation of which, or default under which, by the other party(ies) to such contract, agreement or instrument could reasonably be expected to result in a Material Adverse Effect, (iii) has any financing statements securing obligations in any amounts filed in connection with the Company or any of its Subsidiaries; (iv) is in violation of any term of, or in default under, any contract, agreement or instrument relating to any Indebtedness, except where such violations and defaults would not result, individually or in the aggregate, in a Material Adverse Effect, or (v) is a party to any contract, agreement or instrument relating to any Indebtedness, the performance of which, in the judgment of the Company’s officers, has or is expected to have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries have any liabilities or obligations required to be disclosed in the SEC Documents which are not so disclosed in the SEC Documents, other than those incurred in the ordinary course of the Company’s or its Subsidiaries’ respective businesses and which, individually or in the aggregate, do not or could not have a Material Adverse Effect. For purposes of this Agreement: (x) “Indebtedness” of any Person means, without duplication (A) all indebtedness for borrowed money, (B) all obligations issued, undertaken or assumed as the deferred purchase price of property or services (including, without limitation, “capital leases” in accordance with GAAP), (C) all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments, (D) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of property, assets or businesses, (E) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to any property or assets acquired with the proceeds of such indebtedness (even though the rights and remedies of the seller or bank under such

agreement in the event of default are limited to repossession or sale of such property), (F) all monetary obligations under any leasing or similar arrangement which, in connection with GAAP, consistently applied for the periods covered thereby, is classified as a capital lease, (G) all indebtedness referred to in clauses (A) through (F) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in any property or assets (including accounts and contract rights) owned by any Person, even though the Person which owns such assets or property has not assumed or become liable for the payment of such indebtedness, and (H) all Contingent Obligations in respect of indebtedness or obligations of others of the kinds referred to in clauses (A) through (G) above, but excluding (I) trade payables entered into and other accrued liabilities (including liabilities for deferred revenue or contract liabilities and obligations or liabilities in respect of government, municipal, or other public grants, incentives, or subsidies) incurred in the ordinary course of business, (II) obligations under operating leases, (III) customary warranties, indemnities, and surety bonds incurred in the ordinary course of business, and (IV) Indebtedness that exist between the Company and its wholly-owned Subsidiaries or between the Company's wholly-owned Subsidiaries; (y) "**Contingent Obligation**" means, as to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to any Indebtedness, lease, dividend or other obligation of another Person if the primary purpose or intent of the Person incurring such liability, or the primary effect thereof, is to provide assurance to the obligee of such liability that such liability will be paid or discharged, or that any agreements relating thereto will be complied with, or that the holders of such liability will be protected (in whole or in part) against loss with respect thereto; and (z) "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and any Governmental Entity or any department or agency thereof.

(t) Litigation. There is no action, suit, arbitration, proceeding, inquiry or investigation before or by the Principal Market, any court, public board, other Governmental Entity, self-regulatory organization or body pending or, to the knowledge of the Company, threatened against or affecting the Company or any of its Subsidiaries, the Ordinary Shares or any of the Company's or its Subsidiaries' officers or directors, whether of a civil or criminal nature or otherwise, in their capacities as such, which is outside of the ordinary course of business or individually or in the aggregate could not have a Material Adverse Effect. No director, officer or employee of the Company or any of its Subsidiaries has willfully violated 18 U.S.C. §1519 or engaged in spoliation in reasonable anticipation of litigation. Without limitation of the foregoing, there has not been, and to the knowledge of the Company, there is not pending or contemplated, any investigation by the SEC involving the Company, any of its Subsidiaries or any current or former director or officer of the Company or any of its Subsidiaries. The SEC has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company under the 1933 Act or the 1934 Act, including, without limitation, the Registration Statement. After reasonable inquiry of its employees, the Company is not aware of any fact which might result in or form the basis for any such action, suit, arbitration, investigation, inquiry or other proceeding which individually or in the aggregate could have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries is subject to any order, writ, judgment, injunction, decree, determination or

award of any Governmental Entity which individually or in the aggregate could have a Material Adverse Effect.

(u) Insurance. The Company and each of its Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company and its Subsidiaries are engaged. Neither the Company nor any such Subsidiary has been refused any insurance coverage sought or applied for, and neither the Company nor any such Subsidiary has any reason to believe that it will be unable to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect.

(v) Employee Relations. Neither the Company nor any of its Subsidiaries is a party to any collective bargaining agreement or employs any member of a union. The Company and its Subsidiaries believe that their relations with their employees are good. No current (or former) executive officer (as defined in Rule 501(f) promulgated under the 1933 Act) or other key employee of the Company or any of its Subsidiaries has notified the Company or any such Subsidiary that such officer intends to leave the Company or any such Subsidiary or otherwise terminate such officer's employment with the Company or any such Subsidiary. No current (or former) executive officer or other key employee of the Company or any of its Subsidiaries is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement, non-competition agreement, or any other contract or agreement or any restrictive covenant, and the continued employment of each such executive officer or other key employee (as the case may be) does not subject the Company or any of its Subsidiaries to any liability with respect to any of the foregoing matters. The Company and its Subsidiaries are in compliance with all federal, state, local and foreign laws and regulations respecting labor, employment and employment practices and benefits, terms and conditions of employment and wages and hours, except where failure to be in compliance would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(w) Title.

(i) Real Property. Other than as could not impair the present or anticipated use of the Real Property in any material respect, (A) each of the Company and its Subsidiaries holds good title to or valid leasehold interest in all real property which is material to the business of the Company and its Subsidiaries (the "**Real Property**"), (B) the Real Property is free and clear of all Liens and is not subject to any rights of way, building use restrictions, exceptions, variances, reservations, or limitations of any nature except for (x) Liens for current taxes not yet due and (y) zoning laws and other land use restrictions that do not impair the present or anticipated use of the property subject thereto, and (C) any Real Property held under lease by the Company or any of its Subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company or any of its Subsidiaries.

(ii) Fixtures and Equipment. Other than as could not impair the present or anticipated use of the Fixtures and Equipment in any material respect, (A) each of the Company and its Subsidiaries (as applicable) has good title to, or a valid leasehold interest in, the tangible personal property, equipment, improvements, fixtures, and other personal property and appurtenances that are used by the Company or its Subsidiary which is material to the business of the Company and its Subsidiaries (the “**Fixtures and Equipment**”), (B) the Fixtures and Equipment are structurally sound, are in good operating condition and repair, are adequate for the uses to which they are being put, are not in need of maintenance or repairs except for ordinary, routine maintenance and repairs and are sufficient for the conduct of the Company’s and/or its Subsidiaries’ businesses (as applicable) in the manner as conducted prior to such Closing, and (C) each of the Company and its Subsidiaries owns all of its Fixtures and Equipment free and clear of all Liens except for (a) liens for current taxes not yet due and (b) zoning laws and other land use restrictions that do not impair the present or anticipated use of the property subject thereto.

(x) Intellectual Property Rights. The Company and its Subsidiaries own or possess adequate rights or licenses to use all trademarks, trade names, service marks, service mark registrations, service names, original works of authorship, patents, patent rights, copyrights, inventions, licenses, approvals, governmental authorizations, trade secrets and other intellectual property rights and all applications and registrations therefor (“**Intellectual Property Rights**”) necessary to conduct their respective businesses as now conducted and presently proposed to be conducted, except where the failure to own or possess any of the foregoing would not reasonably be expected to result in a Material Adverse Effect. The Company does not have any knowledge of any infringement by the Company or its Subsidiaries of Intellectual Property Rights of others which, individually or in the aggregate, would have a Material Adverse Effect in the event of an unfavorable decision, ruling or finding. There is no claim, action or proceeding being made or brought, or to the knowledge of the Company or any of its Subsidiaries, being threatened, against the Company or any of its Subsidiaries regarding its Intellectual Property Rights which, individually or in the aggregate, would have a Material Adverse Effect in the event of an unfavorable decision, ruling or finding. Neither the Company nor any of its Subsidiaries is aware of any facts or circumstances which might give rise to any of the foregoing infringements or claims, actions or proceedings. The Company and its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of all of their Intellectual Property Rights.

(y) Environmental Laws. (i) The Company and its Subsidiaries (A) are in compliance with any and all Environmental Laws (as defined below), (B) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (C) are in compliance with all terms and conditions of any such permit, license or approval, except where, in each of the foregoing clauses (A), (B) and (C), the failure to so comply or have such permits, licenses or other approval, as applicable, would not reasonably

be expected to have, individually or in the aggregate, a Material Adverse Effect. The term “**Environmental Laws**” means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, “**Hazardous Materials**”) into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

(ii) No Hazardous Materials:

(A) have been disposed of or otherwise released from any Real Property of the Company or any of its Subsidiaries in violation of any Environmental Laws; or

(B) are present on, over, beneath, in or upon any Real Property or any portion thereof in quantities that would constitute a violation of any Environmental Laws. No prior use by the Company or any of its Subsidiaries of any Real Property has occurred that violates any Environmental Laws, which violation would have a material adverse effect on the business of the Company or any of its Subsidiaries.

(iii) Neither the Company nor any of its Subsidiaries knows of any other person who or entity which has stored, treated, recycled, disposed of or otherwise located on any Real Property any Hazardous Materials, including, without limitation, such substances as asbestos and polychlorinated biphenyls.

(iv) None of the Real Properties are on any federal or state “Superfund” list or Liability Information System (“**CERCLIS**”) list or any state environmental agency list of sites under consideration for CERCLIS, nor subject to any environmental related Liens.

(z) Subsidiary Rights. The Company or one of its Subsidiaries has the unrestricted right to vote, and (subject to limitations imposed by applicable law) to receive dividends and distributions on, all capital securities of its Subsidiaries as owned by the Company or such Subsidiary.

(aa) Tax Status. Except where the failure to do so would not, individually or in the aggregate, have a Material Adverse Effect, the Company and each of its Subsidiaries (i) has timely made or filed all foreign, federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has timely paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and (iii) has set aside on its books provision reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any

amount claimed to be due by the taxing authority of any jurisdiction that would be reasonably likely to result in a Material Adverse Effect, and the officers of the Company and its Subsidiaries know of no basis for any such claim.

(bb) Internal Accounting and Disclosure Controls. The Company maintains internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the 1934 Act) that is effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, including that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any difference. The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the 1934 Act) that are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is accumulated and communicated to the Company's management, including its principal executive officer or officers and its principal financial officer or officers, as appropriate, to allow timely decisions regarding required disclosure. Neither the Company nor any of its Subsidiaries has received any notice or correspondence from any accountant, Governmental Entity or other Person relating to any potential material weakness or significant deficiency in any part of the internal controls over financial reporting of the Company or any of its Subsidiaries.

(cc) Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company or any of its Subsidiaries and an unconsolidated or other off balance sheet entity that is required to be disclosed by the Company in its 1934 Act filings and is not so disclosed or that otherwise could be reasonably likely to have a Material Adverse Effect.

(dd) Investment Company Status. The Company is not, and upon consummation of the sale of the Securities will not be, an "investment company," an affiliate of an "investment company," a company controlled by an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

(ee) Acknowledgement Regarding Buyers' Trading Activity. It is understood and acknowledged by the Company that (i) subject to Section 4(x) below, following the public disclosure of the transactions contemplated by the Transaction Documents, in accordance with the terms thereof, except as provided in the Leak-Out Agreements, none of the Buyers have been asked by the Company or any of its Subsidiaries to agree, nor has any Buyer agreed with the Company or any of its Subsidiaries, to desist from effecting any

transactions in or with respect to (including, without limitation, purchasing or selling, long and/or short) any securities of the Company, or “derivative” securities based on securities issued by the Company or to hold any of the Securities for any specified term; (ii) subject to Section 2(g) and Section 4(x) below, any Buyer, and counterparties in “derivative” transactions to which any such Buyer is a party, directly or indirectly, presently may have a “short” position in the Ordinary Shares, which was established prior to such Buyer’s knowledge of the transactions contemplated by the Transaction Documents; (iii) each Buyer shall not be deemed to have any affiliation with or control over any arm’s length counterparty in any “derivative” transaction; and (iv) each Buyer may rely on the Company’s obligation to timely deliver Ordinary Shares upon conversion or exchange, as applicable, of the Securities as and when required pursuant to the Transaction Documents for purposes of effecting trading in the Ordinary Shares of the Company. The Company further understands and acknowledges that, subject to Section 4(x) below, following the public disclosure of the transactions contemplated by the Transaction Documents one or more Buyers may engage in hedging and/or trading activities (including, without limitation, the location and/or reservation of borrowable Ordinary Shares) at various times during the period that the Securities are outstanding, including, without limitation, during the periods that the value and/or number of the Conversion deliverable with respect to the Securities are being determined and such hedging and/or trading activities (including, without limitation, the location and/or reservation of borrowable Ordinary Shares), if any, can reduce the value of the existing shareholders’ equity interest in the Company both at and after the time the hedging and/or trading activities are being conducted. Subject to Section 4(x) below, the Company acknowledges that such aforementioned hedging and/or trading activities do not constitute a breach of this Agreement, the Notes or any other Transaction Document or any of the documents executed in connection herewith or therewith.

(ff) Manipulation of Price. Neither the Company nor any of its Subsidiaries has, and, to the knowledge of the Company, no Person acting on their behalf has, directly or indirectly, (i) taken any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company or any of its Subsidiaries to facilitate the sale or resale of any of the Securities, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the Securities (other than the Placement Agent), (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company or any of its Subsidiaries or (iv) paid or agreed to pay any Person for research services with respect to any securities of the Company or any of its Subsidiaries.

(gg) U.S. Real Property Holding Corporation. Neither the Company nor any of its Subsidiaries is, or has ever been, and so long as any of the Securities are held by any of the Buyers, shall become, a U.S. real property holding corporation within the meaning of Section 897 of the Internal Revenue Code of 1986, as amended (the “Code”), and the Company and each Subsidiary shall so certify upon any Buyer’s request.

(hh) Registration Eligibility. The Company is eligible to register the Securities for issuance to the Buyers using Form F-3 promulgated under the 1933 Act.

(ii) Transfer Taxes. On such Closing Date, all share transfer or other taxes (other than income or similar taxes) which are required to be paid in connection with the

issuance, sale and transfer of the Securities to be sold to each Buyer hereunder will be, or will have been, fully paid or provided for by the Company, and all laws imposing such taxes will be or will have been complied with.

(jj) Bank Holding Company Act; Regulation U or X.

