Shenzhen Camsense Technologies Co., Ltd.
深圳市歡創科技股份有限公司

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

Stock Code: 6802

GLOBAL OFFERING

Joint Sponsors, Sponsor-Overall Coordinators, Overall Coordinators, Joint Global Coordinators and Joint Bookrunners

CICC 中金公司　　國信證券(香港) GUOSEN SECURITIES (HK)

Overall Coordinator, Joint Global Coordinator and Joint Bookrunner

广发证券 GF SECURITIES

IMPORTANT: If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.

Shenzhen Camsense Technologies Co., Ltd.
深圳市歡創科技股份有限公司

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

GLOBAL OFFERING

Number of Offer Shares in the Global Offering	**:**	**11,588,800 H Shares (subject to the Over-allotment Option)**
Number of Hong Kong Offer Shares	**:**	**1,158,900 H Shares (subject to reallocation)**
Number of International Offer Shares	**:**	**10,429,900 H Shares (subject to reallocation and the Over-allotment Option)**
Offer Price	**:**	**HK$58.85 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal Value	**:**	**RMB1.00 per H Share**
Stock Code	**:**	**6802**

Joint Sponsors, Sponsor-Overall Coordinators, Overall Coordinators, Joint Global Coordinators and Joint Bookrunners

CICC 中金公司　　國信證券(香港) GUOSEN SECURITIES (HK)

Overall Coordinator, Joint Global Coordinator and Joint Bookrunner

广发证券 GF SECURITIES

Joint Bookrunners

建银国际 CCB International　第一上海 FIRST SHANGHAI GROUP　富途證券 FUTU Securities International　華福國際 HUAFU INTERNATIONAL　申萬宏源香港 SWHYHK　SKYVAST 天澤證券　SOMERLEY CAPITAL 新百利融資　老虎證券 TIGER BROKERS

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in "Appendix VII — Documents Delivered to the Registrar of Companies and Available on Display" to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any other document referred to above.

The Offer Price will be HK$58.85 per Offer Share, unless otherwise announced. Applicants for the Hong Kong Offer Shares may be required to pay, on application (subject to application channels), the Offer Price of HK$58.85 for each Hong Kong Offer Share together with brokerage fee of 1.0%, SFC transaction levy of 0.0027%, the AFRC transaction levy of 0.00015% and Hong Kong Stock Exchange trading fee of 0.00565%.

The Overall Coordinators (for themselves and on behalf of the Underwriters, and with our consent) may, where considered appropriate and with our consent, reduce the number of Hong Kong Offer Shares and/or the Offer Price stated in this prospectus which is HK$58.85 at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, notices of the reduction in the number of Hong Kong Offer Shares and/or the Offer Price will be published on the websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.camsense.cn** as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. For more details, see the sections headed "Structure and Conditions of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus.

Prior to making an investment decision, prospective investors should carefully consider all of the information set out in this prospectus, including but not limited to the risk factors set out in the section headed "Risk Factors" in this prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement to subscribe for, and to procure applicants for the subscription for, the Hong Kong Offer Shares, are subject to termination by the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. Such grounds are set out in the section headed "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" in this prospectus.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred within the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

ATTENTION

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the websites of the Stock Exchange (**www.hkexnews.hk**) and our Company (**www.camsense.cn**). **If you require a printed copy of this prospectus, you may download and print from the website addresses above.**

September 22, 2026

IMPORTANT NOTICE TO INVESTORS:

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of the prospectus to the public in relation to the Hong Kong Public Offering.

The prospectus is available at the website of the Stock Exchange at **www.hkexnews.hk** under the "*HKEXnews* > *New Listings* > *New Listing Information*" section, and our website at **www.camsense.cn**. If you require a printed copy of this document, you may download and print from the website addresses above.

To apply for the Hong Kong Offer Shares, you may:

(a) apply online through the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**; or

(b) apply electronically through the **HKSCC EIPO** channel and cause HKSCC Nominees to apply on your behalf by instructing your **broker** or **custodian** who is a HKSCC Participant to **give electronic application instructions** via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of the prospectus are identical to the printed prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong).

*If you are an **intermediary**, **broker** or **agent**, please remind your customers, clients or principals, as applicable, that the prospectus is available online at the website addresses above.*

Please refer to the section headed "How to Apply for Hong Kong Offer Shares" in the prospectus for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application through the **HK eIPO White Form** service or the **HKSCC EIPO** channel must be for a minimum of 100 Hong Kong Offer Shares and in one of the numbers set out in the table.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Hong Kong Offer Shares you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer Shares.

If you are applying through the **HKSCC EIPO** channel, you are required to pre-fund your application based on the amount specified by your broker or custodian, as determined based on the applicable laws and regulations in Hong Kong.

No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
100	5,944.35	2,000	118,887.01	10,000	594,435.02	300,000	17,833,050.68
200	11,888.71	2,500	148,608.75	20,000	1,188,870.05	400,000	23,777,400.90
300	17,833.06	3,000	178,330.51	30,000	1,783,305.07	500,000	29,721,751.13
400	23,777.41	3,500	208,052.26	40,000	2,377,740.09	579,400[1]	34,441,565.21
500	29,721.74	4,000	237,774.01	50,000	2,972,175.11		
600	35,666.10	4,500	267,495.76	60,000	3,566,610.14		
700	41,610.45	5,000	297,217.51	70,000	4,161,045.16		
800	47,554.80	6,000	356,661.01	80,000	4,755,480.18		
900	53,499.15	7,000	416,104.52	90,000	5,349,915.20		
1,000	59,443.51	8,000	475,548.02	100,000	5,944,350.23		
1,500	89,165.25	9,000	534,991.52	200,000	11,888,700.46		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

*If there is any change in the following expected timetable of the Hong Kong Public Offering, we will issue an announcement in Hong Kong to be published on our Company's website at **www.camsense.cn** and the website of the Stock Exchange at **www.hkexnews.hk**.*

Hong Kong Public Offering commences . . . . . 9:00 a.m. on Tuesday, September 22, 2026

Latest time to complete electronic applications under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**(2) . . . . . 11:30 a.m. on Friday, September 25, 2026

Application lists open(3) . . . . . 11:45 a.m. on Friday, September 25, 2026

Latest time to (a) lodge completing payment of **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s) and (b) give **electronic application instructions** to HKSCC(4) . . . . . 12:00 noon on Friday, September 25, 2026

If you are instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf, you are advised to contact your **broker** or **custodian** for the latest time for giving such instructions which may be different from the latest time as stated above.

Application lists close(3) . . . . . 12:00 noon on Friday, September 25, 2026

Announcement of the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares to be published on the website of the Stock Exchange at **www.hkexnews.hk** and our Company's website at **www.camsense.cn**(5) . . . . . no later than 11:00 p.m. on Tuesday, September 29, 2026

The results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels, including:

- from the "Allotment Results" page at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function from . . . . . 11:00 p.m. on Tuesday, September 29, 2026 to 12:00 midnight on Monday, October 5, 2026

- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from . . . . Wednesday, September 30, 2026 to Tuesday, October 6, 2026 (excluding Saturday, Sunday and public holidays in Hong Kong)

H Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before[6] . . . . . Tuesday, September 29, 2026

HK eIPO White Form e-Auto Refund payment instructions/refund checks in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering to be dispatched on or before[7][8] . . . . . Wednesday, September 30, 2026

Dealings in the H Shares on the Stock Exchange expected to commence at . . . . . 9:00 a.m. on Wednesday, September 30, 2026

Notes:

(1) Unless otherwise stated, all times and dates refer to Hong Kong local times and dates.

(2) You will not be permitted to submit your application under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is/are a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, September 25, 2026, the application lists will not open or close on that day. For further details, please see the section headed "How to Apply for Hong Kong Offer Shares — E. Severe Weather Arrangements" in this prospectus.

(4) Applicants who apply for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC via FINI should refer to the section headed "How to Apply for Hong Kong Offer Shares — A. Application for Hong Kong Offer Shares — 2. Application Channels" in this prospectus.

(5) None of the websites or any of the information contained on the websites forms part of this prospectus.

(6) H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date provided that the Global Offering has become unconditional and the right of termination described in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" has not been exercised. Investors who trade H Shares on the basis of publicly available allocation details prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.

(7) **HK eIPO White Form** e-Auto Refund payment instructions/refund checks will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering. Part of the applicant's identification document number, or, if the application is made by joint applicants, part of the identification document number of the first-named applicant, provided by the applicant(s) may be printed on the refund check, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant's identification document number before encashment of the refund check. Inaccurate completion of an applicant's identification document number may invalidate or delay encashment of the refund check.

(8) Applicants who have applied through the **HK eIPO White Form** service for 500,000 or more Hong Kong Offer Shares may collect any H Share certificates in person from the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, September 30, 2026 or any other places or date as notified by us as the date of dispatch of H Share certificates/**HK eIPO White Form** e-Auto Refund payment instructions/refund checks. Applicants being individuals who are eligible for personal collection may not authorize any other person to collect on their behalf. If you are a corporate applicant which is eligible for personal collection, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce evidence of identity acceptable to our H Share Registrar at the time of collection.

Applicants who have applied for Hong Kong Offer Shares through the **HKSCC EIPO** channel should refer to the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" in this prospectus for details.

Applicants who have applied through the **HK eIPO White Form** service and paid their application monies through single bank accounts may have refund monies (if any) dispatched to the bank account in the form of **HK eIPO White Form** e-Auto Refund payment instructions. Applicants who have applied through the **HK eIPO White Form** service and paid their application monies through multiple bank accounts may have refund monies (if any) dispatched to the address as specified in their application instructions in the form of refund checks in favor of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk.

H Share certificates and/or refund checks (if applicable) for applicants who have applied for less than 500,000 Hong Kong Offer Shares and any uncollected H Share certificates will be dispatched by ordinary post, at the applicants' risk, to the addresses specified in the relevant applications.

Further information is set out in the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" in this prospectus.

The above expected timetable is a summary only. For further details of the structure of the Global Offering, including its conditions, and the procedures for applications for Hong Kong Offer Shares, please see the sections headed "Structure and Conditions of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus, respectively.

If the Global Offering does not become unconditional or is terminated in accordance with its terms, the Global Offering will not proceed. In such case, our Company will make an announcement as soon as practicable thereafter.

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IMPORTANT NOTICE TO INVESTORS

This prospectus is issued by us solely in connection with the Hong Kong Public Offering and the Hong Kong Offer Shares and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this prospectus pursuant to the Hong Kong Public Offering. This prospectus may not be used for the purpose of, and does not constitute, an offer or a solicitation of an offer to subscribe for or buy, any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Hong Kong Offer Shares or the distribution in any jurisdiction other than Hong Kong. The distribution of this prospectus and the offering and sale of the Hong Kong Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this prospectus to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries and the Joint Bookrunners, any of the Underwriters, any of our or their respective directors, officers or representatives, or any other person or party involved in the Global Offering.

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This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read this prospectus in its entirety before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the risks involved in investing in the Offer Shares are set out in the "Risk Factors" section of this prospectus. You should read that section carefully before you decide to invest in the Offer Shares. There are unique challenges, risks and uncertainties associated with investing in companies like ours. Your investment decision should be made in light of these considerations.

OVERVIEW

Who We Are

We specialize in developing spatial sensing products, with a focus on robotic vacuums. During the Track Record Period, we primarily generated revenue by supplying spatial sensing components to robotic vacuums for integration into their devices.

We build intelligent spatial sensing systems and provide algorithms and hardware for robotic vacuums. Since inception, our total cumulative shipment volume has surpassed 39 million units. In 2025, the total shipments of LiDAR and line laser sensors exceeded ten million units and five million units, respectively. This underscores our market position in spatial sensing technology and validates the strong demand for our products. In China, robotic vacuum spatial sensing represented only a relatively small portion of the intelligent robot spatial sensing market, accounting for approximately 5.9% of such market in terms of sales revenue in 2025.

Through years of technology development and product iteration, we offer a diversified product matrix covering conventional triangulation LiDAR, direct time-of-flight LiDAR ("**dTOF LiDAR**"), 3D TOF LiDAR and line laser sensors, among others, meeting differentiated needs across various application scenarios. We possess both proprietary submillimeter spatial data processing chip design and core spatial sensing algorithm capabilities.

Our technology framework is deeply rooted in core spatial sensing algorithms that can enable robotic vacuums to accurately sense and perceive their surrounding environment, developing comprehensive spatial understanding capabilities. While spatial sensing faces inherent challenges from variations in light conditions, materials, textures, and object characteristics, our proprietary products significantly enhance environmental adaptability, stability, and interference resistance. Our advanced algorithms and custom chips support millimeter and sub-millimeter levels of precision. Through automated image signal processing and distance measurement, we achieve high consistency and precision across diverse materials and light conditions, thereby enhancing their performance. We continuously refine our products through extensive simulation environments that replicate physical-world conditions, while our over-the-air update capability enables regular enhancements based on customer feedback and evolving market needs, helping them better understand and navigate their surroundings with increasing sophistication.

Capitalizing on our technological capabilities, comprehensive spatial sensing product matrix, and customer-driven product development and manufacturing system, we have established a strong presence in the robotic vacuums industry. We have built relationships with major customers in the robotic vacuums sector, serving all five largest market players in the robotic vacuum industry and have received outstanding supplier recognition from these companies for several consecutive years. For example, we have maintained continuous cooperation with Customers A, B, F and H for periods ranging from three to six consecutive years, and our cooperation with each of them remains ongoing. Through continuous technological advancement and rigorous market validation, we have emerged as a key player in robotic vacuums spatial sensing technology market. Leveraging our technology capabilities, we are also expanding into new areas, including yard robots, pool-cleaning robots and humanoid robots.

COMPETITIVE STRENGTHS

We believe that the following strengths contribute to our leading market position, ensuring our success and distinguishing us from our competitors: (i) established provider of spatial sensing technology robotic vacuums; (ii) research and development capability, building a proactive perception framework; (iii) deep engagement with leading customers driving

robust commercial deployment; (iv) diversified product portfolio built on a unified technology foundation that can quickly adapt to different application scenarios; (v) large-scale manufacturing system delivering stringent quality control and efficiency; and (vi) seasoned leadership with tech-forward organizational culture.

OUR STRATEGIES

We plan to implement the following strategies to achieve our mission: (i) continue to invest in new spatial sensing technology; (ii) advance multi-scenario application expansion to build a comprehensive spatial sensing ecosystem; (iii) maximize efficiency across the whole value chain through process optimization and technological innovation; (iv) build a global brand through intelligent manufacturing excellence; and (v) strengthen talent, organization, and external collaboration to support sustainable growth.

OUR TECHNOLOGY STACK

Our LiDAR technology framework is built on a foundational layer of ultra-precise spatial sensing algorithms, enabling comprehensive processing capabilities from infrared light processing to point cloud morphology. This foundational technology drives four key aspects of our technology stack: proprietary spatial data processing chip design, comprehensive software development for spatial sensing, system design with vertical-cavity surface-emitting laser ("**VCSEL**"), and intelligent manufacturing technology. Together, these technologies enable 3D sensing capabilities that achieve millimeter and sub-millimeter-level near-field measurement accuracy through structured light to dTOF approaches, making our LiDAR products particularly valuable for robotics and industrial automation where accurate spatial awareness and reliable object detection are crucial for operational success.

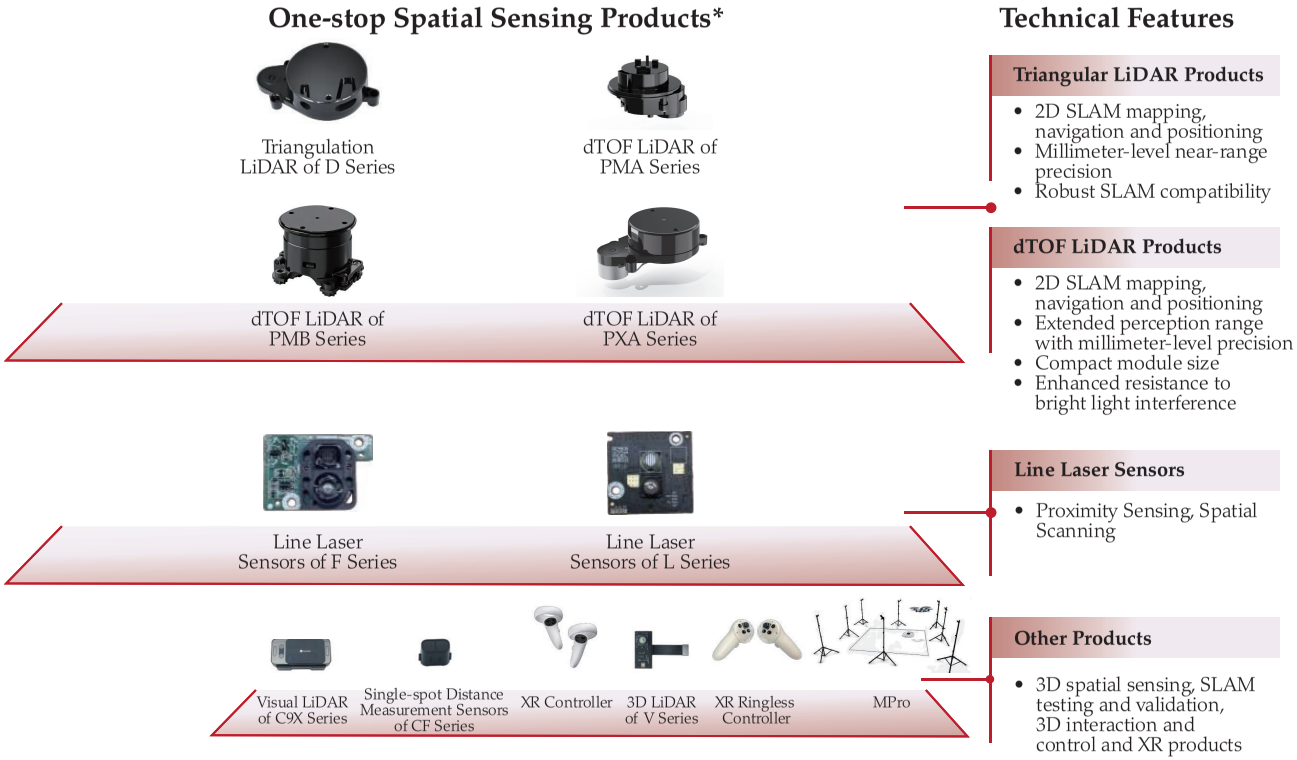
OUR PRODUCTS

Our comprehensive product portfolio addresses the growing demand primarily for robotic vacuums. Built on years of research and development in spatial sensing technologies, we manufacture and sell spatial sensing products that serve diverse applications from robotics simultaneous localization and mapping ("**SLAM**") to extended reality ("**XR**") interactive tracking experiences and industrial automation.

Our product lines are generally categorized based on the underlying technologies employed, details of which are summarized as follows:

- **Triangulation LiDAR** — utilizes geometric measurements to calculate short-range distances. With a perception range of approximately 0.15 to 8.0 metres and millimeter-level precision, this technology is primarily deployed for navigation and mapping functions. Due to its relatively larger module size and cost-effectiveness, triangulation LiDAR serves as a standard solution suited for integration into standard-sized robotic vacuum platforms, facilitating basic floor mapping and reliable room navigation.
- **dTOF LiDAR** — operates by measuring the exact duration a light pulse takes to reflect from an object. This technology offers an extended perception range of approximately 0.1 to 12.0 meters while maintaining millimetre-level precision. Characterized by a compact module size, dTOF LiDAR provides enhanced design flexibility, making it particularly well-suited for integration into compact and premium robotic vacuum models. Furthermore, its robust resistance to bright light interference allows devices to map larger areas more rapidly and ensures highly accurate navigation within complex environments.
- **Line Lasers** — represent a complementary close-range 3D vision solution that operates in conjunction with primary mapping LiDARs. By projecting laser lines, this technology captures the detailed contours of objects situated directly in front of the device. Line lasers are deployed in highly compact modules to serve two primary functions: forward obstacle avoidance, operating within a perception range of approximately 3.0 to 30.0 centimetres; and wall-following, operating within a range of approximately 1.5 to 10.0 centimetres. Both functions achieve sub-millimetre precision, providing the enhanced accuracy required for advanced robotic vacuums to avoid small obstacles, such as cables or footwear, and to execute precise edge-cleaning operations.

We established our market position through conventional triangulation LiDAR (D2 and D3 series), primarily in robotic vacuum applications. Building on this foundation, we expanded into advanced dTOF technology with our P series, offering enhanced precision and versatility across different configurations while maintaining compatibility for smooth customer transitions. This strategic expansion has enabled us to address emerging requirements for higher precision and more flexible integration options. Our spatial sensing technology and product development roadmap represents a systematic evolution across multiple perception modalities, designed to address the growing complexity of autonomous navigation and spatial awareness requirements. Each product line serves specific market segments and integration requirements, supported by our core technological capabilities in precision sensing and advanced signal processing. This comprehensive approach allows us to serve diverse customer needs while maintaining our position as a leading provider of spatial sensing products.



* During the Track Record Period, we achieved mass production and substantial commercialization only in respect of our products for robotic vacuum applications, which accounted for 98.2%, 99.5%, 99.5% and 98.4% of our revenue in 2023, 2024, 2025 and the three months ended March 31, 2026 respectively. While our products can be used in other scenarios, including pool-cleaning, yard robots, humanoid robots, industrial applications and drone, we have not yet commenced mass production and generate meaningful revenue from these applications during the Track Record Period. Our products for all other application scenarios, including yard robots, pool-cleaning robots, humanoid robots, drones and industrial applications, are either at the design, development or sampling stage or have generated only immaterial revenue, and there is no assurance that any of them will achieve mass production or commercialization.

Our diverse products range from advanced spatial sensing and environmental sensing to XR interaction systems, offering comprehensive technologies for autonomous navigation, detection, and control. This integrated approach enables levels of accuracy and reliability across diverse applications.

- Our 2D spatial sensing products (D-series triangulation and P series dTOF transmission systems) are focused on delivering foundational environmental perception. By incorporating SLAM mapping and navigation capabilities, these products achieve 360° comprehensive awareness while maintaining extremely low computational overhead and ultra-compact form factors.
- Our obstacle avoidance products comprise our line laser products F-series and L-series laser optical sensors for proximity detection at sub-millimeter-level near-field measurement accuracy. These systems excel in near-field high-resolution sensing and spatial mapping, achieving submillimeter-level accuracy while maintaining exceptional environmental clarity through sophisticated sensor fusion.
- Categorized as "others" in our revenue segmentation, our remaining product lines span four key areas. Our 3D spatial sensing products, including C9X visual sensors and V-series 3D LiDAR with AI-enhanced SLAM navigation, enable sophisticated robot control and scene reconstruction, delivering 120° stereoscopic perception with multi-modal fusion capabilities in a form factor compact enough for external deployment. Our obstacle avoidance products, comprising the CF series point measurement system alongside F-series and L-series laser optical sensors, excel in near-field high-resolution proximity detection and spatial mapping, achieving submillimeter-level accuracy with exceptional environmental clarity through advanced sensor fusion. Our testing products employ arrays of up to 16 monocular cameras for SLAM testing and precision manufacturing calibration, leveraging sophisticated algorithms and cross-referenced sensor arrays to achieve submillimeter spatial sensing accuracy. Finally, our XR spatial sensing products include advanced XR controllers in both tethered and wireless variants, enabling high-performance 3D interaction and spatial control through multi-sensor fusion technology with minimal latency and power consumption, making them ideal for extended XR operation.

Our portfolio allows us to serve diverse market needs while maintaining focused development paths for each technology. Our product portfolio primarily consists of standardized models designed for integration into a variety of robotic vacuums. In addition to our standard offerings, we provide customized options for select key customers, tailoring our technical specifications to align with the precise requirements of their proprietary products. Our conventional triangulation LiDAR continues to evolve towards higher performance and better cost efficiency, while our dTOF product line pushes the boundaries of miniaturization and integration. Line laser sensors complement these offerings by providing enhanced environment sensing and obstacle avoidance capabilities. In addition, we also provide products that address emerging needs in robotics testing and XR applications that extend beyond the physical world into the digital realm.

RESEARCH AND DEVELOPMENT

We are dedicated to the advancement of visual-spatial localization and perception technologies, as well as the development of product application. Our foundational capabilities include algorithmic development, system-level design and intelligent manufacturing technologies, which collectively enable our comprehensive, end-to-end R&D proficiency. Our R&D team comprises dedicated professionals with extensive industry expertise, focusing on the development and commercialization of our products that help sustain our technological advantages and market competitiveness. Our core R&D team members have an average of more than ten years of relevant technical experience, including domestic or overseas working experience in reputable technology companies and laboratories.

PRODUCTION

During the Track Record Period, the overall manufacturing process for our products was predominantly conducted in-house at our own production facilities in Pingshan and

Huizhou, Guangdong Province. To optimize operational efficiency and manage production capacity, we supplemented our in-house manufacturing by engaging a limited number of third-party contract manufacturers in Shenzhen, Guangdong Province and Ganzhou, Jiangxi Province for select processing steps, with outsourcing processing costs accounting for 5.0%, 2.3%, 3.0% and 2.1% of our total cost of sales in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. The utilization rate of our production base during the year is calculated by dividing production volume by the production capacity for the same year/period. In 2023, 2024, 2025 and the three months ended March 31, 2026, the utilization rate of our Pingshan production base was 79.9%, 73.8%, 85.0% and 61.7%, respectively. Our Huizhou production base commenced operation in September 2024. In 2024, 2025 and the three months ended March 31, 2026, the utilization rate of our Huizhou production base was 77.0%, 92.3% and 95.2%, respectively.

SALES AND MARKETING

We employ a direct sales model with a customer-centric marketing strategy. Our approach focuses on building and nurturing customer trust by delivering products that precisely meet their requirements. We consistently fulfill our customers' needs across product specifications, delivery timelines, and quality standards, which helps strengthen our industry influence and enhance customer loyalty.

CUSTOMERS AND SUPPLIERS

Our major customers primarily include established robot companies and intelligent device manufacturers. In addition to direct procurement, some of our customers may purchase our products through their designated third-party suppliers. Under such arrangements, we generally communicate the product requirements and order details with the customers and enter into sales and purchase agreements with their designated third-party suppliers. These third-party suppliers would further manufacture and assemble our products with other components and sell them to the customers. Revenue generated from our largest customer in each period during the Track Record Period accounted for 37.1%, 36.1%, 29.0% and 37.3% of our total revenue for the respective periods, while revenue generated from our five largest customers in each period during the Track Record Period accounted for 93.6%, 89.2%, 80.4% and 85.6% of our total revenue for the respective periods.

The relatively high revenue contribution was primarily because during the Track Record Period, substantially all of our revenue was generated from the robotic vacuums industry. As advised by CIC, robotic vacuum industry is characterized by a high degree of market concentration, with the five largest market players in each year accounting for over 60% of the total robotic vacuum market during each period of the Track Record Period. In order to maintain our leadership in this area, we have to maintain a stable and mutual beneficial relationship with them. We have been an important spatial sensing product supplier to all five largest market players globally in 2025 in the robotic vacuum industry, four of which were ranked among our five largest customers in one or more years or periods during the Track Record Period, namely Customers A, B, F and H. We have maintained continuous cooperation with Customers A, B, F and H for periods ranging from three to six consecutive years, and our cooperation with each of them remains ongoing. Their total revenue contribution has also been consistently growing year by year during the Track Record Period. We have formed deeply integrated partnerships with these customers, as we collaborate with them on the development of their spatial sensing components. At the brand owner level, the five largest robotic vacuum brands in aggregate accounted for approximately 70%, 80%, 86% and 88% of our total revenue in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, with the single largest brand accounting for approximately 37.1%, 36.3%, 32.2% and 37.3% of our total revenue for the same periods.

Given our long-term cooperation with these major customers and our integration into their product development and supply chain processes, and the fact that replacing a trusted spatial sensing sensor supplier would generally require technical evaluation, product validation, supply chain requalification and production coordination, which may involve additional time, cost and execution risk, our Directors believe that our relationships with such customers are unlikely to be terminated or materially adversely affected in the ordinary course of business. As such, our Directors are of the view and the Joint Sponsors concur that the likelihood of our relationships with our major customers being terminated or materially adversely affected is remote.

Our diverse product offerings possess broad application potential — including various application scenarios, industrial applications, intelligent manufacturing, robot testing, and XR products. In addition, our spatial sensing technology platform is shared across product lines, which we believe may facilitate the development of products for application scenarios beyond robotic vacuums. For example, we plan to expand into yard robots, pool-cleaning robots and humanoid robots to further diversify our revenue. As such, we believe that the relatively high revenue contribution from our five largest customers in each year during the Track Record Period would not give rise to material reliance risk.

Our major suppliers primarily consist of providers for raw materials and components including optical components, structural components and electronic components. Purchases from our largest supplier in each period during the Track Record Period accounted for 8.2%, 9.2%, 8.6% and 8.5% of our total purchases for the respective periods, while purchases from our five largest suppliers accounted for 29.7%, 32.3%, 25.7% and 31.5% of our total purchases for the respective periods.

INTELLECTUAL PROPERTY RIGHTS

Our success and competitive advantages depend in part on our ability to develop and protect our core technologies and intellectual property. Since our inception, we have internally developed a variety of intellectual property rights. As of the Latest Practicable Date, we had 172 granted patents, including 58 invention patents and 16 granted patents in key overseas markets such as the U.S., EU, Japan, and South Korea. In addition, we had 30 patents under application worldwide. Our intellectual property portfolio strategically covers key technological aspects in the spatial sensing industry, including 112 patents in precision optical systems, five patents in AI spatial sensing algorithms and five patents in AI spatial data processing chips. See "Appendix VI — Statutory and General Information — Further Information About Our Business — Intellectual Property Rights" for details of our material intellectual property rights.

We acquire patents and core technologies through self-development. We believe that our intellectual property portfolio is critical to strengthening our technological capabilities and maintaining substantial barriers to entry. We intend to continue expanding our intellectual property assets by developing more advanced algorithms for spatial sensing. See "Risk Factors — Risks Relating to Our Intellectual Property Rights — Obtaining and maintaining our patent protection depends on compliance with various procedural, documentary, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements."

COMPETITIVE LANDSCAPE

Spatial sensing serves as the core technical foundation for mapping, navigation, and obstacle avoidance, increasingly relying on AI-driven algorithms, specialized chip development, and multi-sensor fusion. Within this space, LiDAR has emerged as the mainstream technology due to its enhanced precision and environmental adaptability, with triangulation, dTOF, and line laser scanning technologies collectively catering to differentiated product tiers and cost segments. The global robotic vacuum spatial sensing market size grew from RMB1.6 billion in 2020 to RMB3.1 billion in 2025, representing a CAGR of 14.0%. Fueled by the demand for high-precision, millimeter-level sensing in complex environments, the global robotic vacuum spatial sensing market is projected to grow from RMB3.1 billion in 2025 to RMB9.1 billion by 2030 at a CAGR of 24.3%. Concurrently, the corresponding LiDAR segment is expected to experience even faster growth growing from RMB0.8 billion in 2020 to RMB1.7 billion in 2025, representing a CAGR of 14.8% and the market is expected to scale from RMB1.7 billion in 2025 to RMB5.2 billion by 2030 at a CAGR of 25.5%, highlighting a robust and complementary market landscape with significant opportunities for integrated hardware and software providers.

RISK FACTORS

Our business and the Global Offering involve certain risks, which are set out in the section headed "Risk Factors" in this prospectus. Some of the major risk factors that we face include: (i) we have a limited track record in commercialization in a new and rapidly evolving industry and there can be no assurance that our sales and marketing efforts will succeed; (ii) we have been, and intend to continue, investing significantly in research and development, which may adversely affect our profitability and operating cash flow and may not generate the results we expect; (iii) the industry in which we operate is highly competitive and rapidly evolving, and failure to compete effectively may materially and adversely affect our business, financial condition, and results of operations; (iv) failure to anticipate and adapt to technological developments and transitions in our industry may render our products less competitive or obsolete; (v) we depend on a limited number of customers for a substantial portion of our revenue, and the loss of, or a significant reduction in sales to, one or more major customers would adversely affect our business, results of operations, and financial condition; and (vi) we incurred net losses during the Track Record Period and may not be able to maintain profitability in the future. For details, see "Risk Factors."

PRE-IPO INVESTMENTS

Since our establishment, we have received several rounds of Pre-IPO Investments. According to the PRC Company Law, the Shares issued by our Company prior to the Listing (including those subscribed for or purchased by the Pre-IPO Investors) are restricted from trading within one year from the Listing Date. For further details regarding the key terms of the Pre-IPO Investments, including the identity and background of our Pre-IPO Investors, please see "History, Development and Corporate Structure — Pre-IPO Investments."

Pursuant to the shareholders' agreements entered into between our Company and the Pre-IPO Investors on or before September 25, 2025, our Company issued an aggregate of 55,767,553 ordinary Shares to the Pre-IPO Investors for total net cash proceeds of approximately RMB409.8 million. Pursuant to such agreements, the Pre-IPO Investors were granted certain special rights, including redemption rights, pursuant to which the relevant Pre-IPO Investors were entitled to request redemption upon the occurrence of certain specified trigger events, including our Company's failure to complete a qualified listing or a qualified merger and acquisition by December 31, 2026. There was no exercise of the redemption rights granted by our Company throughout the Track Record Period.

On September 25, 2025, our Company and the Pre-IPO Investors entered into supplemental agreements, pursuant to which the redemption rights granted by our Company to the Pre-IPO Investors were irrevocably terminated and deemed *void ab initio*. Taking into account the legal and regulatory framework of our Company's jurisdiction and the governing law of the supplemental agreements, our Directors considered that it is appropriate to present the Pre-IPO Investments as equity throughout the Track Record Period.

Had the redemption rights granted by our Company to the Pre-IPO Investors been accounted for as financial liabilities measured at fair value prior to entering into the supplemental agreements, the redemption financial liabilities, total non-current liabilities and net assets/(liabilities) would have been as follows:

	As of 31 December			As of 31 March
	2023	2024	2025	2026
	RMB'000			
Redemption financial liabilities	637,296	794,226	–	–
Total non-current liabilities *(Note)*	646,506	807,105	11,944	10,224
Net assets/(liabilities)	(387,681)	(516,600)	327,402	336,828

Note: The redemption financial liabilities would have been classified as non-current liabilities as the Investors would not demand the Company to redeem the shares subscribed within 12 months after each of December 31, 2023 and 2024. No redemption financial liabilities would have been recognized as of December 31, 2025 and March 31, 2026 as the redemption rights were irrevocably terminated and deemed void ab initio pursuant to the supplemental agreements dated September 25, 2025.

Had such redemption rights been accounted for as financial liabilities measured at fair value, the fair value changes associated with the redemption financial liabilities, total net loss and basic and diluted loss per Share would have been as follows:

	Year ended 31 December			Three months ended March 31,	
	2023	2024	2025	2025	2026
			RMB'000		
				(unaudited)	
Fair value changes associated with the redemption financial liabilities	146,694	106,946	726,829	357,727	–
Total net (loss)/profit	(147,577)	(138,321)	(724,628)	(364,396)	7,757
Basic (loss)/earnings per share	(1.83)	(1.67)	(8.67)	(4.38)	0.09
Dilutive (loss)/earnings per share	(1.83)	(1.67)	(8.67)	(4.38)	0.09

For further details of the Pre-IPO Investments, the redemption rights and the related financial impacts, see "History, Development and Corporate Structure — Pre-IPO Investments" and Note 28(c) to the Accountants' Report set out in Appendix I to this prospectus.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial information for the Track Record Period, derived from the Accountants' Report set out in Appendix I. The summary consolidated financial data set forth below should be read together with the consolidated financial statements in this prospectus, including the related notes. Our consolidated financial information was prepared in accordance with IFRS.

Selected Items from the Consolidated Statements of Profit or Loss

The following table sets forth selected items from our consolidated statements of profit or loss for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*% of revenue*	*Amount*	*% of revenue*	*Amount*	*% of revenue*	*Amount*	*% of revenue*	*Amount*	*% of revenue*
	(RMB in thousands, except for percentage)						*(unaudited)*			
Revenue	332,107	100.0	433,324	100.0	613,523	100.0	131,789	100.0	195,919	100.0
Cost of sales	(260,852)	(78.5)	(362,483)	(83.7)	(512,534)	(83.5)	(115,511)	(87.6)	(158,339)	(80.8)
Gross profit	**71,255**	**21.5**	**70,841**	**16.3**	**100,989**	**16.5**	**16,278**	**12.4**	**37,580**	**19.2**
Other income and gains	10,812	3.3	9,415	2.2	7,228	1.2	3,108	2.4	958	0.5
Selling and marketing expenses	(5,861)	(1.8)	(5,600)	(1.3)	(5,230)	(0.9)	(1,655)	(1.3)	(1,301)	(0.7)
Administrative expenses	(21,620)	(6.5)	(25,497)	(5.9)	(39,987)	(6.5)	(6,547)	(5.0)	(12,658)	(6.5)
Research and development costs	(54,619)	(16.4)	(76,695)	(17.7)	(59,367)	(9.7)	(17,347)	(13.2)	(14,813)	(7.6)
Reversal of impairment losses on financial assets, net	281	0.1	15	0.0	21	0.0	4	0.0	(1,613)	(0.8)
Other expenses	(198)	(0.1)	(2,926)	(0.7)	(761)	(0.1)	(321)	(0.2)	(165)	(0.1)
Finance costs	(933)	(0.3)	(913)	(0.2)	(692)	(0.1)	(189)	(0.1)	(231)	(0.1)
(Loss)/profit before tax	**(883)**	**(0.3)**	**(31,360)**	**(7.2)**	**2,201**	**0.4**	**(6,669)**	**(5.1)**	**7,757**	**4.0**
Income tax expense	–	–	(15)	(0.0)	–	–	–	–	–	–
(Loss)/profit for the year	**(883)**	**(0.3)**	**(31,375)**	**(7.2)**	**2,201**	**0.4**	**(6,669)**	**(5.1)**	**7,757**	**4.0**

(Loss)/Profit for the Period

During the Track Record Period, while we recorded net profit of RMB2.2 million and RMB7.8 million in 2025 and the three months ended March 31, 2026, we incurred net losses of RMB0.9 million and RMB31.4 million in 2023 and 2024, respectively. Such net losses were primarily because we made significant research and development investments, with research and development costs increasing from RMB54.6 million in 2023 to RMB76.7 million in 2024. These R&D efforts were primarily related to the development of our spatial sensing products, especially the dTOF LiDAR and line laser products. In 2025 and the three months ended March 31, 2026, we recorded net profit of RMB2.2 million and RMB7.8 million, which was primarily driven by our strong revenue growth, supported by our strong operating and administrative efficiency. See "— Business Sustainability" for details.

For details, see "Financial Information — Description of Major Components of Our Results of Operations." For details of the Pre-IPO Investments (including the redemption rights previously granted by our Company and the accounting treatment thereof), see "History, Development and Corporate Structure — Pre-IPO Investments," "Financial Information — Share Capital" and Note 28(c) to the Accountants' Report set out in Appendix I to this prospectus.

Revenue by Products

During the Track Record Period, we primarily derived revenue from the sales of our various LiDAR products and line laser sensor products. The table below sets forth our revenue breakdown by products in absolute amounts and as percentages of our total revenue for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentage)						*(unaudited)*			
Products	**330,270**	**99.4**	**433,273**	**100.0**	**611,004**	**99.6**	**131,789**	**100.0**	**195,825**	**100.0**
– Triangulation LiDAR	326,602	98.3	407,618	94.1	403,254	65.7	92,278	70.0	92,228	47.1
– dTOF LiDAR	–	–	4,199	1.0	65,032	10.6	13,569	10.3	54,677	27.9
– Line laser sensor	–	–	19,313	4.5	133,794	21.8	25,829	19.6	45,093	23.0
– Others[(1)]	3,668	1.1	2,143	0.5	8,924	1.5	113	0.1	3,827	2.0
Development services[(2)]	**1,837**	**0.6**	**51**	**0.0**	**2,519**	**0.4**	**–**	**–**	**94**	**0.0**
Total	**332,107**	**100.0**	**433,324**	**100.0**	**613,523**	**100.0**	**131,789**	**100.0**	**195,919**	**100.0**

Notes:

(1) Primarily include our 3D spatial sensing products such as our C9X visual sensors, robotics testing products such as our M-Pro, and XR products such as our XR Controller.

(2) During the Track Record Period, we also provided development services in the form of product design for our XR product offerings. These development services are primarily provided to major customers through direct bilateral agreements between us and the customer, with no intermediaries involved. Our pricing model for these development services follows a cost-plus approach, where we charge based on the development costs incurred plus a service fee.

We experienced strong revenue growth during the Track Record Period, primarily due to (i) the robust growth in the downstream robotic vacuum industry, fueling market demand for our LiDAR products, and (ii) our sustained product development efforts, which enhanced product performance and functionality and facilitated an expansion of our customer base.