(i) Neither the Company nor any of its Subsidiaries is subject to the Bank Holding Company Act of 1956, as amended (the “**BHCA**”) and to regulation by the Board of Governors of the Federal Reserve System of the United States (the “**Federal Reserve**”). Neither the Company nor any of its Subsidiaries or affiliates owns or controls, directly or indirectly, five percent (5%) or more of the outstanding shares of any class of voting securities or twenty-five percent (25%) or more of the total equity of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve. Neither the Company nor any of its Subsidiaries or affiliates exercises a controlling influence over the management or policies of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve.

(ii) The sale of the Notes, the use of proceeds thereof and the other transactions contemplated thereby or by the other Transaction Documents, will not violate or be inconsistent with the provisions.

(kk) Shell Company Status. The Company is not, and has never been, an issuer identified in, or subject to, section (i) of Rule 144.

(ll) Illegal or Unauthorized Payments; Political Contributions. Neither the Company nor any of its Subsidiaries nor, to the best of the Company’s knowledge (after reasonable inquiry of its officers and directors), any of the officers, directors, employees, agents or other representatives of the Company or any of its Subsidiaries or any other business entity or enterprise with which the Company or any Subsidiary is or has been affiliated or associated, has, directly or indirectly, made or authorized any payment, contribution or gift of money, property, or services, whether or not in contravention of applicable law, (i) as a kickback or bribe to any Person or (ii) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of the Company or any of its Subsidiaries.

(mm) Money Laundering. The Company and its Subsidiaries are in compliance with, and have not previously violated, the USA Patriot Act of 2001 and all other applicable U.S. and non-U.S. anti-money laundering laws and regulations, including, without limitation, the laws, regulations and Executive Orders and sanctions programs administered by the U.S. Office of Foreign Assets Control, including, but not limited, to (i) Executive Order 13224 of September 23, 2001 entitled, “Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism” (66 Fed. Reg. 49079 (2001)); and (ii) any regulations contained in 31 CFR, Subtitle B, Chapter V.

(nn) Management. During the past three year period, no current or former officer or director or, to the knowledge of the Company, no current ten percent (10%) or greater shareholder of the Company or any of its Subsidiaries has been the subject of:

(i) a petition under bankruptcy laws or any other insolvency or moratorium law or the appointment by a court of a receiver, fiscal agent or similar officer for such Person, or any partnership in which such person was a general partner at or within two years before the filing of such petition or such appointment, or any corporation or business association of which such person was an executive officer at or within two years before the time of the filing of such petition or such appointment;

(ii) a conviction in a criminal proceeding or a named subject of a pending criminal proceeding (excluding traffic violations that do not relate to driving while intoxicated or driving under the influence);

(iii) any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining any such person from, or otherwise limiting, the following activities:

(1) Acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the United States Commodity Futures Trading Commission or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;

(2) Engaging in any particular type of business practice; or

(3) Engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of securities laws or commodities laws;

(iv) any order, judgment or decree, not subsequently reversed, suspended or vacated, of any authority barring, suspending or otherwise limiting for more than sixty (60) days the right of any such person to engage in any activity described in the preceding sub paragraph, or to be associated with persons engaged in any such activity;

(v) a finding by a court of competent jurisdiction in a civil action or by the SEC or other authority to have violated any securities law, regulation or decree and the judgment in such civil action or finding by the SEC or any other authority has not been subsequently reversed, suspended or vacated; or

(vi) a finding by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any federal

commodities law, and the judgment in such civil action or finding has not been subsequently reversed, suspended or vacated.

(oo) Share Option Plans. Each share option granted by the Company was granted in accordance with the terms of the applicable share option plan of the Company. No share option granted under the Company's share option plan has been backdated. The Company has not knowingly granted, and there is no and has been no policy or practice of the Company to knowingly grant, share options prior to, or otherwise knowingly coordinate the grant of share options with, the release or other public announcement of material information regarding the Company or its Subsidiaries or their financial results or prospects.

(pp) No Disagreements with Accountants and Lawyers. There are no material disagreements of any kind presently existing, or reasonably anticipated by the Company to arise, between the Company and the accountants and lawyers formerly or presently employed by the Company and the Company is current with respect to any fees owed to its accountants and lawyers which could affect the Company's ability to perform any of its obligations under any of the Transaction Documents. In addition, on or prior to the date hereof, the Company had discussions with its accountants about its financial statements previously filed with the SEC. Based on those discussions, the Company has no reason to believe that it will need to restate any such financial statements or any part thereof.

(qq) No Additional Agreements. The Company does not have any agreement or understanding with any Buyer with respect to the transactions contemplated by the Transaction Documents other than as specified in the Transaction Documents.

(rr) Public Utility Holding Act. None of the Company nor any of its Subsidiaries is a "holding company," or an "affiliate" of a "holding company," as such terms are defined in the Public Utility Holding Act of 2005.

(ss) Federal Power Act. None of the Company nor any of its Subsidiaries is subject to regulation as a "public utility" under the Federal Power Act, as amended.

(tt) Ranking of Notes. The Notes will at all times rank *pari passu* with all existing and future unsecured and unsecured obligations of the Company in right of payment, whether with respect to payment or redemptions, interest, damages, upon liquidation or dissolution or otherwise, including under the deSPAC CBs (as defined in the Notes).

(uu) Communist Chinese Military Companies. The Company does not constitute a "Communist Chinese Military Company" under Executive Order 13959, issued by former President Trump on November 12, 2020 under the authority of Section 1237 of the National Defense Authorization Act for Fiscal Year 1999.

(ww) Compliance with PRC Overseas Investment and Listing Regulations. Each of the Company and its Subsidiaries and Affiliated Entities has complied, and has taken all reasonable steps to ensure compliance by each of its shareholders, directors and officers that is, or is directly or indirectly owned or controlled by, a PRC resident or citizen with any applicable rules and regulations of the relevant PRC government

agencies (including but not limited to the Ministry of Commerce, the National Development and Reform Commission, the CSRC and the State Administration of Foreign Exchange (the “SAFE”)) relating to overseas investment by PRC residents and citizens (the “**PRC Overseas Investment and Listing Regulations**”), including, without limitation, requesting each such Person that is, or is directly or indirectly owned or controlled by, a PRC resident or citizen, to complete any registration and other procedures required under applicable PRC Overseas Investment and Listing Regulations (including any applicable rules and regulations of the SAFE).

(xx) M&A Rules. The Company is aware of and has been advised as to the content of the Rules on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors and any official clarifications, guidance, interpretations or implementation rules in connection with or related thereto (the “**PRC Mergers and Acquisitions Rules**”) jointly promulgated by the Ministry of Commerce, the State Assets Supervision and Administration Commission, the State Tax Administration, the State Administration of Industry and Commerce, the CSRC and the State Administration of Foreign Exchange on August 8, 2006 and amended on June 22, 2009, including the provisions thereof which purport to require offshore special purpose entities formed for listing purposes and controlled directly or indirectly by PRC companies or individuals to obtain the approval of the CSRC prior to the listing and trading of their securities on an overseas stock exchange. The Company has received legal advice specifically with respect to the PRC Mergers and Acquisitions Rules from its PRC counsel, and the Company understands such legal advice. In addition, the Company has communicated such legal advice in full to each of its directors that signed the Registration Statement and each such director has confirmed that he or she understands such legal advice. The issuance and sale of the Securities, the listing and trading of the Underlying Securities (as defined below) on the Principal Market and the consummation of the transactions contemplated by this Agreement (i) are not and will not be, as of the date hereof or at such Closing Date, adversely affected by the PRC Mergers and Acquisitions Rules and (ii) do not require the prior approval of the CSRC.

(vv) Cybersecurity. The Company and its Subsidiaries’ information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, “**IT Systems**”) are adequate for, and operate and perform in all material respects as required in connection with the operation of the business of the Company and its subsidiaries as currently conducted, free and clear of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants that would reasonably be expected to have a Material Adverse Effect on the Company’s business. The Company and its Subsidiaries have implemented and maintained commercially reasonable physical, technical and administrative controls, policies, procedures, and safeguards to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and data, including “Personal Data,” used in connection with their businesses. “**Personal Data**” means (i) a natural person’s name, street address, telephone number, e-mail address, photograph, social security number or tax identification number, driver’s license number, passport number, credit card number, bank information, or customer or account number; (ii) any information which would qualify as “personally identifying information” under the Federal Trade Commission Act, as amended; (iii) “personal data” as defined by the European Union General Data Protection Regulation (“**GDPR**”) (EU 2016/679); (iv)

any information which would qualify as “protected health information” under the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (collectively, “**HIPAA**”); and (v) any other piece of information that allows the identification of such natural person, or his or her family, or permits the collection or analysis of any data related to an identified person’s health or sexual orientation. There have been no breaches, violations, outages or unauthorized uses of or accesses to same, except for those that have been remedied without material cost or liability or the duty to notify any other person or such, nor any incidents under internal review or investigations relating to the same except in each case, where such would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. The Company and its Subsidiaries are presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Personal Data and to the protection of such IT Systems and Personal Data from unauthorized use, access, misappropriation or modification except in each case, where such would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(ww) Compliance with Data Privacy Laws. The Company and its Subsidiaries are, and at all prior times were, in compliance with all applicable state and federal data privacy and security laws and regulations, including without limitation HIPAA, and the Company and its Subsidiaries have taken commercially reasonable actions to prepare to comply with, and since May 25, 2018, have been and currently are in compliance with, the GDPR (collectively, the “**Privacy Laws**”) except in each case, where such would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. To ensure compliance with the Privacy Laws, the Company and its Subsidiaries have in place, comply with, and take appropriate steps reasonably designed to ensure compliance in all material respects with their policies and procedures relating to data privacy and security and the collection, storage, use, disclosure, handling, and analysis of Personal Data (the “**Policies**”). The Company and its Subsidiaries have at all times made all disclosures to users or customers required by applicable laws and regulatory rules or requirements, and none of such disclosures made or contained in any Policy have, to the knowledge of the Company, been inaccurate or in violation of any applicable laws and regulatory rules or requirements in any material respect. The Company further certifies that neither it nor any Subsidiary: (i) has received notice of any actual or potential liability under or relating to, or actual or potential violation of, any of the Privacy Laws, and has no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) is currently conducting or paying for, in whole or in part, any investigation, remediation, or other corrective action pursuant to any Privacy Law; or (iii) is a party to any order, decree, or agreement that imposes any obligation or liability under any Privacy Law.

(xx) No Defenses. The Company has no defenses, affirmative or otherwise, rights of setoff, rights of recoupment, claims, counterclaims, actions or causes of action of any kind or nature whatsoever against a Buyer, directly or indirectly, arising out of, based upon, or in any manner connected with, the transactions contemplated hereby, whether known or unknown, which occurred, existed, was taken, permitted, or begun prior to the execution of this Agreement and occurred, existed, was taken, permitted or begun in

accordance with, pursuant to, or by virtue of any of the terms or conditions of the Transaction Documents. To the extent any such defenses, affirmative or otherwise, rights of setoff, rights of recoupment, claims, counterclaims, actions or causes of action exist or existed, such defenses, rights, claims, counterclaims, actions and causes of action are hereby waived, discharged and released. The Company hereby acknowledges and agrees that the execution of this Agreement by a Buyer shall not constitute an acknowledgment of or admission by a Buyer of the existence of any claims or of liability for any matter or precedent upon which any claim or liability may be asserted.

(yy) Registration Rights. No holder of securities of the Company has rights to the registration of any securities of the Company because of the filing of the Registration Statement or the issuance of the Securities hereunder that could expose the Company to material liability or any Buyer to any liability or that could impair the Company's ability to consummate the issuance and sale of the Securities in the manner, and at the times, contemplated hereby, which rights have not been waived by the holder thereof as of the date hereof.

(zz) Subsidiaries. The Company hereby represents and warrants that no direct or indirect Subsidiary of the Company, that is not a Significant Subsidiary (as defined in the Notes) of the Company, has any material assets or liabilities.

(aaa) Qualification Under Trust Indenture Act. Prior to any issuance of Notes hereunder, the Company shall qualify or cause or arrange for the Trustee to qualify the Indenture under the Trust Indenture Act of 1939, as amended (the "TIA") and enter into any necessary supplemental indentures in connection therewith and, so long as the Notes remain outstanding, the Indenture shall be maintained in compliance with the TIA.

(bbb) Disclosure. The Company confirms that neither it nor any other Person acting on its behalf has provided any of the Buyers or their agents or counsel with any information that constitutes or could reasonably be expected to constitute material, non-public information concerning the Company or any of its Subsidiaries, other than the existence of the transactions contemplated by this Agreement and the other Transaction Documents. The Company understands and confirms that each of the Buyers will rely on the foregoing representations in effecting transactions in securities of the Company. All disclosure provided to the Buyers regarding the Company and its Subsidiaries, their businesses and the transactions contemplated hereby, including the schedules to this Agreement, furnished by or on behalf of the Company or any of its Subsidiaries is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. All of the written information furnished after the date hereof by or on behalf of the Company or any of its Subsidiaries to each Buyer pursuant to or in connection with this Agreement and the other Transaction Documents, taken as a whole, will be true and correct in all material respects as of the date on which such information is so provided and will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. Each press release issued by the Company or any of its Subsidiaries during the twelve (12) months preceding the date of this Agreement did not

at the time of release contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading. No event or circumstance has occurred or information exists with respect to the Company or any of its Subsidiaries or its or their business, properties, liabilities, prospects, operations (including results thereof) or conditions (financial or otherwise), which, under applicable law, rule or regulation, requires public disclosure at or before the date hereof or announcement by the Company but which has not been so publicly disclosed. All financial projections and forecasts that have been prepared by or on behalf of the Company or any of its Subsidiaries and made available to each Buyer have been prepared in good faith based upon reasonable assumptions and represented, at the time each such financial projection or forecast was delivered to such Buyer, the Company's best estimate of future financial performance (it being recognized that such financial projections or forecasts are not to be viewed as facts and that the actual results during the period or periods covered by any such financial projections or forecasts may differ from the projected or forecasted results). The Company acknowledges and agrees that no Buyer makes or has made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 2.

4. COVENANTS.

(a) Best Efforts. Each Buyer shall use its best efforts to timely satisfy each of the covenants hereunder and conditions to be satisfied by it as provided in Section 6 of this Agreement. The Company shall use its best efforts to timely satisfy each of the covenants hereunder and conditions to be satisfied by it as provided in Section 7 of this Agreement.

(b) Amendments to the Registration Statement; Prospectus Supplements; Free Writing Prospectuses.

(i) Amendments to the Registration Statement; Prospectus Supplements; Free Writing Prospectuses. Except as provided in this Agreement and other than periodic reports required to be filed pursuant to the 1934 Act, the Company shall not file with the SEC any amendment to the Registration Statement that relates to the Buyer, this Agreement or any other Transaction Document or the transactions contemplated hereby or thereby or file with the SEC any Prospectus Supplement that relates to the Buyer, this Agreement or any other Transaction Document or the transactions contemplated hereby or thereby with respect to which (a) the Buyer shall not previously have been advised, (b) the Company shall not have given due consideration to any comments thereon received from the Buyer or its counsel, or (c) the Buyer shall reasonably object after being so advised, unless the Company reasonably has determined that it is necessary to amend the Registration Statement or make any supplement to the Prospectus to comply with the 1933 Act or any other applicable law or regulation, in which case the Company shall promptly (but in no event later than 24 hours) so inform the Buyer, the Buyer shall be provided with a reasonable opportunity to review and comment upon any disclosure relating to the Buyer and the Company shall expeditiously furnish to the Buyer an electronic copy thereof. In addition, for

so long as, in the reasonable opinion of counsel for the Buyer, the Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the 1933 Act) is required to be delivered in connection with any acquisition or sale of Securities by the Buyer, the Company shall not file any Prospectus Supplement with respect to the Securities without delivering or making available a copy of such Prospectus Supplement, together with the Prospectus, to the Buyer promptly.

(ii) The Company has not made, and agrees that unless it obtains the prior written consent of the Buyer it will not make, an offer relating to the Securities that would constitute an “issuer free writing prospectus” as defined in Rule 433 promulgated under the 1933 Act (an “**Issuer Free Writing Prospectus**”) or that would otherwise constitute a “free writing prospectus” as defined in Rule 405 promulgated under the 1933 Act (a “**Free Writing Prospectus**”) required to be filed by the Company or the Buyer with the SEC or retained by the Company or the Buyer under Rule 433 under the 1933 Act. The Buyer has not made, and agrees that unless it obtains the prior written consent of the Company it will not make, an offer relating to the Securities that would constitute a Free Writing Prospectus required to be filed by the Company with the SEC or retained by the Company under Rule 433 under the 1933 Act. Any such Issuer Free Writing Prospectus or other Free Writing Prospectus consented to by the Buyer or the Company is referred to in this Agreement as a “**Permitted Free Writing Prospectus.**” The Company agrees that (x) it has treated and will treat, as the case may be, each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus and (y) it has complied and will comply, as the case may be, with the requirements of Rules 164 and 433 under the 1933 Act applicable to any Permitted Free Writing Prospectus, including in respect of timely filing with the SEC, legending and record keeping.

(c) Prospectus Delivery. Immediately prior to execution of this Agreement, the Company shall have delivered to the Buyer, and as soon as practicable after execution of this Agreement the Company shall file, Prospectus Supplements with respect to the Securities to be issued on the applicable Closing Date, as required under, and in conformity with, the 1933 Act, including Rule 424(b) thereunder. The Company shall provide the Buyer a reasonable opportunity to comment on a draft of each Prospectus Supplement and any Issuer Free Writing Prospectus, shall give due consideration to all such comments and, subject to the provisions of Section 4(b) hereof, shall deliver or make available to the Buyer, without charge, an electronic copy of each form of Prospectus Supplement, together with the Prospectus, and any Permitted Free Writing Prospectus on such Closing Date. The Company consents to the use of the Prospectus (and of any Prospectus Supplements thereto) in accordance with the provisions of the 1933 Act and with the securities or “blue sky” laws of the jurisdictions in which the Securities may be sold by the Buyer, in connection with the offering and sale of the Securities and for such period of time thereafter as the Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the 1933 Act) is required by the 1933 Act to be delivered in connection with sales of the Securities. If during such period of time any event shall occur that in the judgment of the Company and its counsel is required to be set forth in the Registration Statement or the Prospectus or any Permitted Free Writing Prospectus or should be set forth therein in order to make the statements made therein (in the case of the Prospectus, in light of the circumstances under which they were made) not misleading, or if it is

necessary to amend the Registration Statement or supplement or amend the Prospectus or any Permitted Free Writing Prospectus to comply with the 1933 Act or any other applicable law or regulation, the Company shall forthwith prepare and, subject to Section 4(b) above, file with the SEC an appropriate amendment to the Registration Statement or Prospectus Supplement to the Prospectus (or supplement to the Permitted Free Writing Prospectus) and shall expeditiously furnish or make available to the Buyer an electronic copy thereof.

(d) Stop Orders. The Company shall advise the Buyer promptly (but in no event later than 24 hours) and shall confirm such advice in writing: (i) of the Company's receipt of notice of any request by the SEC for amendment of or a supplement to the Registration Statement, the Prospectus, any Permitted Free Writing Prospectus or for any additional information; (ii) of the Company's receipt of notice of the issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement or prohibiting or suspending the use of the Prospectus or any Prospectus Supplement, or of the suspension of qualification of the Securities for offering or sale in any jurisdiction, or the initiation or contemplated initiation of any proceeding for such purpose; (iii) of the Company becoming aware of the happening of any event, which makes any statement of a material fact made in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus untrue or which requires the making of any additions to or changes to the statements then made in the Registration Statement, the Prospectus or any Permitted Free Writing Prospectus in order to state a material fact required by the 1933 Act to be stated therein or necessary in order to make the statements then made therein (in the case of the Prospectus, in light of the circumstances under which they were made) not misleading, or of the necessity to amend the Registration Statement or supplement the Prospectus or any Permitted Free Writing Prospectus to comply with the 1933 Act or any other law or (iv) if at any time following the date hereof the Registration Statement is not effective or is not otherwise available for the issuance of the Securities or any Prospectus contained therein is not available for use for any other reason. Thereafter, the Company shall promptly notify such holders when the Registration Statement, the Prospectus, any Permitted Free Writing Prospectus and/or any amendment or supplement thereto, as applicable, is effective and available for the issuance of the Securities. If at any time the SEC shall issue any stop order suspending the effectiveness of the Registration Statement or prohibiting or suspending the use of the Prospectus or any Prospectus Supplement, the Company shall use best efforts to obtain the withdrawal of such order at the earliest possible time.

(e) Blue Sky. The Company shall, on or before each Closing Date, take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to, qualify the Securities for sale to the Buyers at such applicable Closing pursuant to this Agreement under applicable securities or "Blue Sky" laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to the Buyers on or prior to such applicable Closing Date. Without limiting any other obligation of the Company under this Agreement, the Company shall timely make all filings and reports relating to the offer and sale of the Securities required under all applicable securities laws (including, without limitation, all applicable federal securities laws and all applicable "Blue Sky" laws), and the Company shall comply with all applicable foreign, federal, state and local laws,

statutes, rules, regulations and the like relating to the offering and sale of the Securities to the Buyers.

(f) Reporting Status. Until the date on which the Buyers shall have sold all of the Underlying Securities (the “**Reporting Period**”), the Company shall timely file all reports required to be filed with the SEC pursuant to the 1934 Act, and the Company shall not terminate its status as an issuer required to file reports under the 1934 Act even if the 1934 Act or the rules and regulations thereunder would no longer require or otherwise permit such termination.

(g) Use of Proceeds. The Company will use the proceeds from the sale of the Securities with respect to any applicable Closing as described in the Prospectus Supplement for such applicable Closing.

(h) Financial Information. The Company agrees to send the following to each holder of Notes (each, an “**Investor**”) during the Reporting Period (i) unless the following are filed with the SEC through EDGAR and are available to the public through the EDGAR system, within one

(1) Trading Day after the filing thereof with the SEC, a copy of its Annual Report on Form 20-F, Report of Foreign Issuer on Form 6-K, any other interim reports or any consolidated balance sheets, income statements, shareholders’ equity statements and/or cash flow statements for any period other than annual, any Report of Foreign Issuer on Form 6-K and any registration statements (other than on Form S-8) or amendments filed pursuant to the 1933 Act, (ii) unless the following are either filed with the SEC through EDGAR or are otherwise widely disseminated via a recognized news release service (such as PR Newswire), on the same day as the release thereof, e-mail copies of all press releases issued by the Company or any of its Subsidiaries and (iii) unless the following are filed with the SEC through EDGAR, copies of any notices and other information made available or given to the shareholders of the Company generally, contemporaneously with the making available or giving thereof to the shareholders.

(i) Listing. The Company shall promptly secure the listing or designation for quotation (as the case may be) of all of the Underlying Securities upon each national securities exchange and automated quotation system, if any, upon which the Ordinary Shares, is then listed or designated for quotation (as the case may be) (subject to official notice of issuance) and shall maintain such listing or designation for quotation (as the case may be) of all Underlying Securities from time to time issuable under the terms of the Transaction Documents on such national securities exchange or automated quotation system. The Company shall maintain the Ordinary Shares’ listing or authorization for quotation (as the case may be) on The New York Stock Exchange, the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Select Market, or the Nasdaq Global Market (each, an “**Eligible Market**”). Neither the Company nor any of its Subsidiaries shall take any action which could be reasonably expected to result in the delisting or suspension of the Ordinary Shares, on an Eligible Market. The Company shall pay all fees and expenses in connection with satisfying its obligations under this Section 4(i). “**Underlying Securities**” means (i) the Conversion Shares, and (ii) any share capital of the Company issued or issuable with respect to the Conversion Shares or the Notes, respectively, including, without limitation, (1) as a result of any share subdivision, share

split, share combination, share dividend, recapitalization, exchange or similar event or otherwise and (2) any share capital of the Company into which the Ordinary Shares are converted or exchanged and any share capital of a Successor Entity (as defined in the Notes) into which the Ordinary Shares are converted or exchanged, in each case, without regard to any limitations on conversion of the Notes.

(j) Fees. The Company shall reimburse the lead Buyer (i) at the Initial Closing, a non-accountable amount of \$400,000 for the fees and expenses of the Buyer and (ii) at each Additional Closing, a non-accountable amount of \$35,000 for the fees and expenses of Kelley Drye & Warren LLP, in each case, for all costs and expenses incurred by it or its affiliates in connection with the structuring, documentation, negotiation and closing of the transactions contemplated by the Transaction Documents (including, without limitation, as applicable, all legal fees of outside counsel and disbursements of Kelley Drye & Warren LLP, counsel to the lead Buyer, any other reasonable fees and expenses in connection with the structuring, documentation, negotiation and closing of the transactions contemplated by the Transaction Documents and due diligence and regulatory filings in connection therewith) (the “**Transaction Expenses**”) and shall be withheld by the lead Buyer from its Purchase Price at each Closing, and with respect to the Initial Closing, less \$75,000 previously paid by the Company to the lead investor; provided that, subject to the fee caps above, the Company shall promptly reimburse Kelley Drye & Warren LLP on demand for all Transaction Expenses not so reimbursed through such withholding at such applicable Closing. The Company shall be responsible for the payment of any placement agent’s fees, financial advisory fees, any fees and expenses of the Trustee (including, without limitation, the fees and expenses of any legal counsel to the Trustee), transfer agent fees, DTC (as defined below) fees or broker’s commissions (other than for Persons engaged by any Buyer) relating to or arising out of the transactions contemplated hereby (including, without limitation, any fees or commissions payable to the Placement Agent, who is the Company’s sole placement agent in connection with the transactions contemplated by this Agreement). The Company shall pay, and hold each Buyer harmless against, any liability, loss or expense (including, without limitation, reasonable attorneys’ fees and out-of-pocket expenses) arising in connection with any claim relating to any such payment. Except as otherwise set forth in the Transaction Documents, each party to this Agreement shall bear its own expenses in connection with the sale of the Securities to the Buyers.

(k) Pledge of Securities. Notwithstanding anything to the contrary contained in this Agreement, the Company acknowledges and agrees that the Securities may be pledged by an Investor in connection with a bona fide margin agreement or other loan or financing arrangement that is secured by the Securities. The pledge of Securities shall not be deemed to be a transfer, sale or assignment of the Securities hereunder, and no Investor effecting a pledge of Securities shall be required to provide the Company with any notice thereof or otherwise make any delivery to the Company pursuant to this Agreement or any other Transaction Document. The Company hereby agrees to execute and deliver such documentation as a pledgee of the Securities may reasonably request in connection with a pledge of the Securities to such pledgee by a Buyer.

(l) Disclosure of Transactions and Other Material Information.

(i) Disclosure of Transaction.

(1) Initial Closing. The Company shall, on or before 9:00 a.m., New York time, on the first (1st) Business Day after the date of this Agreement, issue a press release reasonably acceptable to the Buyers disclosing all the material terms of the transactions contemplated by the Transaction Documents. On or before 9:30 a.m., New York time, on the first (1st) Business Day after the date of this Agreement, the Company shall file a Report of Foreign Issuer on Form 6-K describing all the material terms of the transactions contemplated by the Transaction Documents in the form required by the 1934 Act and attaching all the material Transaction Documents (including, without limitation, this Agreement, the form of Notes, the form of Indenture, and the form of Supplemental Indentures) (including all attachments, the “**Initial 6-K Filing**”). From and after the filing of the Initial 6-K Filing, the Company shall have disclosed all material, non-public information (if any) provided to any of the Buyers by the Company or any of its Subsidiaries or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by the Transaction Documents. In addition, effective upon the filing of the Initial 6-K Filing, the Company acknowledges and agrees that any and all confidentiality or similar obligations under any agreement, whether written or oral, between the Company, any of its Subsidiaries or any of their respective officers, directors, affiliates, employees or agents, on the one hand, and any of the Buyers or any of their affiliates, on the other hand, shall terminate.

(2) Additional Closing. The Company shall, on or before 9:00 a.m., New York time, on the first (1st) Trading Day after the Company receives an Additional Closing Notice either issue a press release (each, an “**Additional Press Release**”) or file a Report of Foreign Issuer on Form 6-K (each, an “**Additional 6-K Filing**”), and together with the Initial 6-K Filing, the “**6-K Filings**”), in each case reasonably acceptable to such Buyer participating in such Additional Closing, disclosing that “an institutional investor” has elected to deliver an Additional Closing Notice to the Company. From and after the filing of the Additional Press Release or Additional 6-K Filing, solely to the extent such Additional Closing Notice constitutes material non-public information (as specified by the Company in its acknowledgement to such applicable Additional Closing Notice), the Company shall have disclosed all material, non-public information (if any) provided to any of the Buyers by the Company or any of its Subsidiaries or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by the Transaction Documents. In addition, effective upon the filing of the Additional 6-K Filing, the Company acknowledges and agrees that any and all confidentiality or similar obligations under any agreement, whether written or oral, between the Company, any of its Subsidiaries or any of their respective officers, directors, affiliates, employees or agents, on the one hand, and any of the Buyers or any of their affiliates, on the other hand, shall terminate.