The table below sets forth the breakdown of the shipment volume and average selling price by products, for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Shipment (thousand units)	*Average selling price (RMB per unit)*	*Shipment (thousand units)*	*Average selling price (RMB per unit)*	*Shipment (thousand units)*	*Average selling price (RMB per unit)*	*Shipment (thousand units)*	*Average selling price (RMB per unit)*	*Shipment (thousand units)*	*Average selling price (RMB per unit)*
Triangulation LiDAR	4,760.1	68.6	7,849.9	51.9	9,312.7	43.3	2,037.6	45.3	2,280.2	40.4
dTOF LiDAR	–	–	52.3	80.3	1,156.2	56.2	172.1	78.9	1,256.7	43.5
Line laser sensor	–	–	752.2	25.7	5,657.5	23.6	1,063.2	24.3	2,007.6	22.5
Others	27.3	134.3	16.7	128.2	93.2	95.8	1.2	93.6	247.6	15.5

The shipment volume of our triangulation LiDAR products increased consistently throughout the Track Record Period, from 4,760.1 thousand units in 2023 to 7,849.9 thousand units in 2024, further to 9,312.7 thousand units in 2025. The shipment of our triangulation LiDAR products further increased from 2,037.6 thousand units in the three months ended March 31, 2025 to 2,280.2 thousand units in the three months ended March 31, 2026. The increase was primarily due to (i) the robust growth in the downstream robotic vacuum industry, which boosted demand for our triangulation LiDAR products, and (ii) the expansion of our customer base. The average selling price of our triangulation LiDAR products decreased from RMB68.6 per unit in 2023 to RMB51.9 per unit in 2024, and further to RMB43.3 per unit in 2025, primarily due to (i) a decrease in per-unit cost as we benefited from economies of scale and improved production efficiency, and (ii) a change in product mix within our triangulation LiDAR products, as we have strategically adjusted the pricing of certain earlier-generation products to maintain their market competitiveness while launching new-generation products, including in response to competition from customers' self-developed products. While our newer-generation products are not necessarily priced at a significant premium, we remain focused on actively promoting and scaling the adoption of these newer products, which offer enhanced performance and better address evolving customer needs. Such pricing strategy was adopted to strengthen our customer relationships, support shipment volume growth and enhance our market position. The average selling price of our triangulation LiDAR products decreased from RMB45.3 per unit in the three months ended March 31, 2025 to RMB40.4 per unit in the three months ended March 31, 2026, primarily due to changes in product mix, as our D3 series with relatively lower average selling prices accounted for a larger proportion of our triangulation LiDAR product sales.

We commenced the commercial launch of our dTOF LiDAR products in the second half of 2024. The shipment volume of our dTOF LiDAR products reached 52.3 thousand units in 2024 and 1,156.2 thousand units in 2025, which demonstrated growing market recognition and adoption. The shipment of our dTOF LiDAR products further increased from 172.1 thousand units in the three months ended March 31, 2025 to 1,256.7 thousand units in the three months ended March 31, 2026, primarily driven by wider adoption of our P series dTOF LiDAR products. The average selling price of our dTOF LiDAR products was RMB80.3 per unit in 2024 and RMB56.2 per unit in 2025. The decrease in average selling price was primarily attributable to reduced per-unit costs resulting from improved production efficiency and production yield, notwithstanding that we were still in the ramp-up phase. Specifically, our downstream customers operate in competitive end markets and generally seek cost reductions from suppliers, including us, as part of their own pricing and market-share strategies. At the same time, as our production and sales volumes increased, we benefited from economies of scale, including lower per-unit labor costs through automation and lower per-unit allocation of fixed manufacturing overheads such as equipment depreciation, facility costs and production support costs. We passed part of these cost savings to customers through lower selling prices, which is consistent with pricing trends for consumer-grade industrial electronic products. The average selling price of our dTOF LiDAR products decreased from RMB78.9 per unit in the three months ended March 31, 2025 to RMB43.5 per unit in the three months ended March 31, 2026, primarily because products with relatively lower selling prices contributed a larger proportion of sales.

Our line laser sensor products were commercially launched in the first half of 2024. The shipment volume of our line laser sensor products increased from 752.2 thousand units to 5,657.5 thousand units in 2025, primarily as a result of increased customer adoption. The shipment of our line laser sensor products increased from 1,063.2 thousand units in the three months ended March 31, 2025 to 2,007.6 thousand units in the three months ended March 31, 2026, primarily driven by substantial growth in sales of our new series line laser sensor products. The average selling price of our line laser sensor products decreased slightly from RMB25.7 per unit in 2024 to RMB23.6 per unit in 2025, primarily attributable to reduced per-unit costs resulting from improved production efficiency, which was achieved through economies of scale as production volume increased. The average selling price of our line laser sensor products decreased from RMB24.3 per unit in the three months ended March 31, 2025 to RMB22.5 per unit in the three months ended March 31, 2026, primarily because sales volume growth was mainly driven by products with relatively lower average selling prices.

Other products include our 3D spatial sensing products such as our C9X visual sensors, robotics testing products such as our M-Pro, and XR products such as our XR Controller. The fluctuations in the average selling prices of our other products during the Track Record Period primarily reflected changes in product mix. Specifically, the average selling price decreased from 2024 to 2025, primarily because our product mix shifted from being predominantly comprised of VR controllers in 2024 to C9X visual sensor products in 2025, and C9X visual sensor products carried a materially lower unit price than VR controllers. Furthermore, since 2026, we have experienced a significant increase in shipment volumes of our dot laser products, which carry substantially lower unit prices compared to our VR controllers and C9X visual sensor products. As the dot laser products accounted for an increasing proportion of revenue within this category, the overall average selling price of our other products declined accordingly.

We believe that the risk of our products becoming obsolete or materially replaced by customers' self-developed products is limited. Our triangulation LiDAR and dTOF LiDAR products are positioned for different application scenarios, with triangulation LiDAR products primarily used in short-range applications and dTOF LiDAR products primarily used in longer-range applications, while our line laser sensor products address different sensing applications. Accordingly, these product lines are complementary rather than substitutive of each other. Based on our understanding, customers' self-developed LiDAR products are generally used for differentiated product models, while their mainstream products requiring large-scale production continue to rely on external suppliers with stable mass production capabilities, including us.

Revenue by Downstream Application

We derived a majority of revenue from products applied to robotic vacuums during the Track Record Period. The table below sets forth our revenue breakdown by downstream application in absolute amounts and as percentages of our total revenue for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentage)						*(unaudited)*			
Products	**330,270**	**99.4**	**433,273**	**100.0**	**611,004**	**99.6**	**131,789**	**100.0**	**195,825**	**100.0**
– Robotic vacuums	325,975	98.2	431,112	99.5	610,180	99.5	131,764	100.0	192,759	98.4
– Intelligent devices[(1)]	4,295	1.3	2,161	0.5	824	0.1	25	0.0	3,066	1.6
Development services	**1,837**	**0.6**	**51**	**0.0**	**2,519**	**0.4**	**–**	**–**	**94**	**0.0**
Total	**332,107**	**100.0**	**433,324**	**100.0**	**613,523**	**100.0**	**131,789**	**100.0**	**195,919**	**100.0**

Note:

(1) Primarily included applications in the entertainment scenarios, laboratory applications, embodied intelligence products, yard robots and delivery robots. During the Track Record Period, our products sold that were applied towards intelligent devices primarily comprised our 3D spatial sensing products such as C9X visual sensors, L-series structure light sensor with AI-enhanced algorithm for various service robotics, robotics testing products such as our M-Pro, and XR products such as our XR controller.

Gross Profit and Gross Profit Margin

Our gross profit amounted to RMB71.3 million, RMB70.8 million, RMB101.0 million, RMB16.3 million and RMB37.6 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. Our gross profit margin was 21.5%, 16.3%, 16.5%, 12.4% and 19.2% in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. The table below sets forth our gross profit both in absolute amounts and gross profit margin, by products for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross profit	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*
	(RMB in thousands, except for percentage)						*(unaudited)*			
Products	**70,368**	**21.3**	**70,820**	**16.3**	**99,718**	**16.3**	**16,278**	**12.4**	**37,557**	**19.2**
– Triangulation LiDAR	68,600	21.0	73,102	17.9	75,147	18.6	14,739	16.0	18,205	19.7
– dTOF LiDAR	–	–	(1,376)	(32.8)	4,526	7.0	444	3.3	10,374	19.0
– Line laser sensor	–	–	(1,173)	(6.1)	18,174	13.6	1,159	4.5	9,187	20.4
– Others	1,767	48.2	268	12.5	1,871	21.0	(64)	(57.1)	(209)	(5.5)
Development services	**887**	**48.3**	**21**	**40.9**	**1,271**	**50.5**	**–**	**–**	**23**	**24.5**
Total	**71,255**	**21.5**	**70,841**	**16.3**	**100,989**	**16.5**	**16,278**	**12.4**	**37,580**	**19.2**

Our gross profit and gross profit margin fluctuated during the Track Record Period primarily due to (i) the expansion of our product offerings as we introduced dTOF LiDAR products and line laser sensor products during the Track Record Period that have not yet achieved optimal production efficiency, and (ii) our sales and marketing efforts for our triangulation LiDAR products to capture a larger market share, especially taking into account the ongoing relationship with our key customers. For instance, in response to competitive market dynamics and certain customers' in-house LiDAR development initiatives, we adopted a more competitive pricing strategy for our triangulation LiDAR products, which resulted in near-term pressure on gross profit margin. The subsequent improvement in gross profit margin was supported by increased sales of our latest D3 series triangulation LiDAR products, which were developed with an improved design architecture. We expect our gross profit and gross profit margin to improve as our newly launched products mature and achieve greater production efficiencies through economies of scale, as demonstrated by the significantly improved gross margin of our dTOF LiDAR and line laser sensors.

Selected Items from the Consolidated Statements of Financial Position

The following table sets forth selected items from our consolidated statements of financial position as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Total non-current assets	76,516	67,515	71,280	70,004
Total current assets	259,818	340,399	412,311	487,069
Total assets	**336,334**	**407,914**	**483,591**	**557,073**
Total current liabilities	77,509	117,409	144,245	210,021
Total non-current liabilities	9,210	12,879	11,944	10,224
Total liabilities	**86,719**	**130,288**	**156,189**	**220,245**
Net Current Assets	**182,309**	**222,990**	**268,066**	**277,048**
Net Assets	**249,615**	**277,626**	**327,402**	**336,828**

For details, see "Financial Information — Discussion of Key Items of Consolidated Statements of Financial Position." Specifically, for details on our property, plants and equipment, please see note 14 in the Accountants' Report as contained in Appendix I to this prospectus.

Net Assets

Our net assets increased steadily from RMB249.6 million as of December 31, 2023, to RMB277.6 million as of December 31, 2024, and further to RMB327.4 million as of December 31, 2025. This continuous growth was primarily driven by consecutive capital contributions by shareholders amounting to RMB3.6 million, RMB50.0 million, and RMB40.7 million in 2023, 2024, and 2025, respectively, alongside the ongoing recognition of share-based payments across the Track Record Period. These increases in equity were partially offset by net losses of RMB0.9 million and RMB31.4 million incurred in 2023 and 2024, respectively, before our financial performance improved to generate a net profit of RMB2.2 million in 2025. Our net assets further increased to RMB336.8 million as of March 31, 2026, primarily attributable to our profit for the period of RMB7.8 million and the recognition of share-based payments during the period. For details of the Pre-IPO Investments (including the redemption rights previously granted by our Company and the accounting treatment thereof), see "History, Development and Corporate Structure — Pre-IPO Investments," "Financial Information — Share Capital" and Note 28(c) to the Accountants' Report set out in Appendix I to this prospectus.

Selected Items from the Consolidated Statements of Cash Flow

The table below sets forth a summary of our cash flows for the periods indicated:

	Year ended December 31,			For the three months ended March 31,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(unaudited)*	
Net cash used in operating activities	(34,831)	(39,987)	(9,038)	(7,937)	(5,319)
Net cash flows from/(used in) investing activities	12,397	20,451	(52,183)	1,610	21,148
Net cash flows from/(used in) financing activities	(767)	34,052	43,633	(917)	(1,641)
Net increase/(decrease) in cash and cash equivalents	(23,201)	14,516	(17,588)	(7,244)	14,188
Cash and cash equivalents at beginning of the year/period	38,304	15,109	29,608	29,608	12,123
Effect of foreign exchange rate changes, net	6	(17)	103	(1)	3
Cash and cash equivalents at end of the year/period	15,109	29,608	12,123	22,363	26,314

In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, we incurred net cash used in operating activities of RMB34.8 million, RMB40.0 million, RMB9.0 million, RMB7.9 million and RMB5.3 million, respectively. Throughout the Track Record Period, these operating cash outflows were primarily driven by substantial increases in our working capital requirements to support our rapid business expansion. Specifically, the outflows were mainly attributable to continuous and significant increases in trade and bills receivables (RMB10.2 million, RMB63.5 million, RMB47.8 million and RMB64.2 million in 2023, 2024, and 2025 and the three months ended March 31, 2026, respectively) as our sales volume grew, alongside strategic increases in inventories (RMB6.2 million, RMB26.3 million, RMB7.1 million, RMB11.1 million and RMB27.3 million in 2023, 2024, and 2025 and the three months ended March 31, 2025 and 2026 respectively) to meet anticipated downstream demand.

To strengthen our liquidity position and improve working capital management, we have adopted and are continuing to implement a number of measures. We have engaged with key suppliers to negotiate longer payment terms, which helps reduce near-term cash outflow requirements, and have increased our bank borrowings to provide additional liquidity headroom for our operations. We are also evaluating further measures, including negotiating with customers to shorten payment terms or provide early payment incentives, utilizing bank acceptance bills for payments to suppliers, and entering into accounts receivable factoring arrangements where commercially appropriate. In addition, we continue to optimize our inventory management and production planning to reduce unnecessary inventory holding periods, and maintain cost discipline across our operations. We believe these measures, together with our expected revenue growth, will help us maintain adequate liquidity to meet our obligations as they fall due and support our business growth.

BUSINESS SUSTAINABILITY

During the Track Record Period, while we recorded net profit of RMB2.2 million and RMB7.8 million in 2025 and the three months ended March 31, 2026, we incurred net losses of RMB0.9 million and RMB31.4 million in 2023 and 2024, respectively. Such net losses were primarily because we made significant research and development investments, with research and development costs increasing from RMB54.6 million in 2023 to RMB76.7 million in 2024.

These R&D efforts were primarily related to the development of our spatial sensing products, especially the dTOF LiDAR and line laser products. In 2025 and the three months ended March 31, 2026, we recorded net profit of RMB2.2 million and RMB7.8 million, which was primarily driven by our strong revenue growth, supported by our strong operating and administrative efficiency.

During the Track Record Period, our overall gross profit margin decreased from 21.5% in 2023 to 16.3% in 2024, and increased to 16.5% and 19.2% in 2025 and the three months ended March 31, 2026. The decrease in 2024 was primarily because we recorded negative gross margins for our newly launched dTOF LiDAR products and line laser sensor products, as these newly launched products were still in the ramp up phase and had not yet achieved optimal production efficiency. In 2025, the gross profit margin of our core products improved, reflecting lower unit production cost driven by higher production scale and improved efficiency as shipment volume increased. The gross profit margin of our triangulation LiDAR products increased from 17.9% in 2024 to 18.6% in 2025, while the gross profit margin of our dTOF LiDAR products improved from negative gross margin of 32.8% in 2024 to gross profit margin of 7.0% in 2025, and the gross margin of our line laser sensor products improved from negative gross margin of 6.1% in 2024 to gross profit margin of 13.6% in 2025. In the three months ended March 31, 2026, gross profit margin of our triangulation LiDAR products, dTOF LiDAR products and line laser sensor products was 19.7%, 19.0% and 20.4%, respectively.

In addition, as a result of the increases in our trade and bills receivables and inventories driven by our business expansion, as well as our net loss positions in 2023 and 2024, we recorded net cash used in operating activities in the amount of RMB34.8 million, and RMB40.0 million, respectively. In 2025, our operating cash flow improved significantly, with net cash used in operating activities decreasing to RMB9.0 million, primarily due to our improved profitability in 2025, partially offset by working capital requirements associated with our business growth. In the three months ended March 31, 2026, we recorded net cash used in operating activities of RMB5.3 million, compared to RMB7.9 million in the three months ended March 31, 2025.

As our R&D efforts are gradually paying off, we have been able to constantly launch new products. The significant R&D investments made in prior years have largely been expensed and are now translating into commercialized products that generate revenue. As these new products enter the market and contribute to our revenue growth, we expect our R&D expenses as a percentage of revenue to gradually decline. This trend reflects the natural lifecycle of our R&D investments, where upfront development costs incurred during the product development phase are followed by revenue generation once products achieve commercial success. As a percentage of our revenue, our research and development costs decreased from 16.4% and 17.7% in 2023 and 2024, and to 9.7% and 7.6% in 2025 and the three months ended March 31, 2026. The decreasing R&D expense ratio demonstrates improving operational leverage and the monetization of our historical R&D investments, while we continue to maintain appropriate R&D spending levels to support our long-term competitiveness. In addition, as our revenue continues to grow, our economies of scale have improved significantly, resulting in enhanced operational efficiency. Our administrative expenses, as a percentage of revenue, have demonstrated a consistent downward trend, decreasing from 6.5% in 2023 to 5.9% in 2024, and increased slightly to 6.5% in 2025 and the three months ended March 31, 2026, primarily due to non-recurring listing-related expenses.

As a result of the above, our net loss margin increased from 0.3% in 2023 to 7.2% in 2024 due to intensified research and development efforts in developing new LiDAR products and tailoring our products to application-specific scenarios. Such R&D efforts included, for example, our miniaturized retractable LiDAR products, which involved a new optical and hardware platform; our C9X series visual LiDAR sensors, which integrate vision and LiDAR technologies and support external mounting; and our line laser products, which are used for precise wall-following, obstacle avoidance and height measurement. In 2025 and the three months ended March 31, 2026, we reversed our net loss position and recorded net profit margin of 0.4% and 4.0%, primarily driven by revenue growth from increased adoption of our LiDAR products and the commercialization of our sustained R&D efforts. Our Directors believe that our return to profitability is supported by the following factors and that we will be able to maintain and further improve our profitability in the future.

- ***Diversification of our product portfolio and revenue mix.*** During the Track Record Period, we successfully expanded beyond our legacy triangulation LiDAR products, which accounted for 98.3% and 94.1% of our total revenue in 2023 and 2024, respectively, into dTOF LiDAR and line laser sensor products that we commercially launched in 2024 following years of in-house research and development. Revenue from our dTOF LiDAR products grew from RMB4.2 million in 2024 to RMB65.0 million in 2025, and revenue from our line laser sensor products grew from RMB19.3 million in 2024 to RMB133.8 million in 2025. In the three months ended March 31, 2026, revenue from our dTOF LiDAR products and line laser sensor products amounted to RMB54.7 million and RMB45.1 million, respectively. As a result, the revenue contribution from triangulation LiDAR products declined to 65.7% and 47.1% of our total revenue in 2025 and the three months ended March 31, 2026, materially reducing our reliance on a single product line and broadening our addressable market across robotic vacuums and other applications.

- ***Deepening of relationships with leading brand customers.*** We have implemented a brand-focused customer development strategy by prioritizing cooperation with leading robotic vacuum brands, as the robotic vacuum industry is concentrated and primarily driven by leading brand owners with strong product development capabilities and market influence. As part of this strategy, we seek to leverage product adoption by leading brands to enhance market recognition and further penetrate the robotic vacuum market. In practice, once our products are validated and adopted by a brand customer, the relevant brand customer may, for supply chain or inventory management purposes, designate third-party suppliers such as OEM manufacturers to procure our products from us for incorporation into its robotic vacuum products. During the Track Record Period, our products were adopted by leading robotic vacuum brands, including all five largest market players in the robotic vacuum industry, four of which were part of our five largest customers in one or more years or periods during the Track Record Period, namely Customers A, B, F and H. We have maintained continuous cooperation with Customers A, B, F and H for periods ranging from three to six consecutive years, and our cooperation with each of them remains ongoing. Their total revenue contribution has also been consistently growing year by year during the Track Record Period. During the Track Record Period, we also expanded our coverage across customers' brands and product series. To the best of our knowledge and based on information available to us, including information obtained through communications with customers, in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, we served 10, 15, 18, 12 and 17 brands, respectively, and 15, 33, 52, 34 and 50 product series, respectively. This coverage across leading industry participants demonstrates our ability to serve customers with different product requirements and provides a foundation for us to further broaden our cooperation with brand customers in this industry. Revenue attributable to our five largest brand customers, including revenue from direct sales to such brand customers and, where applicable, sales to their designated third party suppliers, represented approximately 72%, 83%, 88% and 94% of our total revenue in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. Such revenue contribution reflected the commercial significance of leading brand customers in the robotic vacuum industry and the continued adoption of our products in their robotic vacuum product lines. Our cooperation with these customers has enabled us to accumulate product validation experience, application know-how and supply chain management capabilities, which provide a foundation for us to further penetrate existing customers' product lines, pursue cooperation with additional brand customers in the robotic vacuum industry and diversify into other application scenarios requiring similar spatial sensing capabilities.

- ***Commercialization of prior R&D investments and improving R&D efficiency.*** Our research and development costs increased from RMB54.6 million in 2023 to RMB76.7 million in 2024, reflecting our intensified development of dTOF LiDAR and line laser sensor products for new application scenarios. As these products were launched in 2024 and ramped up in 2025, our prior R&D investments are translating into commercialized revenue-generating products, and our research and development costs as a percentage of revenue decreased from 16.4% in 2023 and 17.7% in 2024 to 9.7% and 7.6% in 2025 and the three months ended March 31, 2026.

  In addition, we deployed AI-assisted development tools across selected stages of our R&D process, including simulation testing, product design and R&D project management. For example, we used locally deployed AI tools based on open code and relevant AI modules, to support sensor simulation testing, generate complex test scenarios such as LiDAR scene simulation, motion distortion simulation and anti-interference testing, and produce large volumes of test cases in virtual environments. We also applied AI tools to support product design, including structural material selection, optical test data analysis, sensor design parameter optimization, point cloud denoising, feature extraction and semantic segmentation, as well as R&D project management functions such as project progress tracking, automated test case generation and code review. These tools enhanced the automation and efficiency of our R&D workflow, reduced the need for repeated physical testing and prototyping, and improved the output of our existing R&D personnel. The availability of AI tools has enabled us to assign certain R&D tasks that were previously performed by more experienced engineers to relatively junior R&D personnel, with AI assistance. The efficiency of this optimized workforce structure is reflected in our R&D-related staffing and expenditure metrics. While our R&D headcount remained stable at 87 in 2024 and 2025 (before increasing to 106 in the three months ended March 31, 2026), R&D-related employee benefit expenses have steadily declined since 2025 from RMB61.5 million in 2024 to RMB44.2 million in 2025, and from RMB13.0 million in the three months ended March 31, 2025 to RMB11.1 million for the same period in 2026. Although we have expanded our R&D activities for spatial sensing products, our total R&D headcount has only increased marginally. In addition, as we continue to focus our core R&D activities on spatial sensing products, we have streamlined our R&D team for XR controller products accordingly. These factors collectively contributed to a decrease in R&D expenses. These factors contributed to a decrease in our R&D-related employee benefit expenses from RMB61.5 million in 2024 to RMB44.2 million in 2025, and further from RMB13.0 million in the three months ended March 31, 2025 to RMB11.1 million in the three months ended March 31, 2026, while continuing to maintain R&D spending at levels appropriate to support our long-term technological competitiveness.

- ***Economies of scale and improving unit economics of newly launched products.*** Our annual production capacity expanded from six million units in 2023 to a combined 18 million units in 2025, driving lower unit production costs as shipment volumes increased. The gross profit margin of our triangulation LiDAR products improved from 17.9% in 2024 to 18.6% in 2025, while the gross profit margin of our dTOF LiDAR products improved from a negative 32.8% in 2024 to a positive 7.0% in 2025, and that of our line laser sensor products improved from a negative 6.1% in 2024 to a positive 13.6% in 2025. In the three months ended March 31, 2026, gross profit margin of our triangulation LiDAR products, dTOF LiDAR products and line laser sensor products was 19.7%, 19.0% and 20.4%, respectively. We expect our overall gross profit margin to continue to improve as our newly launched products further mature and achieve greater production efficiencies through economies of scale.

- ***Operating leverage from a scalable cost base.*** As our revenue scaled from RMB332.1 million in 2023 to RMB613.5 million in 2025, at a CAGR of 35.9%, and increased from RMB131.8 million in the three months ended March 31, 2025 to RMB195.9 million in the three months ended March 31, 2026, our fixed and semi-fixed cost base supported revenue growth without proportional increases in operating expenses, contributing to our reversal from net losses of RMB0.9 million and RMB31.4 million in 2023 and 2024 to net profit of RMB2.2 million and RMB7.8 million in 2025 and the three months ended March 31, 2026, respectively. In particular, a portion of our administrative expenses consists of fixed costs, such as office rentals, amortization of leasehold improvements and fixed salaries of management and functional department personnel, which remain broadly stable within a certain range of operating scale. Another portion consists of semi-fixed costs, such as office utility expenses and bonus payments to management and functional department personnel, which may increase as our business scale expands, but generally at a rate lower than our revenue growth. As a result, our administrative expenses as a percentage of revenue declined from 6.5% in 2023 to 5.9% in 2024 (and was 6.5% in 2025 and the three months ended March 31, 2026 due to non-recurring listing-related expenses), and our selling and marketing expenses remained substantially stable in absolute terms. We expect this operating leverage to continue to support our profitability as revenue grows.
- ***Expansion of customer base and downstream applications.*** Revenue contribution from our five largest customers decreased from 93.6% in 2023 to 89.2% in 2024 and further to 80.4% in 2025, reflecting our successful customer base expansion. For the three months ended March 31, 2026, this contribution increased to 85.6%, primarily due to a substantial increase in procurement by our largest customer during the period, resulting in a higher relative revenue contribution from such customer for the period. This reflected increased demand from major brand customers in a robotic vacuum industry where market demand is increasingly concentrated among leading brand owners. Certain brand customers also procure our products through designated suppliers, such as OEM manufacturers, for supply chain and inventory management purposes. During the same year/period, Customers G and I purchased our products as designated suppliers of Customers H and B, respectively, reflecting our penetration into the product supply chains of the relevant brand customers through both direct sales and designated procurement channels. Together with our broader brand and product series coverage, such direct and designated procurement channels reflect the continued expansion of our customer base and penetration into customers' product supply chains.

  We are also actively extending our product applications beyond robotic vacuums into yard robots, pool-cleaning robots, humanoid robots, XR, industrial inspection, medical devices and 3D printing, which we expect will further diversify our revenue streams and reinforce the long-term sustainability of our profitability. As of the Latest Practicable Date, our products for XR and industrial inspection applications had begun generating revenue, and we had made progress in other emerging applications, including completion of channel development with leading industry customers, sample deliveries and technical evaluation for yard robots, pool-cleaning robots and humanoid robots. Although we had not received mass production orders for yard robots, pool-cleaning robots or humanoid robots, we had already received non-binding indicative order demand from two established brand customers for pool-cleaning robots and from one established customer for yard robots. Based on the foregoing, we believe these developments provide a reasonable basis for the commercial feasibility of our expansion into these other emerging applications, while the timing and scale of commercialization will continue to depend on customer testing results, product validation, commercial negotiations and customer launch schedules.

We expect to further improve our profitability as we realize returns on our research and development investments through new product launches, achieve greater economies of scale as production volumes increase, and continue to expand our market presence both by growing our market share as the leading spatial sensing products provider in the robotic vacuum sector and by capturing emerging opportunities in the intelligent devices market. As our net loss

position continue to improve, we also expect our operating cash outflow position to improve. Our past R&D investments are gradually paying off. In the five months ended May 31, 2026, we experienced significant business growth, delivering 12.9 million units of spatial sensing products, which represents an 114.4% increase compared to 6.0 million units in the corresponding period of 2025. This growth was notably driven by the delivery of 4.0 million triangular LiDAR products, 2.2 million dTOF LiDAR products, and 3.7 million line lasers, representing year-over-year increases of 7.7%, 628.8%, and 94.9%, respectively.

However, there is the possibility of continued losses due to increases in costs and expenses along with our business expansion, as well as our continuous investment in research and development. We may not be able to maintain profitability in the future. See "Risk Factors — Risks Relating to Our Financial Condition and Need For Additional Capital — We incurred net losses during the Track Record Period, and we may not be able to maintain profitability in the future."

WORKING CAPITAL CONFIRMATION

Our Directors are of the opinion that, taking into account the financial resources available to us, including (i) our future operating cash flows in respective periods, (ii) cash and cash equivalents, (iii) current financial assets at fair value through profit or loss, (iv) available bank facilities, and (v) the estimated net proceeds from the Global Offering, we have sufficient working capital for our requirements for at least the next 12 months from the date of this prospectus. We do not expect to have next round of financing before the Global Offering.

Key Financial Ratios

The table below sets forth certain of our key financial ratios as of the dates indicated, or for the periods indicated:

	As of/Year ended December 31,			As of/ Three months ended March 31,
	2023	2024	2025	2026
Revenue growth rate (%)[(1)]	128.1	30.5	41.6	48.7
Net (loss)/profit margin[(2)]	(0.3)	(7.2)	0.4	4.0
Current ratio[(3)]	3.4	2.9	2.9	2.3
Quick ratio[(4)]	3.0	2.4	2.4	1.9

Notes:

(1) Revenue growth rate equals the difference between the revenue for the year/period indicated and the revenue for the prior year/period, divided by the revenue for the prior year/period, and multiplied by 100%.

(2) Net (loss)/profit margin equals net loss or profit divided by revenue for the year/period indicated and multiplied by 100%. For details on the reasons for the fluctuations of our net (loss)/profit margin, see "— Summary of Historical Financial Information — Selected Items from the Consolidated Statements of Profit or Loss — (Loss)/Profit for the Period."

(3) Current ratio is calculated by dividing current assets by current liabilities as of the date indicated. Our current ratio decreased over the Track Record Period primarily due to a substantial increase in trade payables resulting from our increased procurement of raw materials and contract manufacturing services to support our expanded production volume and business growth.

(4) Quick ratio is calculated by dividing current assets less inventories by current liabilities as of the date indicated. Similar to our current ratio, our quick ratio experienced a corresponding decline during the Track Record Period, which was further driven by our strategic accumulation of inventory to meet the growing downstream demand from our customers.

APPLICATION FOR LISTING ON THE HONG KONG STOCK EXCHANGE

We have applied to the Stock Exchange for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering on the basis that we satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules, with reference to (i) our revenue for the year ended December 31, 2025, which exceeded HK$500 million; and (ii) our expected market capitalization at the time of the Listing, which, based on the Offer Price of HK$58.85 per H Share, exceeds HK$4 billion.

GLOBAL OFFERING STATISTICS

The statistics in the following table are based on the assumption that the Global Offering has been completed and 11,588,800 H Shares are issued pursuant to the Global Offering.

	Based on the Offer Price of HK$58.85 per Share
Market capitalization of our H Shares[(1)]	HK$5,683.4 million
Unaudited pro forma adjusted consolidated net tangible assets per Share[(2)]	HK$10.65

Notes:

(1) The calculation of market capitalization is based on the 96,573,639 H Shares expected to be in issue immediately upon completion of the Global Offering, assuming the Over-allotment Option is not exercised.

(2) The unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share are arrived at after adjustment referred to in the preceding paragraphs and on the basis that 96,573,639 shares are in issue, assuming that Global Offering had been completed on 31 March 2026, without taking into account any shares which may be allotted and issued upon the exercise of the Over-allotment Option.

(3) No adjustment has been made to reflect any trading results or other transactions of our Group entered into subsequent to March 31, 2026.

LISTING EXPENSES

Listing expenses to be borne by us are estimated to be approximately HK$66.6 million (based on the Offer Price of HK$58.85 per Share, assuming no Shares are issued pursuant to the Over-allotment Option). The listing expenses consist of (i) underwriting-related expenses, including underwriting commission, of approximately HK$23.9 million, and (ii) non-underwriting-related expenses of approximately HK$42.7 million, comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$22.3 million, and (b) other fees and expenses of approximately HK$20.4 million. During the Track Record Period, approximately HK$24.4 million was charged to our consolidated statements of profit or loss, and approximately HK$4.9 million was accounted for as a deduction from equity. Subsequent to the Track Record Period, approximately HK$12.5 million is expected to be charged to our consolidated statements of profit or loss, and approximately HK$24.8 million is expected to be accounted for as a deduction from equity upon the Listing. We do not believe any of the above fees or expenses are material or are unusually high for our Group. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

FUTURE PLANS AND USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$615.4 million after deducting the underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, assuming no exercise of the Over-allotment Option and the Offer Price of HK$58.85 per Share.

We intend to apply our net proceeds for the following purposes, subject to changes in light of our evolving business needs and changing market conditions. Specifically:

- approximately HK$400.0 million (representing 65.0% of the net proceeds) will be allocated to enhance our R&D capabilities to strengthen our core technologies and the research and development of sensor products;
- approximately HK$153.8 million (representing 25.0% of the net proceeds) will be allocated to enhance our manufacturing capabilities; and
- approximately HK$61.5 million (representing 10.0% of the net proceeds) will be used for our working capital and general corporate purposes.

For details, see "Future Plans and Use of Proceeds."

DIVIDENDS

No dividend was paid or declared by our Company during the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. PRC laws require that dividends be paid only out of our distributable profits. In particular, our PRC Legal Advisor is of the view that, according to PRC Company Law and the Company's Articles of Association, in view of our accumulated losses, our Company cannot declare and pay dividends, unless our Company has already made up the accumulated losses and accrued reserve. Distributable profits are our after-tax profits, less appropriations to statutory and other reserves that we are required to make. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial conditions, cash requirements and availability, and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC laws and approval by our Shareholders.

IMPACT OF COVID-19 PANDEMIC

Despite the macroeconomic challenges posed by the COVID-19 pandemic, our Directors are of the view that our business operations and financial position remained stable during the Track Record Period and were not materially and adversely impacted by the COVID-19 pandemic.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

We continue to deliver strong performance in 2026. We experienced significant growth in the five months ended May 31, 2026, delivering 12.9 million units of spatial sensing products, which represents an 114.4% increase compared to 6.0 million units in the corresponding period of 2025. This growth was notably driven by the delivery of 4.0 million triangular LiDAR products, 2.2 million dTOF LiDAR products, and 3.7 million line lasers, representing year-over-year increases of 7.7%, 628.8%, and 94.9%, respectively. As of the Latest Practicable Date, based on the backlog of design wins as of July 31, 2026, revenue of approximately RMB174.8 million is expected to be recognized from September 2026 to December 2026, subject to product delivery and the relevant revenue recognition requirements.

On June 30, 2026, Shenzhen Ledong Robot Co., Ltd. ("**Plaintiff**") filed a patent infringement action against us in the Shenzhen Intermediate People's Court in relation to certain of our dTOF LiDAR products, seeking cessation of the alleged infringement and damages of RMB5.0 million. The action was withdrawn on July 22, 2026 by the Plaintiff, following our negotiation with the Plaintiff. No settlement or other arrangement was entered into between us and the Plaintiff in connection with the withdrawal, and no damages, compensation or other payments were made or are payable by us in connection with the action.

In assessing the infringement risk, we engaged AllBright Law Offices (Shenzhen) to conduct a patent infringement comparison analysis in respect of the relevant products and each asserted patent claim. Based on its assessment that (i) on a claim-by-claim comparison of technical features, the relevant products were not considered to fall within the scope of protection of most of the asserted patent claims, as the products lacked technical features that were identical or equivalent to those recited in such claims; and (ii) for remaining asserted patent claims that certain relevant products were considered to fall within the scope of protection, our intellectual property legal advisers further assessed the validity and stability of the asserted patents and considered those claims susceptible to invalidation challenges for lack of novelty or inventiveness, particularly as the asserted patents are utility model patents granted in the PRC without substantive examination, our intellectual property legal advisers concluded that the asserted patents exhibited poor overall validity and had a high likelihood of being declared invalid, and that our relevant products were assessed to have low infringement risk. The matter has not had any material adverse effect on our business operations. Our Directors are of the view that it is not likely to have a material adverse effect on the Company's operational and financial results going forward, considering that (i) the action has been withdrawn by the plaintiff without any settlement, damages or other payments and (ii) the low infringement risk assessed by our intellectual property legal advisers.

We are currently constructing our new manufacturing facilities in Zhongshan. As of the Latest Practicable Date, the Zhongshan production base has completed renovation and commenced pilot production. For details, see "Business — Production — Production Bases."

Since the end of the Track Record Period, there has been no material changes to the industry and regulatory environment that are expected to have a material adverse impact on our business.

Our Directors have confirmed that up to the date of this prospectus there has been no material adverse change in our financial or trading position or prospects since March 31, 2026 (being the date of the Accountants' Report) and there has been no event since March 31, 2026 which would materially affect the information shown in the Accountants' Report set out in Appendix I to this prospectus.

In this prospectus, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below. Certain technical terms are explained in the section headed "Glossary of Technical Terms" in this prospectus.

"Accountants' Report"	the accountants' report prepared by Ernst & Young, the text of which is set out in Appendix I to this prospectus
"affiliate"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Articles of Association" or "Articles"	the articles of association of our Company adopted on September 27, 2025 which will become effective upon the Listing Date and as amended from time to time, a summary of which is set out in Appendix V to this prospectus
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of Directors of our Company
"Business Day" or "business day"	any day (other than a Saturday, Sunday or public holiday in Hong Kong and any day on which tropical cyclone warning no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
"Camsense Era"	Shenzhen Camsense Era Investment Partnership (General Partnership) (深圳市歡創時代投資合夥企業(普通合夥)), a general partnership established in the PRC on January 5, 2021
"Camsense Intelligent"	Shenzhen Camsense Intelligent Manufacturing Technologies Co., Ltd. (深圳市歡創智造科技有限公司), a limited liability company established in the PRC on March 24, 2021, and a wholly-owned subsidiary of our Company
"Camsense Interactive"	Shenzhen Camsense Interactive Technologies Co., Ltd. (深圳市歡創互動科技有限公司), a limited liability company established in the PRC on October 24, 2013, and a wholly-owned subsidiary of our Company
"Camsense Investment"	Shenzhen Camsense Investment Partnership (Limited Partnership) (深圳市歡創投資合夥企業(有限合夥)), a limited partnership established in the PRC on December 22, 2020, and one of our Employee Shareholding Platforms

"Capital Market Intermediaries"	has the meaning ascribed thereto under the Listing Rules, and unless the context requires otherwise, refers to the capital market intermediaries named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"China" or "PRC"	the People's Republic of China, but for the purpose of this prospectus and for geographical reference only and except where the context requires otherwise, references in this prospectus to "China" and the "PRC" do not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan of China
"CIC"	China Insights Industry Consultancy Limited, a market research and consulting company and Independent Third Party, which prepared the CIC Report
"CIC Report"	an independent market research report commissioned by us and prepared by CIC for the purpose of this prospectus
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company" or "our Company"	Shenzhen Camsense Technologies Co., Ltd. (深圳市歡創科技股份有限公司), a limited liability company established in the PRC on December 31, 2013, and converted into a joint stock company with limited liability on November 30, 2023, formerly known as Shenzhen Camsense Technologies Limited Liability Company (深圳市歡創科技有限公司)
"Company Law" or "PRC Company Law"	the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
"Compliance Advisor"	First Shanghai Capital Limited
"Concert Party Agreement"	a concert party agreement entered into among Mr. Wang Jian (王健), Mr. Zhou Kun (周琨) and Mr. Liu Yi (劉屹) on June 6, 2023, details of which are set out in "History, Development and Corporate Structure — Concert Party Agreement" of this prospectus

"Conversion of Unlisted Shares into H Shares"	the conversion of 84,984,839 Unlisted Shares into H Shares on a one-for-one basis upon the completion of Global Offering. Filing of such conversion of Unlisted Shares into H shares has been completed with the CSRC on August 24, 2026 and an application for H Shares to be listed on the Stock Exchange has been made to the Listing Committee
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC national securities markets
"Director(s)" or "our Director(s)"	the director(s) of our Company, including all executive, non-executive and independent non-executive directors
"EIT"	enterprise income tax
"EIT Law"	the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》), as amended, supplemented or otherwise modified from time to time
"Employee Shareholding Platform(s)"	the employee shareholding platform(s) of our Company, including Camsense Investment and Xinle Management
"EU"	European Union
"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"FIL"	Foreign Investment Law of the PRC (《中華人民共和國外商投資法》)
"FINI" or "Fast Interface for New Issuance"	an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all new listings
"General Rules of HKSCC"	the General Rules of HKSCC as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group," "our Group," "our," "we" or "us"	our Company and all of our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)
"Guide for New Listing Applicants"	the Guide for New Listing Applicants as published by the Stock Exchange, as amended from time to time

"H Share(s)"	overseas listed foreign share(s) in our ordinary share capital, with nominal value of RMB1.00 each in the share capital of our Company, which are to be subscribed for and traded in HK dollars, and for which an application has been made for listing and permission to trade on the Stock Exchange
"H Share Registrar"	Tricor Investor Services Limited
"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name by submitting applications online through the designated website at **www.hkeipo.hk**
"**HK eIPO White Form** Service Provider"	the **HK eIPO White Form** service provider designated by our Company, as specified on the designated website at **www.hkeipo.hk**
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"HKSCC EIPO"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant's stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
"HKSCC Operational Procedures"	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operation and functions of CCASS, as from time to time in force
"HKSCC Participant"	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars," "HK dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Offer Shares"	the H Shares offered by us for subscription pursuant to the Hong Kong Public Offering

"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price (plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) on the terms and conditions described in this prospectus as further described in the section headed "Structure and Conditions of the Global Offering — The Hong Kong Public Offering" in this prospectus
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering listed in the section headed "Underwriting — Hong Kong Underwriters" in this prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated September 18, 2026 relating to the Hong Kong Public Offering entered into by, among other parties, our Company, the Overall Coordinators and the Hong Kong Underwriters, as further described in the section headed "Underwriting — Hong Kong Public Offering — Hong Kong Underwriting Agreement" in this prospectus
"Hongkong Camsense"	Hongkong Camsense Technologies Co., Limited (香港歡創科技有限公司), a private limited company established in Hong Kong on August 30, 2024, and a wholly-owned subsidiary of our Company
"Huizhou Camsense"	Huizhou Camsense Intelligent Manufacturing Technologies Co., Ltd. (惠州市歡創智造科技有限公司), a limited liability company established in the PRC on August 27, 2024, and a wholly-owned subsidiary of our Company
"IFRS"	the International Financial Reporting Standards as issued by the IASB, which comprise the IFRS Accounting Standards, International Accounting Standards, Interpretations developed by the IFRS Interpretations Committee or its predecessor body, the Standing Interpretations Committee
"Independent Third Party(ies)"	an individual or a company which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is not a connected person of our Company within the meaning of the Listing Rules
"International Offer Shares"	the H Shares initially offered by our Company for subscription at the Offer Price pursuant to the International Offering together with, where relevant, any additional H Shares which may be issued by our Company pursuant to the exercise of the Over-allotment Option (subject to adjustment as described in the section headed "Structure and Conditions of the Global Offering" in this prospectus)

"International Offering"	the offer of the International Offer Shares by the International Underwriters at the Offer Price outside the United States in offshore transactions in accordance with Regulation S under the U.S. Securities Act, as further described in the section headed "Structure and Conditions of the Global Offering" in this prospectus
"International Sanctions"	the applicable laws and regulations, as amended and supplemented from time to time, related to economic sanctions, export controls, trade embargoes and wider prohibitions and restrictions on international trade and investment-related activities
"International Sanctions Legal Advisor"	Ashurst Perkins Coie Tokyo (Ashurst Perkins Coie Horitsu Jimusho Gaikokuho Kyodo Jigyo), our legal advisor as to International Sanctions and U.S. outbound investment laws in connection with the Listing
"International Underwriters"	the group of international underwriters, led by the Overall Coordinators that is expected to enter into the International Underwriting Agreement to underwrite the International Offering
"International Underwriting Agreement"	the underwriting agreement expected to be entered into on or about September 25, 2026 by, among other parties, our Company, the Joint Sponsors, the Overall Coordinators, and the International Underwriters, as further described in the section headed "Underwriting — International Offering — International Underwriting Agreement" in this prospectus
"Joint Sponsors" or "Joint Global Coordinators" or "Joint Bookrunners"	the joint sponsors, the joint global coordinators and the Joint Bookrunners as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Latest Practicable Date"	September 13, 2026, being the latest practicable date for the purpose of ascertaining certain information in this prospectus prior to its publication
"Listing"	the listing of our H Shares on the Stock Exchange
"Listing Committee"	the Listing Committee of the Stock Exchange
"Listing Date"	the date expected to be on or about Wednesday, September 30, 2026, on which dealings in our H Shares first commence on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with the GEM of the Stock Exchange

"MOFCOM" or "Ministry of Commerce"	the Ministry of Commerce of the PRC (中華人民共和國商務部) (formerly known as the Ministry of Foreign Trade and Economic Cooperation of the PRC (中華人民共和國對外經濟貿易部))
"NDRC"	the National Development and Reform Commission (中華人民共和國國家發展和改革委員會)
"Nomination Committee"	the nomination committee of the Board
"NPC"	the National People's Congress of the PRC (中華人民共和國全國人民代表大會)
"Offer Price"	HK$58.85, being the offer price per Offer Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%) at which the Offer Shares are to be subscribed for and issued pursuant to the Global Offering, as described in the section headed "Structure and Conditions of the Global Offering — Pricing and Allocation" in this prospectus
"Offer Share(s)"	the Hong Kong Offer Shares and the International Offer Shares
"Overall Coordinators"	has the meaning given to it in the Listing Rules and, unless the context requires otherwise, refers to the overall coordinators named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Over-allotment Option"	the option expected to be granted by our Company to the International Underwriters, exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters) pursuant to the International Underwriting Agreement, pursuant to which our Company may be required to allot and issue up to an aggregate of 1,738,300 additional H Shares, representing approximately 15% of the Offer Shares initially being offered under the Global Offering, at the Offer Price to, among other things, cover over-allocations in the International Offering, if any, further details of which are described in the section headed "Structure and Conditions of the Global Offering — Stabilization" in this prospectus
"Overseas Listing Trial Measures"	Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) released by the CSRC on February 17, 2023 and took effect on March 31, 2023
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC GAAP"	generally accepted accounting principles in the PRC

"PRC Legal Advisors"	AllBright Law Offices (Shenzhen), the legal advisors to our Company as to the laws of the PRC, including PRC data compliance laws and PRC intellectual property laws
"PRC Securities Law"	the Securities Law of the PRC (《中華人民共和國證券法》), as enacted by the 6th meeting of the 9th Standing Committee of the NPC on December 29, 1998, and became effective on July 1, 1999, as amended, supplemented or otherwise modified from time to time
"Pre-IPO Investment(s)"	the pre-IPO investment(s) in our Company undertaken by the Pre-IPO Investor(s), details of which are set out in the section headed "History, Development and Corporate Structure — Pre-IPO Investments" in this prospectus
"Pre-IPO Investor(s)"	the investor(s) of Pre-IPO Investment(s)
"prospectus"	this prospectus being issued in connection with the Hong Kong Public Offering
"Qingdao Camsense"	Qingdao Camsense Intelligent Manufacturing Technologies Co., Ltd. (青島歡創智造科技有限公司), a limited liability company established in the PRC on March 5, 2024, and a wholly-owned subsidiary of our Company
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"SAMR"	State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
"Securities and Futures Ordinance" or "SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Series A" or "Series A financing"	the financing of our Company in July and December 2017, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Series A+" or "Series A+ financing"	the financing of our Company in August and November 2019, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus

"Series Angel" or "Series Angel financing"	the financing of our Company in December 2015 and November 2016, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Series B" or "Series B financing"	the financing of our Company in December 2020, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Series B+" or "Series B+ financing"	the financing of our Company in March 2021, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Series B++" or "Series B++ financing"	the financing of our Company in July 2021, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Series C1" or "Series C1 financing"	the financing of our Company in August 2022, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Series C2" or "Series C2 financing"	the financing of our Company in January 2024, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Series D" or "Series D financing"	the financing of our Company in September 25, 2025, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Series Pre-A" or "Series Pre-A financing"	the financing of our Company in June 2016, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Series Seed" or "Series Seed financing"	the financing of our Company in June 2015, details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"SFC"	the Securities and Futures Commission of Hong Kong
"Shanghai Stock Exchange"	the Shanghai Stock Exchange (上海證券交易所)
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of our Share(s)
"Shenzhen Stock Exchange"	the Shenzhen Stock Exchange (深圳證券交易所)

"Single Largest Group of Shareholders"	Mr. Wang Jian (王健), Mr. Zhou Kun (周琨) and Mr. Liu Yi (劉屹), Camsense Investment, Xinle Management and Camsense Era
"Sponsor-OCs" or "Sponsor-Overall Coordinators"	the sponsor-overall coordinators as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"STA"	State Taxation Administration (中華人民共和國國家税務總局)
"Stabilization Manager"	China International Capital Corporation Hong Kong Securities Limited
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Strategy Committee"	strategy committee of the Board
"subsidiary(ies)"	has the meaning ascribed to it in section 15 of the Companies Ordinance
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Track Record Period"	the three years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026
"U.S. dollars," "US$" or "USD"	United States dollars, the lawful currency of the United States
"U.S. Securities Act"	the United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"United States," "USA" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Unlisted Share(s)"	ordinary share(s) issued by our Company, with a nominal value of RMB1.00 each, which is/are not listed on any stock exchange
"VAT"	value added tax

"Xinle Management"	Shenzhen Xinle Management Consulting Partnership (Limited Partnership) (深圳市欣樂管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on February 21, 2022, and one of our Employee Shareholding Platforms
"Zhongshan Camsense"	Zhongshan Camsense Intelligent Manufacturing Technologies Co., Ltd. (中山市歡創智造科技有限公司), a limited liability company established in the PRC on October 15, 2025, and wholly-owned subsidiary of our Company
"%"	per cent

For the purpose of this prospectus, references to "provinces" of China include provinces, municipalities under direct administration of the central government and provincial-level autonomous regions.

In this prospectus, the terms "associate(s)," "close associate(s)," "connected person(s)," "core connected person(s)," "connected transaction(s)" and "substantial shareholder(s)" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

For ease of reference, the names of PRC laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in this prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translations of company names and other terms from the Chinese language are provided for identification purposes only.

This glossary contains explanations of certain technical terms used in this prospectus in connection with our Company and our business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

"AI"	artificial intelligence
"anti-entanglement technology"	technology to prevent interference and signal degradation caused by environmental obstructions
"ASIC"	application-specific integrated circuit, a custom-designed semiconductor chip optimized for a specific application or task. Unlike general-purpose chips, ASICs deliver enhanced performance and efficiency for particular functions, making them widely used in various industries
"BLDC motor"	brushless direct current motor, an advanced electric motor design that eliminates traditional mechanical brushes through electronic commutation
"CAGR"	compound annual growth rate
"CIS"	CMOS image sensor, a type of image sensor that utilizes complementary metal-oxide-semiconductor technology to convert light into electronic signals
"CMOS"	complementary metal-oxide-semiconductor, a technology used in image sensors that converts light into electronic signals
"dTOF LiDAR"	measurement devices that determine distances by emitting laser pulses and recording the time it takes for the light to return after hitting an object. This technology enables high-precision, direct distance measurements, making it ideal for applications in autonomous vehicles, robotics and 3D mapping
"EEL"	edge-emitting lasers, where the laser light propagates parallel to the wafer surface of the semiconductor chip and is reflected or coupled out at a cleaved edge
"embodied intelligence"	the integration of cognitive processes with physical form, allowing systems to learn, adapt and interact with their environment through sensory and motor functions
"FPGA"	field-programmable gate array, an integrated circuit that can be configured by the user after manufacturing, allowing for flexible hardware implementation of digital circuits and enabling rapid prototyping and reconfiguration for various applications in telecommunications, automotive and industrial sectors
"FOV"	the field of view

"Infrared spot centroid extraction"	a process to determine the central point of an infrared light spot on a target surface. This technique enhances accuracy in spatial measurements and object detection by providing precise location data for the reflected signals
"IQC"	incoming quality control, the inspection and testing of raw materials and components upon arrival to ensure they meet required quality standards before being used in the production process
"ISO"	the International Organization for Standardization, a worldwide federation of national standards bodies
"ISO14001"	an international standard that specifies requirements for an effective environment management system
"ISO45001"	an international standard that specifies requirements for an occupational health and safety management system
"ISO9001"	an international standard that specifies requirements for a quality management system
"LiDAR"	a remote sensing method that uses light to measure the distance or range of objects
"line laser sensor"	a sensor that projects a laser line onto an object or surface and detects the reflected light to measure distance, contour or position
"MEMS"	micro-electro-mechanical systems, miniaturized devices that integrate mechanical and electronic components at the microscale, enabling a wide range of applications in sensors, actuators and systems for automotive, biomedical and consumer electronics industries
"PCB"	printed circuit board, a board used to mechanically support and electrically connect electronic components using conductive pathways
"point cloud"	the outputs of the scanning process, which contain a large number of points that together represent the site scanned
"RMSE"	root mean square error, a statistical measure to assess the accuracy of spatial data by calculating the square root of the average of the squared differences between predicted and observed values. It provides a quantitative evaluation of measurement precision and model performance
"SDK"	Software Development Kit, a collection of tools, libraries and documentation that enables developers to create applications for specific platforms or frameworks

"SLAM"	simultaneous localization and mapping, a technology that enables a system to create a map of its environment while simultaneously determining its own location within that map. This capability is essential for applications such as robotics and real-time spatial awareness
"SLR"	structured light range, a technology that employs projected patterns of light to capture depth information and create three-dimensional representations of objects
"SMT"	surface mount technology, a method for producing electronic circuits in which components are mounted directly onto the surface of PCBs
"SPAD"	single-photon avalanche diode, a highly sensitive semiconductor device that can detect single photons, enabling applications in quantum optics, telecommunications and advanced imaging systems due to its fast response time and low noise characteristics
"spatial sensing"	the technology and techniques used to detect, measure, and interpret the spatial relationships and positions of objects within a defined environment
"submillimeter computation"	advanced processing techniques that achieve precision measurements at scales smaller than one millimeter. This capability enables highly accurate 3D mapping and fine detail recognition, enhancing the performance and reliability of LiDAR systems in various applications
"TOF"	time of flight, a measurement technique used in imaging and sensing technologies that calculates the distance to an object by measuring the time it takes for a light signal to travel to the object and back
"triangulation LiDAR"	measurement devices that determine the position of objects by analyzing the angle of laser beams reflected off surfaces. By using geometric principles to calculate distances based on the angles and known positions, these sensors provide high-resolution, 3D data for applications such as topography, architecture and environmental monitoring
"VCSEL"	vertical-cavity surface-emitting laser, a type of semiconductor laser that emits light vertically from its surface. VCSELs are utilized for their high efficiency, compact size and precise light emission, enabling effective distance measurement and enhanced performance in optical sensing applications
"XR"	extended reality, an umbrella term that encompasses virtual reality (VR), augmented reality (AR) and mixed reality (MR)

We have included in this prospectus forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This prospectus contains certain forward-looking statements and information relating to us and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this prospectus, the words "aim," "anticipate," "believe," "could," "estimate," "expect," "going forward," "intend," "may," "might," "ought to," "plan," "potential," "predict," "project," "seek," "should," "will," "would" and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change.

These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. Risks and uncertainties that could affect the accuracy of our forward-looking statements include our ability to attract and retain senior management and key employees, our operations, business prospects, strategies, and plans, industry trends and competition, our ability to control costs and expenses, our ability to defend our intellectual property rights and protect confidentiality, our dividend policy, changes or volatility in interest rates, foreign exchange rates, equity prices, trading volumes, commodity prices, and overall market trends, capital market developments, the actions and developments of our competitors, changes to regulatory and operating conditions in the industries and markets in which we operate, and all other risks and uncertainties described in the "Risk Factors" section of this prospectus.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect or at all. Accordingly, forward-looking statements are not a guarantee of future performance and you should not place undue reliance on any forward-looking information. The inclusion of forward-looking statements should not be regarded as representations by us that our plans and objectives will be achieved or realized. All forward-looking statements in this prospectus are qualified by reference to the cautionary statements in this section. Statements of or references to our intentions or those of the Directors are made as of the date of this prospectus and may change in light of future developments.

An investment in our H Shares involves various risks. You should carefully consider all the information in this prospectus and in particular the risks and uncertainties described below before making an investment in our H Shares. The following is a description of what we consider to be our material risks.

The occurrence of any of the following events could materially and adversely affect our business, financial condition, results of operations or prospects. If any of these events occurs, the trading price of our H Shares could decline and you may lose all or part of your investment. You should seek professional advice from your relevant advisors regarding your prospective investment in the context of your particular circumstances.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

We have a limited track record in commercialization in a new and rapidly evolving industry and there can be no assurance that our sales and marketing efforts will succeed.

We are a company with a limited track record in developing, commercializing and marketing our products. Our ability to successfully commercialize our products may involve more uncertainties, take longer and cost more than it would if we were a company with a longer track record in commercializing and marketing. In particular, the commercialization of new products requires additional resources. The success of our sales and marketing efforts depends on our ability to attract, motivate and retain qualified and professional employees in our commercialization team who have, among other things, adequate technical knowledge to communicate effectively with potential customers, sufficient experience in sales and marketing of products, and extensive industry connections and experience. We may not be able to scale up rapidly enough to generate significant revenue, raise additional capital or operate profitably. We will continue to encounter risks and difficulties frequently experienced by companies at an early stage of commercialization, including marketing our products, scaling up our operation and headcount, and may incur unforeseen expenses, difficulties or delays in connection with our growth.

Due to our limited track record in the commercialization of our products, there can be no assurance that our efforts to market and sell our products will succeed, that the sales results of our products will meet our expectation, or that third parties will deploy and utilize our products effectively and meet overall user experience. We may invest significant effort from the time of our initial contact with a customer to the time when they choose to purchase or incorporate our products into their product offerings. We could expend significant resources pursuing, but fail to achieve, customer orders for our products. Even after achieving customer orders, the period of time from product design to mass production may be long and we are subject to the risks of termination or postponement of contracts or unsuccessful implementation. In addition, we may experience launch and production ramp delays for new products and features. Any of the above individually or collectively, would materially and adversely affect the commercialization of our products or cause us to incur sales and marketing expenses which we are not able to recover, and, in turn, materially and adversely affect our business and results of operations.

We have been, and intend to continue investing significantly in R&D, which may adversely affect our profitability and operating cash flow and may not generate the results we expect to achieve.

We have been investing heavily in our R&D efforts. Our research and development costs amounted to RMB54.6 million, RMB76.7 million, RMB59.4 million, RMB17.3 million and RMB14.8 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. The industry in which we operate is subject to rapid technological changes and is evolving quickly in terms of technological innovation. We need to invest significant resources, including financial resources, in R&D to make technological advances in order to expand our offerings and make our products innovative and competitive in the market. As a result, we may continue to incur significant R&D expenses in the future.

However, we cannot guarantee that our efforts will deliver the benefits we anticipate or be recognized as expected. Research and development activities are inherently uncertain, and we may not be able to obtain and retain sufficient resources including qualified R&D

personnel. Even if we succeed in our R&D efforts and generate the results we expect, we may still encounter practical difficulties in commercializing our development results. New technologies could render our technologies, our technological infrastructure or products that we are developing or expect to develop in the future obsolete or unattractive, thereby limiting our ability to recover related product development costs, which could result in a decline in our revenues, profitability and market share.

Our R&D efforts may not contribute to our future results of operations for several years, if at all, and such contributions may not meet our expectations or even cover the costs of such efforts, which would materially and adversely affect our business, results of operations, financial condition and competitive position.

The industry in which we operate is highly competitive and rapidly evolving. If we fail to compete effectively, our business, financial condition and results of operations may be materially and adversely affected.

The markets that we operate in are highly competitive. Our future success will depend on our ability to emerge and sustain as a leader in our targeted markets by continuing to develop and manufacture LiDAR products in a timely manner and to effectively compete with existing and new competitors. If we compete with market participants that have a longer corporate operating history or more resources than us, or if we do not have or in the future gain more financial resources and sophisticated technological capabilities and broader customer base and relationships than our competitors, we may not be able to respond more quickly and effectively to new or changing opportunities, technologies, regulatory requirements or customer demand than our competitors.

We also face competition from other LiDAR and non-LiDAR developers, some of which may have significantly greater resources than we do. In addition, some robotic vacuum brands are developing their own spatial sensing products, further intensifying our competitive pressures. In the robotic vacuum industry, our competitors are also working towards commercialization and advancing their mass production capabilities. Some of our competitors have achieved market adoption and strong brand recognition and may continue to improve. In markets outside of the robotic vacuum industry, our competitors, like us, also seek to develop new LiDAR applications across different industries such as XR and industrial automation. Even in these emerging markets, we face substantial competition from numerous competitors seeking to prove the value of their technology.

We may be required to make substantial additional investments in research, development, marketing and sales, recruiting and retaining top scientists and innovative talents, enhancing software systems compatibility, and acquiring technologies complementary to, or necessary for, our current and future products in order to respond to such competitive threats, and we cannot assure you that such measures will be effective. Increased competition may result in pricing pressure and reduced margins and may impede our ability to increase the sales of our products or cause us to lose market share, any of which will adversely affect our business, results of operations and financial condition.

If we fail to anticipate and adapt to technological developments and transitions in our industry, including alternative technologies, our products may become less competitive or obsolete, and demand for our products may be adversely affected.

As the industry advances towards more advanced technologies, there is a tangible risk that the existing markets for our current products could diminish swiftly. Our competitive edge hinges not only on our ability to keep pace with, but also anticipate, future technological advancements. Failure to proactively develop and integrate new technologies into our product lineup could result in a substantial loss of market share and revenue. This underscores the critical need for strategic foresight in planning and developing future technologies. We cannot guarantee that the market environment will remain unchanged, nor can we assure that we will successfully plan for the next generation of technology in advance. The introduction of new technologies, including any technological development and breakthroughs in alternative technologies such as computer vision and ultrasonic sensors, could significantly diminish demand for our existing products and affect our ability to compete with newer offerings. Within our existing product portfolio, a faster-than-expected shift from triangulation LiDAR

to dTOF LiDAR in top-mounted sensor configurations could reduce demand for our D Series triangulation LiDAR products, and there is no assurance that increased sales of our dTOF LiDAR products would offset any such decline in a timely manner or at comparable margins, which may adversely affect our business, financial condition, results of operations and prospects.

We depend on a limited number of customers and brand owners for a substantial portion of our revenue, and the loss of, or a significant reduction in sales to, one or more of our major customers or brand owners would adversely affect our business, results of operations and financial condition.

Revenue generated from our largest customer in each period during the Track Record Period accounted for 37.1%, 36.1%, 29.0% and 37.3%, respectively, of our total revenue for the respective periods. Revenue generated from our five largest customers in each period during the Track Record Period accounted for 93.6%, 89.2%, 80.4% and 85.6% of our total revenue for the respective periods. In addition, certain brand owners may procure our products directly from us or through their designated third-party suppliers, such as OEM manufacturers, for supply chain and inventory management purposes. Revenue attributable to our five largest brand customers, including revenue from direct sales to such brand customers and, where applicable, sales to their designated third party suppliers, represented approximately 72%, 83%, 88% and 94% of our total revenue in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. Our business, results of operations and financial condition for the foreseeable future may continue to depend on sales to, and product adoption and procurement decisions by, a relatively small number of customers and brand owners. Our current major customers and brand owners may purchase or procure fewer of our products than they did in the past, shift their business focus, alter their purchasing patterns or procurement channels, or decide not to purchase, procure or adopt our products at all. For example, customers and end customers that have purchased our products in the past may decide to adopt alternative products or develop in-house products in lieu of their purchases from us, which may reduce their demand of our products and negatively impact our operational and financial results. Certain of our customers have developed, or may continue to develop, their own LiDAR products. While such self-developed products are currently generally used in differentiated product models, there can be no assurance that our customers will not expand the use of their self-developed products to their mainstream product models or develop in-house products that compete with our other product lines in the future. If our major customers or brand owners increase their reliance on alternative or self-developed products, reduce their purchases from us or use their in-house capabilities to seek more favorable pricing or commercial terms from us or through their designated third-party suppliers, change their designated procurement arrangements, demand for our products, particularly our triangulation LiDAR products, could decrease, and we may face increased pricing pressure or be required to accelerate the development and commercialization of new or upgraded products. Further, the amount of revenue generated from any single major customer, the revenue attributable to any single brand owner, or our major customer or brand owner concentration generally, may fluctuate in any given period. If our major customers or brand owners scale back or terminate their business relationship with us, reduce procurement of our products, or if we are unable to negotiate favorable contractual terms with them, or if we are unable to secure new customers or brand owners on favorable or comparable terms or at all, our business, financial condition and results of operations may be materially and adversely affected.

Our revenue growth depends critically on retaining existing customers, attracting new ones, and expanding their use of our products, as well as maintaining and expanding product adoption by brand owners. However, customer engagement or brand adoption may decline due to dissatisfaction, pricing pressures, competition, macroeconomic shifts, or changes in customers' own operations. To sustain growth and acquire new clients, we must continuously innovate to meet evolving needs, anticipate industry trends, and maintain a highly qualified sales and marketing team. Because customers and brand owners are not obligated to continue using our products, any failure to retain them, expand their usage, or acquire new clients — or any downturn in our customers' or brand owners' own business performance — could materially and adversely affect our business, financial condition, and results of operations.

In addition, our ability to retain customers and brand owners and foster strong relationships depends critically on providing highly efficient customer support and maintaining exceptional product quality. As our enterprise customer base expands, we must scale our technical support capabilities to meet their increasingly complex needs. If we are unable to recruit and retain qualified technical personnel with deep product expertise, our ability to resolve issues promptly and effectively will be impaired. Consequently, any failure — or market perception of a failure — to deliver high-quality maintenance and support services could lead to significant customer dissatisfaction and increased churn, which would materially harm our customer retention rates and overall business success.

The size of the markets in which we operate and the demand for our products may not increase as quickly as we anticipate due to a variety of factors, which could materially and adversely affect our business, financial condition, results of operations and prospects.

We are pursuing opportunities in markets where it is difficult to predict the timing and size of the opportunities for each of our products. Our business, financial condition, results of operations and prospects depend on our ability to make timely investments in the correct market opportunities in downstream applications. Even if the markets in the downstream industries grow substantially, we cannot assure you that we will be able to pursue these opportunities. Despite our efforts to market our products and secure new orders, there can be no assurance that such efforts will be successful or that we will be able to obtain purchase orders from customers as anticipated. Furthermore, even if we are able to obtain orders from our customers, there is no assurance that the sales performance of our products will meet our expectations or forecasts, as actual results may be affected by changes in market conditions, customer demand, or other factors beyond our control. If one or more of these markets experience a shift in customer demand, our products may not be able to compete as effectively, or at all.

We may not be able to adjust our inventory level in response to the change in the demand of our downstream markets and the price of our products may be adversely affected. If we fail to meet the technological development, industry standards or applicable regulatory requirements, our products may not be adopted by our customers. Given the evolving nature of the markets in which we operate, it is difficult to predict customer demand or the future growth of the markets in which we operate or into which we plan to enter. If we fail to adjust accordingly to changes in the market condition of our downstream industries, our business, financial condition, results of operations and prospects will be adversely affected.

We operate in new and rapidly evolving markets, making it difficult to accurately forecast long-term end-customer adoption rates, product demand, market size, and inventory requirements.

The commercialization of our products by partners may be delayed or impaired because complex applications, such as LiDAR-incorporated robotics, depend on the simultaneous readiness of technologies from multiple companies. Furthermore, factors outside our control — including safety and reliability developments, regulatory changes, or new industry standards (such as specific wavelength requirements for LiDAR) — could significantly delay or restrict the commercial adoption of our products. Ultimately, if market demand fails to develop as anticipated, or if we are unable to accurately forecast these evolving market dynamics, our business, financial condition, and results of operations will be materially and adversely affected.

The success of our products depends in part on the effective deployment and operation by third parties, as well as end-user experience.

The success of our products will partially depend on our customers and partners effectively deploying and operating our products in their offerings, and their failure to do so may result from factors beyond our control. Our products are technologically complex, incorporate many technological innovations, and are typically subject to significant safety testing, and customers generally must devote significant resources to test and validate our products before deploying and operating them. This results in our investment of resources prior to realizing any revenue. Despite effective deployment and operation, the end products integrated with our products may generate poor sales results due to poor overall user experience, which, in turn, affect the sales results of our products.

Our products are complex and may contain defects or otherwise fail to perform in line with expectations, which could reduce the market adoption of our new products, damage our reputation with current or prospective customers, expose us to legal claims and adversely affect our results of operations.

Our products are highly technical and very complex and require high standards to manufacture and have in the past and will likely in the future experience defects, errors or reliability issues at various stages of development. We may be unable to timely release new products, manufacture existing products, correct problems that have arisen or correct such problems to our customers' satisfaction. Additionally, undetected errors, defects or security vulnerabilities, especially as new products are introduced or as new versions are released, could result in serious injury or even death to the end users of technology incorporating our products, or those in the surrounding area, litigation against us, negative publicity and other consequences. Some errors or defects in our products may only be discovered after they have been tested, commercialized and deployed by customers, in which case we may incur significant additional development costs and product recall, repair or replacement costs. These problems may also result in claims, including class actions, against us by our customers or others. Our reputation or brand may be damaged as a result of these problems and customers may be reluctant to buy our products, which could adversely affect our ability to retain existing customers and attract new customers and could adversely affect our financial results.

Furthermore, any defects in or significant malfunctioning of our products may weaken customer confidence in products. As the markets for spatial sensing technology are emerging and evolving, loss of customer confidence could have a material adverse impact on the future of such markets in general and our business prospects in particular.

We may be subject to product liability claims if our products contain errors, defects, or fail to meet performance specifications, which could result in substantial costs, reputational damage and loss of market share.

Our products are incorporated into a variety of end products. The use of end products that adopt our products could result in an unsafe condition or injury as a result of, among other factors, component failures, manufacturing flaws, design defects or inadequate disclosure of product-related risks or information. These factors could result in product liability or warranty claims; we could be named as a defendant in such claims, and any insurance that we carry may not be sufficient or it may not apply to all situations. Similarly, our customers could be subjected to claims as a result of such accidents and bring claims against us to hold us accountable.

In addition, in the event that our products fail to perform as expected or such failure of our products results in a recall, our reputation may be damaged, which could make it more difficult for us to sell our products to existing and prospective customers and could materially and adversely affect our business, results of operations and financial condition. We typically provide a one or two-year warranty period for our products. The occurrence of any material defects in our products could make us liable for damages and warranty claims. Defending a lawsuit, regardless of its merit, could be costly and may divert management's attention and adversely affect the market's perception of us and our products. We could incur significant costs to correct any defects, warranty claims or other problems, including costs related to product recalls. Warranty, recall, product liability claims, or negative publicity may result in litigation, including class actions, the occurrence of which could be costly, lengthy and distracting and adversely affect our business and operating results.

There is no guarantee that our customers will purchase our products in any certain quantity or at any certain price even after we obtain design wins, and we are subject to the risks of termination or postponement of contracts or unsuccessful implementation.

When customers choose our products, we typically receive preliminary estimates of their anticipated order volumes, while such estimates may be revised significantly by the customer, potentially multiple times, and may not be representative of future order volumes, which could be significantly higher or lower than estimated. The period of time from product design to mass production is long and we are subject to the risks of termination or

postponement of contracts or unsuccessful implementation. As a result, obtaining indicative orders is not a guarantee of revenue. If the sales results of our products for which we obtain indicative orders do not meet our forecast, our business, results of operations and financial condition would be materially and adversely affected.

Any disruption to our production facilities, or failure to successfully execute our facility construction and expansion plans, could materially and adversely affect our business, financial condition and results of operations.

We have production bases in different provinces in the PRC. For details and locations of our production bases, see "Business — Production — Production Bases" in this prospectus. Smooth and consistent daily operations of our production facilities are crucial to our business. There is no assurance that we are able to discover all the faults and defects whenever they exist or occur so as to execute repair works or take appropriate measures before any harm is caused to our facilities, staff or production. Furthermore, we cannot assure you that there will be no sudden malfunctions or halts of our production facilities during our daily operations due to any natural disasters, power shortage, malicious human acts and other events beyond our control. Accidents happened during the manufacturing of our products could materially affect our operation and may give rise to personal injuries and fatalities, damages to or destruction of properties or production facilities, and pollution and other environmental damages. Any material disruption at our production bases, even for a short duration, could result in decrease in production capacity for a sustained period and delays in deliveries of our products, which could adversely affect our business operations.

In addition, our growth prospects and future profitability depend on, among others, our ability to execute our facility construction and expansion plans. A number of factors could delay our expansion plans or increase our costs, including (i) failure to raise sufficient funds to establish and maintain working capital to operate our business at the new premises, (ii) failure to obtain environmental and regulatory approvals, permits or licenses from the relevant government authorities in a timely manner and (iii) failure to find new sites for our production facilities. Failure to expand our production capacity could hinder our ability to satisfy customer demand and growth prospects. Furthermore, if market demand declines in the future, we may not be able to recoup the costs incurred for the construction of new premises and the maintenance of expanded production capacity.

We depend on third-party suppliers and partners for materials, components, equipment and services critical to our operations. Any interruption in supply, shortage, quality issues or loss of capacity from these partners could materially affect our business operations, product offerings and customer relationships, which may adversely affect our business, financial condition and results of operations.

A large number of suppliers and partners provide materials, components, equipment and services that are used in the production of our products and other aspects of our business. Where possible, we seek to have several sources of supply. However, for certain materials, components, equipment and services, we rely on a single or a limited number of suppliers and vendors. In addition, supplier and partner consolidation or business failures can impact the nature, quality, availability and pricing of the products and services available to us.

Our major suppliers primarily consist of providers for raw materials and components including optical components, structural components and electronic components. Purchases from our largest supplier in each period during the Track Record Period accounted for 8.2%, 9.2%, 8.6% and 8.5% of our total purchases for the respective periods, while purchases from our five largest suppliers accounted for 29.7%, 32.3%, 25.7% and 31.5% of our total purchases for the respective periods. The stability of operations and business strategies of our suppliers are beyond our control, and we cannot assure you that we will be able to secure a stable relationship with such suppliers. Finding and qualifying alternate or additional suppliers and vendors is often a lengthy process and can lead to production delays, interruptions to our services, or additional costs, and such alternatives are sometimes not available at all. The inability of suppliers or vendors to deliver necessary production materials, equipment or services can disrupt the production processes of our products and make it more difficult for us to implement our business strategy. Suppliers and vendors periodically extend lead times, face capacity constraints, limit supplies, increase prices, experience quality issues or encounter

cybersecurity or other issues that can interrupt or increase the cost of our supply and services. Production of our products can be disrupted by the unavailability of resources, such as water, silicon, electricity, gases and other materials. The unavailability or reduced availability of materials or resources would require us to reduce production or incur additional costs, which would harm our business and results of operations.

If we are unable to attract, retain and motivate key individuals, our business, results of operations and financial condition would be materially and adversely affected.

Hiring and retaining key individuals, such as key management, technical staff, qualified executives, developers, engineers and sales representatives are critical to our business, in particular, to the R&D and commercialization of each of our products. The competition for highly skilled employees in our industries is increasingly intense. Changes in our management team would also disrupt our business. Our management and senior leadership team has significant industry experience, and their knowledge and relationships would be difficult to replace. See "Directors and Senior Management." Changes in our management team may occur from time to time, and we cannot predict whether significant resignations will occur or whether we will be able to recruit qualified personnel. In addition, changes in the interpretation and application of employment-related laws to our workforce practices may result in increased operating costs and less flexibility in how we meet our changing workforce needs. To help attract, retain and motivate key individuals, employee incentives such as share incentive schemes have been, and will continue to be, an important part of our compensation. Our employee hiring and retention also depend on our ability to build and maintain a diverse and inclusive workplace culture and be viewed as an employer of choice. If our share-based or other compensation programs and workplace culture cease to be viewed as competitive, our ability to attract, retain, and motivate key individuals would be weakened, which would in turn materially and adversely affect our business, financial condition and results of operations.

We may not be successful in executing our business plans and strategies effectively or at all, and our business, financial condition, results of operations and growth prospects may be materially and adversely affected.

Our business plans and strategies are based on our assumptions of future events which may entail certain risks and are inherently subject to uncertainties. These assumptions may not be correct, which could affect the commercial viability of our business plans and strategies. As such, there can be no assurance that our business plans and strategies will be implemented successfully as scheduled or at all.

If we fail to implement our business plans and strategies effectively and efficiently, we may be unable to expand our operations, manage our growth, take advantage of market opportunities as expected or remain competitive in the industry. As of the Latest Practicable Date, we had received only non-binding indicative order demand for certain of our products for yard robots and pool-cleaning robots, and had not received any mass production orders for our products for yard robots, pool-cleaning robots or humanoid robots. Such non-binding indicative order demand may not result in confirmed orders or revenue, and there can be no assurance as to the timing or scale of commercialization of our products in these emerging applications. Furthermore, even if we implement our business plans and strategies effectively and efficiently, there may be other unexpected events or factors beyond our control that may prevent us from achieving the desirable and profitable results, such as the changes in local laws and regulations and governmental policies, the availability of skilled professionals and changes in customer demand. Moreover, our business plans and strategies may increase our operating costs, such as higher staff costs, as well as greater depreciation for inventories, and increase our cash outflows for operating and investing activities. Accordingly, if our business plans and strategies cannot be successfully implemented, or if they do not yield ideal results, we may have significant difficulties in recovering our costs and therefore experience a material adverse impact on our business, financial condition and results of operations.

Our business and prospects depend on our ability to build our brands and reputation, which could be harmed by any negative publicity regarding our Company, Directors, employees, branding or products, whether warranted or not, could adversely affect our business.

We believe that maintaining and enhancing our brands is of significant importance to the success of our business. Well-recognized brands are important to enhancing our

attractiveness to our customers. Since we operate in a highly competitive market, brand maintenance and enhancement directly affect our ability to maintain our market position. The successful promotion of our brand will depend on the effectiveness of our marketing efforts, the versatility of our products and the amount of customers' word-of-mouth referrals. We may incur extra expenses in promoting our brand. However, we cannot assure you that these activities are and will be successful or that we can achieve the brand promotion effect we expect. In addition, negative publicity about our Company, Directors, employees, branding or products, whether warranted or not, may adversely affect our brand, reputation and business. Certain of such negative publicity may come from malicious harassment or unfair competition acts by third parties, which are beyond our control.

Acquisitions, investments or strategic cooperation may fail and materially and adversely affect our reputation, business and results of operations.

We may pursue acquisitions, investments or strategic cooperation, which involve significant risks and uncertainties, including: significant costs to identify and complete transactions; delays or failures to obtain required shareholder, regulatory or third-party approvals; increased operating expenses and capital needs; share dilution from new securities issuances; debt incurrence, goodwill impairment charges, amortization expenses for intangible assets, and contingent or unforeseen liabilities; diversion of management time and resources from our core business; failure to achieve anticipated valuations, synergies, cost savings, operational efficiencies or other benefits from any acquisition or investment, due to incorrect assumptions, unforeseen market developments or other factors beyond our control; difficulties integrating an acquired business' operations, systems, technologies, personnel, products and cultures, which may be more complex, time-consuming or costly than expected; disruption to our existing operations and additional management distraction caused by integration activities; frictions in assimilating an acquired business' operations, talent, intellectual property and products; loss of key personnel or business relationships following an acquisition; risks related to strategic cooperation, including disclosure or misappropriation of proprietary information, counterparty defaults (including breaches of covenants or nonperformance), and negative publicity associated with third-party partners. If we fail to address these risks, including failing to achieve anticipated valuations, synergies or integration outcomes, we may not realize the expected benefits of these transactions, and our reputation, business, financial condition and results of operations could be materially and adversely affected.

We may incur additional expenses to obtain, maintain or renew the necessary approvals, permits, licenses, certificates and other regulatory filings required for our operations and production.

We are required to obtain and maintain various approvals, permits, licenses and certificates from regulatory authorities for our business operations, including those relating to our production facilities, land use rights and general corporate operations. The robotic vacuum industry is subject to the regulatory oversight of a number of governmental authorities. Obtaining, renewing or maintaining the necessary permits, licenses and certificates required for our business could lead to considerable time and financial costs, which could have a material adverse effect on our business, financial condition and operating results. The adoption of any new laws and regulations or any update to regulatory environment, may restrain our ability to expand our business. Furthermore, as we develop and expand our business, we may need to obtain additional permits and licenses.

We may be subject to the risks associated with export controls, economic sanctions and investment restrictions, tariffs and other international trade measures and our business, financial condition and results of operations may be materially and adversely affected.

Geopolitics and international trade tensions have led to certain countries and organizations utilizing economic sanctions, export controls, investment restrictions and other restrictive measures targeting high-technology products. These policies have introduced uncertainties to global investment activities, increased compliance costs and limited access to critical resources necessary to R&D activities and operations for companies operating in affected industries.

Our global operations may subject us to export control and sanctions risks. We operate in a number of countries and regions and are therefore subject to the relevant export control

and sanctions laws and regulations promulgated by different governments and organizations, such as the U.S., United Nations and the European Union. However, these laws and regulations are subject to frequent changes, and their interpretation and enforcement involve substantial uncertainties, which may be heightened by national security concerns or driven by political or other factors that are out of our control. We cannot predict the interpretation or implementation of government policy at the U.S. federal, state or local levels or any policy by the United Nations and the European Union and other applicable jurisdictions with respect to any current or future activities by us or our affiliates in these countries. Therefore, such restrictions, and any future export control, sanctions laws, regulations and restrictions imposed by the U.S. or other governments or organizations may be difficult or costly to comply with, and may materially and adversely affect our operations. Additionally, we could be subject to future enforcement action with respect to compliance with governmental economic sanctions and export controls laws that result in penalties and costs that could have a material effect on our business and operating results. We cannot assure you that investors who are subject to the jurisdictions of the U.S., the European Union, and/or other jurisdictions will be willing to make investments, or may divest their investment, in us, which may have an adverse impact on the Offer Price and the future prevailing market price of our H Shares. In addition, if any of our customers or suppliers becomes subject to sanctions or export control restrictions in the future, we may have to discontinue our business with such customers or suppliers due to potential sanctions and export controls liability risks. In such events, our financial results may be materially and adversely affected.

In recent years, the United States has expanded export controls restrictions on China through the Export Administration Regulations (the "**EAR**"), administered by the Bureau of Industry and Security of the U.S. Department of Commerce ("**BIS**"). These regulations are designed to restrict the access of certain Chinese companies to sensitive U.S. technologies, particularly in industries like telecommunications, artificial intelligence, and semiconductors. In addition to the United States, various other governments are also imposing controls, licensing requirements and restrictions applicable to exports to China, with specific focus on high-tech goods and services. These types of restrictions could impact our ability to supply customers of affected countries, territories and entities and could restrict our ability to obtain components and technologies we incorporate in or use to develop our products.