(ii) Limitations on Disclosure. The Company shall not, and the Company shall cause each of its Subsidiaries and each of its and their respective officers, directors, employees and agents not to, provide any Buyer with any material, non-public information regarding the Company or any of its Subsidiaries from and after the date hereof without the express prior written consent of such Buyer (which may be granted or withheld in such Buyer's sole discretion). In the event of a breach of any of the foregoing covenants, including, without limitation, Section 4(r) of this Agreement, or any of the covenants or agreements contained in any other Transaction Document, by the Company, any of its Subsidiaries, or any of its or their respective officers, directors, employees and agents (as determined in the reasonable good faith judgment of such Buyer), in addition to any other remedy provided herein or in the Transaction Documents, such Buyer may deliver a written notice to the Company to request that the Company promptly publicly release such applicable material, non-public information. Except where the Company determines in good faith that such information is immaterial, the Company shall publicly release such information promptly after the written notice by such Buyer, failing which, such Buyer shall have the right to make a public disclosure, in the form of a press release, public advertisement or otherwise, of such breach or such material, non-public information, as applicable, without the prior approval by the Company, any of its Subsidiaries, or any of its or their respective officers, directors, employees or agents. No Buyer shall have any liability to the Company, any of its Subsidiaries, or any of its or their respective officers, directors, employees, affiliates, shareholders or agents, for any such disclosure. To the extent that the Company delivers any material, non-public information to a Buyer without such Buyer's consent, the Company hereby covenants and agrees that such Buyer shall not have any duty of confidentiality with respect to, or a duty not to trade on the basis of, such material, non-public information. Subject to the foregoing, neither the Company, its Subsidiaries nor any Buyer shall issue any press releases or any other public statements with respect to the transactions contemplated hereby; provided, however, the Company shall be entitled, without the prior approval of any Buyer, to make the Press Release and any press release or other public disclosure with respect to such transactions (i) in substantial conformity with the 6-K Filings and contemporaneously therewith and (ii) as is required by applicable law and regulations (provided that in the case of clause (i) each Buyer shall be consulted by the Company in connection with any such press release or other public disclosure prior to its release). Without the prior written consent of the applicable Buyer (which may be granted or withheld in such Buyer's sole discretion), the Company shall not (and shall cause each of its Subsidiaries and affiliates to not) disclose the name of such Buyer in any filing, announcement, release or otherwise, except as required by applicable law or regulations; provided, however, that with respect to any filing or submission required by applicable law or regulations, (i) such filing or submission shall contain only such information as is necessary to comply with applicable law or regulations, and (ii) unless specifically prohibited by applicable law or court order, the Company shall promptly notify the Buyers of the requirement to make such submission or filing and provide the Buyers with a copy thereof. Notwithstanding anything contained in this Agreement to the contrary and without implication that the contrary would

otherwise be true, the Company expressly acknowledges and agrees that no Buyer shall have (unless expressly agreed to by a particular Buyer after the date hereof in a written definitive and binding agreement executed by the Company and such particular Buyer (it being understood and agreed that no Buyer may bind any other Buyer with respect thereto)), any duty of confidentiality with respect to, or a duty not to trade on the basis of, any material, non-public information regarding the Company or any of its Subsidiaries.

(m) Additional Issuance of Securities. So long as any Buyer beneficially owns any Securities, the Company will not, without the prior written consent of the Required Holders, issue any Notes (other than to the Buyers as contemplated pursuant to the terms of this Agreement or the Notes), and the Company shall not issue any other securities that would cause a breach or default under the Notes. The Company agrees that for (x) the period commencing on the Initial Closing Date, through, and including, the thirtieth (30th) calendar day immediately following the Initial Closing date and (y) each period commencing on an Additional Closing Date hereunder, through, and including, the fifth (5th) Trading Day immediately following such Additional Closing Date (each, a “**Restricted Period**”), neither the Company nor any of its Subsidiaries shall directly or indirectly:

(i) file a registration statement under the 1933 Act relating to securities that are not the Underlying Securities (other than a registration statement on Form S-4, Form S-8 or such supplements or amendments to registration statements that are outstanding and have been declared effective by the SEC as of the date hereof (including the Registration Statement) (solely to the extent necessary to keep such registration statements effective and available and not with respect to any Subsequent Placement)); or

(ii) issue, offer, sell, grant any option or right to purchase, or otherwise dispose of (or announce any issuance, offer, sale, grant of any option or right to purchase or other disposition of) any equity security or any equity-linked or related security (including, without limitation, any “equity security” (as that term is defined under Rule 405 promulgated under the 1933 Act)), any Ordinary Share Equivalent (as defined below), any preferred stock or any purchase rights (any such issuance, offer, sale, grant, disposition or announcement (whether occurring during the Restricted Period or at any time thereafter) is referred to as a “**Subsequent Placement**”). Notwithstanding the foregoing, this Section 4(m) shall not apply in respect of the issuance of (A) equity security or any equity-linked or related security, including restricted shares units, restricted shares, options and performance share awards, to purchase Ordinary Shares or equity-like grants including phantom shares, share appreciation rights issued or may be issued to directors, officers, consultants or employees of the Company for services rendered to the Company in their capacity as such pursuant to an Approved Share Plan (as defined above), provided that the exercise price of any such options is not lowered, none of such options are amended to increase the number of shares issuable thereunder and none of the terms or conditions of any such options are otherwise materially changed in any manner that adversely affects any of the Buyers; (B) Ordinary Shares issued upon the conversion or exercise of convertible securities, Ordinary Share Equivalents (other than standard options to purchase

Ordinary Shares issued pursuant to an Approved Share Plan that are covered by clause (A) above) issued or issuable pursuant to any arrangement entered into prior to the date hereof, provided that the conversion, exercise or issuance price of any such Ordinary Share Equivalents (other than standard options to purchase Ordinary Shares issued pursuant to an Approved Share Plan that are covered by clause (A) above) is not lowered, none of such Ordinary Share Equivalents (other than standard options to purchase Ordinary Shares issued pursuant to an Approved Share Plan that are covered by clause (A) above) are amended to increase the number of shares issuable thereunder and none of the terms or conditions of any such Ordinary Share Equivalents (other than standard options to purchase Ordinary Shares issued pursuant to an Approved Share Plan that are covered by clause (A) above) are otherwise materially changed in any manner that adversely affects any of the Buyers; (C) Ordinary Shares issued or issuable upon conversion of the Notes or otherwise pursuant to the terms of the Notes; (D) equity security or any equity-linked or related security issued or issuable pursuant to any Strategic Investment (as defined below) and/or Affiliate Transaction (as defined below) (but, in either case, excluding any Variable Rate Transaction (as defined below); and (E) equity security or any equity-linked or related security issued in connection with a deSPAC CB Refinancing (as defined below)(each of the foregoing in clauses (A) through (E), collectively the “**Excluded Securities**”). “**Approved Share Plan**” means any employee benefit plan which has been approved by the board of directors of the Company prior to or subsequent to the date hereof pursuant to which equity security or any equity-linked or related security, including restricted shares units, restricted shares, options and performance share awards, to purchase Ordinary Shares or equity-like grants including phantom shares, share appreciation rights may be issued to any directors, officers, consultants or employees for services provided to the Company in their capacity as such. “**Strategic Investment**” means any transaction in which Ordinary Shares issued or issuable in connection with any bona fide strategic or commercial alliances, acquisitions, mergers, licensing arrangements, strategic transactions and strategic partnerships (including, without limitation, joint ventures, marketing or distribution arrangements, collaboration agreements or intellectual property license agreements), provided, that (x) the primary purpose of such issuance is not to raise capital as reasonably determined, and (y) the purchaser or acquirer or recipient of the securities in such issuance solely consists of either (I) the actual participants in such strategic or commercial alliance, strategic or commercial licensing arrangement or strategic or commercial partnership, (II) the actual owners of such assets or securities acquired in such acquisition or merger or (III) the shareholders, partners, employees, consultants, officers, directors or members of the foregoing Persons, in each case, which is, itself or through its subsidiaries, an operating company or an owner of an asset, in a business synergistic with the business of the Company and shall provide to the Company additional benefits in addition to the investment of funds, and (z) the number or amount of securities issued to such Persons by the Company shall not be disproportionate to each such Person’s actual participation in (or fair market value of the contribution to) such strategic or commercial alliance or strategic or commercial partnership or ownership of such assets or securities to be acquired by the Company, as applicable. “**Affiliate Transaction**” means any actual, proposed,

or contemplated transaction, arrangement, agreement, understanding, or series of related transactions or arrangements (including, without limitation, any purchase, sale, lease, license, transfer, disposition, acquisition, pledge, loan, guarantee, investment, joint venture, or exchange of property, assets, rights, or interests of any kind, or the provision or receipt of services, benefits, or advantages of any kind), whether written, oral, or implied, directly or indirectly, between (a) the Company or any Subsidiary, and (b) any Affiliate of the Company or any Subsidiary, including any transaction effected through one or more intermediaries or for the benefit of an Affiliate.

(o) Reservation of Shares. Until the later of (x) the Second Tranche Additional Closing Expiration Date and (y) such date on which no Notes remain outstanding (the “**Covenant Period**”), the Company shall take all action necessary to at all times have authorized, and reserved for the purpose of issuance, no less than 100% of the maximum number of Ordinary Shares issuable upon conversion of all the Notes then outstanding (assuming for purposes hereof that (w) all Additional Notes issuable hereunder have been issued as of such date of determination, (x) the Notes are convertible at the Floor Price then in effect (as defined in the Notes) as of such applicable date of determination, (y) interest on the Notes shall accrue through the first (1st) anniversary of the Initial Closing Date and will be converted in Ordinary Shares at a conversion price equal to the Floor Price as of such applicable date of determination and (z) any such conversion shall not take into account any limitations on the conversion of the Notes set forth in the Notes) (collectively, the “**Required Reserve Amount**”); provided that at no time shall the number of Ordinary Shares reserved pursuant to this Section 4(o) be reduced other than proportionally in connection with any conversion and/or redemption, as applicable of Notes. If at any time the number of Ordinary Shares authorized and reserved for issuance is not sufficient to meet the Required Reserve Amount, the Company will promptly take all corporate action necessary to authorize and reserve a sufficient number of shares, including, without limitation, and/or calling a special meeting of shareholders to authorize additional Ordinary Shares to meet the Company’s obligations pursuant to the Transaction Documents, and in the case of an insufficient number of authorized Ordinary Shares, obtaining shareholder approval of an increase in such authorized number of shares, and voting the management shares of the Company in favor of an increase in the authorized shares of the Company to ensure that the number of authorized shares is sufficient to meet the Required Reserve Amount.

(p) Conduct of Business. The business of the Company and its Subsidiaries shall not be conducted in violation of any law, ordinance or regulation of any Governmental Entity, except where such violations would not reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect.

(q) Variable Rate Transactions. During the Covenant Period (except with the written consent of the Required Holders), the Company and each Subsidiary shall be prohibited from effecting or entering into an agreement to effect any Subsequent Placement involving a Variable Rate Transaction other than any (i) at-the-market offerings; provided that, the aggregate sales of Ordinary Shares thereunder during any given Trading Day shall not constitute more than 10% of the aggregate trading volume of the Ordinary Shares on such Trading Day (as reported by Bloomberg) (each, a “**Permitted ATM**”) or (ii) one or a series of offerings in connection with the incurrence

of Indebtedness and/or the issuance of securities (including any equity security or any equity-linked or related security and debt security) by the Company or any Subsidiary to one or more Persons, all or a portion of the proceeds (it being acknowledged that the aggregate proceeds of which could exceed US\$65 million) of which are intended to repurchase, redeem, retire or replace all or a portion of the Indebtedness of the Company under the deSPAC CBs, on substantially similar or no less favorable terms as the prior deSPAC CB refinancing, but with a maturity date at least 91 calendar days after the later of (x) Second Tranche Additional Closing Expiration Date and (y) such date no Notes remain outstanding (each, a “**deSPAC CB Refinancing**”, and, collectively with any Permitted ATM, each, a “**Permitted VRT**”). “**Variable Rate Transaction**” means a transaction in which the Company or any Subsidiary (i) issues or sells any Ordinary Share Equivalents either (A) at a conversion, exercise or exchange rate or other price that is based upon and/or varies with the trading prices of or quotations for the Ordinary Shares at any time after the initial issuance of such Ordinary Share Equivalents, or (B) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such Ordinary Share Equivalents or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Ordinary Shares, other than pursuant to a customary “weighted average” anti-dilution provision or (ii) enters into any agreement (including, without limitation, an equity line of credit or an “at-the-market” offering) whereby the Company or any Subsidiary may sell securities at a future determined price (other than standard and customary “preemptive” or “participation” rights). Each Buyer shall be entitled to obtain injunctive relief against the Company and its Subsidiaries to preclude any such issuance, which remedy shall be in addition to any right to collect damages.

(r) **Participation Right.** During the Covenant Period, the Company shall not, directly or indirectly, effect any Subsequent Placement of Indebtedness that is directly or indirectly exchangeable or convertible into or which otherwise entitles the holder thereof to acquire any share capital or other security of the Company (including, without limitation, Ordinary Shares) unless the Company shall have first complied with this Section 4(r). The Company acknowledges and agrees that the right set forth in this Section 4(r) is a right granted by the Company, separately, to each Buyer.

(i) At least five (5) Trading Days (or, with respect to any overnight Subsequent Placement, no less than twelve (12) hours (the “**Overnight Notice Period**”)) prior to any proposed or intended Subsequent Placement, the Company shall deliver to each Buyer a written notice (each such notice, a “**Pre-Notice**”), which Pre-Notice shall not contain any information (including, without limitation, material, non-public information) other than: (A) if the proposed Offer Notice (as defined below) constitutes or contains material, non-public information, a statement asking whether the Investor is willing to accept material non-public information or (B) if the proposed Offer Notice does not constitute or contain material, non-public information, (x) a statement that the Company proposes or intends to effect a Subsequent Placement, (y) a statement that the statement in clause (x) above does not constitute material, non-public information and (z) a statement informing such Buyer that it is entitled to receive an Offer Notice (as defined below) with respect to such Subsequent Placement upon its written request. Upon the written request of a Buyer within two (2) Trading Days (or, with respect to any overnight Subsequent Placement, the Overnight Notice Period) after

the Company's delivery to such Buyer of such Pre-Notice, and only upon a written request by such Buyer, the Company shall promptly, but no later than one (1) Trading Day after such request, deliver to such Buyer an irrevocable written notice (the "**Offer Notice**") of any proposed or intended issuance or sale or exchange (the "**Offer**") of the securities being offered (the "**Offered Securities**") in a Subsequent Placement, which Offer Notice shall (A) identify and describe the Offered Securities, (B) describe the price and other terms upon which they are to be issued, sold or exchanged, and the number or amount of the Offered Securities to be issued, sold or exchanged, (C) identify the Persons (if known) to which or with which the Offered Securities are to be offered, issued, sold or exchanged and (each an "**Offeree**") (D) offer to issue and sell to or exchange with such Buyer in accordance with the terms of the Offer such Buyer's pro rata portion of 10% of the Offered Securities, provided that the number of Offered Securities which such Buyer shall have the right to subscribe for under this Section 4(r) shall be (x) based on such Buyer's pro rata portion of the aggregate original principal amount of the Notes purchased hereunder by all Buyers (the "**Basic Amount**"), and (y) with respect to each Buyer that elects to purchase its Basic Amount, any additional portion of the Offered Securities attributable to the Basic Amounts of other Buyers as such Buyer shall indicate it will purchase or acquire should the other Buyers subscribe for less than their Basic Amounts (the "**Undersubscription Amount**").