BIS maintains lists of persons that are subject to enhanced export control restrictions. One such list, the Entity List, includes a list of foreign persons on which certain trade restrictions are imposed, including businesses, research institutions, government and private organizations, individuals and other types of legal persons. The United States in recent years has placed an increasing number of entities, including a number of entities in China, on the Entity List and other restricted or prohibited parties lists. These lists may be updated unpredictably, and once a party is added to the Entity List, it becomes subject to severe restrictions on access to certain U.S.-origin goods and technologies. Given the sudden and unpredictable nature of these determinations, it is difficult to predict developments in this area and we have no ability to influence such determinations. As these export controls laws and regulations continue to expand and evolve, future sanctions and export controls may materially affect or target some of our significant customers or suppliers, raw materials or key components or technologies necessary for our operations, in which event our business may be affected if we fail to promptly secure alternative customers or sources of supply on terms acceptable to us.

In particular, the BIS has significantly expanded export control restrictions targeting the PRC's advanced computer and semiconductor sectors. For example, on October 7, 2022, the BIS released an interim final rule, "Implementation of Additional Export Controls: Certain Advanced Computing and Semiconductor Manufacturing Items; Supercomputer and Semiconductor End Use; Entity List Modification" (the "**October 2022 IFR**"). The October 2022 IFR introduced broad new restrictions aimed at limiting the PRC's access to advanced computing and semiconductor technologies, including certain integrated circuits, and to constrain its domestic production capabilities. On January 17, 2023, the foregoing rules were extended to encompass exports, reexports, or transfers (in-country) destined to or within

Macau. On October 17, 2023, the BIS issued two interim final rules, "Export Controls on Semiconductor Manufacturing Items" and "Implementation of Additional Export Controls: Certain Advanced Computing Items; Supercomputer and Semiconductor End Use; Updates and Corrections" ("**October 2023 IFRs**"). The October 2023 IFRs refined and broadened the export controls applicable to advanced computing semiconductors, semiconductor manufacturing equipment, and items supporting supercomputing applications or end-uses in arms-embargoed destinations (including the PRC). On December 2, 2024, the BIS issued an interim final rule, "Foreign-Produced Direct Product Rule Additions, and Refinements to Controls for Advanced Computing and Semiconductor Manufacturing Items" ("**2024 IFR**"). The 2024 IFR further tightened restrictions to limit the PRC's ability to produce advanced-node semiconductors used in next-generation weapons, artificial intelligence, and high-performance computing systems. It introduced new controls over 24 categories of semiconductor manufacturing equipment, three types of semiconductor design or production software tools, high-bandwidth memory products, and included regulatory amendments to strengthen the implementation of earlier controls.

During the Track Record Period, our overseas sales amounted to nil, RMB1.1 million, RMB6.9 million and nil, representing nil, 0.2%, 1.1% and nil of our total revenue, which were derived from Taiwan and Vietnam, where we believe have relatively low geopolitical risk. In addition, procurement from overseas suppliers, directly or indirectly, only accounts for approximately 1.0%, 0.9%, 0.2% and 0.3% of our cost of sales in 2023, 2024, 2025 and the three months ended March 31, 2026, with no single supplier or origin exceeding materiality. We did not use U.S.-origin software or technology in our product design and manufacturing processes or procure any U.S. components or technology during the Track Record Period. The above-described developments did not result in any of our sales orders being cancelled during the Track Record Period and up to the Latest Practicable Date. As such, we do not consider that any of the above-described developments has any material adverse impact on our Group's business operations or product offerings. Moreover, given our limited sales to overseas regions during the Track Record Period and up to the Latest Practicable Date, the impact of country-specific tariffs on our business operations and financial performance has been immaterial. However, certain of our customers sell robotic vacuums and other end products incorporating our spatial sensing products to overseas markets, including the United States. If additional tariffs, retaliatory tariffs, import duties or other trade restrictions are imposed on such end products, the resulting increase in costs may reduce the pricing competitiveness and market demand of our customers' products in the relevant overseas markets. A decline in our customers' sales or profitability may, in turn, cause them to reduce or delay their purchases from us, revise downward their procurement forecasts, demand price concessions from us or otherwise adjust their sourcing, production or supply chain arrangements. Any of these developments could adversely affect our order volume, average selling prices, customer relationships, gross profit margin and profitability. Tariff measures may also cause our customers to relocate or reallocate production, modify sourcing arrangements or increase the use of manufacturing facilities outside the PRC. Any material change in our customers' manufacturing, sourcing or supply chain strategies could alter their demand for our products, product mix, delivery requirements or procurement arrangements, and we may not be able to respond to such changes on a timely basis or on commercially acceptable terms. Any escalation of international trade tensions, implementation of new or increased tariffs or adoption of other restrictive trade measures may have a material adverse effect on our customers' end-market demand, pricing and supply chain arrangements, which could in turn materially and adversely affect our business, financial condition, results of operations and prospects. To manage our exposure to these and other geopolitical risks, our Group has: (i) conducted ongoing sanctions and export controls screening and monitoring of counterparties; (ii) conducted search on the shareholding structure of customers and suppliers to ensure none of its counterparties is majority-owned or controlled by sanctioned targets; and (iii) continuously enhancing and enforcing the current comprehensive sanctions compliance-related obligations. The future trajectory of U.S. export control laws remains highly unpredictable. Persistent U.S.-China tensions may also dampen overall levels of trade, technological exchange, and investment, contributing to worldwide economic volatility and financial market instability. These broad macroeconomic conditions could, in turn, materially harm our business, financial condition, and operational results, as well as those of our customers.

Our International Sanctions Legal Advisor has advised that, because the Company did not utilize U.S.-origin software or technology in its product design and manufacturing processes, nor did it procure any U.S.-origin components or technology during the Track Record Period, the Company's products are not subject to export control restrictions under the U.S. Export Administration Regulations and has not been subject to any sanctions imposed by the U.S. government. Accordingly, our International Sanctions Legal Advisor is of the view that the Company's exposure to risks relating to U.S. export controls and economic sanctions is relatively low.

Moreover, we may be subject to review and enforcement under domestic and foreign laws that govern foreign investment and acquisitions. In both U.S. and non-U.S. jurisdictions, these regulatory requirements may apply different requirements based on the nature of the company and the profiles of the investors involved. As a result, investments by particular investors may need to be filed with local regulators or could even be prohibited under certain circumstances, which limits our ability to engage in strategic transactions that might otherwise be beneficial to us and our investors. These laws are also regularly changed and updated.

Executive Order 14105 issued on August 9, 2023, introduced a new mechanism for reviewing U.S. outbound investments in certain national security technologies and products in "countries of concern," targeting investments that could contribute to sensitive technologies and products in the semiconductors and microelectronics, quantum information technologies and artificial intelligence sectors that are critical for the military, intelligence, surveillance or cyber-enabled capabilities of these nations. This Executive Order restricts U.S. investments in Chinese firms involved in sensitive technologies, which could affect their funding sources and partnerships with U.S. entities. On October 28, 2024, the Department of the Treasury issued the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern (the "**Outbound Investment Rule**") to implement Executive Order 14015, which became effective on January 2, 2025.

The Outbound Investment Rule targets investments involving persons and entities associated with "countries of concern," currently including China, and it imposes requirements (such as prohibition or notification requirements) on a wide range of investments in persons engaged in activities in certain sectors, such as semiconductors and microelectronics, quantum information technologies or artificial intelligence. The Outbound Investment Rule defines these as "covered activities," with persons from countries of concern engaged in covered activities defined as "covered foreign persons." Investments by U.S. persons subject to the Outbound Investment Rule, which are defined as "covered transactions," include acquisitions of equity interests (including purchases of shares in an initial public offering or contingent equity), certain debt financing, joint ventures, and certain investments as a limited partner in a non-U.S. person pooled investment fund.

As advised by our International Sanctions Legal Advisor, we are a "covered foreign person," and U.S. person investments in our equity interests are "notifiable transactions." This is because our Company is a "person of a country of concern" engaged in the design and development of ASIC chips for our robotic solutions, which is a notifiable "covered activity" under 31 CFR 850.217(a). Following the completion of the Listing, it is expected that U.S. persons will be able to invest in our H Shares based on the publicly traded securities exception under the Outbound Investment Rule, as long as the investments made do not afford a U.S. person certain rights that are not standard minority shareholder protections. The Outbound Investment Rule may nonetheless increase the compliance burden of U.S. investors and may cause certain U.S. investors to adopt a more cautious approach in their investments, which may negatively impact our ability to raise capital from U.S. investors. For details, see "Business — International Trade Policies and Restrictions".

The Outbound Investment Rule may be subject to future changes due to recent regulatory developments such as the enactment of the Comprehensive Outbound Investment National Security Act of 2025, and we cannot predict how the Outbound Investment Rule will be enforced, nor can we guarantee that there will not be a change in interpretation to broaden its application, or an enactment of similar laws or regulations that impinge upon our business activities in the future. In such a case, the Offer Price, the future prevailing market price and

the liquidity of our H shares may be adversely affected. It could also be detrimental to our business, financial condition and prospects.

Our exchange, return and warranty policies may adversely affect our results of operations.

Customers have the right to return or reject the products with defects specified in the agreement by notifying us for prompt inspection, and if confirmed, such replacement or re-shipment expenses shall be borne by us. In addition, we typically provide a warranty period of one to two years for our products, along with timely support depending on the nature and urgency of any malfunction, except for product damage caused by misuse, unauthorized modifications or natural disasters. We may also be required by law to adopt new or amend existing return, exchange and warranty policies from time to time. These policies subject us to additional costs and expenses, which we may not recoup through increased revenue. We cannot assure you that our return, exchange and warranty policy will not be misused by our customers, which may significantly increase our costs and materially and adversely affect our business and financial condition. If we revise these policies to reduce our costs and expenses, our customers may be dissatisfied, which may result in loss of existing customers or failure to acquire new users at a desirable pace, which may materially and adversely affect our results of operations.

We are subject to cybersecurity risks with respect to operational systems, security systems, IT systems, integrated software in our products, and any material failure, weakness, interruption or breach of security could prevent us from effectively operating our business.

We are at risk for interruptions, outages and breaches of operational systems, including business, financial, accounting, product development or production processes, owned by us or our third-party vendors or suppliers; facility security systems, owned by us or our third-party vendors or suppliers; in-product technology owned by us or our third-party vendors or suppliers; or the integrated software in our products. Such cyber incidents could materially disrupt operational systems; result in loss of intellectual property, trade secrets or other proprietary or competitively sensitive information; compromise certain information of customers, employees, suppliers, or others; jeopardize the security of our facilities; or affect the performance of in-product technology and the integrated software in our products. We cannot guarantee that our information technology measures designed to protect us against intellectual property theft, data breaches and other cyber incidents will be adequate to detect, prevent or mitigate cyber incidents. The implementation, maintenance, segregation and improvement of these systems requires significant management time, support and cost. Moreover, there are inherent risks associated with developing, improving, expanding and updating current systems, including the disruption of our data management, procurement, production execution, finance, supply chain and sales and service processes. These risks may affect our ability to manage our data and inventory, procure parts or supplies or produce, sell, deliver and service our products, adequately protect our intellectual property or achieve and maintain compliance with, or realize available benefits under, applicable laws, regulations and contracts. If we do not successfully implement, maintain or expand these systems as planned, our operations may be disrupted, our ability to accurately and timely report our financial results could be impaired, deficiencies may arise in our internal control over financial reporting, our proprietary information or intellectual property could be compromised or misappropriated, and we may be required to expend significant resources to make corrections or find alternative sources for performing these functions. A significant cybersecurity incident could impact production capability, harm our reputation, cause us to breach our contracts with other parties or subject us to regulatory actions or litigation, any of which could materially affect our business, prospects, financial condition and operating results.

We may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business.

We may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business. Pursuant to the typical sales agreements we enter into with our customers, we are required to fully indemnify our customers and any third parties for any personal injury or property damage caused by defects or faults in our products that endanger personal safety or result in property loss or damage, except where such damage is attributable to the customer. During the Track Record Period, we did not receive any claims for personal

injury or property damage to consumers arising from product defects or deficiencies. We cannot assure you that we will not be involved in various legal and other disputes in the future, which may expose us to additional risks and losses. In addition, we may have to pay legal costs associated with such disputes, including fees relating to appraisal, auction, execution and legal advisory services. Litigation and other disputes may lead to inquiries, investigations and proceedings by regulatory authorities and other governmental agencies and may result in damage to our reputation, additional operating costs and diversion of resources and management's attention from our core business. The disruption of our business due to judgment, arbitration and legal proceedings against us or adverse adjudications in proceedings against our Directors, senior management or key employees may materially and adversely affect our reputation, business, financial condition, results of operations and prospects.

Our insurance coverage may not be sufficient to cover all losses or potential claims by our customers which would affect our business, results of operations and financial condition.

In line with general market practice, we do not maintain any business interruption insurance or product liability insurance, which are not mandatory under PRC laws. We also do not maintain key man life insurance, insurance policies covering damages to our network or information technology systems or any specialized insurance policies for our properties. The amount of our insurance coverage may not be adequate to fully compensate for all kinds of losses we may suffer in the future. For example, insurance covering losses from acts of war, terrorism, or natural disasters is either unavailable or cost-prohibitive. In addition, our insurers review our policies every year and we cannot guarantee that our policies can be renewed on similar or other acceptable terms or at all. Our current insurance coverage may not be sufficient to prevent us from suffering any loss and there is no certainty that we will be able to successfully claim our losses under our current insurance policy on a timely basis, or at all. Furthermore, if we suffer unexpected severe losses or losses that far exceed the policy limits, it could materially and adversely affect our business, financial condition, results of operations and prospects.

We may incur additional costs to address any ESG risks, which may adversely affect our financial performance.

To identify, manage, and mitigate ESG risks, we may incur additional costs and expenses which could impact our financial performance. We monitor environmental and climate-related risks that may impact on our business, strategy and financial performance and evaluate the magnitude of the resulting impact over the short-, medium- and long-term horizons. This commitment may entail incurring substantial additional costs and would potentially impact our profitability. See "Business — Environmental, Social and Governance" for details. Increasing ESG-related regulatory requirements, including various disclosure mandates in the jurisdictions where we operate, may lead to rising compliance and sales costs, and failure to adapt to new regulations or meet evolving industry expectations could result in customers choosing products and services from other companies, materially and adversely affecting our results of operations and financial condition.

RISKS RELATING TO OUR INTELLECTUAL PROPERTY RIGHTS

We may become involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time-consuming and unsuccessful.

Competitors may infringe our patent rights or misappropriate or otherwise violate our intellectual property rights. Litigation may be necessary to enforce or defend our intellectual property rights, protect our trade secrets, or determine the validity and scope of proprietary rights, and any claims we assert against perceived infringers could provoke counterclaims alleging that we infringe their intellectual property rights. Many of our current and potential competitors have the ability to dedicate substantially greater resources to enforce or defend their intellectual property rights than we do, and despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating our intellectual property. An adverse result in any litigation proceeding could put our patents, as well as any patents that may issue in the future from our pending patent applications, at risk of being invalidated, held unenforceable, or interpreted narrowly. The substantial discovery required in intellectual

property litigation could also compromise our confidential information, and third parties may raise claims of invalidity or unenforceability before administrative bodies in China or abroad, potentially resulting in revocation or amendment of our patents such that they no longer cover our products. Such a loss of patent protection could materially and adversely affect our business.

If third parties claim that we infringe upon their intellectual property rights, we may incur liabilities and financial penalties and may have to redesign or discontinue selling the products involved.

Companies operating in our industries routinely seek patent protection for their product designs. Some of our competitors have large patent portfolios with broad claims that may be alleged to cover certain features of our products. Our competitors may initiate legal proceedings alleging infringement, misappropriation, or other violations of their intellectual property rights, and may use such litigation to gain a competitive advantage. Whether a product infringes a patent involves complex legal and factual analysis, and the determination is often uncertain. We may also face exposure where employees previously employed by competitors use proprietary know-how or trade secrets in their work for us, or where competitors have filed for patent protection not yet publicly known or hold trademark rights not revealed through our searches. Any claims of patent or other intellectual property infringement, regardless of merit, could be expensive and time-consuming to defend, require us to pay substantial damages, prevent us from making or selling affected products, require us to redesign or rebrand our offerings, require us to enter into royalty or licensing agreements that may not be available on acceptable terms, divert the attention of management, or result in customers terminating, deferring, or limiting their purchases. New patents obtained by our competitors could also threaten the continued viability of our products in the market even after they have been introduced.

Obtaining and maintaining our patent protection depends on compliance with various procedural, documentary, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

The CNIPA and various governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process and over the lifetime of the patent. Non-compliance events, including failure to respond to official actions within prescribed time limits, non-payment of periodic maintenance fees, and failure to properly legalize and submit formal documents, can result in abandonment or lapse of the patent or patent application, leading to partial or complete loss of patent rights in the relevant jurisdiction. In any such event, our competitors might be able to enter the market, which would materially and adversely affect our business.

Changes in patent law could diminish the value of patents in general, thereby impairing our ability to protect our products.

The scope of patent protection in various jurisdictions is uncertain. Changes in either the patent laws or their interpretation in China or other countries may diminish our ability to protect our inventions, obtain, maintain, defend and enforce our intellectual property rights and, more generally, could affect the value of our intellectual property or narrow the scope of our patent rights. We cannot predict whether the patent applications we are currently pursuing and may pursue in the future will issue as patents in any particular jurisdiction or whether the claims of any future granted patents will provide sufficient protection from competitors. The coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. Even if patent applications we own currently or in the future issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us, or otherwise provide us with any competitive advantage. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain.

We may be unable to protect the confidentiality of our trade secrets or other proprietary information, and we may be subject to claims that our employees or third parties have wrongfully used or disclosed alleged trade secrets or other proprietary information owned by others.

We may be unable to protect the confidentiality of our trade secrets or other proprietary information. In addition to our issued and pending patents, we rely on trade secrets,

unpatented know-how, technology, and other proprietary information to maintain our competitive position, which we seek to protect through non-disclosure, confidentiality, and non-compete agreements with employees, business partners, and other parties. Nevertheless, unauthorized use or disclosure of our proprietary information may occur, whether intentionally or inadvertently, and a competitor may gain access to such information, compromising our competitive position. Trade secrets are inherently difficult to protect, and enforcing claims against misappropriation is expensive, time-consuming, and unpredictable in outcome. We also seek to enter into invention assignment agreements with our employees, though we may not obtain such agreements in all circumstances, assignments may not be self-executing, and employees may breach or violate the terms of these agreements. Disputes may also arise regarding the ownership of intellectual property where our employees or business partners use intellectual property owned by others in their work for us. If we fail in prosecuting or defending any such claims, we may lose valuable intellectual property rights. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs and be a distraction to our management and R&D personnel.

RISKS RELATING TO OUR FINANCIAL CONDITION AND NEED FOR ADDITIONAL CAPITAL

We incurred net losses during the Track Record Period, and we may not be able to maintain profitability in the future.

In 2023 and 2024, we incurred net losses of RMB0.9 million and RMB31.4 million, respectively. While we recorded net profit of RMB2.2 million and RMB7.8 million in 2025 and the three months ended March 31, 2026, there is the possibility of losses in the future due to increases in costs and expenses along with our business expansion, as well as our continuous investment in research and development. If we are unable to generate sufficient revenue and effectively manage our expenses, we may continue to experience significant losses and may not sustain profitability. We may not be able to achieve profitability in the future. We plan to consistently invest in developing new technologies, improving user experience, implementing effective commercialization strategies, and introducing new products, which are considered crucial for our sustainable growth. Therefore, it is important not to rely entirely on past revenue figures as an indication of our future performance.

We recorded net operating cash outflows during the Track Record Period and there can be no assurance that we will not have net cash outflow in the future.

We recorded net cash used in operating activities of RMB34.8 million, RMB40.0 million, RMB9.0 million, RMB7.9 million and RMB5.3 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. Our net operating cash outflows were primarily driven by increases in trade and bills receivables, which grew from RMB74.4 million as of December 31, 2023 to RMB248.3 million as of March 31, 2026. Our trade and bills receivables turnover days increased from 75 days in 2023 to 88 days in 2024, 95 days in 2025 and 100 days for the three months ended March 31, 2026, mainly due to longer credit terms granted to certain key customers. Given our high customer concentration, with our five largest customers accounting for up to 93.6% of our revenue during the Track Record Period and 87% of our trade receivables as of March 31, 2026, our bargaining power in negotiating credit terms and collection arrangements with major customers may be limited. Any further lengthening of receivables turnover days could increase our working capital needs and adversely affect our operating cash flows. For details, see "Financial Information — Liquidity and Capital Resources — Cash Flows." Net operating cash outflow could impair our ability to make necessary capital expenditures and constrain our operational flexibility as well as adversely affect our ability to meet our liquidity requirements.

We may experience net cash outflows from our operating activities in the future. If we are unable to maintain adequate working capital, we may default in our payment obligations and may not be able to meet our capital expenditure requirements or pursue our growth strategies, which may have a material adverse effect on our business, financial condition, results of operations and prospects.

Increases in costs of the parts and components that we use in our products would adversely affect our business, financial condition and results of operations.

Significant changes in the markets in which we purchase parts, components and other supplies for the production of our products may adversely affect our profitability. Our raw

material costs amounted to RMB198.3 million, RMB282.2 million, RMB379.2 million, RMB83.4 million and RMB122.2 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. In the event of such changes, competitive and market pressures may limit our ability to recover increases in costs through increases in prices we charge to our customers. The inability to pass on price increases to our customers when part or component prices increase rapidly or are significantly higher than historical levels would adversely affect our business, results of operations and financial condition.

We are exposed to credit risks related to our trade receivables.

Our trade receivables primarily arise from sales of our products. As of December 31, 2023, 2024, 2025 and March 31, 2026, our trade and bills receivables (net of impairment) was RMB74.4 million, RMB137.9 million, RMB185.7 million and RMB248.3 million, respectively. The collection of amounts due from our customers may not be timely. This might result in slow turnover of our trade receivables and restrict our working capital resources. In 2023, 2024, 2025 and the three months ended March 31, 2026, our trade and bills receivables turnover days were 75 days, 88 days, 95 days and 100 days, respectively. See "Financial Information — Discussion of Key Items of Consolidated Statements of Financial Position." We cannot assure you that we will be able to recover all or any part of the amounts due from our customers within the agreed credit terms, or at all. If we fail to receive payments from our customers on a timely basis, our cash flows and financial position could be adversely affected. In addition, disputes that arise due to default in payment by customers may also be time-consuming and costly for us in the event we decide to claim for such payments, and we may not be successful, in which case our liquidity, business, financial condition and results of operations may be adversely affected.

If we fail to obtain or generate sufficient capital to maintain our operations and finance our growth strategies, or fail to do so on favorable or commercially acceptable terms to us, our operations and prospects could be negatively affected.

Our business and future strategies are capital-intensive and require substantial investments in areas including research and development and products promotion and marketing. Although we plan to fund these needs through cash flows from our operations and external financing, our future capital requirements are subject to uncertainty and may exceed our current expectations. Failure to obtain sufficient capital in a timely manner or on acceptable terms could require us to significantly reduce our spending, delay or cancel our planned activities, or substantially change our corporate strategy, which may materially and adversely affect our business, financial condition, results of operations and growth prospects.

If we fail to maintain adequate inventory, or if we mismanage our inventory, we could lose sales or incur high inventory-related expenses, which could negatively affect our operating results and financial performance.

Our inventories primarily include raw materials, work in progress and finished goods. As of December 31, 2023, 2024, 2025 and March 31, 2026, we had inventories of RMB27.2 million, RMB52.9 million, RMB59.1 million and RMB86.2 million, respectively. Our inventory turnover days for the same periods were 33 days, 40 days, 39 days and 41 days, which were in line with industry norms, according to CIC. Our business expansion requires us to manage our inventories effectively. We cannot guarantee that our inventory levels will be able to swiftly meet the demands of customers, which may adversely affect our revenue. We also cannot guarantee that all of our inventory can be sold as products within a reasonable period of time. If we fail to manage our inventory effectively, we may be subject to increased inventory storage costs, a heightened risk of inventory obsolescence, a decline in inventory value and inventory write-offs. Any of the above may materially and adversely affect our results of operations and financial condition. On the other hand, if we underestimate demand for our products, or if our suppliers fail to supply in a timely manner, we may experience inventory shortages, which might result in diminished customer base and loss of revenue, any of which could harm our business, financial condition and results of operations.

We may be exposed to risks arising from changes in financial assets at fair value through profit or loss.

As of December 31, 2023, 2024, 2025 and March 31, 2026, we recorded financial assets at fair value through profit or loss of RMB100.3 million, RMB65.1 million, RMB123.6

million and RMB99.5 million, respectively. Our financial assets at fair value through profit or loss recorded as current assets represented investments in wealth management products and structured deposits. Our financial assets are measured at fair value, subject to changes beyond our control. The investment income on financial assets at fair value through profit or loss is recorded under other income and gains. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our investment income from financial assets amounted to RMB1.0 million, RMB1.0 million, RMB0.6 million, RMB0.2 million and RMB0.2 million, respectively; we also recorded fair value gains on financial assets at fair value through profit or loss of RMB1.2 million, RMB1.2 million, RMB0.5 million, RMB95 thousand and RMB0.2 million in the respective periods. Our financial assets at fair value through profit or loss may fluctuate, which may affect our results of operations and financial condition.

Our results of operations may be affected due to the seasonality of our business and fluctuations in our operating costs.

Our results of operations may be affected from period to period by many factors, including seasonal factors that impact the demand for our products, as influenced by the downstream market trends, such as robotic vacuums. In particular, due to the impacts of the public holidays such as the Spring Festival and the stocking and sales cycles of customers before or around holidays, we typically experience higher sales in the second and fourth quarters during the year. Our results of operations could also suffer if we do not achieve revenue consistent with our expectations for this seasonal demand because many of our expenses are based on anticipated levels of annual revenue. Due to the foregoing factors, our financial condition and results of operations for future periods may continue to fluctuate and our historical periodical results may not be comparable to future periods. Moreover, due to our relatively limited operating history, the seasonal trends that we have experienced in the past may not apply to, or be indicative of, our future operating results. As a result, the trading price of our shares may fluctuate from time to time due to seasonality.

Failure to obtain or maintain any of the government grants or preferential tax treatments could adversely affect our business, financial condition, results of operations and prospects.

During the Track Record Period, we benefited from government grants, many of which are non-recurring in nature or are subject to periodic review. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, the government grants we recognized amounted to RMB5.1 million, RMB4.2 million, RMB4.8 million, RMB2.3 million and RMB0.2 million, respectively. In addition, our Company was qualified as a high and new technology enterprise and was subject to income tax at a preferential tax rate of 15%. For details of the preferential tax treatments, see Note 11 to the Accountants' Report in Appendix I to this prospectus.

The PRC governmental authorities may decide to reduce or cancel such government grants or preferential tax treatment, or, in extreme cases such as fundamental changes in government policies or retrospective amendments to grant program terms and conditions, or the retroactive rescission or termination of certain government funding programs, require us to repay part or all of the government grants we previously received at any time, which could adversely affect our business, financial condition, results of operations and prospects. As these government grants are provided typically on a one-off basis, there is no guarantee that we will continue receiving or benefiting from them in the future. In addition, we may not be able to successfully or timely obtain the government grants or preferential tax treatment that may become available to us in the future, and such failure could adversely affect our business, financial condition, results of operations and prospects.

Fluctuations in exchange rates could result in foreign currency exchange losses.

Most of our revenue and expenditures were denominated in Renminbi. Any significant revaluation of the Renminbi may adversely affect our financial condition and results of operations. In addition, the proceeds from the Global Offering will be in Hong Kong dollars. Fluctuations in the exchange rates among the Renminbi, the Hong Kong dollar, the U.S. dollar and other foreign currencies will affect the relative purchasing power in Renminbi in terms of the proceeds from the Global Offering. Fluctuations in the exchange rate may also incur foreign exchange losses and affect the relative value of any dividend issued by us, thereby adversely affecting our business, financial condition and results of operations. In

addition, appreciation or depreciation in the value of the Renminbi relative to the Hong Kong dollar or the U.S. dollar may affect our financial results in Hong Kong dollar or U.S. dollar terms without giving effect to any underlying change in our business, financial condition or results of operations.

Share-based payments may have a material and adverse effect on our financial performance and cause shareholding dilution to our Shareholders.

In recognition of the contributions of, the employees of our Group, and to incentivize them to further promote our development, we adopted the pre-IPO share incentive schemes. For the principal terms of our share incentive schemes, see "Appendix VI — Statutory and General Information — Share Incentive Schemes." We may incur additional share-based payment expenses in the future to attract, retain, and motivate key individuals. Such expenses may increase our operating expenses and negatively affect our financial performance, and the issuance of additional Shares in connection with share-based payments may dilute the shareholding of our Shareholders and result in a decline in the value of our Shares.

RISKS RELATING TO DOING BUSINESS IN JURISDICTIONS ASSOCIATED WITH OUR OPERATIONS

We face risks relating to changes in global and regional macroeconomic conditions, natural disasters, geographical tensions, regional conflicts, health epidemics and other outbreaks of contagious diseases.

Uncertainties about global economic conditions, regulatory changes, geographic tensions and other factors, including fluctuation of interest rates, inflation level, unemployment, labor and healthcare costs, access to credit, consumer confidence and other macroeconomic factors may pose risks and materially and adversely affect demand for our products. The escalated Palestinian-Israeli conflict, the conflict in Ukraine and the imposition of broad economic sanctions on Russia could raise energy prices and disrupt global markets. Unrest, terrorist threats and the potential for war in the Middle East and elsewhere may increase market volatility across the globe. The relationship between China and other countries with respect to trade policies, treaties, government regulations and tariffs, among other matters, may affect the macroeconomic environment, both domestically and internationally, and potentially leave an impact on the market we operate in. In addition, natural disasters, widespread health epidemic, acts of war, terrorism or other force majeure events beyond our control may disrupt our research and development, manufacturing and commercialization activities and business operations, all of which could adversely affect our business, results of operations, financial condition and prospects.

Changes in economic, social conditions and policies may impact our business, financial condition, results of operations and prospects.

Substantially all of our revenue is derived from our business in the PRC during the Track Record Period. Accordingly, our financial condition, results of operations and prospects are, to a material extent, subject to economic and legal developments in the PRC. The PRC government may continue to adjust economic policies and measures across industries and regions, and any significant adverse changes in macroeconomic conditions or the business environment in China may materially and adversely affect demand for our products, our ability to maintain operations, and our financial condition, results of operations, and future prospects.

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

Pursuant to the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly-Listed Company (國家外匯管理局關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知) promulgated by the State Administration of Foreign Exchange of the PRC ("**SAFE**") on February 15, 2012, PRC citizens and non-PRC citizens who reside in China for a continuous period of not less than one year who participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, are required to register with SAFE

through a domestic qualified agent, which could be the PRC subsidiaries of such overseas listed company, and complete certain other procedures. In addition, an overseas entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options and the purchase or sale of shares and interests. We, our Directors, executive officers and other employees who are PRC citizens or who reside in the PRC for a continuous period of not less than one year and who have been granted share-based awards will be subject to these regulations when we become an overseas listed company upon the completion of this offering. Failure to complete the required registrations may subject them to fines, and legal sanctions and may also limit our ability to contribute additional capital into our PRC subsidiaries and limit our PRC subsidiaries' ability to distribute dividends to us. We also face regulatory uncertainties that could restrict our ability to adopt additional incentive plans for our Directors, executive officers and employees under PRC law. In addition, our PRC subsidiaries are obligated to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold individual income taxes from employees who exercise their options, and any failure to do so may result in sanctions imposed by the tax authorities or other PRC governmental authorities.

Governmental regulation of currency conversion may limit our ability to utilize our revenue effectively and affect the value of your investment.

The conversion of Renminbi is subject to applicable laws and regulations in the PRC. We may need to convert Renminbi into foreign currencies for the payment of dividends, if any, to holders of our H Shares. While we are currently able to pay dividends in foreign currencies by complying with certain procedural requirements without prior SAFE approval, future restrictions on foreign currency access for current account transactions could impair our ability to do so. Foreign exchange transactions under our capital account remain subject to foreign exchange controls and require SAFE approval, which could affect our ability to obtain foreign exchange through equity financing or for capital expenditures. Most of our revenue is denominated in Renminbi, and limited instruments are available to reduce our foreign currency risk exposure at reasonable costs. Any of these factors may materially and adversely affect our business, results of operations, financial condition, and prospects.

We face certain risks relating to our leased properties, which may disrupt our operations and relocation costs.

As of the Latest Practicable Date, we primarily leased properties for offices, research and development, production and warehousing purposes. Any limitations on the leased properties, defects in the lessors' title to such properties, or discrepancies between the registered and actual use of the properties may impact our use of the leased properties or, in extreme cases, result in relocation, which may adversely affect our business operations and incur additional costs.

Pursuant to applicable PRC laws and regulations, all lease agreements are required to be registered with the local land and real estate administration bureau. As of the Latest Practicable Date, six of our leased properties in China had not completed such lease registration procedures with the relevant PRC government authorities. For details, see "Business — Properties." We may be subject to fines if we fail to rectify within the prescribed time period after receiving notices from the relevant PRC government authorities. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the relevant authority. In the event that any fine is imposed on us for our failure to register our lease agreements, we may not be able to recover such losses from the lessors. As of the Latest Practicable Date, we were not aware of any notice or allegation of penalty from PRC government authorities for our failure on the registration of lease agreements.

We cannot assure you that our use of such leased properties will not be challenged in the future. In the event that our use of properties is challenged, we may be subject to fines and forced to relocate the affected operations. In addition, we may become involved in disputes with the property owners or third parties who otherwise have rights to or interests in our leased properties. We cannot assure you that we will be able to find suitable replacement sites on terms acceptable to us on a timely basis, or at all, or that we will not be subject to material liability resulting from third parties' challenges on our use of such properties. As a result, our business, financial condition and results of operations may be adversely affected.

We may be subject to fines and penalties as a result of our non-compliance with certain PRC laws and regulations regarding the social insurance and housing provident fund during the Track Record Period.

Under the applicable PRC laws, we are required to contribute, as an employer, to social insurance (including pension insurance, unemployment insurance, medical insurance, work-related injury insurance and maternity insurance) and housing provident funds for the benefit of our employees. According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), if an employer engages third-party human resource agencies to pay the social insurance or fails to make social insurance contributions in full, the relevant authorities could order the employer to pay, within a prescribed time limit, the outstanding amount with an additional late payment penalty at the daily rate of 0.05%, and if the employer fails to make the overdue contributions within such time limit, a fine equal to one to three times the outstanding amount may be imposed. According to the Housing Accumulation Funds Regulation (《住房公積金管理條例》), if the employer engages third-party human resource agencies to pay the housing provident funds or fails to register and establish an account for housing provident fund, the authority could order the employer to correct it within a prescribed time limit, where failure to do so at the expiration of the time limit shall results in a fine of not less than RMB10,000 nor more than RMB50,000 being imposed. Where an employer is overdue in the payment and deposit of, or underpays, the housing provident fund, the authority could order it to make the payment and deposit within a prescribed time limit, and where the payment and deposit has not been made after the expiration of the time limit, an application may be made to a People's Court of the PRC for compulsory enforcement.

During the Track Record Period, we engaged third-party human resource agencies to pay social insurance and housing provident fund for two of our employees at their request because we accommodated their preferences for participating in social insurance and housing provident fund schemes in their respective place of residency. In addition, we did not make social insurance contributions and housing provident funds in full for certain employees, primarily due to varying individual preferences regarding participation levels in social benefit programs. We may be ordered by the relevant authorities, or be subject to complaints from our employees to pay the outstanding amount within the prescribed period, failing which we may be subject to a penalty or subject to specific enforcement by the People's Court of the PRC. Our PRC Legal Advisor is of the opinion that the risk of that we will be subject to centralized collection of historical shortfall of social insurance and housing provident fund contributions, or material administrative fines or penalties by relevant government authorities for such shortfalls, is remote on the basis that (i) under the current applicable policies and regulations, primarily including the Urgent Notice of the General Office of the Ministry of Human Resources and Social Security on Implementing the Guidelines of the Executive Meeting of the State Council to Effectively Doing a Good Job in Stabilizing the Collection of Social Insurance Premiums (《人力資源社會保障部辦公廳關於貫徹落實國務院常務會議精神切實做好穩定社保費徵收工作的緊急通知》), local governments are mandated to refrain from self-initiating investigations or collection efforts for arrears resulting from social insurance and housing provident fund contribution shortfalls, and (ii) based on the telephone consultations by our PRC Legal Advisors with the competent authorities for social insurance and housing provident funds in certain regions where our operating entities are located, those authorities have represented that they typically do not proactively conduct audits or require supplementary payments unless prompted by employee complaints. As of the Latest Practicable Date, no administrative action, fine or penalty had been imposed against us by relevant authorities with respect to our under-contribution to employees' social insurance or housing provident fund, nor had we received any order to make up for the underpaid amount. We do not anticipate material adverse impact on our operations or financial performance from this matter. To prevent recurrence of similar non-compliances, we will implement enhanced internal control measures including ongoing employee education about statutory benefits, increasing our contribution base amount gradually with plans for further progressive increases, and committing to timely remediation if required by relevant authorities. We will also establish local operational entities to handle social insurance and housing provident fund contributions directly instead of using third-party agencies. However, we cannot assure you that we will not be subject to any order to rectify this non-compliance incident in the future. Any such order or employee complaint may adversely and materially affect our business, financial condition, results of operations and prospects.

We are subject to PRC tax laws and regulations and holders of our H Shares may be subject to PRC taxation.

As a PRC-incorporated company, under applicable PRC tax laws, we are subject to a tax of up to 25% on our global income. Non-PRC individuals are generally subject to PRC individual income tax under the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》) with respect to PRC source income or gains at a rate of 20%. We are required to withhold related tax from dividend payments paid to non-PRC resident individuals, unless specifically exempted by the tax authority of the State Council of the PRC ("**State Council**") or reduced or eliminated by an applicable tax treaty. Currently, these are exempted pursuant to the Circular on Certain Policy Questions Concerning Individual Income Tax (《財政部、國家税務總局關於個人所得税若干政策問題的通知》) and the Circular Declaring that Individual Income Tax Continues to Be Exempted over Individual Income from Transfer of Shares issued by the MOF and the SAT (《財政部國家税務總局關於個人轉讓股票所得繼續暫免徵收個人所得税的通知》). However, the PRC government has indicated its intention to cease foreign individuals' tax exemption, and non-resident individual holders of our H Shares should be aware that they may be obligated to pay PRC income tax on the dividends and bonuses realized from the H Shares.

Non-PRC resident enterprises that do not have establishments or premises in the PRC, or that have establishments or premises in the PRC but their income is not related to such establishments or premises, are subject to PRC enterprise income tax ("**EIT**") at the rate of 10% on dividends received from PRC companies and gains realized upon disposition of equity interests in the PRC companies, which we are required to withhold at source, subject to reduction or elimination under applicable tax treaties. There remains uncertainty as to the interpretation and application of the relevant PRC tax laws by the PRC tax authorities, including whether and how individual income tax or EIT Law tax on gains derived by holders of our H Shares from their disposition of our H Shares may be collected, and any such collection could materially and adversely affect the value of our H Shares.

The PRC Labor Contract Law, any labor shortages, increased labor costs or other factors affecting our labor force may adversely affect our business, profitability and reputation.

We are required by PRC laws and regulations to pay various statutory employee benefits, including pension insurance, medical insurance, work-related injury insurance, unemployment insurance, maternity insurance and housing provident fund to designated government agencies. The relevant government agencies may examine whether an employer has made adequate payments as statutory employee benefits, and those employers who fail to make adequate payments may be subject to late payment fees, fines and/or other penalties. As China's economy continues to grow, the average wages in China are also expected to increase and if we are unable to pass on these costs to our customers, our profit margin and results of operations may be materially and adversely affected.

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

We are a company incorporated under the laws of the PRC and a substantial majority of our assets and subsidiaries are located in the Chinese Mainland. The majority of our Directors and senior management reside, and their assets may be located, in the Chinese Mainland. As a result, it may not be possible to effect service of process upon most of our Directors and senior management outside the PRC. Moreover, the PRC does not have treaties providing for reciprocal recognition and enforcement of court judgments in the United States, the United Kingdom, Japan or most other countries. Hong Kong also has no arrangement for the reciprocal enforcement of judgments with the United States. As a result, in the Chinese Mainland or Hong Kong, recognition and enforcement of court judgments from the jurisdictions mentioned above may be difficult or impossible. Furthermore, the holders of H Shares will not be able to bring actions on the basis of violations of the Listing Rules and must rely on the Stock Exchange to enforce its rules. The Listing Rules and the Takeover Codes do not have the force of law in Hong Kong.

RISKS RELATING TO THE GLOBAL OFFERING

No public market currently exists for our H Shares. An active trading market for our H Shares may not develop and the market price and trading volume of our H Shares may be volatile.

Following the completion of the Global Offering, we cannot assure you that an active trading market for our H Shares on the Stock Exchange will develop or be sustained. The Offer Price of our H Shares is the result of negotiations between our Company and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), which may not be indicative of the price at which our H Shares will be traded following the completion of the Global Offering. The market price of our H Shares may drop below the Offer Price at any time after completion of the Global Offering. Factors such as fluctuations in our revenue, earnings, cash flows, new investments, regulatory development, additions or departures of key personnel, or actions taken by competitors could cause the market price of our H Shares or trading volume of our H Shares to change substantially and unexpectedly. Stock prices have been subject to significant volatility in recent years, which has not always been directly related to the performance of the specific companies whose shares are traded. Such volatility, as well as general economic conditions, may materially and adversely affect the prices of H Shares, potentially resulting in substantial losses for investors.

Future sales or perceived sales or conversion of significant amounts of our H Shares in the public market following the Global Offering could materially and adversely affect the price of our H Shares.

Future sales of a substantial number of our H Shares, especially by our directors, executive officers and existing Shareholders, or the perception or anticipation of such sales, could negatively impact the market price of our H Shares in Hong Kong and our ability to raise equity capital in the future at a time and price that we deem appropriate. The Shares held by our existing Shareholders are subject to certain lock-up periods. See "Underwriting — Underwriting Arrangements and Expenses." We cannot assure you that they will not dispose of any Shares they may own now or in the future. The effect of such disposal, if any, on the market price of the H Shares cannot be predicted.

You will experience immediate and substantial dilution as a result of the Global Offering and may experience further dilution if we issue additional Shares or equity securities in the future.

The Offer Price of the H Shares is higher than the net tangible asset value per H Share immediately prior to the Global Offering. Therefore, purchasers of the H Shares in the Global Offering will experience an immediate dilution. In order to expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the H Shares may experience dilution if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time. Furthermore, we may issue Shares through the employee incentive platforms, which would further dilute Shareholders' interests in our Company.

There can be no assurance whether and when we will pay dividends in the future, and payment of dividends is subject to applicable PRC laws.

We cannot guarantee when and in what form dividends will be paid on our Offer Shares following the Global Offering. The declaration of dividends is proposed by the Board and is based on, and limited by, various factors, such as our business and financial performance, capital and regulatory requirements and general business and operation conditions. We may not have sufficient or any profits to enable us to make dividend distributions to our Shareholders in the future, even if our financial statements indicate that our operations have been profitable.

Certain statistics contained in this prospectus are derived from publicly available official government sources.

This prospectus, particularly the section headed "Industry Overview," contains information and statistics relating to the industry in which we operate. Such information and statistics have been derived from various official government sources. The information and statistics from such sources have not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters, and other Capital Market Intermediaries, any of our or their respective directors, officers or representatives or any other party, other than CIC, involved in the Global Offering and no representation is given as to its accuracy. In any event, you should consider carefully the importance placed on such information or statistics.

If securities or industry analysts do not publish research reports about our business, or if they adversely change their recommendations regarding our H Shares, the market price and trading volume of our H Shares may decline.

Research reports published by securities or industry analysts about our business may influence the trading market of our H shares. If one or more analysts who cover us downgrade their evaluations of our H Shares, or if they issue reports with negative outlooks or misinformation regarding our operations, it could result in a material decline in the market price of our H Shares. If one or more of these analysts cease coverage for us or fail to publish regular reports on us, we could lose visibility in the financial markets, which, in turn, could adversely affect the market price or trading volume of our H shares.

You should read the entire prospectus carefully and should not place any reliance on any information contained in press articles or other media regarding the Global Offering.

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the Global Offering. Prior to the publication of this prospectus, there has been press and media coverage regarding us. Such press and media coverage may include references to certain information that does not appear in this prospectus, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this prospectus, we disclaim responsibility for it and you should not rely on such information.

In preparation for the Listing and the Global Offering, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules:

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

According to Rules 8.12 and 19A.15 of the Listing Rules, our Company must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong.

Since all our business operations are not principally located, managed or conducted in Hong Kong, and our Directors consider that the relocation of our executive Directors to Hong Kong or the appointment of additional executive Directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Company and therefore would not be in the best interests of our Company and our Shareholders as a whole, our Company does not, and, for the foreseeable future, will not, have two executive Directors who are ordinarily resident in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 and 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 8.12 and 19A.15 of the Listing Rules. We will ensure that there is a regular and effective communication between the Stock Exchange and us by way of the following arrangements:

(i) **Authorized representatives**: both of our Company's authorized representatives, Mr. Wang Jian (王健) and Ms. Pau So Yi (鮑素怡), will act as our Company's principal channels of communication with the Stock Exchange. Accordingly, the authorized representatives of our Company will be able to meet with the relevant members of the Stock Exchange on reasonable notice and will be readily contactable by telephone, facsimile and/or email.

Each of the authorized representatives of our Company has means of contacting all Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange proposes to contact a Director with respect to any matter;

(ii) **Directors**: each Director has provided their mobile phone number, office phone number, fax number, if any, and e-mail address to the authorized representatives of our Company and the Stock Exchange, and in the event that any Director expects to travel or otherwise be out of the office, they will provide the phone number of the place of their accommodation to the authorized representatives.

Each of our Directors not ordinarily residing in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and will be able to meet with the relevant members of the Stock Exchange within a reasonable period of time;

(iii) **Compliance advisor**: we have appointed First Shanghai Capital Limited as our Compliance Advisor, in compliance with Rule 3A.19 of the Listing Rules, who will, among other things and in addition to the authorized representatives and our Directors, also act as an additional channel of communication with the Stock Exchange from the Listing Date to the date when our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately following the Listing Date. Pursuant to the Note to Rule 3A.23, the Compliance Advisor will have access at all times to our authorized representatives, our Directors and other officers. We shall also ensure that our authorized representatives, Directors and other officers will promptly provide such information and assistance as the Compliance Advisor may need or may reasonably require in connection with the performance of the Compliance Advisor's duties as set forth in Chapter 3A of the Listing Rules. We shall ensure that there are adequate and efficient means of communication among our Company, our authorized representatives, our Directors, other officers and the Compliance Advisor, and will keep the Compliance Advisor fully informed of all communications and dealings between the Stock Exchange and us.

Any meeting between the Stock Exchange and our Directors will be arranged through the authorized representatives or the Compliance Advisor or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any changes in our authorized representatives and/or our Compliance Advisor; and

(iv) **Legal advisors**: we will also retain legal advisors to advise on on-going compliance requirements as well as other issues arising under the Listing Rules and other applicable laws and regulations of Hong Kong after the Listing.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of their academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. The Stock Exchange considers the following academic or professional qualifications to be acceptable:

(i) a member of The Hong Kong Chartered Governance Institute;

(ii) a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong)); and

(iii) a certified public accountant (as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)).

Pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing "relevant experience," the Stock Exchange will consider the individual's:

(i) length of employment with the issuer and other issuers and the roles they played;

(ii) familiarity with the Listing Rules and other relevant law and regulations including the Securities and Futures Ordinance, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

(iii) relevant training taken and/or to be taken in addition to the minimum requirement of taking not less than 15 hours of relevant professional training in each financial year under Rule 3.29 of the Listing Rules; and

(iv) professional qualifications in other jurisdictions.

Pursuant to paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants, the Stock Exchange will consider a waiver application by an issuer in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include:

(i) whether the issuer has principal business activities primarily outside Hong Kong;

(ii) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification (as defined under paragraph 9 of Chapter 3.10 of the Guide for New Listing Applicants) nor Relevant Experience (as defined under paragraph 9 of Chapter 3.10 of the Guide for New Listing Applicants) as a company secretary; and

(iii) why the directors consider the individual to be suitable to act as the issuer's company secretary.

Further, pursuant to paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants, such waiver, if granted, will be for a fixed period of time (the "**Waiver Period**") and on the following conditions:

(i) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and

(ii) the waiver will be revoked if there are material breaches of the Listing Rules by the issuer.

Our Company considers that while it is important for the company secretary to be familiar with the relevant securities regulation in Hong Kong, they also need to have experience relevant to our Company's operations, nexus to the Board and close working relationship with the management of our Company in order to perform the function of a company secretary and to take the necessary actions in the most effective and efficient manner. It is for the benefit of our Company to appoint a person who is familiar with our Company's business and affairs as company secretary. As the vice general manager and Board secretary of our Company, Ms. Chen Pei (陳沛) ("**Ms. Chen**") is deeply familiar with our operations and is able to cultivate strong relationships with both the Board and the management. Our Directors believe that Ms. Chen's intimate knowledge of our Company and operations is essential for the performance of company secretary duties in the most effective and efficient manner.

We have appointed Ms. Chen and Ms. Pau So Yi (鮑素怡) ("**Ms. Pau**") as our joint company secretaries. Since Ms. Chen does not possess a qualification stipulated in Rule 3.28 of the Listing Rules, she is not able to solely fulfill the requirements as a company secretary of a listed issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules. To support Ms. Chen, we have appointed Ms. Pau, a Chartered Secretary, a Chartered Governance Professional, an Associate of both The Hong Kong Chartered Governance Institute (香港公司治理公會) and The Chartered Governance Institute in the United Kingdom (英國特許公司治理公會), who meets the requirements under Rules 3.28 and 8.17 of the Listing Rules, as a joint company secretary to provide assistance, for a three-year period from the Listing Date so as to enable Ms. Chen to acquire the relevant experience (as required under Note 2 to Rule 3.28 of the Listing Rules) to duly discharge her duties.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Ms. Pau as our joint company secretary. Pursuant to Chapter 3.10 of the Guide for New Listing Applicants, such waiver has been granted on the conditions that:

(i) Ms. Pau is appointed as a joint company secretary to assist Ms. Chen in discharging her functions as a company secretary and in gaining the relevant experience under Rule 3.28 of the Listing Rules;

(ii) the waiver will be revoked immediately if Ms. Pau, during the three-year period, ceases to provide assistance to Ms. Chen as a joint company secretary; and

(iii) the waiver can be revoked if there are material breaches of the Listing Rules by our Company.

In addition, Ms. Chen will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance her knowledge of the Listing Rules during the three-year period from the Listing Date. Our Company will further ensure that Ms. Chen has access to the relevant training and support that would enhance her understanding of the Listing Rules and the duties of a company secretary of an issuer listed on the Stock Exchange. Before the end of the three-year period, the qualifications and experience of Ms. Chen and the need for on-going assistance of Ms. Pau will be further evaluated by our Company. We must demonstrate and seek the Stock Exchange's confirmation that Ms. Chen, having benefited from the assistance of Ms. Pau for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules and is capable of discharging the functions of company secretary under Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

For biographical information of Ms. Chen and Ms. Pau, see "Directors and Senior Management."

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus, for which our Directors (including any proposed Director who is named as such in this prospectus) collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) for the purpose of giving information to the public with regard to our Group. Our Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

CSRC FILING

We have obtained a filing notice dated August 24, 2026 from the CSRC for the Global Offering, the Conversion of Unlisted Shares into H Shares, and the listing of the H Shares on the Stock Exchange. In granting such filing notice, the CSRC accepts no responsibility for the financial soundness of us or for the accuracy of any of the statements made or opinions expressed in this prospectus. No other approvals under the PRC laws and regulations are required to be obtained for the listing of the H Shares on the Stock Exchange.

INFORMATION ON THE GLOBAL OFFERING

This prospectus is published solely in connection with the Hong Kong Public Offering, which form part of the Global Offering. For applications under the Hong Kong Public Offering, this prospectus contains the terms and conditions of the Hong Kong Public Offering.

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and on the terms and subject to the conditions set out herein and therein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this prospectus, and any information or representation not contained herein must not be relied upon as having been authorized by our Company, the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Capital Market Intermediaries, any of the Underwriters, any of our or their respective affiliates or any of our or their respective directors, officers, employees, advisors, agents or representatives, or any other persons or parties involved in the Global Offering.

The Listing is sponsored by the Joint Sponsors and the Global Offering is managed by the Overall Coordinators. Pursuant to the Hong Kong Underwriting Agreement, the Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement. The International Offering is expected to be fully underwritten by the International Underwriters and subject to the terms and conditions of the International Underwriting Agreement, which is expected to be entered into on or around September 25, 2026. For further details on the Underwriters and the underwriting arrangements, please refer to the section headed "Underwriting" in this prospectus.

Neither the delivery of this prospectus nor any offering, sale, delivery, subscription or acquisition made in connection with the Offer Shares shall, under any circumstances, constitute a representation or create any implication that there has been no change in our affairs since the date of this prospectus or that the information in this prospectus is correct as of any date subsequent to the date of this prospectus.

For details of the structure of the Global Offering, including its conditions and the arrangements relating to the Over-allotment Option and stabilization, please refer to the section headed "Structure and Conditions of the Global Offering" in this prospectus.

INFORMATION ON THE CONVERSION OF UNLISTED SHARES INTO H SHARES

We have applied for the Conversion of Unlisted Shares into H Shares, which involves a total of 84,984,839 Unlisted Shares held by the existing Shareholders. See "History, Development and Corporate Structure" and "Share Capital" for details of our existing Shareholders and their respective interests in our Company and relevant procedures for the Conversion of Unlisted Shares into H Shares. Such H Shares to be converted from Unlisted Shares are restricted from trading for a period of one year after the Listing.

We have obtained a filing notice dated August 24, 2026 from the CSRC for the Conversion of Unlisted Shares into H Shares and the listing and trading of the H Shares converted on the Stock Exchange is still subject to the approval by the Stock Exchange.

PROCEDURE FOR APPLICATION FOR HONG KONG OFFER SHARES

The procedure for applying for the Hong Kong Offer Shares is set forth in "How to Apply for Hong Kong Offer Shares" in this prospectus.

RESTRICTIONS ON OFFER AND SALE OF THE OFFER SHARES

Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to, or be deemed by their acquisition of Hong Kong Offer Shares to, confirm that they are aware of the restrictions on the offer and sale of the Hong Kong Offer Shares described in this prospectus.

No action has been taken to permit a public offering of the H Shares in any jurisdiction other than Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, and without limitation to the following this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation for subscription.

The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Offer Shares have not been offered and sold, and will not be offered and sold, directly or indirectly, in the PRC.

Persons applying for or purchasing H Shares under the Global Offering are deemed, by their making an application or purchase, to have represented that they are not associates of any of our Directors or existing Shareholders or a nominee of any of the foregoing.

APPLICATION FOR LISTING OF THE H SHARES ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the exercise of the Over-allotment Option) and the H Shares to be converted from Unlisted Shares.

Dealings in the H Shares on the Stock Exchange are expected to commence on September 30, 2026. Save as otherwise disclosed in this prospectus, no other part of our share capital is listed on or dealt in on any other stock exchange, and no such listing or permission to list is being or proposed to be sought as of the date of this prospectus.

Under Section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotment made in respect of any application will be invalid if the listing of, and permission to deal in, the H Shares on the Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to our Company by or on behalf of the Stock Exchange.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of listing of, and permission to deal in, the H Shares on the Stock Exchange and our compliance with the stock admission requirements of HKSCC, the H

Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares on the Stock Exchange or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Investors should seek the advice of their stockbrokers or other professional advisors for details of the settlement arrangements and how such arrangements will affect your rights and interests as such arrangements may affect their rights and interests. All necessary arrangements have been made for the H Shares to be admitted into CCASS.

REGISTER OF MEMBERS AND STAMP DUTY

All of the H Shares issued pursuant to applications made in the Global Offering and converted from Unlisted Shares will be registered on our H Share register of members to be maintained in Hong Kong by our H Share Registrar, Tricor Investor Services Limited. Our principal register of members will be maintained by us at our headquarters in the PRC.

Dealings in our H Shares registered in the H Share register of members of our Company in Hong Kong will be subject to Hong Kong stamp duty. See "Appendix III — Taxation and Foreign Exchange" for further details.

DIVIDENDS PAYABLE TO HOLDERS OF H SHARES

Unless determined otherwise by our Company, dividends payable in Hong Kong dollars in respect of our H Shares will be paid to the Shareholders as recorded on the H Share register of members of our Company in Hong Kong and sent by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder.

According to the Guide to the Program for "Full Circulation" of H shares promulgated by China Securities Depository and Clearing Corporation Limited ("**CSDC**") on February 7, 2020, cash dividends to domestic investors of H-share "full circulation" shall be distributed through CSDC. An H-share listed company shall transfer RMB cash dividends to the designated bank account of the Shenzhen subsidiary of CSDC, who shall complete the clearing of cash dividends by distributing the cash dividends to investors through domestic securities companies.

REGISTRATION OF SUBSCRIPTION, PURCHASE AND TRANSFER OF H SHARES

We have instructed Tricor Investor Services Limited, our H Share Registrar, and it has agreed not to register the subscription, purchase or transfer of any H Share in the name of any particular holder unless and until the holder delivers a signed form to our H Share Registrar in respect of those H Shares bearing statements to the effect that the holder:

(i) agrees with us and each of our Shareholders, and we agree with each Shareholder, to observe and comply with the PRC Company Law, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Overseas Listing Trial Measures and our Articles of Association;

(ii) agrees with us, each of our Shareholders, Directors, members of senior management and officers, and we acting for ourselves and for each of our Directors, members of senior management and officers agree with each of our Shareholders, to refer all differences, disputes and claims concerning our affairs and arising from any rights or obligations conferred or imposed by our Articles of Association, the PRC Company Law or other relevant laws, rules and regulations to arbitration in accordance with our Articles of Association, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearings in open session and to publish its award. Such arbitration shall be final and conclusive;

(iii) agrees with us and each of our Shareholders that the H Shares are freely transferable by the holders thereof; and

(iv) authorizes us to enter into a contract on his/her behalf with each of our Directors, senior officers whereby such Directors, members of senior management undertake to observe and comply with their obligations to our Shareholders as stipulated in our Articles of Association.

PROFESSIONAL TAX ADVICE RECOMMENDED

You should consult your professional advisors if you are in any doubt as to the taxation implications of subscribing for, purchasing, holding, disposal of, dealing in or the exercise of any rights in relation to our H Shares. None of our Company, the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Capital Market Intermediaries, any of our or their affiliates or any of their respective directors, officers, employees, advisors, agents or representatives, or any other persons or parties involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchase, holding, disposal of, dealing in, or the exercise of any rights in relation to, our H Shares.

LANGUAGE

If there is any inconsistency between this prospectus and its Chinese translation, the English version of this prospectus shall prevail. The English names of the Chinese laws and regulations, government authorities, institutions, natural persons, other entities (including certain of our subsidiaries), facilities, certificates and titles included in this prospectus are translations of their Chinese names for identification purposes only. In the event of any inconsistency, the Chinese version shall prevail.

ROUNDING

Certain amounts and percentage figures, such as share ownership and operating data, included in this prospectus may have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

CURRENCY TRANSLATIONS

Solely for your convenience, this prospectus contains translations among certain amounts denominated in Renminbi, Hong Kong dollars and U.S. dollars.

Unless otherwise specified, this prospectus contains certain translations for the convenience purposes at the following rates: Renminbi into Hong Kong dollars at the rate of RMB0.86384 to HK$1.00 and Renminbi into U.S. dollars at the rate of RMB6.77430 to US$1.00. The RMB to HK$ and RMB to US$ exchange rates are quoted by the PBOC for foreign exchange transactions prevailing on September 11, 2026.

No representation is made that any amounts in RMB, Hong Kong dollars or U.S. dollars can be or could have been at the relevant dates converted at the above rate or any other rates or at all.

MARKET SHARE DATA CONVENTION

The statistical and market share information contained in this prospectus has been derived from official government publications and other sources, including information or data provided by CIC. Unless otherwise indicated, the information has not been verified by us independently. This statistical information may not be consistent with other statistical information from other sources within or outside the PRC. While reasonable caution has been made in the process of reproducing the data and statistics extracted from such official government publications or other sources, our Company, the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters, any of our and their respective directors, officers, employees, advisors, agents or representatives, or any other persons or parties involved in the Global Offering make no representation to the appropriateness, accuracy, completeness or reliability of any such statistical and market share information.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Wang Jian (王健)	Unit 4G, Building 29, Meilin Yicun No. 148 Meilin Road Futian District Shenzhen, Guangdong Province PRC	Chinese
Mr. Zhou Kun (周琨)	Unit 2, Building 3A Phase 1, Lanjiang Shandi Garden Futian District Shenzhen, Guangdong Province PRC	Chinese
Mr. Huang Shuguang (黄署光) . .	5F, Xiangshou Pavilion Building 1, Jixianglai Garden Longgang District Shenzhen, Guangdong Province PRC	Chinese
Ms. Qiu Lin (丘琳)	25F, Minzhi Huide Apartment Longhua District Shenzhen, Guangdong Province PRC	Chinese
Non-executive Directors		
Ms. Li Shangran (李尚然)	Building 1, Yujingtai Qianjin One Road Bao'an District Shenzhen, Guangdong Province PRC	Chinese
Mr. Liu Xinpeng (劉鑫鹏)	Room 1403 Duty Free Business Building No. 6 Fuhua 1st Road Futian District Shenzhen, Guangdong Province PRC	Chinese
Independent Non-executive Directors		
Mr. Dong Shengtang (董勝堂) . . .	No. 2-1 Langshan Road Nanshan District Shenzhen, Guangdong Province PRC	Chinese

Name	Address	Nationality
Mr. Conrad Yan (甄偉傑)	11/F, Block A No. 8 Wong Nai Chung Gap Road Happy Valley Wan Chai Hong Kong	Chinese (Hong Kong)
Mr. Liang Wenzhao (梁文昭) . . .	Room 3-1207, Pengyi Garden Bagua 1st Road Shenzhen, Guangdong Province PRC	Chinese

For further details regarding our Directors, please see "Directors and Senior Management" in this prospectus.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **Guosen Securities (HK) Capital Company Limited** Suites 3207-3212 on Level 32 One Pacific Place 88 Queensway Hong Kong
Sponsor-Overall Coordinators	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **Guosen Securities (HK) Capital Company Limited** Suites 3207-3212 on Level 32 One Pacific Place 88 Queensway Hong Kong
Overall Coordinators	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **Guosen Securities (HK) Capital Company Limited** Suites 3207-3212 on Level 32 One Pacific Place 88 Queensway Hong Kong

	GF Securities (Hong Kong) Brokerage Limited 27/F, GF Tower 81 Lockhart Road Wan Chai Hong Kong
Joint Global Coordinators	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong
	Guosen Securities (HK) Capital Company Limited Suites 3207-3212 on Level 32 One Pacific Place 88 Queensway Hong Kong
	GF Securities (Hong Kong) Brokerage Limited 27/F, GF Tower 81 Lockhart Road Wan Chai Hong Kong
Joint Bookrunners	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong
	Guosen Securities (HK) Capital Company Limited Suites 3207-3212 on Level 32 One Pacific Place 88 Queensway Hong Kong
	GF Securities (Hong Kong) Brokerage Limited 27/F, GF Tower 81 Lockhart Road Wan Chai Hong Kong
	CCB International Capital Limited 12/F CCB Tower 3 Connaught Road Central Central Hong Kong
	First Shanghai Securities Limited 19/F, Wing On House 71 Des Voeux Road Central Hong Kong

Futu Securities International (Hong Kong) Limited
34/F, United Centre
No. 95 Queensway
Admiralty
Hong Kong

Huafu International Securities Limited
Unit 2603-06
26/F, Infinitus Plaza
199 Des Voeux Road Central
Sheung Wan
Hong Kong

Shenwan Hongyuan Securities (H.K.) Limited
Level 6, Three Pacific Place
1 Queen's Road East
Hong Kong

SkyVast Securities Limited
Flat 3304, 33/F
Bank Of America Tower
12 Harcourt Road
Central
Hong Kong

Somerley Capital Limited
20/F, China Building
29 Queen's Road Central
Hong Kong

Tiger Brokers (HK) Global Limited
23/F, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

Capital Market Intermediaries

China International Capital Corporation Hong Kong Securities Limited
29/F, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Guosen Securities (HK) Capital Company Limited
Suites 3207-3212 on Level 32
One Pacific Place
88 Queensway
Hong Kong

GF Securities (Hong Kong) Brokerage Limited
27/F, GF Tower
81 Lockhart Road
Wan Chai
Hong Kong

CCB International Capital Limited
12/F CCB Tower
3 Connaught Road Central
Central
Hong Kong

First Shanghai Securities Limited
19/F, Wing On House
71 Des Voeux Road Central
Hong Kong

Futu Securities International (Hong Kong) Limited
34/F, United Centre
No. 95 Queensway
Admiralty
Hong Kong

Huafu International Securities Limited
Unit 2603-06
26/F, Infinitus Plaza
199 Des Voeux Road Central
Sheung Wan
Hong Kong

Shenwan Hongyuan Securities (H.K.) Limited
Level 6, Three Pacific Place
1 Queen's Road East
Hong Kong

SkyVast Securities Limited
Flat 3304, 33/F
Bank Of America Tower
12 Harcourt Road
Central
Hong Kong

Somerley Capital Limited
20/F, China Building
29 Queen's Road Central
Hong Kong

Tiger Brokers (HK) Global Limited
23/F, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

Legal Advisors to our Company	*as to Hong Kong and U.S. laws:* **Kirkland & Ellis** 26/F, Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong *as to PRC law, PRC data compliance laws and PRC intellectual property laws:* **AllBright Law Offices (Shenzhen)** 21-23/F, Tower 1, Excellence Century Centre Fu Hua 3 Road Futian District, Shenzhen Guangdong Province PRC *as to international sanctions and U.S. outbound investment laws:* **Ashurst Perkins Coie Tokyo (Ashurst Perkins Coie Horitsu Jimusho Gaikokuho Kyodo Jigyo)** 30/F, Shiroyama Trust Tower 4-3-1 Toranomon Minato-ku Tokyo Japan
Legal Advisors to the Joint Sponsors and underwriters	*as to Hong Kong law:* **King & Wood** 13/F, Gloucester Tower The Landmark 15 Queen's Road Central Central Hong Kong *as to PRC law:* **King & Wood** 28th Floor, China Resources Tower 2666 Keyuan South Road Nanshan District, Shenzhen Guangdong Province PRC
Reporting Accountant and Independent Auditor	**Ernst & Young** *Certified Public Accountants* *Registered Public Interest Entity Auditor* 27/F, One Taikoo Place 979 King's Road Quarry Bay Hong Kong

Industry Consultant	**China Insights Industry Consultancy Limited** 10F, Block B Jing'an International Center 88 Puji Road Jing'an District Shanghai PRC
Compliance Advisor	**First Shanghai Capital Limited** 19/F, Wing On House 71 Des Voeux Road Central Hong Kong
Receiving Bank	**Bank of China (Hong Kong) Limited** 1 Garden Road Hong Kong

Registered Office in the PRC	Room 1801, Block C Minzhi Share Commercial Center Beizhan Community, Minzhi Street Longhua District Shenzhen, Guangdong Province PRC
Head Office and Principal Place of Business in the PRC	Room 1801, Block C Minzhi Share Commercial Center Beizhan Community, Minzhi Street Longhua District Shenzhen, Guangdong Province PRC
Principal Place of Business in Hong Kong	Room 1920, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Company's Website	**www.camsense.cn** *(Information contained in this website does not form part of this prospectus)*
Joint Company Secretaries	**Ms. Chen Pei (陳沛)** Room 1801, Block C Minzhi Share Commercial Center Beizhan Community, Minzhi Street Longhua District Shenzhen, Guangdong Province PRC **Ms. Pau So Yi (鮑素怡)** *(ACG HKACG)* Room 1920, 19/F, Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Authorized Representatives	Mr. Wang Jian (王健) Ms. Pau So Yi (鮑素怡)
Audit Committee	Mr. Liang Wenzhao (梁文昭) *(Chairperson)* Mr. Dong Shengtang *(董勝堂)* Ms. Li Shangran (李尚然)
Remuneration and Appraisal Committee	Mr. Dong Shengtang (董勝堂) *(Chairperson)* Mr. Conrad Yan (甄偉傑) Mr. Wang Jian (王健)
Nomination Committee	Mr. Conrad Yan (甄偉傑) *(Chairperson)* Mr. Liang Wenzhao (梁文昭) Ms. Li Shangran (李尚然)

Strategy Committee	Mr. Wang Jian (王健) *(Chairperson)* Mr. Zhou Kun (周琨) Mr. Conrad Yan (甄偉傑)
H Share Registrar	**Tricor Investor Services Limited** 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal Banks	**Industrial and Commercial Bank, Shenzhen High-tech Park Branch** 1/F, Tower Building, Block 3 Zhongke Research and Development Park of China Science and Technology Development Academy No. 009, Gaoxin South 1st Road Nanshan District Shenzhen, Guangdong Province PRC **China Merchants Bank, Shenfang Building Branch** 1/F, Building B, Shenfang Building No. 3 Huaqiangbei Road Futian District Shenzhen, Guangdong Province PRC

The information and statistics set out in this section and other sections of this prospectus were extracted from different official government publications, available sources from public, market research and other sources from independent suppliers, and from the independent industry report prepared by CIC. The information from official government sources has not been independently verified by us, the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, any of the Underwriters, any of their respective directors and advisors, or any other persons or parties involved in the Global Offering, and no representation is given as to its accuracy.

ROBOTIC VACUUM SPATIAL SENSING INDUSTRY

Overview

Robotic vacuums represent one of the most widely adopted intelligent robot categories and are among the earliest commercialized intelligent robots in household scenarios. Supported by evolving household cleaning needs, continuous product upgrades and broader consumer adoption, robotic vacuums have continued to expand their application base. They automate floor cleaning and address high-frequency, time-consuming and labor-intensive household cleaning tasks. With continuous product iteration, robotic vacuums have evolved from basic automated cleaning devices into intelligent cleaning robots that provide improved navigation, obstacle avoidance, cleaning execution and self-maintenance capabilities.

Technical Framework and Key Features

The technological evolution of robotic vacuums has been largely driven by upgrades in navigation, obstacle avoidance and cleaning execution. Early robotic vacuums mainly relied on mechanical collision-based avoidance and lacked systematic path planning. Subsequent product generations introduced global path planning, SLAM and LiDAR, followed by visual perception, structured light, 3D ToF and multi-sensor fusion, enabling more accurate mapping, route planning, obstacle avoidance and adaptive cleaning.

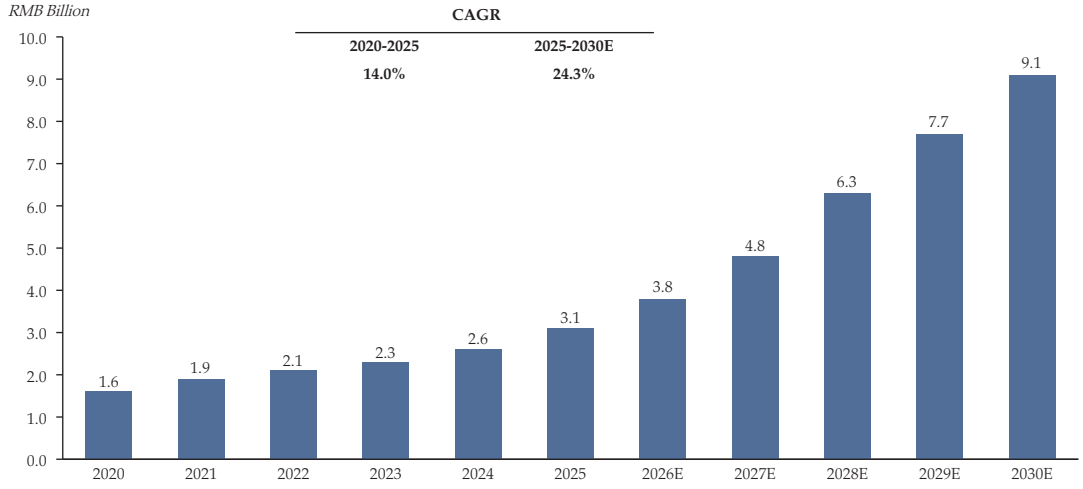
Spatial sensing is a core technical foundation for robotic vacuums. It enables robotic vacuums to perceive indoor layouts, obstacles, edges and surface conditions, while supporting mapping, localization, obstacle avoidance, route planning and cleaning progress management, thereby directly affecting cleaning coverage, route efficiency and user experience. Robotic vacuum spatial sensing primarily obtains environmental information through multi-modal sensors, with LiDAR emerging as the leading technology alongside cameras, inertial measurement units (IMUs), ultrasonic sensors and infrared sensors. Different LiDAR technologies serve distinct needs: triangulation-based LiDAR offers compact, energy-efficient spatial sensing options for near-range detection; direct Time-of-Flight (dTOF) LiDAR provides faster response and stronger anti-interference capabilities; and line laser scanning excels in edge cleaning and near-field obstacle detection — as demonstrated in robotic vacuums, one of the earliest mass-market applications. These three technological pathways each possess distinct advantages in practical applications, catering to differentiated product positioning and functional requirements, and collectively form a complementary and symbiotic market landscape across varying performance tiers and cost segments. LiDAR's enhanced precision, anti-interference capabilities, and environmental adaptability for real-time distance measurement and dynamic target tracking have driven its adoption in robotic vacuums, with penetration rates continuing to grow. The complete spatial sensing products encompass an industrial ecosystem integrating both hardware and software components, from advanced sensors and sensing algorithms to system integration and supporting services, where sophisticated software plays a crucial role in processing sensing data and enabling accurate decision-making capabilities. As a widely-accepted concept, in robotic vacuums, high-precision spatial sensing refers to spatial sensing that can achieve millimeter-level and sub-millimeter-level near-field measurement accuracy.

As these products continue to mature and evolve, several key technical characteristics have emerged: (1) AI-Driven Algorithms: AI serves as the core engine, enabling environmental understanding, semantic recognition, and self-adaptive capabilities, while significantly raising algorithmic requirements for precision, real-time performance, and robustness in complex tasks like data fusion, object recognition, and 3D mapping; (2) Multi-Sensor Fusion: Integration of LiDAR, visual cameras, IMUs, and other sensors to achieve more stable and accurate spatial sensing capabilities; (3) Specialized Chip Development: Industry transition toward self-developed and customized chips, which offer high computing efficiency, power consumption control, and system integration compared to general-purpose chips, becoming a crucial foundation for practical spatial sensing.

Market Size

As robotic vacuums continue to upgrade, requirements for upstream spatial sensing products in terms of precision, reliability, real-time performance and system integration are expected to increase, creating sustained demand for spatial sensing providers. The global robotic vacuum spatial sensing market size grew from RMB1.6 billion in 2020 to RMB3.1 billion in 2025, representing a CAGR of 14.0%. From 2025 to 2030, the market size is expected to grow rapidly at a CAGR of 24.3%, reaching RMB9.1 billion by 2030.

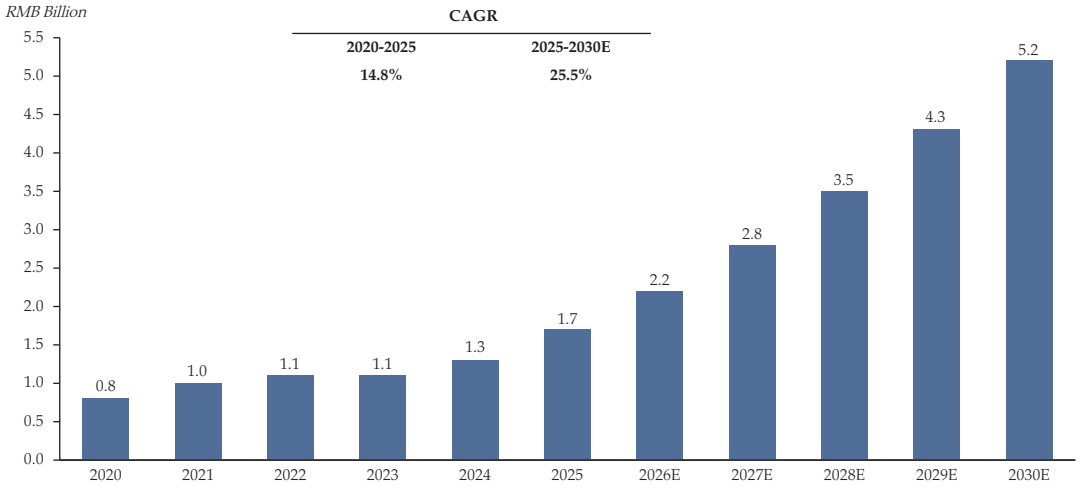
Global Robotic Vacuum Spatial Sensing Market Size, in Terms of Sales Revenue, 2020-2030E



Source: IDC, CIC Report

LiDAR products have become the mainstream choice for spatial sensing in robotic vacuums due to enhanced precision and adaptability. Compared with early-stage collision-based or basic infrared sensing approaches, LiDAR-based products provide stronger support for real-time distance measurement, global path planning, SLAM-based mapping and reliable autonomous navigation in complex household environments. As robotic vacuums continue to upgrade toward more advanced product configurations, LiDAR modules are increasingly required to deliver not only ranging and mapping capabilities, but also better compactness, stability, cost efficiency and compatibility with different robotic vacuum models. The increasing penetration of LiDAR and the continuous upgrade of robotic vacuum spatial sensing architectures are expected to drive the expansion of the robotic vacuum LiDAR market. The global robotic vacuum LiDAR market size grew from RMB0.8 billion in 2020 to RMB1.7 billion in 2025, representing a CAGR of 14.8%. From 2025 to 2030, the market size is expected to grow rapidly at a CAGR of 25.5%, reaching RMB5.2 billion by 2030.

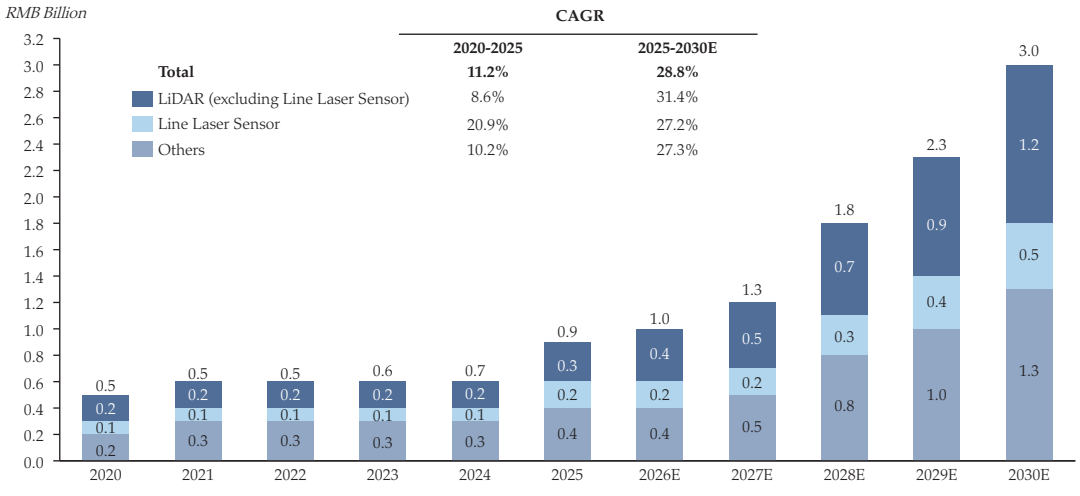
Global Robotic Vacuum LiDAR Market Size, in Terms of Sales Revenue, 2020-2030E



Source: IDC, CIC Report

China's robotic vacuum spatial sensing market size grew from RMB0.5 billion in 2020 to RMB0.9 billion in 2025, representing a CAGR of 11.2%. From 2025 to 2030, the market size is expected to grow rapidly at a CAGR of 28.8%, reaching RMB3.0 billion by 2030. LiDAR (excluding line laser sensors) and line laser sensors represented two key sub-segments of China's robotic vacuum spatial sensing market, with market sizes of RMB0.3 billion and RMB0.2 billion in 2025, respectively, accounting for approximately 2.1% and 1.1% of China's intelligent robot spatial sensing market, respectively. Overall, the robotic vacuum spatial sensing market accounted for approximately 5.9% of China's intelligent robot spatial sensing market in 2025. For the purpose of market segmentation, "Others" primarily includes cameras, IMUs, ultrasonic sensors and infrared sensors.

China's Robotic Vacuum Spatial Sensing Market Size, in Terms of Sales Revenue, 2020-2030E



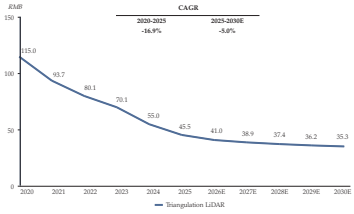
Source: IDC, CIC Report

Price Trends

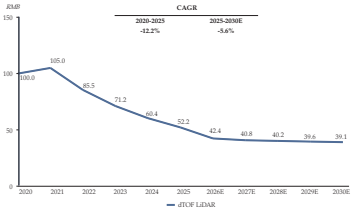
While increasing competition and technology maturation may exert downward pressure on the average selling prices of individual spatial sensing products, the magnitude of such price declines is expected to gradually narrow as the major cost reduction benefits from production scale-up, yield improvement and supply chain optimization have been

progressively realized, resulting in more limited incremental room for further cost reductions, while continued product upgrades in sensing accuracy, compactness and system integration enhance the value content of individual sensing products, and competition increasingly centers on product performance, reliability, cost efficiency and system compatibility rather than price alone. Such price reductions also support broader adoption across different robotic vacuum models and market tiers. Meanwhile, continued growth in robotic vacuum shipments, increasing penetration of spatial sensing functions and configuration upgrades toward multi-sensor sensing architectures are expected to increase overall sensing content per robotic vacuum. These factors are expected to outweigh the impact of declining product prices and support continued market growth.