(ii) To accept an Offer, in whole or in part, such Buyer must deliver a written notice to the Company prior to the end of the second (2nd) Business Day (or, with respect to any overnight Subsequent Placement, the Overnight Notice Period) after such Buyer's receipt of the Offer Notice (the "**Offer Period**"), setting forth the portion of such Buyer's Basic Amount that such Buyer elects to purchase and, if such Buyer shall elect to purchase all of its Basic Amount, the Undersubscription Amount, if any, that such Buyer elects to purchase (in either case, the "**Notice of Acceptance**"). If the Basic Amounts subscribed for by all Buyers are less than the total of all of the Basic Amounts, then each Buyer who has set forth an Undersubscription Amount in its Notice of Acceptance shall be entitled to purchase, in addition to the Basic Amounts subscribed for, the Undersubscription Amount it has subscribed for; provided, however, if the Undersubscription Amounts subscribed for exceed the difference between the total of all the Basic Amounts and the Basic Amounts subscribed for (the "**Available Undersubscription Amount**"), each Buyer who has subscribed for any Undersubscription Amount shall be entitled to purchase only that portion of the Available Undersubscription Amount as the Basic Amount of such Buyer bears to the total Basic Amounts of all Buyers that have subscribed for Undersubscription Amounts, subject to rounding by the Company to the extent it deems reasonably necessary. Notwithstanding the foregoing, if the Company desires to modify or amend the terms and conditions of the Offer prior to the expiration of the Offer Period, the Company may deliver to each Buyer a new Offer Notice and the Offer Period shall expire on the fifth (5th) Business Day (or, with respect to any overnight Subsequent Placement, after the Overnight Notice Period) after such Buyer's receipt of such new Offer Notice.

(iii) The Company shall have five (5) Business Days from the expiration of the Offer Period above (A) to offer, issue, sell or exchange all or any

part of such Offered Securities as to which a Notice of Acceptance has not been given by a Buyer (the “**Refused Securities**”) pursuant to a definitive agreement(s) (the “**Subsequent Placement Agreement**”), but only to the offerees described in the Offer Notice (if so described therein) and only upon terms and conditions (including, without limitation, unit prices and interest rates) that are not more favorable to the acquiring Person or Persons or less favorable to the Company than those set forth in the Offer Notice and (B) to publicly announce (x) the execution of such Subsequent Placement Agreement, and (y) either (I) the consummation of the transactions contemplated by such Subsequent Placement Agreement or (II) the termination of such Subsequent Placement Agreement, which shall be filed with the SEC on a Report of Foreign Issuer on Form 6-K with such Subsequent Placement Agreement and any documents contemplated therein filed as exhibits thereto unless the Company determines it in good faith to be immaterial and represents in writing (which may be an email) to the Buyer that such Buyer no longer possesses any material nonpublic information with respect to such Subsequent Placement.

(iv) In the event the Company shall propose to sell less than all the Refused Securities (any such sale to be in the manner and on the terms specified in Section 4(r)(iii) above), then each Buyer may, at its sole option and in its sole discretion, withdraw its Notice of Acceptance or reduce the number or amount of the Offered Securities specified in its Notice of Acceptance to an amount that shall be not less than the number or amount of the Offered Securities that such Buyer elected to purchase pursuant to Section 4(r)(ii) above multiplied by a fraction, (i) the numerator of which shall be the number or amount of Offered Securities the Company actually proposes to issue, sell or exchange (including Offered Securities to be issued or sold to Buyers pursuant to this Section 4(r) prior to such reduction) and (ii) the denominator of which shall be the original amount of the Offered Securities. In the event that any Buyer so elects to reduce the number or amount of Offered Securities specified in its Notice of Acceptance, the Company may not issue, sell or exchange more than the reduced number or amount of the Offered Securities unless and until such securities have again been offered to the Buyers in accordance with Section 4(r)(i) above.

(v) Upon the closing of the issuance, sale or exchange of all or less than all of the Refused Securities, such Buyer shall acquire from the Company, and the Company shall issue to such Buyer, the number or amount of Offered Securities specified in its Notice of Acceptance, as reduced pursuant to Section 4(r)(iv) above if such Buyer has so elected, upon the terms and conditions specified in the Offer. The purchase by such Buyer of any Offered Securities is subject in all cases to the preparation, execution and delivery by the Company and such Buyer of a separate purchase agreement relating to such Offered Securities reasonably satisfactory in form and substance to such Buyer and its counsel.

(vi) Any Offered Securities not acquired by a Buyer or other Persons in accordance with this Section 4(r) may not be issued, sold or exchanged until they are again offered to such Buyer under the procedures specified in this Agreement.

(vii) The Company and each Buyer agree that if any Buyer elects to participate in the Offer, (x) neither the Subsequent Placement Agreement with respect to such Offer nor any other transaction documents related thereto (collectively, the “**Subsequent Placement Documents**”) shall include any term or provision whereby such Buyer shall be required to agree to any restrictions on trading as to any securities of the Company or be required to consent to any amendment to or termination of, or grant any waiver, release or the like under or in connection with, any agreement previously entered into with the Company or any instrument received from the Company, and (y) representation and warranties of an Investor in the Subsequent Placement Documents shall not be more restrictive than those of the Buyers in this Agreement (other than such changes as necessary to comply with applicable law, rules and regulations, the manner of sale of such security in such Subsequent Placement and/or the type of such security to be sold in such Subsequent Placement).

(viii) Notwithstanding anything to the contrary in this Section 4(r), and unless otherwise agreed to by such Buyer or if the Company determines it in good faith to be immaterial and represents in writing (which may be an email) to the Buyer that such Buyer no longer possesses any material nonpublic information with respect to such Subsequent Placement, the Company shall either confirm in writing to such Buyer that the transaction with respect to the Subsequent Placement has been abandoned or shall publicly disclose its intention to issue the Offered Securities, in either case, in such a manner such that such Buyer will not be in possession of any material, non-public information, by the fifth (5th) Business Day following delivery of the Offer Notice. If by such fifth (5th) Business Day, no public disclosure regarding a transaction with respect to the Offered Securities has been made, and no notice regarding the abandonment of such transaction has been received by such Buyer, such transaction shall be deemed to have been abandoned and such Buyer shall not be in possession of any material, non-public information with respect to the Company or any of its Subsidiaries. Should the Company decide to pursue such transaction with respect to the Offered Securities, the Company shall provide such Buyer with another Offer Notice and such Buyer will again have the right of participation set forth in this Section 4(r). The Company shall not be permitted to deliver more than one such Offer Notice to such Buyer in any sixty (60) day period, except as expressly contemplated by the last sentence of Section 4(r)(ii).

(ix) The restrictions contained in this Section 4(r) shall not apply in connection with the issuance of any Excluded Securities. The Company shall not circumvent the provisions of this Section 4(r) by providing terms or conditions to one Buyer that are not provided to all.

(s) Dilutive Issuances. During the Covenant Period, the Company shall not, in any manner, enter into or affect any Dilutive Issuance (as defined in the Notes) if the effect of such Dilutive Issuance is to cause the Company to be required to issue upon conversion of any Notes any Ordinary Shares in excess of that number of Ordinary Shares which the Company may issue upon conversion of the Notes without breaching the Company’s obligations under the rules or regulations of the Principal Market. During the Covenant Period, the Company shall not consummate any Subsequent Placement at a

New Issuance Price (as defined in the Notes) less than 120% of the Floor Price. Passive Foreign Investment Company. During the Covenant Period, the Company shall conduct its business, and shall cause its Subsidiaries to conduct their respective businesses, in such a manner as will ensure that the Company will not be deemed to constitute a passive foreign investment company within the meaning of Section 1297 of the Code.

(u) Corporate Existence. So long as any of the Notes remain outstanding, the Company shall not be party to any Fundamental Transaction (as defined in the Notes) unless the Company is in compliance with the applicable provisions governing Fundamental Transactions set forth in the Notes.

(v) Conversion Procedures. The form of Conversion Notice (as defined in the Notes) included in the Notes set forth the totality of the procedures required of the Buyers in order to convert the Notes. No legal opinion, other information or instructions shall be required of the Buyers to convert their Notes. The Company shall honor conversions of the Notes and shall deliver the Conversion Shares in accordance with the terms, conditions and time periods set forth in the Notes. Without limiting the preceding sentences, no ink-original Conversion Notice shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Conversion Notice form be required in order to convert the Notes..

(w) Regulation M. The Company will not take any action prohibited by Regulation M under the 1934 Act, in connection with the distribution of the Securities contemplated hereby.

(x) No Net Short Position. Each Buyer hereby agrees solely with the Company, severally and not jointly, and not with any other Buyer, for so long as such Buyer owns any Notes, such Buyer shall not maintain a Net Short Position (as defined below). For purposes hereof, a “**Net Short Position**” by a person means a position whereby such person has executed one or more sales of Ordinary Shares that is marked as a short sale (but not including any sale marked “short exempt”) and that is executed at a time when such Buyer has no equivalent offsetting long position in the Ordinary Shares (or is deemed to have a long position hereunder or otherwise in accordance with Regulation SHO of the 1934 Act); provided, that, for purposes of such calculations, any short sales either (x) consummated at a price greater than or equal to the Conversion Price (as defined in the Notes), (y) that is a result of a bona-fide trading error on behalf of such Buyer (or its affiliates) or (z) that would otherwise be marked as a “long” sale, but for the occurrence of a Conversion Failure (as defined in the Notes), an Equity Conditions Failure (as defined in the Notes) or any other breach by the Company (or its affiliates or agents, including, without limitation, the transfer agent) of any Transaction Document, in each case, shall be excluded from such calculations. For purposes of determining whether a Buyer has an equivalent offsetting “long” position in the Ordinary Shares, (A) all Ordinary Shares that are owned by such Buyer shall be deemed held “long” by such Buyer, (B) at any time a Conversion Notice is delivered by such Buyer to the Company, any Ordinary Shares issued or issuable to such Buyer (or its designee, if applicable) in connection therewith shall be deemed held “long” by such Buyer from and after the date of such Conversion Notice until such time as such Buyer shall no longer beneficially own such Ordinary Shares, and (C) at any other time the Company is required (or has elected (or is deemed to have elected)) to issue Ordinary Shares to such Buyer pursuant to the

terms of the Notes, any Ordinary Shares issued or issuable to such Buyer (or its designee, if applicable) in connection therewith shall be deemed held “long” by such Buyer from and after the deadline the Company is required to deliver such applicable Ordinary Shares pursuant to such Conversion Notice, until such time as such Buyer shall no longer beneficially own such Ordinary Shares.

(y) Closing Documents. On or prior to fourteen (14) calendar days after each Closing Date, the Company agrees to deliver, or cause to be delivered, to each Buyer and Kelley Drye & Warren LLP a complete closing set of the executed Transaction Documents, Securities and any other document required to be delivered to any party pursuant to Section 7 hereof or otherwise.

5. REGISTER; TRANSFER AGENT INSTRUCTIONS; LEGEND. ¹

(a) Register. The Company (or the Trustee with respect to the Notes in accordance with the terms of the Indenture and the Supplemental Indenture, as applicable) shall maintain at its principal executive offices (or such other office or agency of the Company as it may designate by notice to each holder of Securities), a register for the Notes in which the Company (or the Trustee, as applicable) shall record the name and address of the Person in whose name the Notes have been issued (including the name and address of each transferee), the principal amount of the Notes held by such Person and the number of Conversion Shares issuable pursuant to the terms of the Notes held by such Person. The Company (or the Trustee, as applicable) shall keep the register open and available at all times during business hours for inspection of any Buyer or its legal representatives.

(b) Transfer Agent Instructions. The Company shall issue irrevocable instructions to its transfer agent and any subsequent transfer agent (as applicable, the “**Transfer Agent**”) in a form acceptable to each of the Buyers (the “**Irrevocable Transfer Agent Instructions**”) to issue certificates or credit shares to the applicable balance accounts at The Depository Trust Company (“**DTC**”), registered in the name of each Buyer or its respective nominee(s), for the Conversion Shares in such amounts as specified from time to time by each Buyer to the Company upon conversion of the Notes. The Company represents and warrants that no instruction other than the Irrevocable Transfer Agent Instructions referred to in this Section 5(b)(i) will be given by the Company to its transfer agent with respect to the Securities, and that the Securities shall otherwise be freely transferable on the books and records of the Company, as applicable, to the extent provided in this Agreement and the other Transaction Documents. If a Buyer effects a sale, assignment or transfer of any Securities, the Company shall permit the transfer and shall promptly instruct its transfer agent to issue one or more certificates or credit shares to the applicable balance accounts at DTC in such name and in such denominations as specified by such Buyer to effect such sale, transfer or assignment. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to each Buyer. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Section 5(b) will be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Section 5(b) that each Buyer shall be entitled, in addition to all other available remedies, to an order and/or injunction restraining any breach and requiring immediate issuance and transfer, without the necessity of showing economic loss and

without any bond or other security being required. The Company shall cause its counsel to issue the legal opinion referred to in the Irrevocable Transfer Agent Instructions, if requested or required, as applicable, by the Transfer Agent, to the Transfer Agent as follows: (i) upon each conversion of the Notes (unless such issuance is covered by a prior legal opinion previously delivered to the Transfer Agent) and (ii) on each date a registration statement with respect to the issuance or resale of any of the Securities is declared effective by the SEC. Any fees (with respect to the transfer agent, counsel to the Company or otherwise) associated with the issuance of such opinion or the removal of any legends on any of the Securities shall be borne by the Company.

(c) No Legends. Certificates and any other instruments evidencing the Securities shall not bear any restrictive or other legend.

(d) FAST Compliance. While any Notes remain outstanding, the Company shall maintain a transfer agent that participates in the DTC Fast Automated Securities Transfer Program.