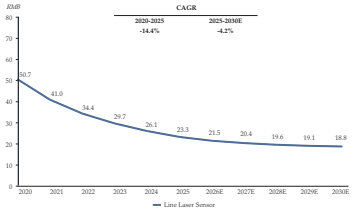
Price Trends of Robotic Vacuum Triangulation LiDAR, 2020-2030E



Price Trends of Robotic Vacuum dTOF LiDAR, 2020-2030E



Price Trends of Robotic Vacuum Line Laser Sensors, 2020-2030E



Source: Public information, CIC Report

Market Drivers and Future Trends

The key market drivers in the robotic vacuum spatial sensing industry include the following:

- ***Rapid Growth in Downstream Demand.*** Robotic vacuum penetration rates remain low compared to other household appliances, with China having only 47 units per thousand households in 2025, expected to reach approximately 96 units by 2030. This is expected to drive the growth of the robotic vacuum spatial sensing market.
- ***Product Upgrade of Robotic Vacuums.*** Robotic vacuums are evolving from basic automated cleaning devices toward intelligent cleaning robots with enhanced navigation, obstacle avoidance, cleaning execution and self-maintenance capabilities. This trend increases requirements for spatial sensing accuracy, reliability and real-time performance. This product upgrade trend has increased the importance and per-unit value of spatial sensing systems, particularly LiDAR-based products.
- ***LiDAR Technology Iteration.*** The continuous improvement of LiDAR modules in compactness, stability, cost efficiency and compatibility with different robotic vacuum models supports broader adoption and configuration upgrades.

Competitive Landscape

The robotic vacuum spatial sensing market encompasses LiDAR, cameras and others. Among these, LiDAR represents the largest segment and the most widely adopted primary spatial sensing option in robotic vacuums. Within the robotic vacuum LiDAR segment, the competitive landscape is relatively concentrated, as robotic vacuum manufacturers tend to favor suppliers that have been validated by leading brands and can support stable delivery at scale. Given the role of LiDAR modules in navigation, mapping and route planning, robotic vacuum manufacturers typically evaluate suppliers not only based on sensing performance, but also on their ability to meet requirements for compact module design, cost control, product consistency and adaptation to different robotic vacuum models. In addition, leading robotic vacuum brands usually require close cooperation with LiDAR suppliers during product development and iteration, increasing the importance of application know-how and adaptability to customers' product platforms. As a result, suppliers with proven deployment experience in robotic vacuum applications and long-term cooperation with major customers are better positioned to maintain their competitiveness in the robotic vacuum LiDAR market.

The following table sets forth the ranking of China's robotic vacuum spatial sensing providers by revenue in 2025.

Ranking of China's Robotic Vacuum Spatial Sensing Providers, by Revenue in 2025

Ranking	Company	Revenue from Robotic Vacuum Spatial Sensing in 2025	Market share
		(RMB Million)	
1	**The Company**	**~610**	**~20.0%**
2	Competitor A	~439	~14.4%
3	Competitor B	~300-400	~11.5%
4	Competitor C	~250-300	~9.0%
5	Competitor D	~250	~8.2%
Total		**~1,849-1,999**	**~63.1%**

Source: Companies' annual reports; CIC Report

Notes:

(a) Competitor A is a Hong Kong Stock Exchange listed company, founded in 2017 and headquartered in Guangdong Province, China. The company focuses on spatial sensing technology for intelligent robots, mainly supplying LiDAR and algorithm modules. Its spatial sensing portfolio covers all three mainstream pathways: dTOF LiDAR, triangulation-based LiDAR and line laser.

(b) Competitor B is a subsidiary of a Hong Kong Stock Exchange listed company, founded in 2015 and headquartered in Zhejiang Province, China. The company mainly provides visual sensing products for robots, with products covering ToF cameras, stereo cameras and structured-light cameras.

(c) Competitor C is a privately owned company, founded in 2016 and headquartered in Guangdong Province, China. The company provides robotic vacuum technology and manufacturing solutions, and develops spatial sensing components, including LiDAR and line laser sensors.

(d) Competitor D is a Shenzhen Stock Exchange listed company, founded in 2001 and headquartered in Guangdong Province, China. The company mainly provides optical and optoelectronic products and machine vision depth sensing solutions, with its robotic vacuum spatial sensing products primarily based on 3D ToF and RGB-D sensing technologies.

Threats and Challenges

Intensifying Market Competition. As spatial sensing technologies mature and more market participants introduce competing products, competition in product performance, cost efficiency and customer coverage is expected to intensify, requiring suppliers to continuously enhance product differentiation and operational efficiency.

Rapid Technological Iteration. Spatial sensing technologies continue to evolve rapidly across different sensing modalities and product configurations. Market participants are required to sustain R&D investment and timely product iteration to respond to evolving technical requirements and customer preferences.

Evolving Downstream Product Requirements. Robotic vacuum manufacturers continue to upgrade navigation, obstacle avoidance and product form factors, resulting in evolving requirements for sensing accuracy, compactness, reliability and system compatibility. Suppliers therefore need to continuously adapt their products to new models and application requirements.

Stringent Mass-production Requirements. Spatial sensing products integrate semiconductor chips, optical components and other precision components and require high levels of consistency and reliability in mass production, placing relatively high requirements on product engineering, quality control and supply chain management capabilities.

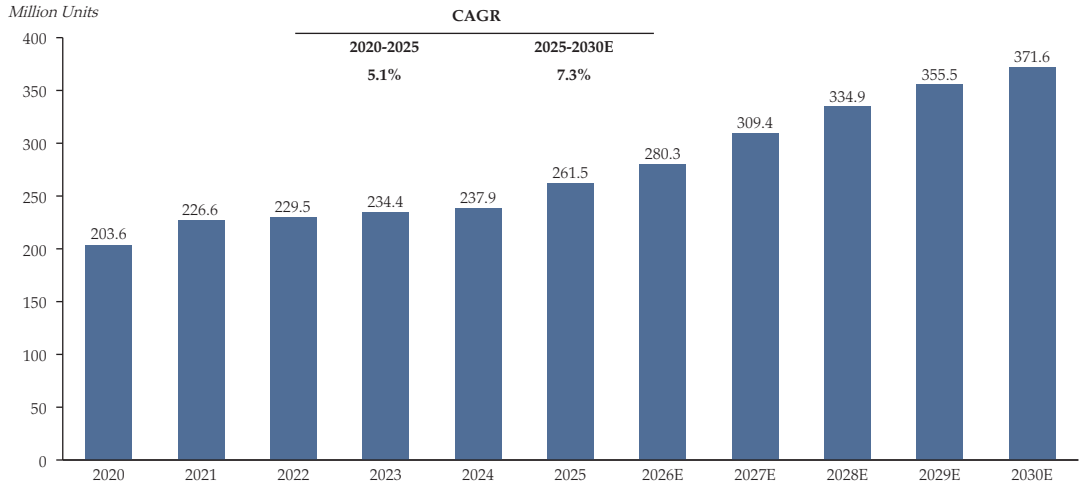
THE GLOBAL INTELLIGENT DEVICE MARKET

The global intelligent device industry has entered a phase of steady expansion, supported by continuous advancements in sensing, connectivity, AI, and human-machine interaction technologies, as well as the diversification of digital-lifestyle and professional application scenarios. Intelligent devices integrate hardware and software capabilities, including sensing, processing, connectivity and application-level algorithms, into compact

platforms, enabling richer functional experiences and more seamless user interaction. This category covers a broad range of products, such as XR devices, smart wrist-worn devices, spatial-audio-enabled TWS earbuds, intelligent scanning and mapping equipment, and consumer and professional drones. Together, these devices reflect the broader industry trend toward higher intelligence, enhanced autonomy, and strengthened sensing capabilities.

The global intelligent device shipment volume increased from 203.6 million units in 2020 to 261.5 million units in 2025, representing a CAGR of 5.1%, and is expected to reach 371.6 million units by 2030, with a CAGR of 7.3% from 2025 to 2030.

Global Intelligent Device Market Size, in Terms of Shipment Volume, 2020-2030E



Source: IDC, Wellsenn XR, CIC Report
Note: This market only includes devices with spatial sensing capabilities, and excludes automobiles

SPATIAL SENSING FOR INTELLIGENT DEVICES

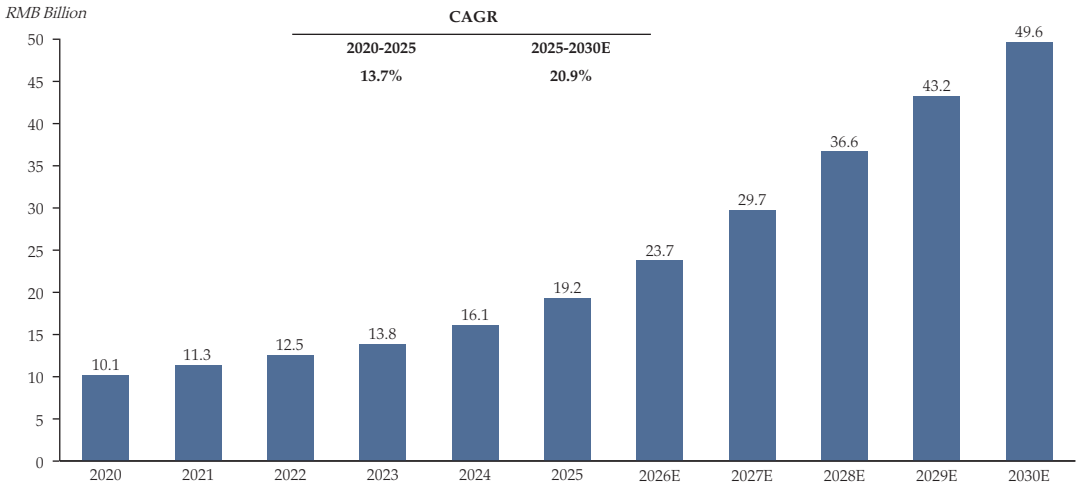
Overview

Spatial sensing technology extends beyond its foundational role in robotic applications, driving both the emergence of new product categories and enabling intelligent upgrades to existing devices. As the technology continues to mature, we are witnessing a proliferation of intelligent devices that leverage spatial sensing capabilities to execute increasingly complex tasks. These range from MR/AR/VR devices that require precise environmental mapping for immersive experiences, to sophisticated pet companion robots that must accurately perceive and interact with their surroundings. This expansion reflects a broader trend where spatial sensing is becoming a fundamental enabling technology for the next generation of intelligent devices, enhancing their ability to understand and interact with the physical world in more sophisticated ways.

Market Size

The global spatial sensing market for intelligent devices in terms of sales revenue grew from RMB10.1 billion in 2020 to RMB19.2 billion in 2025, representing a CAGR of 13.7%. From 2025 to 2030, the market is expected to grow rapidly at a CAGR of 20.9%, reaching RMB49.6 billion by 2030.

Global Intelligent Device Spatial Sensing Market Size, in Terms of Sales Revenue, 2020-2030E



Source: IDC, CIC Report

Note: This market only includes devices with spatial sensing capabilities, and excludes automobiles

Market Drivers and Future Trends

The key market drivers in spatial sensing for intelligent devices include the following:

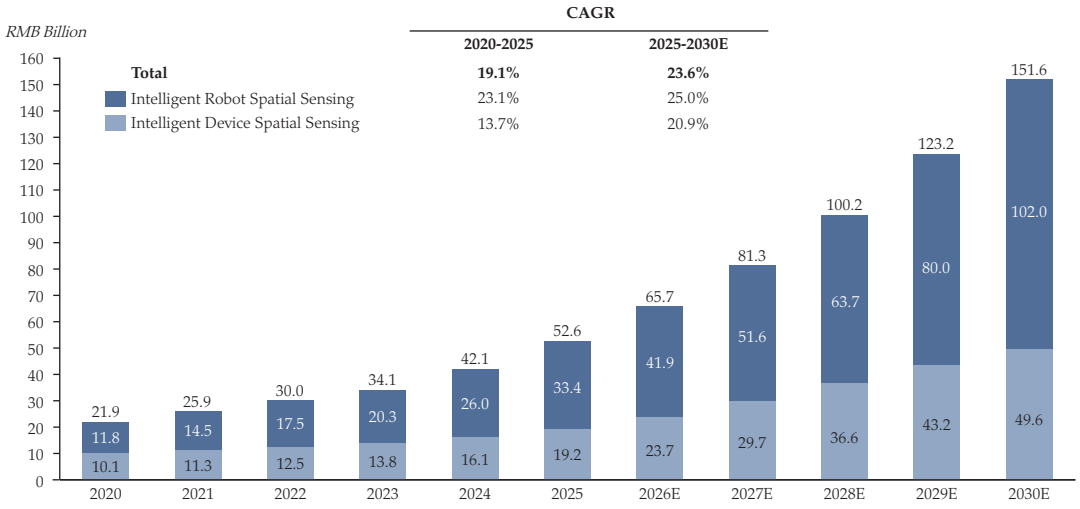
- **Enhanced User Experience Requirements**: Smart devices are evolving toward more natural and immersive interaction, with spatial sensing supporting capabilities like gesture control and mixed reality integration, becoming a key differentiator.
- **Edge AI Computing Advancement**: Advancements in terminal computing power and lightweight AI models enable real-time scene understanding and 3D reconstruction, accelerating application innovation and large-scale adoption, while driving the shift from cloud-based to device-side computing.
- **Industry Standards and Ecosystem Development**: Industry standardization and ecosystem development are accelerating adoption, while spatial sensing expands from premium devices to broader consumer applications, increasing overall market penetration.

THE GLOBAL SPATIAL SENSING MARKET

Spatial sensing technology serves as a core capability that enables environmental perception, precise positioning, and autonomous interaction, increasingly forming the foundation for advanced functionalities in both intelligent robots and intelligent devices. With continuous advancements in AI, multi-sensor fusion, and edge computing technologies, spatial sensing is playing an increasingly vital role in applications such as navigation, obstacle avoidance, and task execution for intelligent robots, as well as environmental understanding and immersive interaction for intelligent devices, collectively driving technological iteration and market expansion. The global spatial sensing market is typically categorised into two main sectors by application scenarios, intelligent robot spatial sensing and intelligent device spatial sensing.

The global spatial sensing market size increased from RMB21.9 billion in 2020 to RMB52.6 billion in 2025, representing a CAGR of 19.1%. The market is expected to maintain positive growth momentum, with a projected CAGR of 23.6% from 2025 to 2030, and is anticipated to reach RMB151.6 billion by 2030. The Company held a market share of approximately 1.2% in the global spatial sensing market by revenue in 2025.

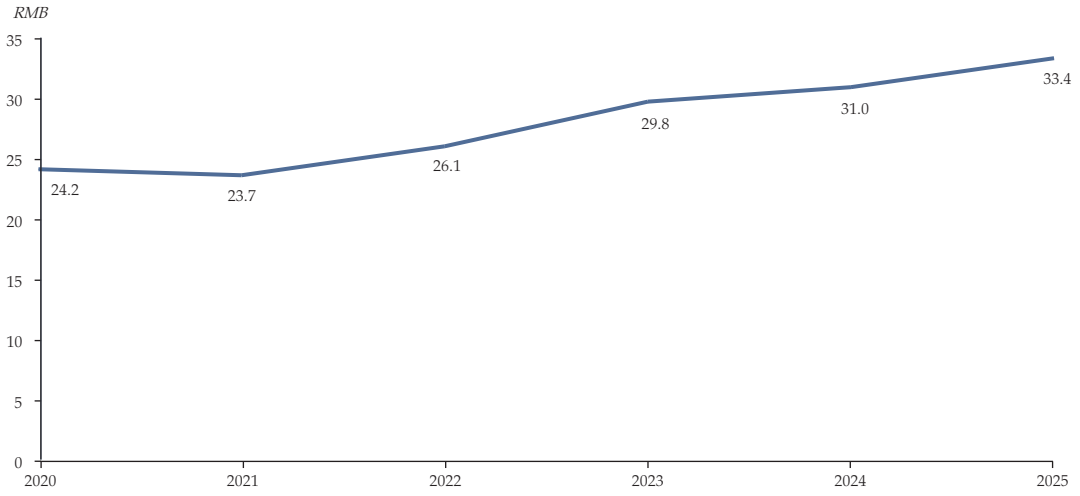
Global Spatial Sensing Market Size, in Terms of Sales Revenue, 2020-2030E



Source: International Federation of Robotics, IDC, CIC Report

COST ANALYSIS OF CORE COMPONENTS

CMOS Image Sensors (CIS) are important raw materials for the Company. The following chart shows the historical price trends of global CIS chips from 2020 to 2025:



Source: WSTS, CIC Report

From 2020 to 2021, global CIS average selling prices edged down due to increased supply and a higher mix of mid-to-low-end products. Prices rose markedly in 2022 and 2023, driven by higher wafer and manufacturing costs, periodic supply constraints, and increasing demand for higher-value sensors in automotive, security and premium smartphones. As inventories and supply conditions normalized, price growth moderated in 2024. In 2025, prices increased at a faster pace, supported by continued upgrades toward higher-resolution and larger-format sensors and growing demand from higher-value applications.

INTELLIGENT ROBOT SPATIAL SENSING MARKET

Overview

Intelligent robots constitute one of the most important application domains for spatial sensing technologies. As AI technology advances, intelligent robots are evolving beyond simple task execution toward "embodied intelligence," which refers to a sophisticated integration of sensing, cognition, and action capabilities. At the core of this evolution, spatial

sensing emerges as the fundamental competency, enabling robots to understand their environment, position, and task progress in real-time, with successful commercial applications already seen in intelligent robots such as robotic vacuums, yard robots, and collaborative robots. As these systems operate in increasingly complex dynamic environments, the demands on spatial sensing capabilities continue to grow, particularly in handling challenging scenarios such as transparent or reflective surfaces and materials of varying hardness. The next generation of spatial sensing systems is expected to deliver not only high precision and robustness, but also breakthrough capabilities in real-time processing, multi-modal fusion, semantic understanding, and efficient deployment, with processing capabilities increasingly shifting from cloud-dependent to edge-based real-time inference. This evolution from merely "seeing" to "understanding" and "responding" to environments positions spatial sensing as a critical enabler of practical robotic applications, driving both increased market penetration and per-device value across intelligent systems.

The global intelligent robot spatial sensing market continues to expand, driven by both increasing per-unit value due to enhanced spatial sensing capabilities and growing penetration rates of spatial sensing functions in intelligent robots, evolving from "optional features" to "standard configurations" across scenarios. In the household robot segment, application scenarios have extended from indoor cleaning to lawn mowing, underwater cleaning, and other areas. The global intelligent robot spatial sensing market size grew from RMB11.8 billion in 2020 to RMB33.4 billion in 2025, representing a CAGR of 23.1%. From 2025 to 2030, the market size is expected to grow rapidly at a CAGR of 25.0%, reaching RMB102.0 billion by 2030. As one of the major global markets for intelligent robots, China's intelligent robot spatial sensing market size grew from RMB4.7 billion in 2020 to RMB14.4 billion in 2025, representing a CAGR of 24.9%. From 2025 to 2030, the market size is expected to grow rapidly at a CAGR of 29.9%, reaching RMB53.4 billion by 2030.

SOURCE OF INFORMATION

CIC was commissioned to conduct research, analyze and prepare the CIC Report on the global market for intelligent robot and robotic vacuum spatial sensing, along with other related economic data. The commissioned report has been independently prepared by CIC without influence from us and other interested parties. We have agreed to pay a fee of RMB810,000 to CIC in connection with the preparation of the CIC Report.

During the preparation of the CIC Report, CIC conducted both primary and secondary research through a variety of resources to obtain in-depth knowledge, statistical data and industry insights regarding market trends in the target sector. Primary research involved interviews with key industry experts and leading market participants, while secondary research collected publicly available sources such as publications issued by the Chinese government, annual reports released by relevant industry players, information from industry associations and CIC's proprietary database.

The findings and projections presented in the CIC Report are based on the following key assumptions: (i) the overall global social, economic and political environment is expected to remain stable over the next decade; (ii) major industry drivers will continue to support the growth of global intelligent robot and robotic vacuum spatial sensing market throughout the forecast period; and (iii) there will be no force majeure event or regulatory transition that could significantly disrupt or fundamentally alter current market dynamics.

Directors' Confirmation

Our Directors confirm that, to their best knowledge after making reasonable enquiries, there has been no adverse change in the market information presented in the CIC Report since the date of the report which may qualify, contradict or have an impact on the information in the Industry Overview section.

Laws and Regulations on Securities and Overseas Listings

Securities

On December 29, 1998, the Sixth Session of the Standing Committee of the Ninth National People's Congress ("**NPC**") adopted the Securities Law of the People's Republic of China ("**PRC**") (《中華人民共和國證券法》, the "**Securities Law**"). The Securities Law was latest amended on December 28, 2019 and implemented on March 1, 2020. As the fundamental law governing the PRC securities market, the Securities Law comprehensively regulates core areas such as securities issue and trading, corporate governance of the listed companies, the operations of securities exchanges and securities authorities, mergers and acquisitions in the market, and the statutory responsibilities of securities regulatory authorities. The Securities Law further provides that a domestic enterprise must comply with the relevant provisions of the State Council in issuing securities directly or indirectly outside the PRC or listing its securities outside the PRC. Specific measures for subscribing and trading shares of domestic companies in foreign currencies shall be separately prescribed by the State Council. The China Securities Regulatory Commission ("**CSRC**"), the securities regulatory authority established by the State Council, is responsible for the statutory functions of exercising unified supervision over the national securities market, maintaining market order, and ensuring lawful and compliant market operations. Currently, the issue and trading of H shares are mainly governed by the regulations and rules promulgated by the State Council and the CSRC.

Overseas listings

On February 17, 2023, with the approval of the State Council, the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》, the "**Trial Measures**") and five supporting guidelines were promulgated by the CSRC and took effect on March 31, 2023. Pursuant to the Trial Measures, PRC domestic companies that list and trade securities directly or indirectly outside the PRC shall file the application with and report relevant materials to the CSRC within three working days after its application for overseas listing is submitted. The issuer shall file with the CSRC any subsequent securities offerings conducted in the same overseas market where its previously issued and listed securities were placed within three business days after the completion of the issuance. Subsequent securities offerings and listings conducted by the issuer in other overseas markets shall be filed as initial public offerings.

In addition, the Trial Measures provides that no overseas offering and listing shall be made under any of the following circumstances: (1) such securities offering and listing is explicitly prohibited by provisions in PRC laws, administrative regulations or relevant state rules; (2) such securities offering and listing may jeopardize national security as reviewed and determined by competent authorities under the State Council in accordance with law; (3) the domestic company, or its controlling shareholders and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (4) the domestic company is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law and no conclusion has yet been made thereof; (5) there are material ownership disputes over equity held by the controlling shareholder or by shareholders that are under the control of the controlling shareholder and actual controller.

The Trial Measures also stipulates that if the following significant events take place after its oversea offering and listing, the issuer shall report the details to the CSRC within three working days after the occurrence and announcement of the relevant event: (1) change of control; (2) being subject to investigation, punishment or any other measures by overseas securities regulatory authorities or relevant competent authorities; (3) change of listing status or transfer of listing board; (4) voluntary or compulsory termination of the listing. Domestic enterprises conducting overseas issuance and listing activities shall comply with laws, administrative regulations, and relevant national provisions concerning foreign investment, state-owned asset management, industry regulations, and overseas investment. Such activities shall not disrupt domestic market order, nor harm national interests, public interests, or the lawful rights and interests of domestic investors.

To further strengthen confidentiality and archives administration related to overseas issuance and listing of domestic enterprises, clarify the information security responsibilities of listed companies, safeguard national information security, and deepen cross-border regulatory cooperation, the CSRC, MOF, the National Administration of State Secrets Protection and the National Archives Administration jointly issued the Provisions on Strengthening Confidentiality and Archives Administration Concerning Overseas Securities Offering and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》, the "**Provisions on Strengthening Confidentiality and Archives Administration**") on February 24, 2023. Pursuant to the Provisions on Strengthening Confidentiality and Archives Administration, if a domestic enterprise provides or publicly discloses documents and materials involving state secrets or confidential government information to entities such as relevant securities companies, securities service providers or overseas regulators, and individuals, it shall obtain approval from competent authorities with approval authority in accordance with law, and report to the confidentiality administrative department at the same level for record-filing. Domestic enterprise providing accounting files or copies thereof to any entities and individuals including securities companies, securities service providers and overseas regulators shall complete due procedures in compliance with relevant state provisions.

Laws and Regulations on H-share Full Circulation

"Full circulation" means listing and circulation of the domestic unlisted shares of an H-share listed company (including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares additionally issued after overseas listing, and unlisted shares held by foreign shareholders) on the stock exchanges. Domestic shareholders of unlisted shares who authorize domestic enterprises to file an application for "full circulation" with the CSRC shall submit materials on key compliance matters, including whether the "full circulation" application has duly completed the internal decision-making processes, necessary internal approvals and authorizations, and whether the "full circulation" involves the approval or filing processes prescribed in laws, regulations and policies on state-owned asset management, industrial regulation and foreign investment, and, if so, whether the approval or filing processes have been completed.

Pursuant to the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請「全流通」業務指引》) promulgated and implemented by the CSRC on November 14, 2019 and amended on August 10, 2023, shareholders of domestic unlisted shares may determine by themselves through negotiation the number and proportion of shares, for which an application shall be filed for circulation, provided that the requirements set forth in the relevant laws and regulations and policies for state-owned asset administration, foreign investment and industry regulation are met, and the corresponding H-share listed company may be entrusted to file with the CSRC. An unlisted domestic joint stock company may file with the CSRC for "full circulation" when its initial public offering and listing overseas takes place.

On December 31, 2019, China Securities Depository and Clearing Corporation Limited ("**CSDC**") and Shenzhen Stock Exchange ("**SZSE**") jointly issued the Measures for Implementation of H-share "Full Circulation" Business (《H股「全流通」業務實施細則》). The businesses of cross-border transfer registration, maintenance of depository and holding details, transaction entrustment and instruction transmission, settlement, management of settlement participants, services of nominee holders, etc. in relation to the H-share "full circulation business" are subject to this measures for implementation. Where it is not specified in the measures for implementation, it shall be handled with reference to other operating rules of the CSDC, China Securities Depository and Clearing (Hong Kong) Company Limited and SZSE. On September 20, 2024, Shenzhen Branch of CSDC issued the Notice on Repealing the Business Guide to the "Full Circulation" of H-shares (《關於廢止〈H股「全流通」業務指南〉的通知》). Relevant matters of the "full circulation" of H-shares shall be handled in accordance with the Business Guide to the "Full Circulation" of H-shares of Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (《中國證券登記結算有限責任公司深圳分公司H股「全流通」業務指南》) promulgated and came into force on September 20, and September 23, 2024, respectively. On June 27, 2025, Shenzhen Branch of CSDC issued the Notice of the Revision and Issuance of the Business Guide to the "Full Circulation" of

H-shares by Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (《關於修訂並發佈〈中國證券登記結算有限責任公司深圳分公司H股「全流通」業務指南〉的通知》), which was implemented on June 30, 2025. The Business Guide to the "Full Circulation" of H-shares of Shenzhen Branch of China Securities Depository and Clearing Corporation Limited promulgated on September 20, 2024 was simultaneously repealed.

Laws and Regulations on Foreign Investment

Pursuant to the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》, the "**FIL**") promulgated by the National People's Congress of the PRC ("**NPC**") on March 15, 2019 and implemented on January 1, 2020, as well as the Implementation Rules to the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) promulgated by State Council on December 26, 2019 and implemented on January 1, 2020, foreign investment refers to the investment activities within the PRC carried out directly or indirectly by foreign investors (including natural persons, enterprises and other entities), including the following: (1) foreign investors establishing foreign-invested enterprises in the PRC individually or collectively with other investors; (2) foreign investors acquiring shares, equities, properties or other similar interests of PRC domestic enterprises; (3) foreign investors investing in new projects in the PRC individually or collectively with other investors; and (4) foreign investment through other ways prescribed by laws and administrative regulations or the State Council of the PRC. According to the FIL, foreign investment in the PRC enjoys pre-establishment national treatment (i.e., treatment no less favorable than that accorded to domestic investment during the market entry phase). However, foreign-invested enterprises operating in "restricted" or "prohibited" industries listed on the negative list are required to obtain market access permits or other approvals.

Investment activities in the PRC by foreign investors are mainly regulated by the Special Administrative Measures for Access of Foreign Investment (Negative List) (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》, the "**Negative List**"), the Catalog of Industries for Encouraging Foreign Investment (2022 Edition) (《鼓勵外商投資產業目錄(2022年版)》), which was promulgated by the MOFCOM and the NDRC in October 2022, and Catalog of Industries for Encouraging Foreign Investment (2025 Edition) (《鼓勵外商投資產業目錄(2025年版)》),which was promulgated by the MOFCOM and the NDRC in December 2025. Foreign investors are prohibited from investing in any prohibited sectors listed on the Negative List and may only invest in a restricted sector after meeting the conditions specified on the Negative List. The state protects the investments, returns, and other lawful rights and interests of foreign investors in the PRC in accordance with the law. It guarantees that foreign-invested enterprises can participate in the standard formulation work on an equal footing, and strengthens the information disclosure and social supervision of standard formulation.

While strengthening investment promotion and protection, the FIL further regulates foreign investment administration and proposes the establishment of a foreign investment information reporting system, which replaces the original approval and filing system established by the MOFCOM for foreign investment enterprises. Pursuant to the Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》) promulgated by the MOFCOM and the SAMR on December 30, 2019 and implemented on January 1, 2020, foreign investors who engage in investment activities directly or indirectly within the PRC shall have the foreign investors or foreign-invested enterprises submitted investment information to the competent department of commerce in accordance with the measures. Foreign investors or foreign-invested enterprises shall report investment information in a timely manner, and adhere to the principles of truthfulness, accuracy and completeness. They must not make false or misleading reports and must not contain any material omissions.

In addition, according to the Measures for the Security Review of Foreign Investment (《外商投資安全審查辦法》) promulgated by the NDRC and the MOFCOM on December 19, 2020 and implemented on January 18, 2021, any foreign investment that has or possibly has an impact on national security shall be subject to security review in accordance with the provisions of the Measures for the Security Review of Foreign Investment. The state shall establish a working mechanism for the security review of foreign investment, which is responsible for organizing, coordinating, and guiding the work of security review of foreign

investment. Foreign investors or relevant domestic parties shall proactively report to the Office of the Working Mechanism before the implementation of the investment falling within the following scope: (1) invest in military industry, military industry supporting facilities and other fields relating to national defense security, as well as investment in the surrounding areas of military facilities and military industry facilities; (2) invest in important agricultural products, important energy and resources, major equipment manufacturing, important infrastructure, important transportation services, important cultural products and services, important information technology and internet products and services, important financial services, key technologies and other important fields relating to national security, and obtain the actual control of the invested enterprises.

Laws and Regulations on Foreign Exchange

In January 1996, the State Council promulgated the Regulations on the Foreign Exchange Control of the PRC (2008 Revision) (《中華人民共和國外匯管理條例(2008修訂)》), latest amended and implemented in August 2008. Pursuant to the regulations, RMB is freely convertible and can be used to pay foreign currency for current items, such as dividend distributions, interest payments, and trade and service-related foreign exchange transactions, without the approval from the State Administration of Foreign Exchange ("**SAFE**"). In contrast, approval from or registration with relevant government authorities is required where RMB is to be converted into foreign currencies and remitted out of the PRC to pay capital items such as direct investment, repayment of foreign currency loans, repatriation of investments and securities investment outside the PRC.

According to the Circular of the SAFE on Further Improving and Adjusting Foreign Exchange Administration Policies on Foreign Direct Investment (《國家外匯管理局關於進一步改進和調整直接投資外匯管理政策的通知》) promulgated by SAFE on November 19, 2012, implemented on December 17, 2012 and latest amended on December 30, 2019, for the opening of various foreign exchange accounts, such as preliminary expenses accounts, foreign exchange capital accounts and margin accounts, the reinvestment of RMB proceeds derived by foreign investors in the PRC, and remittance of foreign exchange profits and dividends by a foreign-invested enterprise to its foreign shareholders no longer require the approval or verification of SAFE, and multiple capital accounts for the same entity may be opened in different provinces as well.

In 2013, the SAFE issued the Notice of the SAFE on the Issuance of the Administrative Provisions on Foreign Exchange in Domestic Direct Investment by Foreign Investors and Supporting Documents (《國家外匯管理局關於印發〈外國投資者境內直接投資外匯管理規定〉及配套文件的通知》), which was latest amended on December 30, 2019. It specifies that the administration and registration shall be carried out by SAFE or its local branches over direct investment by foreign investors in the PRC, and banks must handle foreign exchange business for direct investment in the PRC based on the registration information provided by the SAFE and its branches.

In February 2015, SAFE promulgated a Notice of the SAFE on Further Simplifying and Improving Foreign Exchange Administration Policy on Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》), which was amended on December 30, 2019. Instead of applying for approvals regarding foreign exchange registrations of foreign direct investment and overseas direct investment from the SAFE, individuals and entities may apply for such foreign exchange registrations from qualified banks. The qualified banks, under the supervision of the SAFE, may directly review the applications, process the registrations, and perform statistical monitoring and reporting responsibilities.

On March 30, 2015, the SAFE promulgated the Notice of the SAFE on Reforming the Administration of Foreign Exchange Settlement of Capital of Foreign-invested Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》, the "**Circular 19**"), which was latest amended and implemented on March 23, 2023. Pursuant to the SAFE Circular 19, foreign-invested enterprises are allowed, within the scope of business, to settle their foreign exchange capital in their capital accounts, for which the relevant foreign exchange authority has confirmed monetary capital contribution rights and interests (or for which the bank has registered the injection of the monetary capital contribution into the accounts), on a discretionary basis according to the

actual needs of their business operations. The Notice of the SAFE on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》, the "**Circular 16**") promulgated by SAFE has come into effect since June 2016. The SAFE Circular 19 and the SAFE Circular 16 prohibit foreign-invested enterprises from using Renminbi converted from their foreign exchange capital for expenditures beyond their business scopes, providing entrusted loans, or repaying loans between non-financial enterprises.

In January 2017, the SAFE promulgated and implemented the Notice of the SAFE on Further Improving Reform of Foreign Exchange Administration and Optimizing Genuineness and Compliance Verification (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》, the "**Circular 3**"). It stipulates several capital control measures with respect to the remittance of profit from PRC domestic entities to offshore entities, including the following: (1) the banks must, under the genuine transaction principle, check board resolutions regarding profit distribution, the original tax filing records, and the audited financial statements; and (2) the PRC domestic entities must hold income to account for prior years' losses before remitting the profits in accordance with laws. Furthermore, according to the SAFE Circular 3, the PRC domestic entities must make detailed explanations of the sources of capital and utilization arrangements, and provide board resolutions, contracts, and other proof when handling registration procedures related to outbound investments.

On October 23, 2019, the SAFE issued Notice of the SAFE on Further Promoting the Facilitation of Cross Border Trade and Investment (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》, the "**Circular 28**"), which was latest amended and implemented on December 4, 2023. The SAFE Circular 28 allows non-investment foreign-invested enterprises to use their capital for equity investment within the PRC with genuine investment projects, provided that they comply with valid foreign investment restrictions and other applicable laws.

Pursuant to the Notice of the SAFE on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) which was issued by the SAFE and came into effect on April 10, 2020, reforms to facilitate the payment of capital account income shall be promoted nationwide. Under the prerequisite of ensuring true and compliant use of funds and compliance with the prevailing administrative provisions on use of income under the capital account, enterprises which satisfy the criteria are allowed to use income under the capital account, such as capital funds, foreign debt and overseas listing, etc. for domestic payment, without producing proof materials for veracity to the bank in advance for each transaction.

Laws, Regulations and Policies Relating to AI and AI Technologies

The rapid growth of AI market in the PRC is driven by various favorable factors, including government policies. On May 8, 2015, the State Council promulgated Made in China 2025 (《中國製造2025》). Made in China 2025 emphasizes the accelerated promotion of integrated development of new generation information technology and manufacturing technology, and regards intelligent manufacturing as the main direction of comprehensive integration of informatization and industrialization. It also underlines that efforts shall be made to develop intelligent equipment and intelligent products, promote intelligent production process, cultivate new production methods, and comprehensively enhance the intelligent level of research and development, production, management and service of enterprises.

On July 8, 2017, the State Council issued the Circular on the Development Planning of the New Generation of Artificial Intelligence (《關於印發新一代人工智能發展規劃的通知》). The circular provides three strategic steps in developing a new generation of artificial intelligence technology, and sets forth the goal that PRC's AI technology shall reach leading level in the world and become one of the major AI innovation centers in the world. On November 8, 2018, the Ministry of Industry and Information Technology (the "**MIIT**") issued the Plan for Key Tasks in a New Generation of AI Innovation (《新一代人工智能產業創新重點任務揭榜工作方案》), encouraging the selection of a number of innovative companies based on key AI technologies to jointly strive to enhance products, platforms and services with advanced technologies and outstanding performance.

On December 21, 2018, MIIT issued the Guiding Opinions on Accelerating the Development of the Virtual Reality Industry (《關於加快推進虛擬現實產業發展的指導意見》), emphasizing the strengthening of collaborative cooperation among industry, academia, research institutions and users, and promoting research on basic theories, common technologies and application technologies related to virtual reality. Enterprises in this industry should adhere to the principle of driving the whole machine and guiding the system, focusing on key links such as virtual reality modeling, display, sensing, and interaction. They should intensify research and development efforts on key technologies such as dynamic environment modeling, real-time 3D graphics generation, multi-data processing, real-time motion capture, real-time positioning and tracking, and rapid rendering processing. They should also accelerate the research and development and industrialization of virtual reality visual graphics processing units (GPUs), physical processing units (PPUs), high-performance sensor processors, and new near-eye display devices. In response to the demands of information consumption upgrade and application requirements in various industries, enterprises in this industry should accelerate the research and development as well as industrialization of virtual reality complete machines, perception and interaction devices, content collection and production devices, development tool software, industry solutions, and distribution platforms, to enrich the effective supply of virtual reality products.

On November 10, 2019, the NDRC and other relevant 14 government issued the Implementation Opinions on Promoting the In-depth Integrated Development of Advanced Manufacturing and Modern Service Industry(《關於推動先進製造業和現代服務業深度融合發展的實施意見》), proposing to actively expand services of smart solutions to extend the application of information technology and artificial intelligence of the new generation. The innovative application of industrial Internet should be accelerated. The connection of all elements and the entire industrial chain of manufacturing should be promoted, the collaborative application ecosystem should be improved, and a digital, networked and intelligent manufacturing and service system should be built.

On June 30, 2020, the MIIT and other relevant 14 government authorities jointly issued the Implementation Opinions on Further Promoting the Development of Service-Oriented Manufacturing (《關於進一步促進服務型製造發展的指導意見》), which emphasizes promoting the innovative development of service-oriented manufacturing, comprehensively utilizing new-generation information technologies such as 5G, the Internet of Things, big data, cloud computing, artificial intelligence, virtual reality, and industrial Internet, establishing digital design and virtual simulation systems, developing personalized design, user-involved design, and interactive design, promoting the standardization of parts, the refinement of accessories, the modularization of components, and the personalized recombination of products, advancing the intelligent and flexible transformation of production and manufacturing systems, enhancing customized design and flexible manufacturing capabilities, and developing large-scale personalized customization services.

The Outline of the 14th Five-Year Plan for National Economic and Social Development and the Long-Range Objectives through the Year 2035 of the People's Republic of China (《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》), approved by the NPC on March 11, 2021, sets out the focus of key areas include high-end chips, operating systems, key AI algorithms, sensors etc., and the PRC shall accelerate the research and development in basic theories, basic algorithms, and equipment materials and make breakthroughs in such area. Pursuant to the Outline, the State actively promotes the optimization and upgrading of the manufacturing industry, supports the in-depth implementation of intelligent manufacturing and green manufacturing projects, proposes to foster advanced manufacturing clusters, promotes the innovation and development of industries such as integrated circuits and robots, promotes the high-end, intelligent and green development of the manufacturing industry, and cultivates the innovative development of advanced manufacturing clusters including robots.

The 14th Five-Year Plan for In-depth Integration of Informatization and Industrialization (《「十四五」信息化和工業化深度融合發展規劃》) issued by MIIT on November 17, 2021, promotes the cooperation between manufacturing enterprises and information technology enterprises to facilitate the integrated application of technologies such as artificial intelligence, 5G, and advanced sensing and to develop new intelligent

products including industrial-grade smart hardware, intelligent robots, intelligent connected vehicles, intelligent vessels, unmanned aerial vehicles, smart wearable equipment, and smart home devices. Scenario-based applications based on intelligent products shall be adopted to accelerate the introduction of these products in key sectors including industry, transport, medical, education, defensive science and technology, and health and elderly care, which shall both drive the industrial transformation and the upgrades of consumer spending.

On December 12, 2021, the State Council promulgated the Notice of "14th Five-Year Plan" for the Development of Digital Economy (《「十四五」數字經濟發展規劃的通知》), which aims to focus on sensors and other strategic and forward-looking fields, and enhance the basic research and development capabilities of digital technologies; requires enterprises to enhance the competitiveness of their core industries, focus on improving the supply level of basic software and hardware, core electronic components and other products, strengthen the self-sufficiency guarantee capacity of key products, boost the competitiveness of critical segments in the industrial chain, deepen the integrated innovation and converged application of new-generation information technologies, accelerate the innovation of platform-based, customized and lightweight service models, and create new advantages in emerging digital industries.

On July 29, 2022, the Ministry of Science and Technology and other five relevant governmental authorities jointly promulgated the Guiding Opinions on Accelerating Scene Innovation to Promote High-quality Economic Development through High-level Application of Artificial Intelligence (《關於加快場景創新以人工智能高水平應用促進經濟高質量發展的指導意見》), which proposes to encourage in-depth exploration of AI technology application scenarios in key industries.

On October 28, 2022, the Proposal for the Integration and Development of Virtual Reality and Industry Applications (2022–2026) (《虛擬現實與行業應用融合發展行動計劃(2022–2026年)》), jointly issued and implemented by MIIT and other four relevant government authorities, emphasizes refining the intrinsic growth capabilities of "virtual reality +" in key sub-sectors, including near-eye display, rendering processing, perception interaction, network transmission, content production, compression coding, and security and trustworthiness, strengthening the deep integration of virtual reality with next-generation information technologies such as 5G, AI, big data, cloud computing, blockchain and digital twins, thereby improving the enabling capabilities of "virtual reality +". Efforts shall be made to promote the coordinated construction of a capability system covering cloud, network, edge, and terminal. Support shall be provided for the research and development of application technologies that coordinate upstream and downstream of the industrial chain, target specific scenarios and own business potential. Measures shall be taken to fully improve the industrial supply capability of key components of virtual reality, terminal peripherals, business operation platforms, content production tools and specialized information infrastructure.

The National Development and Reform Commission (the "**NDRC**") released the Catalog for Guiding Industrial Structure Adjustment (2024 Version) (《產業結構調整指導目錄(2024年本)》) on December 27, 2023, which became effective from February 1, 2024. The Catalog lists robots and integrated systems, sensors and other products as encouraged development products, aiming to continuously enhance the core competitiveness of the manufacturing industry, promote quality improvement and brand building, and continuously drive the industry to leap toward mid-to-high-end levels, advance industrial technological transformation and optimization and upgrading with intelligent manufacturing as the primary focus, accelerate the promotion and application of new intelligent manufacturing technologies, and facilitate the shift in the industrial model of the manufacturing sector.

Laws, Regulations and Policies Relating to Chips and Integrated Circuit Industry

The Decision of the State Council on Accelerating the Fostering and Development of Strategic Emerging Industries (《國務院關於加快培育和發展戰略性新興產業的決定》), which was promulgated and implemented by the State Council on October 10, 2010, emphasizes that based on the characteristics of strategic emerging industries and grounded in national conditions of the PRC and technological and industrial foundations, at this stage, the focus should be on cultivating and developing industries such as energy conservation and environmental protection, next-generation information technology, biotechnology, high-end

equipment manufacturing, new energy, new materials, and new energy vehicles. Efforts shall be focused on the development of core fundamental industries, such as integrated circuits, new display technologies, high-end software, and high-end servers. Information service capabilities, including software services and network value-added services, shall be enhanced to accelerate the intelligent upgrading of critical infrastructure.

According to the Circular of "14th Five-Year Plan" for the Development of Digital Economy (《「十四五」數字經濟發展規劃的通知》), promulgated by the State Council on December 12, 2021, during the "14th Five-Year Plan" period, the PRC shall accelerate the promotion of digital industrialization, make up for the shortcomings of key technologies, and focus on breaking through key core technologies in fields such as high-end chips, operating systems, industrial software, core algorithms and frameworks, and strengthen the integrated research and development of key technologies for general-purpose processors, cloud computing systems and software.

On March 5, 2023, the first session of the 14th National People's Congress reviewed and approved the Report on the Implementation of the Central and Local Budgets for 2022 and Draft Central and Local Budgets for 2023 (《關於2022年中央和地方預算執行情況與2023年中央和地方預算草案的報告》) and the Draft Central and Local Budgets for 2023 (《2023年中央和地方預算草案》, the "**Draft Budgets**"). The Draft Budgets pointed out that the main income and expenditure policies for 2023 include promoting the optimization and upgrades of the industrial structure, insisting on building industrial development on the basis of scientific and technological support, and promoting the improvement of the industrial technological innovation system.

Laws and Regulations on Production and Business Operation

Product Liability

Pursuant to the PRC Product Quality Law (《中華人民共和國產品質量法》), which was promulgated on February 22, 1993 and latest amended on December 29, 2018, a manufacturer is prohibited from producing 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 that threaten human and property safety. Where a defective product causes personal injury or property damage, the aggrieved party may make a claim for compensation from the manufacturer or the seller of the product. Manufacturers and sellers of non-compliant products may be ordered to cease the production or sale of the products and could be subject to confiscation of the products and fines. Earnings from sales in violation of such standards or requirements may also be confiscated, and in severe cases, an offender's business license may be revoked.

The Law on the Protection of the Rights and Interests of Consumers of the PRC (《中華人民共和國消費者權益保護法》, the "**Law on the Protection of the Rights and Interests of Consumers**") promulgated by the Standing Committee of the NPC (the "**SCNPC**") on October 31, 1993, latest amended on October 25, 2013 and implemented on March 15 2014 aims to protect consumers' rights when they purchase or use goods and accept services. All business operators must comply with this law when they manufacture or sell goods or provide services to customers. According to the Law on the Protection of the Rights and Interests of Consumers, business operators shall guarantee that commodities or services provided by them meet the requirements on personal and property safety. For commodities and services which may endanger personal or property safety, business operators shall provide consumers with true explanations and clear warnings, and explain and indicate the correct methods of using commodities or receiving services and the methods for preventing damage. The Regulations on the Implementation of the Law on the Protection of Consumer Rights and Interests of the People's Republic of China (《中華人民共和國消費者權益保護法實施條例》, the "**Regulations on the Implementation of the Law on the Protection of Consumer Rights and Interests**") was promulgated by the State Council on March 15, 2024 and implemented on July 1, 2024. The Regulations on the Implementation of the Law on the Protection of Consumer Rights and Interests mainly refines and supplements the obligations of business operators and improves the relevant provisions on online consumption, strengthens the obligations of business operators with prepayment mode of consumption, regulates the behavior of consumer claims and clarifies the responsibilities of the government for the protection of consumer rights and interests.

On May 28, 2020, the National People's Congress promulgated the Civil Code of the People's Republic of China (《中華人民共和國民法典》, the "**Civil Code**"), which was implemented on January 1, 2021. Under the Civil Code, if a product is found to be defective and to compromise the personal and property security of others, the victim may require compensation to be made by the manufacturer or the seller of the product. Where any manufacturer or seller knowingly produces or sells defective products or fails to take effective remedial measures in accordance with the Civil Code and thus causes death or serious damage to the health of another person, such person shall be entitled to claim punitive damages. If the transporter or storekeeper is responsible for the matter, the manufacturer or seller shall have the right to demand compensation for its losses.

Work Safety

According to the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》) promulgated by the SCNPC on June 29, 2002, amended on June 10, 2021 and implemented on September 1, 2021, production and business operation entities must formulate safety production objectives and measures, improve the working environment and conditions of workers in a planned and step-by-step manner, establish a safety production guarantee system and implement a safety production post responsibility system. In addition, production and business operation entities must arrange safety production training and provide employees with personal protective equipment that meets national or industry standards. Furthermore, the production and business operation entities shall report the major hazard sources and related safety measures and emergency measures to the emergency management department and other relevant departments for the record, and formulate a safety risk rating control system and take corresponding control measures.

Import and Export Goods

According to the Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》) (the "**Foreign Trade Law**") promulgated by the SCNPC on May 12, 1994 and amended on December 30, 2022, since December 30, 2022, no registration of foreign trade operators is required. The PRC government allows the free import and export of goods and technologies, unless otherwise provided by laws and administrative regulations. Prior to December 30, 2022, pursuant to the Foreign Trade Law before amendment, a foreign trade operator who is engaged in the import and export of goods or technologies shall process the filing and registration with the foreign trade authority under the State Council or its entrusted agencies, unless otherwise provided by the laws, administrative regulations and requirements of the foreign trade authority under the State Council; failing which, the customs shall not handle the formalities for declaration and clearance of the goods imported or exported by the operator.

Pursuant to the Regulations of the People's Republic of China on the Administration of Import and Export of Goods (《中華人民共和國貨物進出口管理條例》, the "**Regulations on the Administration of Import and Export of Goods**") promulgated by the State Council on December 10, 2001, latest amended on March 10, 2024 and implemented on May 1, 2024, trade activities involving the import of goods into the customs boundary of the PRC or export of goods to a place outside the customs boundary of the PRC shall be subject to the Regulations on the Administration of Import and Export of Goods. Goods whose import or export is prohibited shall not be imported or exported; goods whose import or export is restricted shall be subject to a licensing or quota administration; and goods whose import or export is free shall not be subject to restriction. An import or export business operator shall complete the formalities with the customs office for customs clearance based on a relevant import or export license or import or export quota license.

According to the Customs Law of the PRC (《中華人民共和國海關法》, the "**Customs Law**") considered and adopted by the SCNPC on January 22, 1987, latest amended on April 29, 2021 and implemented on the same date, the Customs of the PRC is the state's entry and exit customs supervision and administration authority. In accordance with the Customs Law and other relevant laws and administrative regulations, the customs are responsible for the supervision of the transport vehicles, goods, freight items, postal items and other items entering and departing from the PRC and collecting tariff and other duties and charges. All imported goods, throughout the period from arrival in the territory to the customs clearance,

all exported goods, throughout the period from declaration to the customs to departure from the territory, and transit, transshipment and through goods, throughout the period from arrival in the territory to departure from the territory shall be subject to the supervision of the customs. Unless otherwise specified, the declaration of import and export goods and the payment of customs duties may be handled by the consignees or consignors of imported or exported goods or entrusted customs declaration enterprises. In addition, pursuant to the Administrative Provisions of the PRC on the Filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》) promulgated by the General Administration of Customs of the PRC (the "**General Administration of Customs**") on November 19, 2021 and implemented on January 1, 2022, consignees and consignors of import and export goods and customs declaration enterprises shall complete the filing formalities with the relevant administration department of customs office for declaration in accordance with the law.

Environmental Protection

According to the Ecology and Environment Code of the PRC (《中華人民共和國生態環境法典》) (the "**Ecology and Environment Code**") promulgated by the NPC on March 12, 2026 and effective on August 15, 2026, the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》), the Marine Environment Protection Law of the PRC (《中華人民共和國海洋環境保護法》), the Air Pollution Prevention and Control Law of the PRC (《中華人民共和國大氣污染防治法》), the Water Pollution Prevention and Control Law of the PRC (《中華人民共和國水污染防治法》), the Soil Pollution Prevention and Control Law of the PRC (《中華人民共和國土壤污染防治法》), the Solid Waste Environmental Pollution Prevention and Control Law of the PRC (《中華人民共和國固體廢物污染環境防治法》), the Noise Pollution Prevention and Control Law of the PRC (《中華人民共和國噪聲污染防治法》), the Radioactive Pollution Prevention and Control Law of the PRC (《中華人民共和國放射性污染防治法》), and the Clean Production Promotion Law of the PRC (《中華人民共和國清潔生產促進法》) were repealed on the same date.

The Ecology and Environment Code is divided into General Provisions, Pollution Prevention and Control, Ecological Protection, Green and Low-Carbon Development, Legal Liability, and Supplementary Provisions, covering (among others) matters such as ecological environmental impact assessment, air pollution prevention, water pollution prevention, and solid waste pollution prevention. After the implementation of the Ecology and Environment Code, the State continues to implement the ecological environment impact assessment system and the pollutant discharge permit system. Enterprises that violate the ecological environment impact assessment system may be ordered to cease construction and restore to their original state, and may be fined. Enterprises that violate the pollutant discharge permit system may be ordered to restrict production, suspend production for rectification, suspend operation, and close down; where the violation is serious, the case may be transferred to public security authorities for handling.

According to the Regulations on the Administration of Construction Project Environmental Protection (《建設項目環境保護管理條例》) promulgated by the State Council on November 29, 1998, and amended on July 16, 2017, the state practices the construction project environmental impact evaluation system. Environmental protection facilities required to be constructed in a construction project have to be designed, constructed and put into operation along with the main construction.

Following the completion of construction projects for which the environment impact reports and environmental impact statements are prepared, the attached environmental protection facilities shall be available for acceptance and the acceptance report shall be prepared accordingly. For construction projects constructed and put into production or use by stages, the acceptance shall be conducted in stages. Such environmental protection facilities constructed along with the projects are allowed to be put into production or use upon acceptance.

Where the attached environmental protection facilities are put into production or use before completion, conducting the acceptance inspection or passing such inspection, or where there are fraudulent practices during the acceptance inspection of those facilities, the competent department at the county level shall order for corrections within a specified time

limit and may impose a fine. A fine may also be imposed on the persons directly in charge and other responsible personnel. If such acts cause a serious environmental pollution or ecological damage, the environmental protection facilities shall be ordered to cease production or use; or shall be referred to the people's government with the appropriate authority for an order to close down the operation.

Fire safety

Pursuant to Fire Protection Law of the PRC (《中華人民共和國消防法》), which was promulgated by SCNPC on April 29, 1998, last amended and implemented on April 29, 2021, the Ministry of Emergency Management under the State Council and local people's governments at or above county level shall monitor and administer fire prevention work, while the fire and rescue authorities of the respective people's governments are responsible for implementation. The fire prevention design of a construction project shall conform to the national technical standards of fire prevention. Where a construction project should have undergone a review for fire protection design in accordance with the law or has failed the same, the construction may not commence. Where a completed construction project has not undergone fire safety inspection or failed to meet its requirements, the project shall not be put into use or operation.

Pursuant to the Interim Provisions on the Administration of Fire Protection Design Review and Final Inspection of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》), which was promulgated by the Ministry of Housing and Urban-Rural Development on April 1, 2020, came into effect on June 1, 2020 and latest amended on August 21, 2023, the fire protection design review system is applicable to special construction projects such as workshops for production and processing of labor-intensive enterprises, with a total floor area exceeding two thousand five hundred square meters. Where such project completes construction and undergoes completion acceptance procedures, the construction unit shall apply for fire protection completion acceptance to the competent authorities who are responsible for fire protection design review and completion acceptance. Projects that do not undergo or fail a review for fire protection design shall not be put into use. For the classified management of other construction projects, a filing and random inspection system shall be implemented. Any other construction projects that fail random inspections conducted in accordance with the law shall be suspended from use.

House leasing

Pursuant to Urban Real Estate Administration Law of the PRC (《中華人民共和國城市房地產管理法》), which was promulgated by SCNPC on July 5, 1994, latest amended on August 26, 2019 and came into effect on January 1, 2020, the lessor and lessee shall enter into a written leasing contract specifying terms and conditions such as the leasing term, leasing purpose, rents and responsibility for maintenance and repair, etc. as well as any other rights and obligations of both parties and register the same with the real estate administration authorities.

In addition, pursuant to Administrative Measures for Commodity House Leasing (《商品房屋租賃管理辦法》), which was promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010 and came into effect on February 1, 2011, the lessor and lessee shall, within 30 days from the date of the house leasing contract, register the same for recordation with the construction (real estate) department of the municipal, city, or county-level people's government where the leased property is located. Where an individual or entity violates the above provisions, the construction (real estate) department of the municipal, city, or county-level people's government shall order rectification within a prescribed time limit. Where an individual fails to rectify within the time limit, a fine of not more than RMB1,000 shall be imposed; where an entity fails to do so, a fine of not less than RMB1,000 but not more than RMB10,000 shall be imposed.

Laws and Regulations on Intellectual Property Rights

Patent

Pursuant to the Patent Law of the PRC (《中華人民共和國專利法》) (the "**Patent Law**"), which was promulgated on March 12, 1984, latest amended on October 17, 2020 and implemented on June 1, 2021, and the Implementing Rules of the Patent Law of the PRC (《中華人民共和國專利法實施細則》), which was amended on December 11, 2023 and implemented on January 20, 2024, subsequent to the grant of a patent right for an invention or utility model, no entity or individual may, without the authorization of the patentee, exploit the patent, that is, they may not, for production or business purposes, manufacture, use, offer to sell, sell or import the patented product, or use the patented process, or use, offer to sell, sell or import the product directly obtained by the patented process, unless otherwise provided in the Patent Law. Subsequent to the grant of a design patent right, no entity or individual may, without the authorization of the patentee, exploit the design, that is, they may not, for production or business purposes, manufacture, offer to sell, sell or import the design patent product. Where an infringement is confirmed in accordance with relevant regulations, the infringer may be ordered to cease the infringing activities, undertake corrective measures, and compensate for losses.

Trademark

The Trademark Law of the PRC (《中華人民共和國商標法》) (the "**Trademark Law**"), which was promulgated by SCNPC on August 23, 1982, last amended on April 23, 2019 and implemented on November 1, 2019, and the Implementation Regulation of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》), which was promulgated by the State Council on August 3, 2002, latest amended on April 29, 2014 and implemented on May 1, 2014, set forth provisions concerning trademark registration, including application, examination, approval, renewal, modification, transfer, use, and invalidation, as well as the protection of the exclusive trademark rights enjoyed by the registrant. Under the Trademark Law and the Implementation Regulation of the Trademark Law of the PRC, "first-to-file" principle is adopted for trademark registration in the PRC. A trademark registration application in relation to a product trademark which is identical or similar to an unregistered trademark previously used by another party may be rejected. The Trademark Office of China National Intellectual Property Administration (the "**Trademark Office**") is responsible for trademark registration. A registered trademark is valid for ten years, commencing from the date of its approval. To renew a trademark upon the expiration of its term, the registrant shall apply for renewal within twelve months before the expiry date in accordance with the requirements. If an application is not filed during this period, a grace period of six months may be granted. Each renewal of registration is valid for ten years, calculated from the day following the expiration of the previous term. The Trademark Office shall announce the renewal of registration.

Copyright

Pursuant to the Copyright Law of the PRC (《中華人民共和國著作權法》), which was promulgated by the SCNPC on September 7, 1990, latest amended on November 11, 2020 and implemented on June 1, 2021, and the Implementation Regulation of the Copyright Law of the PRC (《中華人民共和國著作權法實施條例》), which was promulgated by the State Council on August 2, 2002, latest amended on January 30, 2013 and implemented on March 1, 2013, PRC citizens, legal persons or unincorporated organizations shall enjoy copyright in their works, whether published or not. A work refers to any original intellectual creations in the fields of literature, art, and science that can be expressed in a particular form, including literary works, oral works, photographic works, audiovisual works, and computer software. A copyright holder shall enjoy a number of rights, including the right of publication, the right of authorship and the right of reproduction.

Pursuant to the Regulation on Computers Software Protection (《計算機軟件保護條例》), which was promulgated by the State Council on December 20, 2001, latest amended on January 30, 2013 and implemented on March 1, 2013, and the Measures for the Registration of Computer Software Copyrights (《計算機軟件著作權登記辦法》), which was promulgated by the National Copyright Administration of the PRC (the "**National Copyright**

Administration") on February 20, 2002, the National Copyright Administration is mainly responsible for the registration and management of software copyrights in the PRC and has designated the China Copyright Protection Center as the software registration authority. The China Copyright Protection Center may establish local software registration offices and shall report to the National Copyright Administration for filing within one month of their setup. The China Copyright Protection Center shall grant registration certificates to computer software copyright applicants who comply with the Regulation on Computers Software Protection and the Measures for the Registration of Computer Software Copyrights and make an announcement thereon.

Domain names

Pursuant to the Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》), which was promulgated by the MIIT on August 24, 2017 and implemented on November 1, 2017, the Implementation Rules for Registration of China Country Code Top-level Domain Names (《國家頂級域名註冊實施細則》), which was promulgated by the China Internet Network Information Center on June 18, 2019 and implemented on the same date, domain name owners shall register their domain names. MIIT is responsible for the supervision and administration of Internet domain names in the PRC, while the communications administrations of provinces, autonomous regions, and municipalities directly under the central government are responsible for the supervision and administration of domain name services within their respective administrative regions. The "first-to-file" principle is applied to the domain name services. Applicants for domain name registration shall provide the domain name registrar with true, accurate, and complete information related to the applied domain name and enter into a registration agreement with the registrar. Upon completion of the registration process, the applicant shall become the holder of the relevant domain name. Pursuant to the Notice of the Ministry of Industry and Information Technology on Regulating the Use of Domain Names in Internet Information Services (《工業和信息化部關於規範互聯網信息服務使用域名的通知》), which was issued on November 27, 2017 and implemented on January 1, 2018, internet access service providers shall verify the identity of internet information service providers and shall not provide services to those who fail to produce authentic identity information.

Trade secrets

The Anti-Unfair Competition Law (《反不正當競爭法》) was promulgated by the SCNPC on September 2, 1993, and amended on November 4, 2017, April 3, 2019 and June 27, 2025. The current version in effect is the version amended on April 23, 2019, and the version amended on June 27, 2025 will come into effect on October 15, 2025. Pursuant to the prevailing Anti-Unfair Competition Law, trade secrets refer to technical and operational information that is not publicly known, has practical applicability, can generate commercial benefits or profits for its lawful owner or holder, and is kept confidential by such owner or holder. Under the Anti-Unfair Competition Law, individuals shall not infringe upon other's trade secrets. Parties whose trade secrets have been misappropriated may seek administrative remedies, whereby regulatory authorities may order the cessation of illegal acts and impose fines on infringers.

Laws and Regulations on Labor and Social Security

Labor relations

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》), which was promulgated by the SCNPC on July 5, 1994 and amended and implemented on December 29, 2018, the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), which was promulgated by the SCNPC on June 29, 2007, latest amended on December 28, 2012 and implemented on July 1, 2013, and the Implementation Regulations on Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》), which was promulgated by the State Council on September 18, 2008 and implemented on the same date, employers shall establish and improve labor rules and regulations in accordance with the law, strictly comply with national standards, and provide relevant training to workers to ensure workers enjoy their labor rights and perform their labor obligations. Employers shall enter into written labor contracts with their workers upon establishing labor relations. Labor contracts are

categorized into fixed-term labor contracts, non-fixed term labor contracts, and labor contracts for a task. The wages paid by employers to workers shall not be lower than the local minimum wage standard. Additionally, employers shall establish and strengthen occupational safety and health systems, strictly implement national occupational safety and health regulations and standards, provide occupational safety and health education to workers, prevent accidents during the work process, and reduce occupational hazards.

Social insurance and housing provident funds

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), which was promulgated by the SCNPC on October 28, 2010 and latest amended and implemented on December 29, 2018, the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》), which was promulgated by the State Council on January 22, 1999 and latest amended and implemented on March 24, 2019, Decisions of the State Council on Establishing the Urban Employees' Basic Medical Insurance System (《國務院關於建立城鎮職工基本醫療保險制度的決定》), which was promulgated by the State Council on December 14, 1998 and implemented on the same date, Decisions of the State Council on Establishing a Unified Basic Pension Insurance System for Enterprise's Employees (《國務院關於建立統一的企業職工基本養老保險制度的決定》), which was promulgated by the State Council on July 16, 1997 and implemented on the same date, the Regulations on Work-Related Injury Insurance (《工傷保險條例》), which was promulgated by the State Council on April 27, 2003, amended on December 20, 2010 and implemented on January 1, 2011, the Regulations on Unemployment Insurance (《失業保險條例》), which was promulgated by the State Council on January 22, 1999, the Provisional Measures for Maternity Insurance for Enterprise Employees (《企業職工生育保險試行辦法》), which was promulgated by the Ministry of Labor and Social Security of the PRC (now defunct) on December 14, 1994 and implemented on January 1, 1995, enterprises shall contribute to basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance, and employment injury insurance for their employees based on the statutory contribution base and contribution rates. Basic pension insurance, basic medical insurance, and unemployment insurance are jointly borne by both employers and employees, whereas maternity insurance and employment injury insurance are solely borne by enterprises. Where an employer fails to pay social insurance contributions in full and on time, the social insurance collection agency shall order it to make or supplement the payment within a prescribed time limit and a late fee of 0.0005% per day shall be charged from the date of default. Where the payment is still not made after the deadline, the relevant administrative authority may impose a fine of one to three times the amount in arrears.

Pursuant to the Administrative Regulations on Housing Provident Funds (《住房公積金管理條例》), which was promulgated by the State Council on April 3, 1999, amended on March 24, 2019 and implemented on the same date, employers shall register with the housing provident fund administrative center for contributions and open accounts for their employees. Employers shall also make contributions to the housing provident fund in full and on time. Where an employer fails to register or open an account for its employees, the housing provident fund administrative center shall order it to complete the procedures within a prescribed time limit; failing which, a fine of not less than RMB10,000 but no more than RMB50,000 shall be imposed. In case of overdue payment or underpayment by employers, orders for payment within a prescribed time limit shall be made by the housing provident fund administrative center. Where employers fail to make payment within such period, the housing provident fund administrative center may apply to the People's Court for enforcement.

Pursuant to the Supreme People's Court's Interpretation (II) on Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (Fa Shi [2025] No. 12) (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》(法釋[2025]12號)), which was promulgated by the Supreme People's Court on July 31, 2025 and took effect on September 1, 2025, where an employer and an employee agree, or an employee undertakes to the employer, that social insurance contributions are not required to be paid, the People's Court shall determine that such agreement or undertaking is invalid. Where an employer fails to pay social insurance contributions in accordance with the law, and the employee requests termination of the employment contract pursuant to item (3) of Article 38 of the Labor Contract Law of the People's Republic of China and claims statutory economic compensation from the employer,

the People's Court shall support such claim in accordance with the law. Under the circumstances set out in the preceding paragraph, after the employer has made supplementary payment of the social insurance contributions in accordance with the law, if the employer requests the employee to refund the social insurance contribution compensation already paid, the People's Court shall support such request in accordance with the law.

Laws and Regulations on Tax

Corporate income tax

Pursuant to the Corporate Income Tax Law (《企業所得税法》), which was promulgated by the SCNPC on March 16, 2007, latest amended and implemented on December 29, 2018, and the Implementation Regulations of the Corporate Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》), which was promulgated by the State Council on December 6, 2007, latest amended on December 6, 2024 and implemented on January 20, 2025, an enterprise established in the PRC according to the law, or established under the laws of a foreign country (region) but with actual management body located within the PRC, shall be classified as a resident enterprise. Resident enterprises shall pay enterprise income tax on their income derived from both within and outside the PRC at a tax rate of 25%. Qualified small and low-profit enterprises shall be subject to enterprise income tax at a reduced rate of 20%. Preferential enterprise income tax treatment shall be granted to industries and projects that are prioritized for support and encouraged for development. New and high-tech enterprises that require key support shall be subject to enterprise income tax at a reduced rate of 15%.

Value-Added Tax

Pursuant to the Interim Regulations on Value-added Tax of the PRC (《中華人民共和國增值税暫行條例》), which was latest amended and implemented on November 19, 2017, and the Detailed Rules for the Implementation of the Interim Regulations on Value-added Tax of the PRC (2011 Revision) (《中華人民共和國增值税暫行條例實施細則(2011修訂)》), which was promulgated on December 25, 1993, amended on October 28, 2011 and implemented on November 1, 2011, entities and individuals that sell goods, provide processing, repair, or replacement services, or import goods within the PRC shall pay value-added tax ("**VAT**"). The tax payable is calculated as the "output tax" offset by the "input tax". The general VAT rate is 17%, while in certain restricted cases, it is 11% or 6% (as the case may be).

Pursuant to the Notice of the MOF and the STA on Adjusting Value-added Tax Rate (《財政部、國家税務總局關於調整增值税税率的通知》), which was implemented on May 1, 2018, the tax rates of 17% and 11% applicable to any taxpayers engaged in VAT taxable sales or import of goods shall be adjusted to 16% and 10%, respectively.

Pursuant to the Announcement No. 39 [2019] of the MOF, the STA and the General Administration of Customs, Announcement of the MOF, the STA and the General Administration of Customs on Relevant Policies for Deepening the Value-Added Tax Reform (《財政部、國家税務總局、海關總署關於深化增值税改革有關政策的公告》) was implemented on April 1, 2019. The tax rate of 16% applicable to any taxpayers engaged in VAT taxable sales or import of goods shall be adjusted to 13%, and the tax rate of 10% applicable thereto shall be adjusted to 9%.

The SCNPC promulgated the Value-Added Tax Law of the PRC on December 25, 2024, which took effect on January 1, 2026. The State Council promulgated the Implementation Regulations of the Value-Added Tax Law of the PRC on December 25, 2025, which took effect on January 1, 2026. According to the Value-Added Tax Law of the PRC and its Implementation Regulations, the VAT rate for general VAT taxpayers selling goods, providing services, leasing tangible movable property, or importing goods is adjusted to 13%. The VAT rate for general VAT taxpayers engaged in transportation services, postal services, basic telecommunications services, construction service sales, real estate leasing and sales, and transfer of land use rights is adjusted to 9%. Effective from January 1, 2026, the Interim Regulations on Value-added Tax of the PRC have been repealed.

Withholding tax on dividend

Pursuant to the Arrangement between the Mainland of 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 (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), which was promulgated on August 21, 2006, and implemented on December 8, 2006, the withholding tax rate on dividends paid by a PRC company to a Hong Kong resident shall not exceed 5%, provided that the recipient is a company holding at least 25% of the capital of the PRC company. Where the recipient is a company holding less than 25% of the capital of the PRC company, the withholding tax rate on such dividends shall not exceed 10%.

Pursuant to Administrative Measures on Entitlement of Non-residents Taxpayers to Treaty Benefits (《非居民納税人享受協定待遇管理辦法》), which was promulgated by the STA on October 14, 2019 and implemented on January 1, 2020, non-resident taxpayers enjoying tax treaty benefits shall follow the method of "self-assessment, declaration for enjoyment, and retention of relevant data for future inspection". Where non-resident taxpayers determine that they meet the conditions for enjoying treaty benefits, they may claim such benefits either when filing tax returns or through withholding agents at the time of withholding declarations. Meanwhile, they shall compile and retain relevant documentation for future inspection and shall be subject to subsequent administration by the tax authorities.

OVERVIEW

We specialize in developing spatial sensing products, with a focus on robotic vacuums applications. Leveraging AI technologies, we build intelligent spatial sensing systems and provide algorithms and hardware for robotic vacuums. Our history can be traced back to 2013 when our Company was established in the PRC by, among others, our co-founders Mr. Wang Jian (王健) ("**Mr. Wang**") and Mr. Zhou Kun (周琨) ("**Mr. Zhou**"). For details of the background and industry experience of Mr. Wang and Mr. Zhou, please refer to "Directors and Senior Management."

MILESTONES

The following table summarizes various key milestones in our corporate and business development.

Year	Milestone
2013	We were established in the PRC.
2015	We identified robotics, XR, and the industrial sector as the target application areas for our spatial sensing technology.
2016	We completed our Series Angel and Series Pre-A financings.
2017	We entered the consumer-grade LiDAR field and developed our first LiDAR product.
2018	We completed our Series A financing.
	We launched our monocular LiDAR product, Camsense X1, which achieved a spatial sensing accuracy of under 1mm.
	We independently developed and launched our first chip, C1 ASIC, marking a fundamental advancement in LiDAR technology.
2020	We launched the miniaturized X2 LiDAR, which became the mainstream product for robotic vacuums.
	Our LiDAR shipments reached 500,000 units.
	We completed our Series A+ financing.
2021	We completed our Series B, Series B+ and Series B++ financings.
2022	We were selected as a National-level Specialized and Innovative "Little Giant" Enterprise (國家級專精特新"小巨人"企業).
	We completed our Series C1 financing.
	We achieved the mass production of D2 series triangulation LiDAR and XR controller.
2023	Our Company was converted into a joint stock limited company.
	We launched the C3 ASIC and D3 series triangulation LiDAR.
	We launched our L series obstacle-avoidance line laser sensor.

Year	Milestone
2024	We completed our Series C2 financing.
	Our Huizhou production base commenced operations, further enhancing our production and delivery capacity.
	We launched the third-generation obstacle-avoidance line laser sensor.
	We achieved the mass production of our P series lift-up 360° panoramic LiDAR.
	Our LiDAR shipments reached approximately eight million units.
2025	We achieved the mass production of our C9X series visual LiDAR.
	We launched our CF series dTOF high-precision cliff detection sensor, breaking through the bottleneck of detection accuracy and distance of infrared sensors.
	We completed our Series D financing.

OUR SUBSIDIARIES

As of the Latest Practicable Date, we had six wholly-owned subsidiaries, details of which are set out below:

Name	Date of Establishment and Commencement of Business	Place of Establishment	Principal Business Activities
Camsense Intelligent	March 24, 2021	PRC	Manufacturing of visual spatial sensing and perception products
Camsense Interactive	October 24, 2013	PRC	Research and development
Qingdao Camsense	March 5, 2024	PRC	Manufacturing of visual spatial sensing and perception products
Huizhou Camsense	August 27, 2024	PRC	Manufacturing of visual spatial sensing and perception products
Hongkong Camsense	August 30, 2024	Hong Kong	Overseas market development
Zhongshan Camsense	October 15, 2025	PRC	Manufacturing of visual spatial sensing and perception products

ESTABLISHMENT AND MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

A. Establishment of our Company

Our Company was established as a limited liability company in the PRC on December 31, 2013, with an initial registered capital of RMB571,429. Immediately upon the establishment, our Company was owned as to approximately 47.40% by Mr. Wang, 40.10% by Mr. Zhou and 12.50% by Shenzhen QVOD Technology Co., Ltd. (深圳市快播科技有限公司) ("**Shenzhen QVOD**").

From our establishment to December 31, 2021, we conducted a series of equity transfers and capital increases, which resulted in the broadening of our investor base through the introduction of new shareholders via share capital increases and the transfer of existing equity interest. For further details, see "— Pre-IPO Investments" below.

Immediately before the Track Record Period, the shareholding structure of our Company was as follows:

No.	Shareholder	Registered Capital	Equity Interest
		(RMB)	*(%)*
1. . . .	Mr. Wang	246,102	14.39%
2. . . .	Mr. Zhou	204,436	11.95%
3. . . .	Fuhai Shenwan (Shenzhen) Mobile Innovation Private Equity Venture Capital Fund Partnership Enterprise (Limited Partnership) ((富海深灣(深圳)移動創新私募創業投資基金合夥企業(有限合夥), previously known as Fuhai Shenwan (Wuhu) Mobile Innovation Equity Investment Fund (Limited Partnership) (富海深灣(蕪湖)移動創新股權投資基金(有限合夥))) ("**Fuhai Shenwan**")	112,825	6.60%
4. . . .	Shenzhen Nanshan Dongfang Fuhai Small and Medium-sized Enterprise Venture Capital Fund Partnership (Limited Partnership) (深圳南山東方富海中小微創業投資基金合夥企業(有限合夥)) ("**Nanshan Fuhai**")	110,183	6.44%
5. . . .	Smart Internet Telecom Ark (Shenzhen) Venture Capital Fund Partnership Enterprise (Limited Partnership) (智慧互聯電信方舟(深圳)創業投資基金合夥企業(有限合夥)) ("**Smart Internet**")	107,966	6.31%
6. . . .	Ms. Peng Peng (彭鵬)	94,525	5.53%
7. . . .	Shenzhen Lingrui Keystone Equity Investment Fund Partnership (L.P.) (深圳市領瑞基石股權投資基金合夥企業(有限合夥)) ("**Lingrui Keystone**")	85,533	5.00%
8. . . .	Shenzhen Pingshan Kaisheng Integrated Circuit Venture Capital Partnership Enterprise (Limited Partnership) (深圳坪山凱晟集成電路創業投資合夥企業(有限合夥)) (previously known as Shenzhen Zhonghang Pingshan Integrated Circuit Venture Capital Partnership Enterprise (Limited Partnership) (深圳中航坪山集成電路創業投資合夥企業(有限合夥))) ("**Pingshan Kaisheng**")	85,235	4.98%
9. . . .	Hangzhou Puhua Yuchen Equity Investment Partnership(L.P.) (杭州普華昱辰股權投資合夥企業(有限合夥)) ("**Hangzhou Puhua Yuchen**")	61,346	3.59%
10. . .	Camsense Investment	58,523	3.42%
11. . .	Changzhou Xiyang Chengxin Venture Capital Center (Limited Partnership) ((常州希揚成芯創業投資中心(有限合夥), previously known as Changzhou Fengshiyang Venture Capital Center (Limited Partnership) (常州澧時揚創業投資中心(有限合夥))) ("**Changzhou Xiyang**")	40,118	2.35%
12. . .	Shenzhen New Fuguo Equity Investment Enterprises (L.P.) (深圳市新富國股權投資企業(有限合夥)) ("**New Fuguo**")	38,988	2.28%
13. . .	Shanghai Puruan Chenhui Investment Center(L.P.) (上海浦軟晨匯創業投資中心(有限合夥)) ("**Shanghai Puruan**")	38,987	2.28%
14. . .	Camsense Era	36,130	2.11%
15. . .	Mr. Liu Yi (劉屹)	35,089	2.05%
16. . .	Guosen Capital Co., Ltd (國信資本有限責任公司) ("**Guosen Capital**")	34,213	2.00%

No.	Shareholder	Registered Capital	Equity Interest
		(RMB)	*(%)*
17. .	Fuhai Jiuqian (Wuhu) Venture Capital Fund (L.P.) (富海玖仟(蕪湖)創業投資基金(有限合夥)) ("**Fuhai Jiuqian**")	33,418	1.95%
18. .	Wuxi Yicun Juncheng Investment Partnership Enterprise (Limited Partnership) (無錫一村雋澄投資合夥企業(有限合夥)) ("**Wuxi Yicun Juncheng**")	33,418	1.95%
19. .	Shanghai Xuanjian Investment Center(Limited Partnership) (上海軒鑒投資中心(有限合夥)) ("**Shanghai Xuanjian**")	27,849	1.63%
20. .	Changzhou Xiyang Puxin Venture Capital Partnership (L.P.) ((常州希揚璞信創業投資合夥企業(有限合夥), previously known as Changzhou Fengyang Puxin Venture Capital Partnership (Limited Partnership) (常州澧揚璞信創業投資合夥企業(有限合夥))) ("**Changzhou Xiyang Puxin**")	27,849	1.63%
21. .	Shanghai Pu Yang Venture Capital Center (L.P.) (上海普揚創業投資中心(有限合夥)) ("**Shanghai Puyang**")	25,063	1.47%
22. .	Shenzhen Tianle Investment Consulting Partnership (Limited Partnership) (深圳添樂投資顧問合夥企業(有限合夥)) ("**Shenzhen Tianle**")	24,538	1.43%
23. .	Qianhai Equity Investment Fund (LP) (前海股權投資基金(有限合夥)) ("**Shenzhen Qianhai**")	23,344	1.36%
24. .	Dongguan Xiyang Venture Capital Partnership (Limited Partnership) ((東莞希揚創業投資合夥企業(有限合夥), previously known as Dongguan Fengminyang Venture Capital Center (Limited Partnership (東莞澧敏揚創業投資合夥企業(有限合夥))) ("**Dongguan Xiyang**")	23,126	1.35%
25. .	Gongqing City Kaisheng No.5 Venture Capital Partnership Enterprise (Limited Partnership) ((共青城凱晟伍號創業投資合夥企業(有限合夥), previously known as Gongqing City Zhonghang Kaisheng No.5 Venture Capital Partnership Enterprise (Limited Partnership) (共青城中航凱晟伍號創業投資合夥企業(有限合夥)) ("**Kaisheng No.5**")	18,404	1.08%
26. .	Jiaxing Zhongdian Aijia Investment Partnership Enterprise (Limited Partnership) (嘉興中電艾伽投資合夥企業(有限合夥)) ("**Jiaxing Zhongdian Aijia**")	16,709	0.98%
27. .	Shenzhen Nanling Huiye Strategic Emerging Industry Equity Investment Fund Partnership(L.P.) (深圳南嶺慧業戰略新興產業股權投資基金合夥企業(有限合夥)) ("**Nanling Huiye**")	16,709	0.98%
28. .	Changsha Xiyang Liangxin Venture Capital Partnership (Limited Partnership) ((長沙希揚量芯創業投資合夥企業(有限合夥), previously known as Changsha Fengminyang Venture Capital Partnership (Limited Partnership) (長沙澧敏揚創業投資合夥企業(有限合夥))) ("**Changsha Xiyang**")	15,336	0.90%
29. .	Shanghai Baichen Entrepreneurship Investment Center (Limited Partnership) (上海百晨創業投資中心(有限合夥)) ("**Shanghai Baichen**")	15,336	0.90%
30. .	Zhongyuan Qianhai Equity Investment Fund (L.P.) (中原前海股權投資基金(有限合夥)) ("**Zhongyuan Qianhai**")	14,590	0.85%

No.	Shareholder	Registered Capital	Equity Interest
		(RMB)	*(%)*
31. . .	Yang Xi (楊希)	3,067	0.18%
32. . .	Shenzhen Haojun Bank Syndicate Equity Investment Enterprise (Limited Partnership) (深圳市昊駿銀團股權投資企業(有限合夥)) ("**Shenzhen Haojun**")	1,711	0.10%
Total		**1,710,666**	**100.00%**

B. Major Changes in the Shareholding Structure of our Company during and after the Track Record Period

(A) Capital increase in September 2022

In recognition of the contributions of our employees and to incentivize them to further promote our development, pursuant to a Shareholders' resolution dated April 20, 2022, the registered capital of our Company was increased by RMB90,035 which was subscribed by Xinle Management, our Employee Shareholding Platform, at a consideration of RMB11,042,881. For details of Xinle Management, see "Employee Shareholding Platforms" below.

(B) Series C1 Financing

Pursuant to a capital increase agreement dated August 30, 2022, Qingdao Resonance Venture Capital Fund I L.P. (青島同歌一期創業投資基金合夥企業(有限合夥)) ("**Qingdao Resonance**"), Shenzhen Nanshan Shanghua Hongtu Double Innovation Equity Investment Fund Partnership Enterprise (Limited Partnership) (深圳南山上華紅土雙創股權投資基金合夥企業(有限合夥)) ("**Nanshan Shanghua Hongtu**") and Shenzhen Zhicheng Shuzhi No. 10 Venture Capital Partnership (Limited Partnership) (深圳市智城數智十號創業投資合夥企業(有限合夥)) ("**Zhicheng Shuzhi No. 10**") subscribed for our increased registered capital of RMB60,023, RMB4,155 and RMB12,005 at the consideration of RMB50 million, RMB3,461,298 and RMB10 million, respectively. The consideration was fully settled on October 26, 2022. For details of our Series C1 financing, see "— Pre-IPO Investments" below.