6. CONDITIONS TO THE COMPANY'S OBLIGATION TO SELL.

(a) The obligation of the Company hereunder to issue and sell the Initial Notes to each Buyer at the Initial Closing is subject to the satisfaction, at or before the Initial Closing Date, of each of the following conditions, provided that these conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion by providing each Buyer with prior written notice thereof:

(i) Such Buyer shall have executed each of the other Transaction Documents to which it is a party and delivered the same to the Company.

(ii) Such Buyer and each other Buyer shall have delivered to the Company the Initial Purchase Price (less, in the case of any Buyer, the amounts withheld pursuant to Section 4(j)) for the Initial Note being purchased by such Buyer at the Initial Closing by wire transfer of immediately available funds in accordance with the Initial Flow of Funds Letter (as defined below).

(iii) The representations and warranties of such Buyer shall be true and correct in all material respects as of the date when made and as of the Initial Closing Date as though originally made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date), and such Buyer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by such Buyer at or prior to the Initial Closing Date.

(iv) Each Buyer shall have duly executed and delivered to the Company the leak-out agreement in the form attached hereto as Exhibit B (the "**Leak-Out Agreement**").

(b) The obligation of the Company hereunder to issue and sell such applicable Additional Notes to each Buyer at such Additional Closing is subject to the satisfaction, at

or before such applicable Additional Closing Date, of each of the following conditions, provided that these conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion by providing each Buyer with prior written notice thereof:

(i) Such Buyer shall have executed each of the other Transaction Documents to which it is a party and delivered the same to the Company.

(ii) Such Buyer and each other Buyer shall have delivered to the Company the Additional Purchase Price (less, in the case of any Buyer, the amounts withheld pursuant to Section 4(j)) for the Additional Note being purchased by such Buyer at such Additional Closing by wire transfer of immediately available funds in accordance with such applicable Additional Flow of Funds Letter (as defined below).

(iii) The representations and warranties of such Buyer shall be true and correct in all material respects as of the date when made and as of such Additional Closing Date as though originally made at that time (except for representations and warranties that speak a of a specific date, which shall be true and correct as of such specific date), and such Buyer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by such Buyer at or prior to such Additional Closing Date.

7. CONDITIONS TO EACH BUYER'S OBLIGATION TO PURCHASE.

(a) The obligation of each Buyer hereunder to purchase its Initial Note at the Initial Closing is subject to the satisfaction, at or before the Initial Closing Date, of each of the following conditions, provided that these conditions are for each Buyer's sole benefit and may be waived by such Buyer at any time in its sole discretion by providing the Company with prior written notice thereof:

(i) The Company shall have duly executed and delivered to such Buyer each of the Transaction Documents to which it is a party and the Company shall have duly executed and delivered to such Buyer an Initial Note in such original principal amount as is set forth across from such Buyer's name in column (3) of the Schedule of Buyers as being purchased by such Buyer at the Initial Closing pursuant to this Agreement.

(ii) Such Buyer shall have received the legal opinion (or a reliance letter, as applicable) with respect to matters of Cayman Islands law from the Company's Cayman Islands legal counsel, the legal opinion with respect to matters of U.S. law from the Company's United States counsel, and the legal opinion with respect to matters of PRC law from the Company's PRC counsel, each dated as of the Initial Closing Date, in the form acceptable to such Buyer.

(iii) The Company shall have delivered to such Buyer a copy of the Irrevocable Transfer Agent Instructions, in the form acceptable to such Buyer, which instructions shall have been delivered to and acknowledged in writing by

the Company's transfer agent and shall remain in full force and effect as of such Initial Closing Date.

(iv) The Company shall have delivered to such Buyer a certificate evidencing the formation and good standing of the Company in such entity's jurisdiction of formation issued by the Secretary of State (or comparable office) of such jurisdiction of formation as of a date within ten (10) days of the Initial Closing Date.

(v) The Company shall have delivered to such Buyer a certified copy of the Memorandum and Articles of Association as registered with the Registrar of Companies of the Cayman Islands.

(vi) The Company shall have delivered to such Buyer a certificate, in the form reasonably acceptable to such Buyer, executed by the Secretary or the Chief Financial Officer of the Company and dated as of the Initial Closing Date, as to (i) the resolutions consistent with Section 3(b) as adopted by the Company's board of directors in a form reasonably acceptable to such Buyer, (ii) the Articles of Association of the Company, and (iii) the Memorandum of Association of the Company, in each case, as in effect at the Initial Closing.

(vii) Each and every representation and warranty of the Company shall be true and correct as of the date when made and as of the Initial Closing Date as though originally made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date) and the Company shall have performed, satisfied and complied in all respects with the covenants, agreements and conditions required to be performed, satisfied or complied with by the Company at or prior to the Initial Closing Date. Such Buyer shall have received a certificate, duly executed by the Chief Executive Officer of the Company, dated as of the Initial Closing Date, to the foregoing effect.

(viii) The Company shall have delivered to such Buyer a copy of the Company's transfer agent certifying the number of Ordinary Shares outstanding on the Initial Closing Date immediately prior to the Initial Closing.

(ix) The Ordinary Shares (A) shall be designated for quotation or listed (as applicable) on the Principal Market and (B) shall not have been suspended, as of the Initial Closing Date, by the SEC or the Principal Market from trading on the Principal Market nor shall suspension by the SEC or the Principal Market have been threatened, as of the Initial Closing Date, either (I) in writing by the SEC or the Principal Market or (II) by falling below the minimum maintenance requirements of the Principal Market.

(x) The Company shall have obtained all governmental, regulatory or third party consents and approvals, if any, necessary for the sale of the Securities, including without limitation, those required by the Principal Market, if any.

(xi) No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court

or Governmental Entity of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents.

(xii) Since the date of execution of this Agreement, no event or series of events shall have occurred that reasonably would have or result in a Material Adverse Effect.

(xiii) The Company shall have obtained approval of the Principal Market to list or designate for quotation (as the case may be) the applicable Conversion Shares to the extent required.

(xiv) The Trustee shall have duly executed and delivered to the Company and such Buyer the Indenture, the Supplemental Indenture for such Initial Notes to be issued in the Initial Closing and the custodian agreements in the form attached hereto as Exhibit C (each, a “**Custodian Agreement**”). The Indenture and the Supplemental Indenture for such Initial Notes shall be qualified under the TIA.

(xv) No bona fide dispute shall exist, by and between (or among) any of the Buyers, the Trustee and/or the Company, which dispute is reasonably related to this Agreement, any of the Securities and/or the transactions contemplated hereby or thereby, as applicable.

(xvi) From the date hereof to the Initial Closing Date, (i) trading in the Ordinary Shares shall not have been suspended by the SEC or the Principal Market (except for any suspension of trading of limited duration agreed to by the Company, which suspension shall be terminated prior to the Initial Closing), and, (ii) at any time prior to the Initial Closing Date, trading in securities generally as reported by Bloomberg L.P. shall not have been suspended or limited, or minimum prices shall not have been established on securities whose trades are reported by such service, or on the Principal Market, nor shall a banking moratorium have been declared either by the United States or New York State authorities nor shall there have occurred any material outbreak or escalation of hostilities or other national or international calamity of such magnitude in its effect on, or any material adverse change in, any financial market which, in each case, in the reasonable judgment of each Buyer, makes it impracticable or inadvisable to purchase the Securities at the Initial Closing.

(xvii) The Registration Statement shall be effective and available for the issuance and sale of the Initial Notes to be issued in the Initial Closing and the Conversion Shares issuable upon conversion thereof pursuant to the terms of the Indenture and the Supplemental Indenture for the Initial Notes and the Company shall have delivered to such Buyer the Prospectus and the Prospectus Supplement with respect thereto as required hereunder and thereunder.

(xviii) The Company shall have filed a Form T-1, in form and substance satisfactory to the Trustee, available for use with the transaction contemplated hereby in accordance with TIA 305(b)(2).

(xix) Each Buyer shall have duly executed and delivered to the Company a Leak-Out Agreement.

(xx) The Company shall have duly executed and delivered the administrative fee letter, with StructureCo Opportunities LLC, in the form attached hereto as Exhibit D (the “**Administrative Fee Letter**”).

(xxi) Such Buyer shall have received a letter on the letterhead of the Company (the “**Initial Flow of Funds Letter**”) duly executed by the Chief Executive Officer of the Company, setting forth the wire amounts of each Buyer and the wire transfer instructions of the Company with respect to the Initial Closing.

(xxii) The Company and its Subsidiaries shall have delivered to such Buyer such other documents, instruments or certificates relating to the transactions contemplated by this Agreement as such Buyer or its counsel may reasonably request and which are commonly required for similar transactions.

(b) The obligation of each Buyer hereunder to purchase its Additional Note at such Additional Closing is subject to the satisfaction, at or before such applicable Additional Closing Date, of each of the following conditions, provided that these conditions are for each Buyer’s sole benefit and may be waived by such Buyer at any time in its sole discretion by providing the Company with prior written notice thereof:

(i) The Company shall have duly executed and delivered to such Buyer each of the Transaction Documents to which it is a party and the Company shall have duly executed and delivered to such Buyer an Additional Note in such original principal amount as being purchased by such Buyer at such Additional Closing pursuant to this Agreement.

(ii) Such Buyer shall have received the legal opinion (or reliance letter, as applicable) with respect to matters of Cayman Islands law from the Company’s Cayman Islands legal counsel, the legal opinion with respect to matters of U.S. law from the Company’s United States counsel, and the legal opinion with respect to matters of PRC law from the Company’s PRC counsel, each dated as of such Additional Closing Date, in the form acceptable to such Buyer.

(iii) The Company shall have delivered to such Buyer a copy of the Irrevocable Transfer Agent Instructions, in the form acceptable to such Buyer, which instructions shall have been delivered to and acknowledged in writing by the Company’s transfer agent and shall remain in full force and effect as of such Additional Closing Date.

(iv) The Company shall have delivered to such Buyer a certificate evidencing the formation and good standing of the Company in such entity’s jurisdiction of formation issued by the Secretary of State (or comparable office) of such jurisdiction of formation as of a date within ten (10) days of such Additional Closing Date.

(v) The Company shall have delivered to such Buyer a certified copy of the Memorandum and Articles of Association as registered with the Registrar of Companies of the Cayman Islands.

(vi) The Company shall have delivered to such Buyer a certificate, in the form reasonably acceptable to such Buyer, executed by the Secretary or the Chief Financial Officer of the Company and dated as of such Additional Closing Date, as to (i) the resolutions consistent with Section 3(b) as adopted by the Company's board of directors in a form reasonably acceptable to such Buyer, (ii) the Articles of Association of the Company and (iii) the Memorandum of Association of the Company, in each case, as in effect at such Additional Closing.

(vii) Each and every representation and warranty of the Company shall be true and correct as of the date when made and as of such Additional Closing Date as though originally made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date) and the Company shall have performed, satisfied and complied in all respects with the covenants, agreements and conditions required to be performed, satisfied or complied with by the Company at or prior to such Additional Closing Date. Such Buyer shall have received a certificate, duly executed by the Chief Executive Officer of the Company, dated as of such Additional Closing Date, to the foregoing effect.

(viii) The Company shall have delivered to such Buyer a letter from the Company's transfer agent certifying the number of Ordinary Shares outstanding on such Additional Closing Date immediately prior to such Additional Closing.

(ix) The Ordinary Shares (A) shall be designated for quotation or listed (as applicable) on the Principal Market and (B) shall not have been suspended, as of such Additional Closing Date, by the SEC or the Principal Market from trading on the Principal Market nor shall suspension by the SEC or the Principal Market have been threatened, as of such Additional Closing Date, either (I) in writing by the SEC or the Principal Market or (II) by falling below the minimum maintenance requirements of the Principal Market.

(x) The Company shall have obtained all governmental, regulatory or third party consents and approvals, if any, necessary for the sale of the Securities, including without limitation, those required by the Principal Market, if any.

(xi) No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or Governmental Entity of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents.

(xii) Since the date of execution of this Agreement, no event or series of events shall have occurred that reasonably would have or result in a Material Adverse Effect.

(xiii) The Company shall have obtained approval of the Principal Market to list or designate for quotation (as the case may be) the Conversion Shares

issuable upon conversion of such Additional Notes to be sold in such Additional Closing.

(xiv) From the date hereof to such Additional Closing Date, (i) trading in the Ordinary Shares shall not have been suspended by the SEC or the Principal Market (except for any suspension of trading of limited duration agreed to by the Company, which suspension shall be terminated prior to such Additional Closing), and, (ii) at any time prior to such Additional Closing Date, trading in securities generally as reported by Bloomberg L.P. shall not have been suspended or limited, or minimum prices shall not have been established on securities whose trades are reported by such service, or on the Principal Market, nor shall a banking moratorium have been declared either by the United States or New York State authorities nor shall there have occurred any material outbreak or escalation of hostilities or other national or international calamity of such magnitude in its effect on, or any material adverse change in, any financial market which, in each case, in the reasonable judgment of each Buyer, makes it impracticable or inadvisable to purchase the Securities at such Additional Closing.

(xv) The Registration Statement shall be effective and available for the issuance and sale of the Additional Notes to be issued in such Additional Closing and the Conversion Shares issuable upon conversion thereof pursuant to the terms of the Indenture and the Supplemental Indenture for such Additional Note and the Company shall have delivered to such Buyer the Prospectus and the Prospectus Supplement with respect thereto as required hereunder and thereunder.

(xvi) The Trustee shall have duly executed and delivered to the Company and such Buyer the applicable the Supplemental Indenture for such Additional Notes to be issued in such Additional Closing and the Custodian Agreements in the form attached hereto as Exhibit C. The Indenture and the Supplemental Indenture for such Additional Notes shall be qualified under the TIA.

(xvii) No bona fide dispute shall exist, by and between (or among) any of the Buyers, any holder of Notes, the Trustee and/or the Company, which dispute is reasonably related to this Agreement, any of the Securities and/or the transactions contemplated hereby or thereby, as applicable.

(xviii) Such Buyer shall have received a letter on the letterhead of the Company (each, a “**Additional Flow of Funds Letter**”) duly executed by the Chief Executive Officer of the Company, setting forth the wire amounts of each Buyer and the wire transfer instructions of the Company with respect to such Additional Closing.

(xix) The aggregate outstanding Indebtedness on Schedule 3(s), as updated by the Company on or prior to each Additional Closing, exceeds the aggregate outstanding Indebtedness (and/or the aggregate amount of secured Indebtedness, as applicable) as of the Initial Closing Date.

(xx) The Company and its Subsidiaries shall have delivered to such Buyer such other documents, instruments or certificates relating to the transactions contemplated by this Agreement as such Buyer or its counsel may reasonably request and which are commonly required for similar transactions.

8. TERMINATION.

In the event that the Initial Closing shall not have occurred with respect to a Buyer within five (5) days of the date hereof, then such Buyer shall have the right to terminate its obligations under this Agreement with respect to itself at any time on or after the close of business on such date without liability of such Buyer to any other party; provided, however, (i) the right to terminate this Agreement under this Section 8 shall not be available to such Buyer if the failure of the transactions contemplated by this Agreement to have been consummated by such date is the result of such Buyer's breach of this Agreement and (ii) the abandonment of the sale and purchase of the Notes shall be applicable only to such Buyer providing such written notice, provided further that no such termination shall affect any obligation of the Company under this Agreement to reimburse such Buyer for the expenses described in Section 4(j) above. Nothing contained in this Section 8 shall be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or the other Transaction Documents or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement or the other Transaction Documents.

9. MISCELLANEOUS.

(a) Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any provision of law or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. The Company hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or under any of the other Transaction Documents or with any transaction contemplated hereby or thereby, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. The Company hereby appoints Cogency Global Inc., as its agent for service of process in New York. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Nothing contained herein shall be deemed or operate to preclude any Buyer from bringing suit or taking other legal action against the Company in any other jurisdiction to collect on the Company's obligations to such Buyer or to enforce a judgment or other court ruling in favor of such Buyer. **EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO,**

AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR UNDER ANY OTHER TRANSACTION DOCUMENT OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT, ANY OTHER TRANSACTION DOCUMENT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY. The choice of the laws of the State of New York as the governing law of this Agreement is a valid choice of law and would be recognized and given effect to in any action brought before a court of competent jurisdiction in the Cayman Islands, except for those laws (i) which such court considers to be procedural in nature, (ii) which are revenue or penal laws or (iii) the application of which would be inconsistent with public policy, as such term is interpreted under the laws of the Cayman Islands. The choice of laws of the State of New York as the governing law of this Agreement will be honored by competent courts in the PRC, subject to compliance with relevant PRC civil procedural requirements. The Company or any of their respective properties, assets or revenues does not have any right of immunity under Cayman Islands, the PRC or New York law, from any legal action, suit or proceeding, from the giving of any relief in any such legal action, suit or proceeding, from set-off or counterclaim, from the jurisdiction of any Cayman Islands and the PRC, New York or United States federal court, from service of process, attachment upon or prior to judgment, or attachment in aid of execution of judgment, or from execution of a judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of a judgment, in any such court, with respect to its obligations, liabilities or any other matter under or arising out of or in connection with this Agreement; and, to the extent that the Company, or any of its properties, assets or revenues may have or may hereafter become entitled to any such right of immunity in any such court in which proceedings may at any time be commenced, the Company hereby waives such right to the extent permitted by law and hereby consents to such relief and enforcement as provided in this Agreement and the other Transaction Documents.

(b) Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

(c) Headings; Gender. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. The terms “including,” “includes,” “include” and words of like import shall be construed broadly as if followed by the words “without limitation.” The terms “herein,” “hereunder,” “hereof” and words of like import refer to this entire Agreement instead of just the provision in which they are found.

(d) Severability; Maximum Payment Amounts. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited,

invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s). Notwithstanding anything to the contrary contained in this Agreement or any other Transaction Document (and without implication that the following is required or applicable), it is the intention of the parties that in no event shall amounts and value paid by the Company and/or any of its Subsidiaries (as the case may be), or payable to or received by any of the Buyers, under the Transaction Documents (including without limitation, any amounts that would be characterized as “interest” under applicable law) exceed amounts permitted under any applicable law. Accordingly, if any obligation to pay, payment made to any Buyer, or collection by any Buyer pursuant to the Transaction Documents is finally judicially determined to be contrary to any such applicable law, such obligation to pay, payment or collection shall be deemed to have been made by mutual mistake of such Buyer, the Company and its Subsidiaries and such amount shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by the applicable law. Such adjustment shall be effected, to the extent necessary, by reducing or refunding, at the option of such Buyer, the amount of interest or any other amounts which would constitute unlawful amounts required to be paid or actually paid to such Buyer under the Transaction Documents. For greater certainty, to the extent that any interest, charges, fees, expenses or other amounts required to be paid to or received by such Buyer under any of the Transaction Documents or related thereto are held to be within the meaning of “interest” or another applicable term to otherwise be violative of applicable law, such amounts shall be pro-rated over the period of time to which they relate.

(e) Entire Agreement; Amendments. This Agreement, the other Transaction Documents and the schedules and exhibits attached hereto and thereto and the instruments referenced herein and therein supersede all other prior oral or written agreements between the Buyers, the Company, its Subsidiaries, their affiliates and Persons acting on their behalf, including, without limitation, any transactions by any Buyer with respect to Ordinary Shares or the Securities, and the other matters contained herein and therein, and this Agreement, the other Transaction Documents, the schedules and exhibits attached hereto and thereto and the instruments referenced herein and therein contain the entire understanding of the parties solely with respect to the matters covered herein and therein; provided, however, nothing contained in this Agreement or any other Transaction Document shall (or shall be deemed to) (i) have any effect on any agreements any Buyer has entered into with, or any instruments any Buyer has received from, the Company or any of its Subsidiaries prior to the date hereof with respect to any prior investment made by such Buyer in the Company or (ii) waive, alter, modify or amend in any respect any obligations of the Company or any of its Subsidiaries, or any rights of or benefits to any

Buyer or any other Person, in any agreement entered into prior to the date hereof between or among the Company and/or any of its Subsidiaries and any Buyer, or any instruments any Buyer received from the Company and/or any of its Subsidiaries prior to the date hereof, and all such agreements and instruments shall continue in full force and effect. Except as specifically set forth herein or therein, neither the Company nor any Buyer makes any representation, warranty, covenant or undertaking with respect to such matters. For clarification purposes, the Recitals are part of this Agreement. No provision of this Agreement may be amended other than by an instrument in writing signed by the Company and the Required Holders (as defined below), and any amendment to any provision of this Agreement made in conformity with the provisions of this Section 9(e) shall be binding on all Buyers and holders of Securities, as applicable; provided that no such amendment shall be effective to the extent that it (A) applies to less than all of the holders of the Securities then outstanding or (B) imposes any obligation or liability on any Buyer without such Buyer's prior written consent (which may be granted or withheld in such Buyer's sole discretion). Notwithstanding anything in any Transaction Document to the contrary, no waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party, provided that the Required Holders may waive any provision of this Agreement or any other Transaction Document, and any waiver of any provision of this Agreement or any other Transaction Document made in conformity with the provisions of this Section 9(e) shall be binding on all Buyers and holders of Securities, as applicable, provided that no such waiver shall be effective to the extent that it (1) applies to less than all of the holders of the Securities then outstanding (unless a party gives a waiver as to itself only) or (2) imposes any obligation or liability on any Buyer without such Buyer's prior written consent (which may be granted or withheld in such Buyer's sole discretion). No consideration (other than reimbursement of legal fees) shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of any of the Transaction Documents unless the same consideration also is offered to all of the parties to the Transaction Documents, all holders of the Notes. From the date hereof and while any Notes are outstanding, the Company shall not be permitted to receive any consideration from a Buyer or a holder of Notes that is not otherwise contemplated by the Transaction Documents in order to, directly or indirectly, induce the Company or any Subsidiary (i) to treat such Buyer or holder of Notes in a manner that is more favorable than to other similarly situated Buyers or holders of Notes, or (ii) to treat any Buyer(s) or holder(s) of Notes in a manner that is less favorable than the Buyer or holder of Notes that is paying such consideration; provided, however, that the determination of whether a Buyer has been treated more or less favorably than another Buyer shall disregard any securities of the Company purchased or sold by any Buyer. The Company has not, directly or indirectly, made any agreements with any Buyers relating to the terms or conditions of the transactions contemplated by the Transaction Documents except as set forth in the Transaction Documents. Without limiting the foregoing, the Company confirms that, except as set forth in this Agreement, no Buyer has made any commitment or promise or has any other obligation to provide any financing to the Company, any Subsidiary or otherwise. As a material inducement for each Buyer to enter into this Agreement, the Company expressly acknowledges and agrees that (x) no due diligence or other investigation or inquiry conducted by a Buyer, any of its advisors or any of its representatives shall affect such Buyer's right to rely on, or shall modify or qualify in any manner or be an exception to any of, the Company's representations and warranties contained in this Agreement or any other Transaction

Document and (y) unless a provision of this Agreement or any other Transaction Document is expressly qualified by the phrase “except as disclosed in the SEC Documents” (which for the avoidance of doubt, includes the representations and warranties in Section 3 hereof other than such representations and warranties set forth in Section 3(a) through Section 3(e)), nothing contained in any of the SEC Documents shall affect such Buyer’s right to rely on, or shall modify or qualify in any manner or be an exception to any of, the Company’s representations and warranties contained in this Agreement or any other Transaction Document. “**Required Holders**” means either (i) ATW Mobility SPV LLC or (ii) after the Second Tranche Additional Closing Expiration Date (or, if earlier, the date all Additional Notes issuable hereunder have been issued to the Buyers), if ATW Mobility SPV LLC does not hold any Securities of the Company, holders of a majority of the Underlying Securities as of such time (excluding any Underlying Securities held by the Company or any of its Subsidiaries as of such time) issued or issuable hereunder or pursuant to the Notes (or the Buyers, with respect to any waiver or amendment of Section 4(r)).

(f) Notices. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by electronic mail (provided that such sent email is kept on file (whether electronically or otherwise) by the sending party and the sending party does not receive an automatically generated message from the recipient’s email server that such e-mail could not be delivered to such recipient); or (iii) five (5) Business Day after deposit with an international courier service (or one (1) Business Day after deposit with an overnight courier service with next day delivery specified), in each case, properly addressed to the party to receive the same. The mailing addresses and e-mail addresses for such communications shall be:

If to the Company:

ECARX Holdings Inc. International House
1 St. Katharine’s Way
London E1W 1UN

United Kingdom Attention: Henry Yu
E-Mail: henry.yu@ecarxgroup.com

With a copy (for informational purposes only) to:

Skadden, Arps, Slate, Meagher & Flom 42/F, Edinburgh Tower,
The Landmark 15 Queen’s Road Central, Hong Kong Telephone:
(852) 3740-4700 Attention: Shu Du

E-Mail: Shu.Du@skadden.com If to the Transfer Agent:

Continental Stock Transfer & Trust Company 1 State Street, 30th floor
New York, NY 10004 Telephone: 800-509-5586 Attention:
Compliance Dept.
E-Mail: Compliance@continentalstock.cm

If to a Buyer, to its mailing address and e-mail address set forth on the Schedule of Buyers, with copies to such Buyer's representatives as set forth on the Schedule of Buyers, with a copy (for informational purposes only) to:

Kelley Drye & Warren LLP
3 World Trade Center
175 Greenwich Street New York, NY 10007
Telephone: (212) 808-7540 Attention: Michael A. Adelstein, Esq.
E-mail: madelstein@kelleydrye.com

or to such other mailing address and/or e-mail address and/or to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change, provided that Kelley Drye & Warren LLP shall only be provided copies of notices sent to the lead Buyer. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's e-mail containing the time, date and recipient's e-mail or (C) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by e-mail or receipt from an overnight courier service in accordance with clause (i), (ii) or (iii) above, respectively.

(g) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including any purchasers of any of the Notes (but excluding any purchasers of Underlying Securities, unless pursuant to a written assignment by such Buyer). The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Required Holders, including, without limitation, by way of a Fundamental Transaction (unless the Company is in compliance with the applicable provisions governing Fundamental Transactions set forth in the Notes). A Buyer may assign some or all of its rights hereunder in connection with any transfer of any of its Securities without

the consent of the Company to any Affiliates, partners, limited partners or members of such Buyer, in which event such assignee shall be deemed to be a Buyer hereunder with respect to such assigned rights.

(h) No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, other than the Indemnitees referred to in Section 9(k).

(i) Survival. The representations, warranties, agreements and covenants shall survive each Closing. Each Buyer shall be responsible only for its own representations, warranties, agreements and covenants hereunder.

(j) Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(k) Indemnification.

(i) In consideration of each Buyer's execution and delivery of the Transaction Documents and acquiring the Securities thereunder and in addition to all of the Company's other obligations under the Transaction Documents, the Company shall defend, protect, indemnify and hold harmless each Buyer and each holder of any Securities and all of their shareholders, partners, members, officers, directors, employees and direct or indirect investors and any of the foregoing Persons' agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "Indemnitees") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements (the "Indemnified Liabilities"), incurred by any Indemnitee as a result of, or arising out of, or relating to (i) any misrepresentation or breach of any representation or warranty made by the Company or any Subsidiary in any of the Transaction Documents, (ii) any breach of any covenant, agreement or obligation of the Company or any Subsidiary contained in any of the Transaction Documents or (iii) any cause of action, suit, proceeding or claim brought or made against such Indemnitee by a third party (including for these purposes a derivative action brought on behalf of the Company or any Subsidiary) or which otherwise involves such Indemnitee that arises out of or results from (A) the execution, delivery, performance or enforcement of any of the Transaction Documents, (B) any transaction financed or to be financed in whole or in part, directly or indirectly, with the proceeds of the issuance of the Securities, (C) any disclosure properly made by such Buyer pursuant to Section 4(l), or (D) the status of such Buyer or holder of the Securities either as an investor in the Company pursuant to the transactions contemplated by the Transaction Documents or as a party to this Agreement (including, without

limitation, as a party in interest or otherwise in any action or proceeding for injunctive or other equitable relief). To the extent that the foregoing undertaking by the Company may be unenforceable for any reason, the Company shall make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law.

(ii) Promptly after receipt by an Indemnitee under this Section 9(k) of notice of the commencement of any action or proceeding (including any governmental action or proceeding) involving an Indemnified Liability, such Indemnitee shall, if a claim in respect thereof is to be made against the Company under this Section 9(k), deliver to the Company a written notice of the commencement thereof, and the Company shall have the right to participate in, and, to the extent the Company so desires, to assume control of the defense thereof with counsel mutually satisfactory to the Company and the Indemnitee; provided, however, that an Indemnitee shall have the right to retain its own counsel with the fees and expenses of such counsel to be paid by the Company if: (A) the Company has agreed in writing to pay such fees and expenses; (B) the Company shall have failed promptly to assume the defense of such Indemnified Liability and to employ counsel reasonably satisfactory to such Indemnitee in any such Indemnified Liability; or (C) the named parties to any such Indemnified Liability (including any impleaded parties) include both such Indemnitee and the Company, and such Indemnitee shall have been advised by counsel that a conflict of interest is likely to exist if the same counsel were to represent such Indemnitee and the Company (in which case, if such Indemnitee notifies the Company in writing that it elects to employ separate counsel at the expense of the Company, then the Company shall not have the right to assume the defense thereof and such counsel shall be at the expense of the Company), provided further, that in the case of clause (C) above the Company shall not be responsible for the reasonable fees and expenses of more than one(1) separate legal counsel for the Indemnitees. The Indemnitee shall reasonably cooperate with the Company in connection with any negotiation or defense of any such action or Indemnified Liability by the Company and shall furnish to the Company all information reasonably available to the Indemnitee which relates to such action or Indemnified Liability. The Company shall keep the Indemnitee reasonably apprised at all times as to the status of the defense or any settlement negotiations with respect thereto. The Company shall not be liable for any settlement of any action, claim or proceeding effected without its prior written consent, provided, however, that the Company shall not unreasonably withhold, delay or condition its consent. The Company shall not, without the prior written consent of the Indemnitee, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnitee of a release from all liability in respect to such Indemnified Liability or litigation, and such settlement shall not include any admission as to fault on the part of the Indemnitee. Following indemnification as provided for hereunder, the Company shall be subrogated to all rights of the Indemnitee with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The failure to deliver written notice to the Company within a reasonable time of the commencement of any such action shall not relieve the Company of

any liability to the Indemnitee under this Section 9(k), except to the extent that the Company is materially and adversely prejudiced in its ability to defend such action.

(iii) The indemnification required by this Section 9(k) shall be made by periodic payments of the amount thereof during the course of the investigation or defense, within ten (10) days after bills are received or Indemnified Liabilities are incurred.

(iv) The indemnity agreement contained herein shall be in addition to (A) any cause of action or similar right of the Indemnitee against the Company or others, and (B) any liabilities the Company may be subject to pursuant to the law.

(l) Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. No specific representation or warranty shall limit the generality or applicability of a more general representation or warranty. Each and every reference to share prices, Ordinary Shares and any other numbers in this Agreement that relate to the Ordinary Shares shall be automatically adjusted for any share subdivision, share dividends, share combinations or consolidation, recapitalizations or other similar transactions that occur with respect to the Ordinary Shares, after the date of this Agreement. Notwithstanding anything in this Agreement to the contrary but subject to Section 4(x), for the avoidance of doubt, nothing contained herein shall constitute a representation or warranty against, or a prohibition of, any actions with respect to the borrowing of, arrangement to borrow, identification of the availability of, and/or securing of, securities of the Company in order for such Buyer (or its broker or other financial representative) to effect short sales or similar transactions in the future.

(m) Remedies. Each Buyer and in the event of assignment by Buyer of its rights and obligations hereunder, each holder of Securities, shall have all rights and remedies set forth in the Transaction Documents and all rights and remedies which such holders have been granted at any time under any other agreement or contract and all of the rights which such holders have under any law. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. Furthermore, the Company recognizes that in the event that it or any Subsidiary fails to perform, observe, or discharge any or all of its or such Subsidiary's (as the case may be) obligations under the Transaction Documents, any remedy at law would be inadequate relief to the Buyers. The Company therefore agrees that the Buyers shall be entitled to specific performance and/or temporary, preliminary and permanent injunctive or other equitable relief from any court of competent jurisdiction in any such case without the necessity of proving actual damages and without posting a bond or other security. The remedies provided in this Agreement and the other Transaction Documents shall be cumulative and in addition to all other remedies available under this Agreement and the other Transaction Documents, at law or in equity (including a decree of specific performance and/or other injunctive relief).

(n) Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) the Transaction Documents, whenever any Buyer exercises a right, election, demand or option under a Transaction Document and the Company or any Subsidiary does not timely perform its related obligations within the periods therein provided, then such Buyer may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company or such Subsidiary (as the case may be), any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

(o) Payment Set Aside; Currency. To the extent that the Company makes a payment or payments to any Buyer hereunder or pursuant to any of the other Transaction Documents or any of the Buyers enforce or exercise their rights hereunder or thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other Person under any law (including, without limitation, any bankruptcy law, foreign, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred. Unless otherwise expressly indicated, all dollar amounts referred to in this Agreement and the other Transaction Documents are in United States Dollars (“**U.S. Dollars**”), and all amounts owing under this Agreement and all other Transaction Documents shall be paid in U.S. Dollars. All amounts denominated in other currencies (if any) shall be converted into the U.S. Dollar equivalent amount in accordance with the Exchange Rate on the date of calculation. “**Exchange Rate**” means, in relation to any amount of currency to be converted into U.S. Dollars pursuant to this Agreement, the U.S. Dollar exchange rate as published in the Wall Street Journal on the relevant date of calculation.

(p) Judgment Currency.

(i) If for the purpose of obtaining or enforcing judgment against the Company in connection with this Agreement or any other Transaction Document in any court in any jurisdiction it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 9(p) referred to as the “**Judgment Currency**”) an amount due in US Dollars under this Agreement, the conversion shall be made at the Exchange Rate prevailing on the Trading Day immediately preceding:

(1) the date actual payment of the amount due, in the case of any proceeding in the courts of New York or in the courts of any other jurisdiction that will give effect to such conversion being made on such date: or

(2) the date on which the foreign court determines, in the case of any proceeding in the courts of any other jurisdiction (the date

as of which such conversion is made pursuant to this Section 9(p)(i)(2) being hereinafter referred to as the “**Judgment Conversion Date**”).

(ii) If in the case of any proceeding in the court of any jurisdiction referred to in Section 9(p)(i)(2) above, there is a change in the Exchange Rate prevailing between the Judgment Conversion Date and the date of actual payment of the amount due, the applicable party shall pay such adjusted amount as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the Exchange Rate prevailing on the date of payment, will produce the amount of US Dollars which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial order at the Exchange Rate prevailing on the Judgment Conversion Date.

(iii) Any amount due from the Company under this provision shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of this Agreement or any other Transaction Document.

(q) Independent Nature of Buyers’ Obligations and Rights. The obligations of each Buyer under the Transaction Documents are several and not joint with the obligations of any other Buyer, and no Buyer shall be responsible in any way for the performance of the obligations of any other Buyer under any Transaction Document. Nothing contained herein or in any other Transaction Document, and no action taken by any Buyer pursuant hereto or thereto, shall be deemed to constitute the Buyers as, and the Company acknowledges that the Buyers do not so constitute, a partnership, an association, a joint venture or any other kind of group or entity, or create a presumption that the Buyers are in any way acting in concert or as a group or entity, and the Company shall not assert any such claim with respect to such obligations or the transactions contemplated by the Transaction Documents or any matters, and the Company acknowledges that the Buyers are not acting in concert or as a group, and the Company shall not assert any such claim, with respect to such obligations or the transactions contemplated by the Transaction Documents. The decision of each Buyer to purchase Securities pursuant to the Transaction Documents has been made by such Buyer independently of any other Buyer. Each Buyer acknowledges that no other Buyer has acted as agent for such Buyer in connection with such Buyer making its investment hereunder and that no other Buyer will be acting as agent of such Buyer in connection with monitoring such Buyer’s investment in the Securities or enforcing its rights under the Transaction Documents. The Company and each Buyer confirms that each Buyer has independently participated with the Company and its Subsidiaries in the negotiation of the transaction contemplated hereby with the advice of its own counsel and advisors. Each Buyer shall be entitled to independently protect and enforce its rights, including, without limitation, the rights arising out of this Agreement or out of any other Transaction Documents, and it shall not be necessary for any other Buyer to be joined as an additional party in any proceeding for such purpose. The use of a single agreement to effectuate the purchase and sale of the Securities contemplated hereby was solely in the control of the Company, not the action or decision of any Buyer, and was done solely for the convenience of the Company and its Subsidiaries and not because it was required or requested to do so by any Buyer. It is expressly understood and agreed that each provision contained in this Agreement and in each other Transaction Document is between the

Company, each Subsidiary and a Buyer, solely, and not between the Company, its Subsidiaries and the Buyers collectively and not between and among the Buyers.

[signature pages follow]

IN WITNESS WHEREOF, each Buyer and the Company have caused their respective signature page to this Agreement to be duly executed as of the date first written above.

COMPANY:

ECARX HOLDINGS INC.

By: /s/ Ziyu Shen
Name: Ziyu Shen Title: Director

BUYER:

ATW MOBILITY SPV LLC

By: /s/ Antonio Ruiz-Gimenez Name: Antonio Ruiz-Gimenez
Title: Managing Member

[Signature Page to Securities Purchase Agreement]

SCHEDULE OF BUYERS

Subsidiaries of ECARX Holdings Inc.

Subsidiaries	Jurisdiction of Incorporation
ECARX Group Limited	British Virgin Islands
Future Magic Capital Limited	British Virgin Islands
Ecarx&Co Limited	Cayman Islands
Mobile & Magic Limited	Hong Kong
ECARX Technology Limited	Hong Kong
ECARX Limited	United Kingdom
ECARX Sweden AB	Sweden
HF Tech Europe AB	Sweden
ECARX GmbH	Germany
ECARX SDN. BHD.	Malaysia
ECARX Americas Inc.	United States
ECARX Pte. Ltd.	Singapore
ECARX Technology Pte. Ltd.	Singapore
ECARX Brasil Ltda.	Brazil
ECARX (Zhejiang) Technology Co., Ltd.	Mainland China
ECARX (Hubei) Tech Co., Ltd.	Mainland China
ECARX (Shanghai) Tech Co., Ltd.	Mainland China
ECARX (Shanghai) Smart Tech Co., Ltd.	Mainland China
Hangzhou ECARX Advanced Manufacturing Co., Ltd.	Mainland China
JICA Intelligent Robotics Co., Ltd.	Mainland China
JICA Automotive Electronics (Hangzhou) Technology Co., Ltd.	Mainland China
Suzhou Photon-Matrix Optoelectronics Technology Co., Ltd.	Mainland China
Hubei Dongjun Automotive Electronic Technology Co., Ltd.	Mainland China

Certification by the Principal Financial Officer**Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Ziyu Shen, certify that:

1. I have reviewed this annual report on Form 20-F of ECARX Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 30, 2026

By: /s/ Ziyu Shen

Name: Ziyu Shen

Title: Chief Executive Officer, acting in the capacity of Chief Financial Officer

Certification by the Principal Executive Officer

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of ECARX Holdings Inc. (the "Company") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ziyu Shen, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 30, 2026

By: /Ziyu Shen
Name: Ziyu Shen
Title: Chief Executive Officer

Certification by the Principal Financial Officer

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of ECARX Holdings Inc. (the "Company") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ziyu Shen, acting in the capacity of Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 30, 2026

By: /s/ Ziyu Shen
Name: Ziyu Shen
Title: Chief Executive Officer, acting in the capacity of Chief Financial Officer

Our ref SQG/788453-000001/86048283v1

ECARX Holdings Inc.
PO Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

30 March 2026

Dear Sir or Madam

ECARX Holdings Inc.

We have acted as legal advisers as to the laws of the Cayman Islands to ECARX Holdings Inc., an exempted company with limited liability incorporated in the Cayman Islands (the "**Company**"), in connection with the filing by the Company with the United States Securities and Exchange Commission (the "**SEC**") of an annual report on Form 20-F for the year ended 31 December 2025 (the "**Annual Report**").

We hereby consent to the reference to our firm under the heading "Item 10. Additional Information—E. Taxation—Cayman Islands Tax Considerations" in the Annual Report, and we further consent to the incorporation by reference of the summary of our opinions under this heading into the Company's registration statement on Form S-8 (File No. 333-269756) that was filed on 14 February 2023, pertaining to the Company's 2021 Option Incentive Plan and the Company's 2022 Share Incentive Plan, the Company's registration statement on Form F-3 (Registration No.333-288811) that was filed on 21 July 2025. The Company's post-effective amendment No. 2 to registration statement on Form F-1 on Form F-3 (Registration No. 333-271861) that was filed on 11 April 2024 and the Company's registration statement on Form F-3 (Registration No. 333-283854) that was filed on 23 December 2023.

We also consent to the filing with the SEC of this consent letter as an exhibit to the Annual Report. In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, or under the Securities Exchange Act of 1934, in each case, as amended, or the regulations promulgated thereunder.

Yours faithfully

/s/ Maples and Calder (Hong Kong) LLP
Maples and Calder (Hong Kong) LLP

33/F, HKRI Centre Two, HKRI Taikoo Hui, 288 Shimen Road (No. 1), Jing'an District Shanghai 200041, PRC
Tel: +86 21 6080 0909 Fax: +86 21 6080 0999
Beijing · Shanghai · Shenzhen · Hong Kong · Haikou · Wuhan · Singapore · New York www.hankunlaw.com

March 30, 2026

To: **ECARX Holdings Inc.** (the “Company”)
Second Floor North, International House
1 St. Katharine's Way
London E1W 1UN
United Kingdom

Dear Sirs/Madams,

We have acted as PRC legal counsel as to the laws of the People’s Republic of China (the “PRC”, for purpose of this letter only, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan) to the Company in connection with the filing by the Company with the United States Securities and Exchange Commission (the “SEC”) of an annual report on Form 20-F for the year ended December 31, 2025 (the “Annual Report”).

We hereby consent to the reference of our name under the headings “Item 3. Key Information—Permission Required from the PRC Authorities for Our Operations” and “Item 3. Key Information—D. Risk Factors—Risks Relating to Doing Business in China” in the Annual Report, and further consent to the incorporation by reference of the summary of our opinions into the Company’s registration statement on Form S-8 (File No. 333-269756), the Company’s registration statement on Form F-3 (Registration No. 333-288811), the Company’s registration statement on Form F-3 (File No. 333-271861), and the Company’s registration statement on Form F-3 (File No. 333-283854). We also consent to the filing with the SEC of this consent letter as an exhibit to the Annual Report.

In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, or under the Securities Exchange Act of 1934, in each case, as amended, or the regulations promulgated thereunder.

Yours faithfully,

/s/ Han Kun Law Offices

Han Kun Law Offices

CONFIDENTIALITY. This document contains confidential information which may be protected by privilege from disclosure. Unless you are the intended or authorized recipient, you shall not copy, print, use or distribute it or any part thereof or carry out any act pursuant thereto and shall advise Han Kun Law Offices immediately by telephone, e-mail or facsimile and return it promptly by mail. Thank you.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-269756) on Form S-8 and the registration statements (No. 333-271861, No. 333-283854 and No. 333-288811) on Form F-3 of ECARX Holdings Inc. of our report dated March 30, 2026, with respect to the consolidated financial statements of ECARX Holdings Inc.

/s/ KPMG Huazhen LLP

Shanghai, China
March 30, 2026