(C) Capital decrease in 2023

Pursuant to a Shareholders' resolution dated June 12, 2023, Xinle Management adjusted its subscribed registered capital in our Company to reflect changes arising from the adjustment to our equity incentive plan. Consequently, the registered capital of our Company was reduced to RMB1,797,744. Since the amount of the capital reduction does not exceed the amount of unpaid registered capital Xinle Management previously subscribed, no consideration was involved in such capital decrease.

(D) Conversion into a joint stock limited company

On November 5, 2023, the then Shareholders of our Company passed resolutions approving, among others, the conversion of our Company from a limited liability company into a joint stock limited company (the "**Stock Conversion**"). According to the capital valuation report prepared by an Independent Third Party valuer, the total net asset value of our Company as of July 31, 2023 was RMB235,754,296.53, of which (i) RMB81,000,000 was converted to 81,000,000 Shares with a par value of RMB1.00 per Share, which were subscribed by all the then Shareholders in proportion to their respective equity interest in our Company before the Stock Conversion; and (ii) the remaining amount of approximately RMB154,754,296.53 was converted into capital reserve.

The Stock Conversion was completed on November 30, 2023. Immediately after the Stock Conversion, the then shareholding structure of our Company was as follows:

No.	Shareholder	Number of Shares	Shareholding Percentage
			(%)
1.	Mr. Wang	10,641,212	13.14%
2.	Mr. Zhou	8,763,889	10.82%
3.	Fuhai Shenwan	5,083,496	6.28%
4.	Nanshan Fuhai	4,964,457	6.13%
5.	Smart Internet	4,864,567	6.01%
6.	Lingrui Keystone	3,853,815	4.76%
7.	Pingshan Kaisheng	3,840,388	4.74%
8.	Hangzhou Puhua Yuchen	2,764,034	3.41%
9.	Ms. Peng Peng	2,704,740	3.34%
10.	Qingdao Resonance	2,704,425	3.34%
11.	Camsense Investment	2,636,840	3.26%
12.	Changzhou Xiyang	1,807,575	2.23%
13.	New Fuguo	1,756,662	2.17%
14.	Shanghai Puruan	1,756,617	2.17%
15.	Camsense Era	1,627,890	2.01%
16.	Mr. Liu Yi	1,580,986	1.95%
17.	Beijing Roborock Innovation Technology Co., Ltd. (北京石頭創新科技有限公司) ("**Roborock Innovation**")	1,554,223	1.92%
18.	Guosen Capital	1,541,517	1.90%
19.	Wuxi Yicun Juncheng	1,505,697	1.86%
20.	Fuhai Jiuqian	1,505,697	1.86%
21.	Shanghai Xuanjian	1,254,778	1.55%
22.	Changzhou Xiyang Puxin	1,254,778	1.55%
23.	Shanghai Puyang	1,129,250	1.39%
24.	Shenzhen Tianle	1,105,596	1.36%
25.	Nanshan Shanghua Hongtu	1,081,761	1.34%
26.	Shenzhen Qianhai	1,051,798	1.30%
27.	Dongguan Xiyang	1,041,976	1.29%
28.	Kaisheng No.5	829,219	1.02%
29.	Jiaxing Zhongdian Aijia	752,849	0.93%
30.	Nanling Huiye	752,849	0.93%
31.	Shanghai Baichen	690,986	0.85%
32.	Changsha Xiyang	690,986	0.85%
33.	Zhongyuan Qianhai	657,374	0.81%
34.	Zhicheng Shuzhi No. 10	540,903	0.67%
35.	Xinle Management	490,890	0.61%
36.	Yang Xi	138,188	0.17%
37.	Shenzhen Haojun	77,092	0.10%
Total		**81,000,000**	**100.00%**

(E) Series C2 Financing

Pursuant to a capital increase agreement dated January 18, 2024, our Company issued 1,620,000 Shares and 486,000 Shares to Qingdao Microelectronics Innovation Center Co., Ltd. (青島微電子創新中心有限公司) ("**Qingdao Microelectronics**") and Qingdao Guotou Asset Operation Management Co., Ltd. ((青島國投資產運營管理有限公司), previously known as Qingdao Guotou Capital Management Co., Ltd. (青島國投資本管理有限公司)) ("**Qingdao Guotou**") at the consideration of RMB40 million and RMB12 million, respectively. The consideration was fully settled on February 29, 2024. For details of our Series C2 financing, see "— Pre-IPO Investments" below.

(F) Series D Financing and Capital increase in September 2025

Pursuant to a capital increase agreement dated September 25, 2025, our Company issued 554,040 Shares to each of Zhongshan Entrepreneurship Development Master Fund Partnership Enterprise (Limited Partnership) (中山市創業發展母基金合夥企業(有限合夥)) ("**Zhongshan Entrepreneurship**") and Zhongshan Torch Huaying High Tech Venture Capital Partnership Enterprise (Limited Partnership) (中山火炬華盈高新創業投資合夥企業(有限合夥)) ("**Zhongshan Torch**") at the consideration of RMB20 million each. The consideration was fully settled on September 25, 2025. For details of our Series D financing, see "— Pre-IPO Investments" below.

In recognition of the contributions of our key R&D personnel and to incentivize him to further promote our development, pursuant to a Shareholders' resolution dated September 25, 2025, we issued 770,759 Shares to Xinle Management, our Employee Shareholding Platform, at a consideration of RMB2,289,646. The consideration was fully settled on September 25, 2025. For details of Xinle Management, see "— Employee Shareholding Platforms" below. For the shareholding structure of our Company after the completion of the Series D financing and the capital increase and as of the date of this prospectus, see "— Our Capitalization" below.

During the Track Record Period and up to the date of this prospectus, certain of our Shareholders transferred their equity interest in our Company, details of which are set out in "Pre-IPO Investments — A. Principal terms of the Pre-IPO Investments — Equity Transfers" below.

As advised by our PRC Legal Advisors, the equity transfers and increases in the registered capital in respect of our Company as described above have been completed and settled, and all regulatory approvals, registrations or filings have been granted in accordance with PRC laws and regulations.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any material acquisitions, mergers or disposals that we consider significant to us.

EMPLOYEE SHAREHOLDING PLATFORMS

In recognition of the contributions of our employees and to incentivize them to further promote our development, Camsense Investment and Xinle Management were established in the PRC as our Employee Shareholding Platforms.

A. Camsense Investment

Camsense Investment is a limited partnership incorporated under the laws of the PRC on December 22, 2020 and managed by its executive and general partner, Mr. Wang, our chairman of the Board and executive Director, holding 37.50% partnership interests therein. Pursuant to the partnership agreement of Camsense Investment dated July 25, 2023, the executive partner will exercise Camsense Investment's voting rights in our Company. As of the date of this prospectus, the remaining 62.5% partnership interests in Camsense Investment is held by: (i) Mr. Zhou, our executive Director and general manager, as a general partner, holding approximately 37.50% partnership interests; (ii) Mr. Huang Shuguang, being our executive Director, chief financial officer and vice general manager, as a limited partner, holding approximately 4.04% of the partnership interests; (iii) two senior management members, namely Mr. Song Jiangping and Ms. Chen Pei, as limited partners, holding approximately 8.39% and 2.10% partnership interests, respectively; and (iv) four other employees of our Group, as limited partners, individually holding less than 5.00% partnership interests. As the executive and general partner, Mr. Wang is responsible for executing the partnership affairs of Camsense Investment and represents the partnership externally in exercising the voting rights attaching to the Shares held by Camsense Investment in our Company. Mr. Zhou, as a general partner of Camsense Investment, is not responsible for executing the partnership affairs and does not represent the partnership externally in exercising voting rights in our Company. Camsense Investment holds approximately 3.10% equity interest in our Company as of the date of this prospectus.

B. Xinle Management

Xinle Management is a limited partnership incorporated under the laws of the PRC on February 21, 2022 and managed by its executive and general partner, Mr. Wang, our chairman of the Board and executive Director, holding less than 0.001% partnership interests therein. Pursuant to the partnership agreement of Xinle Management dated July 31, 2023, the executive partner will exercise Xinle Management's voting rights in our Company. As of the date of this prospectus, the remaining 99.999% partnership interests is owned by: (i) Mr. Zhou, being our executive Director and general manager, as a general partner, holding less than 0.001% partnership interests; (ii) Mr. Huang Shuguang, being our executive Director, chief financial officer and vice general manager, as a limited partner, holding approximately 21.38% of the partnership interests; and (iii) two senior managements members, namely Mr. Chen Yue and Mr. He Jian, as limited partners, holding approximately 61.09% and 17.53% partnership interests, respectively. As the executive and general partner, Mr. Wang is responsible for executing the partnership affairs of Xinle Management and represents the partnership externally in exercising the voting rights attaching to the Shares held by Xinle Management in our Company. Mr. Zhou, as a general partner of Xinle Management, is not responsible for executing the partnership affairs and does not represent the partnership externally in exercising voting rights in our Company. Xinle Management directly holds approximately 1.48% equity interest in our Company as of the date of this prospectus.

The partnership interests held by Mr. Wang and Mr. Zhou in the Employee Shareholding Platforms represents their respective personal equity interest in our Company, and does not constitute equity incentives granted under our share incentive schemes. All the Shares held by our Employee Incentive Platforms are subject to certain transfer and disposal restrictions pursuant to the partnership agreement. As of the date of this prospectus, all of the awards under our Employee Incentive Platform have been granted to, vested, and subscribed for by our employees, and no further Shares will be issued following the Listing. For further details of our share incentive schemes and our Employee Shareholding Platforms, please refer to the section headed "Appendix VI — Statutory and General Information — Share Incentive Schemes."

PRE-IPO INVESTMENTS

Since our establishment, we attracted multiple Pre-IPO Investors through direct investments or equity transfers. Details of such Pre-IPO Investments are summarized below.

A. Principal terms of the Pre-IPO Investments

The following table summarizes the key terms of the Pre-IPO Investments to our Company made by the Pre-IPO Investors:

Direct Investments:

No.	Round	Date of investment agreement	Date of settlement of consideration (last payment)	Pre-IPO Investors	Shares or registered capital of our Company subscribed for	Total funds raised	Pre-money valuation of our Company	Post-money valuation of our Company	Cost per Share	Discount to the Offer Price[1]
1.	Series Seed	N/A	June 11, 2015	Mr. Liu Yi (劉屹) [2]	RMB35,089	RMB2.00 million	RMB38.00 million	RMB40.00 million	RM1.27	97.50%
2.	Series Angel	September 28, 2015 (as supplemented by the agreement between Lewei Internet and Fuhai Shenwan dated November 4, 2016)	October 18, 2016	Lewei Internet Investment Management (Beijing) Co., Ltd. (樂為互聯投資管理(北京)有限公司) ("**Lewei Internet**") [3]	RMB51,579	RMB5,311,919	RMB44.69 million	RMB50.00 million	RMB1.34	97.36%
				Fuhai Shenwan	RMB36,130					
3.	Series Pre-A	June 28, 2016	July 20, 2016	Fuhai Shenwan	RMB76,695	RMB5.60 million	RMB60.28 million	RMB65.88 million	RMB1.62	96.81%
4.	Series A	July 31, 2017 and December 25, 2017	February 23, 2018	New Fuguo	RMB33,418[4]	RMB15.00 million	RMB135.00 million	RMB150.00 million	RMB3.32	93.47%
				Fuhai Jiuqian	RMB33,418					
				Mianyang Weisheng Innovation and Venture Capital Investment Fund (L.P.) (綿陽威盛創新創業股權投資基金(有限合夥)) ("**Mianyang Weisheng**")	RMB33,418					

No.	Round	Date of investment agreement	Date of settlement of consideration (last payment)	Pre-IPO Investors	Shares or registered capital of our Company subscribed for	Total funds raised	Pre-money valuation of our Company	Post-money valuation of our Company	Cost per Share	Discount to the Offer Price[1]
5 .	Series A+	August 5, 2019 and November 30, 2019	May 18, 2020	Shanghai Puruan	RMB38,987	RMB40,282,800	RMB180.00 million	RMB220.28 million	RMB3.98	92.17%
				Nanshan Fuhai	RMB29,424					
				Shanghai Xuanjian	RMB27,849					
				Changzhou Xiyang Puxin	RMB27,849					
				Changzhou Xiyang	RMB27,849					
				Jiaxing Zhongdian Aijia	RMB16,709					
				Nanling Huiye	RMB16,709					
				Shanghai Puyang	RMB13,924					
				Dongguan Xiyang	RMB13,924					
				Shanghai Puyang	RMB11,139					
6 .	Series B	December 31, 2020	February 24, 2021	Pingshan Kaisheng	RMB76,682	RMB77.00 million	RMB400.01 million	RMB477.01 million	RMB7.24	85.76%
				Hangzhou Puhua Yuchen	RMB61,346					
				Shenzhen Tianle[7]	RMB24,538					
				Kaisheng No.5	RMB18,404					
				Shanghai Baichen	RMB15,336					
				Changsha Xiyang	RMB15,336					
				Changzhou Xiyang	RMB12,269					
				Dongguan Xiyang	RMB9,202					
				Mr. Yang Xi	RMB3,067					
7 .	Series B+	March 30, 2021	May 8, 2021	Smart Internet	RMB72,501	RMB45.00 million	RMB560.00 million	RMB605.00 million	RMB8.49	83.30%
				Shenzhen Qianhai	RMB15,676					
				Zhongyuan Qianhai	RMB9,797					
				Nanshan Fuhai	RMB19,595					

No.	Round	Date of investment agreement	Date of settlement of consideration (last payment)	Pre-IPO Investors	Shares or registered capital of our Company subscribed for	Total funds raised	Pre-money valuation of our Company	Post-money valuation of our Company	Cost per Share	Discount to the Offer Price[1]
8	Series B++	July 23, 2021	August 4, 2021	Lingrui Keystone	RMB85,533	RMB76.00 million	RMB924.00 million	RMB1.00 billion	RMB12.97	74.49%
				Guosen Capital	RMB34,213					
				Pingshan Kaisheng	RMB8,553					
				Shenzhen Haojun	RMB1,711					
9	Series C1	August 30, 2022	October 26, 2022	Qingdao Resonance	RMB60,023	RMB63,461,298	RMB1.50 billion	RMB1.56 billion	RMB14.67	71.14%
				Nanshan Shanghua Hongtu	RMB24,009					
				Zhicheng Shuzhi No. 10	RMB12,005					
10	Series C2	January 18, 2024	February 29, 2024	Qingdao Microelectronics	1,620,000 Shares	RMB52.00 million	RMB2.00 billion	RMB2.05 billion	RMB24.69	51.43%
				Qingdao Guotou	486,000 Shares					
11	Series D	September 25, 2025	September 25, 2025	Zhongshan Entrepreneurship	554,040 Shares	RMB 40.00 million	RMB3.00 billion	RMB3.04 billion	RMB36.10	28.99%
				Zhongshan Torch	554,040 Shares					

Equity Transfers:

Pre-IPO Investors (Transferee)	Former Shareholder (Transferor) [5]	Date of transfer agreement	Date of settlement of consideration (last payment)	Amount of registered capital or Shares of our Company acquired	Total consideration	Cost per Share	Discount to the Offer Price [1]
Mr. Song Jiangping	Lewei Internet [3]	July 2, 2018	July 2, 2018	RMB51,579	RMB7,717,200	RMB3.32	93.47%
Nanshan Fuhai	Mr. Song Jiangping	July 10, 2018	July 26, 2018	RMB51,579	RMB7,717,200	RMB3.32	93.47%
V-Capital	Mianyang Weisheng	December 31 2020	January 27, 2021	RMB33,418	RMB9,260,835	RMB6.15	87.90%
Nanshan Fuhai	Ms. Peng Peng [6]	March 30, 2021	May 8, 2021	RMB9,585	RMB2.50 million	RMB5.79	88.61%
Smart Internet				RMB35,465	RMB9.25 million	RMB5.79	88.61%
Shenzhen Qianhai				RMB7,668	RMB2.00 million	RMB5.79	88.61%
Zhongyuan Qianhai				RMB4,793	RMB1.25 million	RMB5.79	88.61%
Wuxi Yicun Juncheng	V-Capital	November 27, 2021	November 17, 2021	RMB33,418	RMB9,260,835	RMB6.15	87.90%
Nanshan Shanghua Hongtu	Mr. Wang	April 21, 2022	July 19, 2022	RMB9,927	RMB8,269,351	RMB18.49	63.63%
	Mr. Zhou		July 19, 2022	RMB9,927	RMB8,269,351	RMB18.49	63.63%
Roborock Innovation	Ms. Peng Peng	October 10, 2023	October 13, 2023	RMB34,495	RMB30.00 million	RMB19.30	62.04%
Hefei High-Tech Achievements Transformation Venture Capital Partnership (Limited Partnership) (合肥高新科技成果轉化創業投資合夥企業(有限合夥)) ("**Hefei High-Tech**")	New Fuguo	September 25, 2025	September 26, 2025	831,060 Shares	RMB15.00 million	RMB18.05	64.49%[8]

Notes:

(1) The discount to the Offer Price is calculated based on the Offer Price of HK$58.85 per Offer Share.

(2) For details of the background information of Mr. Liu Yi (劉屹), see "Relationship with Our Single Largest Group of Shareholders."

(3) Lewei Internet is formerly known as LeTV Investment Management (Beijing) Co., Ltd. (樂視投資管理(北京)有限公司).

(4) According to the performance guarantee and valuation adjustment mechanism under the supplementary agreement to the capital increase agreement dated July 31, 2017, and pursuant to an equity transfer agreement dated August 5, 2019, Mr. Zhou Kun and Mr. Wang Jian each transferred RMB2,785 of registered capital of our Company, representing an aggregate of 0.4762% of the then equity interest in our Company, to New Fuguo for a nominal consideration of RMB1.00. Accordingly, the total registered capital of our Company acquired by New Fuguo was RMB38,988 after taking into account such valuation adjustment.

(5) Former shareholders who transferred their equity interest in our Company to other shareholders and ceased to be our Shareholders are not regarded as our Pre-IPO Investors.

(6) On July 4, 2014, Shenzhen QVOD transferred its entire 12.50% equity interest in our Company to Ms. Dai Xiru (戴希如) at a nominal consideration of RMB1.00. Such equity interest was held by Ms. Dai as a nominee shareholder on behalf of Mr. Wang Xin (王欣), the actual controller of Shenzhen QVOD, and his spouse, Ms. Peng Peng. On August 22, 2014, Ms. Dai subscribed for additional registered capital in our Company, representing approximately 14.29% of the then total equity interest in our Company, in her capacity as a nominee shareholder for Mr. Wang Xin and Ms. Peng Peng. This investment was fully settled on June 17, 2014, with the source of funding provided by Mr. Wang Xin Ms. Peng Peng. On October 16, 2018, the nominee shareholding arrangement was terminated, and the entire equity interest in our Company then held by Ms. Dai Xiru was transferred to Ms. Peng Peng.

(7) Shares previously held by Shenzhen Tianle were transferred to Zheng Beibei (鄭蓓蓓), the spouse of the ultimate beneficial owner of Shenzhen Tianle on August 7, 2025 at the consideration of RMB8.00 million.

(8) The difference in the discount to the Offer Price between the Series D financing and the equity transfer from New Fuguo to Hefei High-Tech was primarily attributable to the different nature and commercial rationale of the two transactions. The Series D financing involved the issuance of new Shares by the Company for fundraising purposes, and its pricing was determined with reference to, among other things, the Company's business growth, financial performance, product development and capital needs at the relevant time. In contrast, the transfer from New Fuguo to Hefei High-Tech was a secondary transfer of existing Shares between two shareholders. The consideration for such transfer was determined through arm's-length negotiations between the transferor and the transferee, taking into account New Fuguo's original acquisition cost, investment horizon, return expectations and desire to realize liquidity. The Company was not a party to such transfer, did not receive any proceeds from it and had no involvement in, or influence over, the pricing of the transaction.

B. Lock-up period

Pursuant to the applicable PRC laws and regulations, within the 12 months following the Listing Date, no existing Shareholders (including the Pre-IPO Investors) may dispose of any of the Shares held by them.

C. Basis of Consideration

The considerations for the Pre-IPO Investments in the form of direct investments were determined through arm's length negotiations among the parties, taking into account various factors, including: (i) the financial performance of our Company and the development stage of our products and product candidates at the time; (ii) the valuation of comparable companies at a similar stage of development in the market; (iii) the growth potential of our addressable market and the competitive landscape; and (iv) the valuation of our Company as proposed by other potential investors in connection with their proposed investments. To the best knowledge of our Company, the considerations for the Pre-IPO Investments in the form of equity transfers were determined through arm's length negotiations among the parties, taking into account various factors, including, in addition to those mentioned above: (i) the original acquisition cost borne by the transferor for obtaining the relevant equity interest; and (ii) the valuation of our Company in the most recent round of equity financing.

The primary reasons for the significant increase in the pre-money valuation of our Company of the following rounds of pre-IPO financing, as compared to the post-money valuation of our Company of the previous round pre-IPO financing, are set out below:

Series A:	We initiated R&D on LiDAR technology for robotic vacuums and completed the tape-out of in-house LiDAR chips, demonstrating our technological competitiveness and the significant market potential of our products.
Series B:	We garnered recognition from leading customers in the robotic vacuum industry, and amidst the sector's rapid growth, our business expanded significantly, achieving annual LiDAR shipments of 500,000 units and a substantial increase in revenue.
Series C1:	Our revenue continued to grow in 2022, supported by LiDAR shipments exceeding 1.8 million units and a significant strengthening of our market position.
Series C2	We achieved sustained revenue growth and attained a leading market share with continued rapid expansion. The new product line of laser sensors has demonstrated improved performance and is poised to become the next key growth driver.
Series D:	Our revenue in the first half of 2025 grew over 60% year-on-year, driven by rapid growth in LiDAR and line laser sensors. Our Company achieved significant product portfolio diversification through the successful commercialization of dTOF LiDAR and line laser sensor products, with combined revenue from these new product lines reaching RMB198.8 million in 2025. Our profitability profile also improved significantly, with R&D costs as a percentage of revenue declining and production efficiency improving following the commencement of its Huizhou production base.

The valuation of our Company immediately prior to the Global Offering, which represents an increase of approximate 42.1% from the post-money valuation of our Series D financing, based on the Offer Price. Such increase was primarily attributable to the continued growth and development of our business following the Series D financing. In particular, this growth momentum continued beyond the first half of 2025, with our revenue further increasing by 48.7% year-on-year to RMB195.9 million in the three months ended March 31,

2026, driven by the continued rapid growth of our LiDAR and line laser sensor products. We also improved our profitability profile, reversing our net loss position in 2023 and 2024, recording net profit of RMB2.2 million for the full year 2025, and further improving our net profit margin to 4.0% in the three months ended March 31, 2026, primarily due to revenue growth, improving production efficiency and the commercialization of our prior research and development efforts. In addition, we continued to broaden our product portfolio and revenue streams, including the commercial launch and ramp-up of our dTOF LiDAR products and line laser sensor products, revenue from which increased from RMB4.2 million and RMB19.3 million in 2024 to RMB65.0 million and RMB133.8 million in 2025, respectively. We also achieved further product and business development milestones, including the mass production of our C9X series visual LiDAR and the launch of our CF series dTOF high-precision cliff detection sensor in 2025, as well as continued expansion into new application scenarios such as yard robots, pool-cleaning robots, humanoid robots, XR, industrial inspection, medical devices and 3D printing. Taking into account the foregoing factors, including our business growth, improved profitability, new product launches and broader application scenarios, as well as the valuation premium typically associated with the enhanced liquidity of becoming a publicly listed company, our Directors believe that the increase in valuation from the Series D financing to the valuation immediately prior to the Global Offering is commercially justifiable.

D. Use of Proceeds

We utilized the proceeds to finance our research and development activities and fund our daily operations.

As of the Latest Practicable Date, we had utilized the proceeds from the pre-IPO financings prior to the Series C2 financing in full and approximately 38% of the proceeds from the Series C2 Financing.

E. Strategic Benefits

The Pre-IPO Investments not only fueled our research and development and business operation, but also demonstrated the investors' confidence in our business operation and strengths, and our growth prospects. Our Group could benefit from the business resources and potential business opportunities that may be provided by the Pre-IPO Investors from time to time.

F. Special Rights of the Pre-IPO Investors

Pursuant to the Pre-IPO Investment agreements and the supplemental agreements thereto, the Pre-IPO Investors have been granted certain special rights, including but not limited to, co-sale rights, repurchase rights, and anti-dilution rights. As confirmed by our PRC Legal Advisor, such special rights are rights commonly granted to investors in equity financing transactions; in particular, the redemption right entitled the Pre-IPO Investors to require the co-founders to repurchase their Shares in certain circumstances, with our Company providing a joint and several guarantee for such repurchase obligations, and the drag-along right entitled the Pre-IPO Investors to require the co-founders to sell their Shares together with the Pre-IPO Investors in the event of a sale of our Company. Pursuant to the supplemental agreement (the "**Supplemental Agreement**") to the shareholders' agreement dated September 25, 2025, entered into, among others, our Company and the Pre-IPO Investors, the redemption right and drag-along right were automatically terminated and have been void *ab initio*, irrevocable, non-restorable, and without any legal binding effect on any party since the day immediately preceding the date of the first submission of the Listing application to the Stock Exchange, and all other special rights will be terminated before the Listing.

Article 143 of the Civil Code of the People's Republic of China (中華人民共和國民法典) stipulates that a civil legal act is valid if it is conducted by parties with the requisite capacity for civil conduct, is based on genuine intent, and does not contravene mandatory provisions of laws, administrative regulations, or public order and morals. Adhering to the principle of autonomy of will, our Company and the Pre-IPO Investors explicitly agreed that the redemption right provided by our Company to the Pre-IPO Investors were irrevocably terminated and deemed void *ab initio*. Through the execution of the Supplemental Agreement,

while the clauses concerning the redemption right granted to the Pre-IPO Investors by our Company have never been exercised, both parties agreed to terminate these clauses and to treat them as having no legal effect from the time of their execution, thereby restoring the rights and obligations of both parties to the status quo ante as if such clauses had never been agreed upon. Based on the above, our PRC Legal Advisor is of the view that this arrangement that the Supplemental Agreement agreeing that the redemption right granted by our Company to the Pre-IPO Investors had been void *ab initio* does not violate any mandatory provisions of laws, administrative regulations, or public order and morals, and is thus legally valid. As confirmed by our Company and our PRC Legal Advisor, no redemption rights were exercised during the Track Record Period. For details, please refer to Note 28(c) to the Accountants' Report set out in Appendix I to this prospectus.

As confirmed by our Company and our PRC Legal Advisor, prior to the execution of the Supplemental Agreement, certain Pre-IPO Investors had exercised certain special rights granted to them under the shareholders' agreement as follows:

(a) Nomination rights: Pursuant to the relevant investment agreement and shareholders' agreement, certain Pre-IPO Investors were entitled to nominate director(s) and/or supervisor(s) to our Company. Such director nomination right and supervisor nomination right were exercised in accordance with the terms of the relevant investment agreement and shareholders' agreement during the relevant period.

(b) Performance target and share compensation: Pursuant to the relevant investment agreement, if certain performance targets of our Company were not achieved, our co-founders were required to transfer certain Shares to the relevant Pre-IPO Investor at nil consideration, to ensure that the shareholding of the relevant Pre-IPO Investor would not be diluted due to subsequent capital increase. Such share compensation arrangement was triggered and performed in accordance with the terms of the relevant investment agreement.

(c) Information rights: as confirmed by the Company, certain Pre-IPO Investors were entitled to receive operational and financial information of our Company from time to time for post-investment management purposes.

Our PRC Legal Advisor is of the view that the exercise of the above special rights by the Pre-IPO Investors was in compliance with the relevant shareholders' agreement and did not violate any mandatory provisions of PRC laws, administrative regulations, or public order and morals, and was thus legally valid.

Pursuant to the shareholders' agreement dated September 25, 2025 ("**Shareholders' Agreement**"), in the event of a redemption event, such as departure of the co-founders from their position, breach of undertakings, diversion of benefits, and loss of control, the Pre-IPO Investors were entitled to require the co-founders to repurchase part or all of the Shares held by them at the price stipulated therein, with our Company providing a joint and several guarantee for such repurchase obligations of the co-founders. Save for the foregoing, there is no other arrangement that the Pre-IPO Investors may seek other recourse against our Company if the redemption right becomes unenforceable.

To conclude, our PRC Legal Advisor is of the view that the redemption right and drag-along right were automatically terminated and have been void *ab initio*, irrevocable, non-restorable, and without any legal binding effect on any party since the day immediately preceding the date of the first submission of the Listing application to the Stock Exchange and all other special rights granted to the Pre-IPO Investors pursuant to the relevant shareholders' agreement will be terminated no later than the day immediately preceding the Listing Date and the prior exercise of special rights by the Pre-IPO Investors and the guarantee previously provided by our Company with respect to the enforceability of the redemption right do not affect the foregoing conclusions.

G. Compliance with the Guide for New Listing Applicants

On the basis that (i) the Listing Date, being the first day of trading of the H Shares on the Stock Exchange, will take place no earlier than 120 clear days after completion of the Pre-IPO Investments; and (ii) the special rights granted to the Pre-IPO Investors pursuant to the relevant pre-IPO investment agreements have been terminated immediately before submission of the first listing application and/or will be terminated no later than the Listing, as the case may be, the Joint Sponsors confirm that the Pre-IPO Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

H. Information about our Pre-IPO Investors

Set out below is a description of our Pre-IPO Investors.

To the best knowledge of our Directors, each of our Pre-IPO Investors and their respective ultimate beneficial owner is an Independent Third Party unless as disclosed otherwise.

Dongfang Fuhai (being Fuhai Shenwan, Nanshan Fuhai and Fuhai Jiuqian)

Fuhai Shenwan and Fuhai Jiuqian are limited partnerships established in the PRC on July 6, 2015, and October 11, 2016, respectively, both of which are principally engaged in venture capital. Fuhai Shenwan and Fuhai Jiuqian are controlled and managed by their general partner, Dongfang Fuhai (Wuhu) Equity Investment Fund Management Enterprise (Limited Partnership) (東方富海(蕪湖)股權投資基金管理企業(有限合夥)), which is owned as to 95.00% by Shenzhen Oriental Fortune Capital Co., Ltd. (深圳市東方富海投資管理股份有限公司) ("**OFC**") and 5.00% by Shenzhen Dongfang Fuhai Venture Capital Management Co., Ltd. (深圳市東方富海創業投資管理有限公司) ("**Dongfang Fuhai Venture Capital**") as its general partner. Dongfang Fuhai Venture Capital is wholly owned by OFC. None of the limited partners of Fuhai Shenwan and Fuhai Jiuqian hold 30% or more of partnership interests therein.

Nanshan Fuhai is a limited partnership established in the PRC on November 23, 2017, and is principally engaged in investment management and equity investment. Nanshan Fuhai is owned as to i) 35.00% by Shenzhen Guiding Fund Investment Co., Ltd. (深圳市引導基金投資有限公司), which is wholly owned by Shenzhen Finance Bureau (深圳市財政局) ii) 1.00% by Dongfang Fuhai Venture Capital as its general partner and iii) 64.00% by 9 other limited partners, each holding less than 30% partnership interests therein.

OFC is held by a total of 19 shareholders, including (i) Mr. Chen Wei (陳瑋), the chairman of OFC, and his controlled entities, namely Wuhu Fuhai Jiutai Investment Consulting Partnership (Limited Partnership) (蕪湖市富海久泰投資諮詢合夥企業(有限合夥)) and Wuhu Fuhai Juli Investment Consulting Partnership Enterprise (Limited Partnership) (蕪湖市富海聚利投資諮詢合夥企業(有限合夥)) as to approximately 48.42%, (ii) Guangdong Baolihua New Energy Co., Ltd. (廣東寶麗華新能源股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 000690), as to approximately 27.78%, and (iii) 15 other independent investors or shareholders of OFC, each holding no more than 10% of the equity interest in OFC.

Qianhai (being Smart Internet, Shenzhen Qianhai and Zhongyuan Qianhai)

Smart Internet is a limited partnership established in the PRC on October 22, 2020, and is principally engaged in venture capital and investment management. The general partner of Smart Internet is Ark Internet (Shenzhen) Private Equity Fund Management Partnership (Limited Partnership) (方舟互聯(深圳)私募股權基金管理合夥企業(有限合夥)) ("**Ark Internet Shenzhen**"), whose general partner is Qianhai Ark Assets Management Co., Ltd. (前海方舟資產管理有限公司) ("**Qianhai Ark Assets**"). Qianhai Ark Assets is owned as to 58.71% by Shenzhen Qianhai Huaize Ark Venture Capital Enterprise (Limited Partnership) (深圳前海淮澤方舟創業投資企業(有限合夥)) ("**Qianhai Huaize**"), and 41.29% by the remaining 10 shareholders, none of which holds 30% or more of the equity interest. Qianhai Huaize is owned as to approximately 62.80% by Jiaozuo Huaihai Consulting Service Center (焦作市淮海諮詢服務中心),

being its general partner, which is wholly owned by Jin Haitao (靳海濤); and 37.20% by Shenzhen Qianhai Huaize Co Creation Investment Consulting Partnership (Limited Partnership) (深圳前海淮澤共創投資諮詢合夥企業(有限合夥)) ("**Qianhai Huaize Co Creation**"). Qianhai Huaize Co Creation is owned as to approximately 34.79% by Chen Wenzheng (陳文正), 7.06% by Jiaozuo Huaihai Consulting Service Center as its general partner, and 58.15% by 10 other limited partners, each holding less than 30% partnership interests therein. None of the limited partners of Smart Internet and Ark Internet Shenzhen hold 30% or more of partnership interests therein.

Shenzhen Qianhai is a limited partnership established in the PRC on December 11, 2015, and is principally engaged in venture capital and investment management. The general partner of Shenzhen Qianhai is Qianhai Ark Assets. None of the limited partners of Shenzhen Qianhai hold 30% or more of partnership interests therein.

Zhongyuan Qianhai is a limited partnership established in the PRC on November 20, 2018, and is principally engaged in non-securities equity investment activities and related consulting services. The general partner of Zhongyuan Qianhai is Qianhai Ark (Zhengzhou) Venture Capital Management Enterprise (Limited Partnership) (前海方舟(鄭州)創業投資管理企業(有限合夥)) ("**Qianhai Ark Zhengzhou**"), whose general partner is also Qianhai Ark Assets. None of the limited partners of Zhongyuan Qianhai hold 30% or more of partnership interests therein. Qianhai Ark Zhengzhou has two limited partners, being Qianhai Huaize and Shanghai Aisibao Technology Partnership Enterprise (Limited Partnership) (上海愛司寶科技合夥企業(有限合夥)), whose general partner is Liu Xuanhong (劉選紅), holding 31.50% and 33.50% partnership interests, respectively.

Lingrui Keystone

Lingrui Keystone is a limited liability partnership incorporated under the laws of the PRC on January 12, 2018, and is principally engaged in investment management and equity investment. Lingrui Keystone is owned as to approximately 61.00% by Wuhu Linkrui Stone Equity Investment Partnership (L.P.) (蕪湖領瑞基石股權投資合夥企業(有限合夥)) ("**Wuhu Linkrui**"), 1.05% by Shenzhen Lingxin Jishi Equity Investment Fund Management Partnership enterprise (Limited Partnership) (深圳市領信基石股權投資基金管理合夥企業(有限合夥)) ("**Lingxin Jishi**") as its general partner and 37.95% by 3 other limiter partners, each holding less than 30% partnership interests therein. Wuhu Linkrui is owned as to approximately 36.97% by Wuhu Xiangmin Investment Center (Limited Partnership) (蕪湖湘閔投資中心(有限合夥)), which is ultimately controlled by Wang Jingbo (汪靜波), 2.09% by Urumqi Phoenix Equity Investment Management Limited Partnership (烏魯木齊鳳凰基石股權投資管理有限合夥企業) ("**Urumqi Phoenix**") as its general partner and 60.94% by 8 other limited partners, each holding less than 30% partnership interests therein. Lingxin Jishi is owned as to 1.00% by its general partner, being Urumqi Kunlun Cornerstone Equity Investment Management Company Limited (烏魯木齊昆侖基石創業投資有限公司) ("**Urumqi Kunlun**"), and 99.00% by its sole limited partner, being Urumqi Phoenix. Urumqi Phoenix is owned as to 51.00% by Xizang Tianji Cornerstone Venture Capital Co., Ltd. (西藏天璣基石創業投資有限公司), which is wholly owned by Co-Stone Asset Management Co., Ltd (基石資產管理股份有限公司) ("**Co-Stone Asset**"), and 15.00% by Shanghai Keshen Management Consulting Co., Ltd. (上海客申管理諮詢有限公司), being its general partner, and 34.00% by 4 other limited partners, each holding less than 30% partnership interests therein. Shanghai Keshen Management Consulting Co., Ltd. is wholly owned by Co-Stone Asset. Urumqi Kunlun is a wholly owned subsidiary of Co-Stone Asset, which is ultimately controlled by Zhang Wei (張維).

Hangzhou Puhua Yuchen

Hangzhou Puhua Yuchen is a limited partnership established in the PRC on August 29, 2019, and is principally engaged in equity investment. Hangzhou Puhua Yuchen is owned as to 37.50% by Lanxi Puhua Zefeng Equity Investment Partnership (Limited Partnership) (蘭溪普華澤豐股權投資合夥企業(有限合夥)) ("**Lanxi Puhua**"), which is controlled by Zhejiang Puhua Tianqin Equity Investment Management Co., Ltd. (浙江普華天勤股權投資管理有限公司) ("**Zhejiang Puhua**"), 24.25% by Zhejiang Puhua as its general partner, and 7 other limited partners, each holding less than 30% partnership interests therein. Zhejiang Puhua is held as to 72.00% by Shen Qinhua (沈琴華). None of the limited partners of Lanxi Puhua hold 30% or more of partnership interests therein.

Xiyang (being Shanghai Puyang, Changzhou Xiyang, Dongguan Xiyang, Changzhou Xiyang Puxin, Changsha Xiyang and Yang Xi)

Each of Xiyang is a limited partnership established in the PRC, and is ultimately managed by Shanghai Xiyang Investment Management Co., Ltd.(上海希揚投資管理有限公司) ("**Xiyang Investment**"), which is held as to 95.24% by Yang Xi.

Shanghai Puyang is a limited partnership established under the laws of the PRC on March 14, 2016, which is primarily engaged in venture capital. The general partner of Shanghai Puyang is Shanghai Woyang Investment Management Partnership (Limited Partnership) (上海沃楊投資管理合夥企業(有限合夥)) ("**Shanghai Woyang**"), which is managed by Xiyang Investment, being Shanghai Woyang's general partner. Shanghai Puyang has ten limited partners, among which Che Lin (車林) holds approximately 32.13% partnership interests therein.

Changzhou Xiyang is a limited partnership established under the laws of the PRC on November 7, 2017, which is primarily engaged in venture capital. The general partner of Changzhou Xiyang is Xiyang Investment. None of the limited partners of Changzhou Xiyang hold 30% or more of partnership interests therein.

Dongguan Xiyang is a limited partnership established under the laws of the PRC on May 11, 2018, which is primarily engaged in venture capital (limited to investments in unlisted companies). The general partner of Dongguan Xiyang is Xiyang Investment. None of the limited partners of Dongguan Xiyang hold 30% or more of partnership interests therein.

Changzhou Xiyang Puxin is a limited partnership established under the laws of the PRC on August 31, 2018, which is primarily engaged in venture capital investment using its own funds (except financial or quasi-financial businesses). Changzhou Xiyang Puxin is owned as to approximately 45.95% by Luzhou Pu Xin Equity Investment Fund Partnership (L.P.) (瀘州璞信股權投資基金合夥企業(有限合夥)), which is ultimately controlled by Luzhou State Owned Assets Supervision and Administration Commission (瀘州市國有資產監督管理委員會), 39.55% by Shanghai Gangtong Phase I Investment Partnership Enterprise (Limited Partnership) (上海港通一期投資合夥企業(有限合夥)), which is ultimately controlled by Shandong State Owned Assets Supervision and Administration Commission (山東省人民政府國有資產監督管理委員會), and 14.50% by Shanghai Fengpu Enterprise Management Partnership (Limited Partnership) (上海灃璞企業管理合夥企業(有限合夥)) ("**Fengpu Enterprise**") as its general partner. Fengpu Enterprise is owned as to 45.45% by Shanghai Huize Asset Management Co., Ltd. (上海慧澤資產管理有限公司), which is ultimately controlled by Liu Dongchang (劉東昌), 44.55% by Sichuan Pu Xin Chan Rong Investment Co., Ltd. (四川璞信產融投資有限責任公司), which is ultimately controlled by Luzhou State Owned Assets Supervision and Administration Commission, and 10.00% by Xiyang Investment as its general partner.

Changsha Xiyang is a limited partnership established under the laws of the PRC on August 20, 2020, which is primarily engaged in venture capital. The general partner of Changsha Xiyang is Xiyang Investment. None of the limited partners of Changsha Xiyang hold 30% or more of partnership interests therein.

Shanghai Xuanjian

Shanghai Xuanjian is a limited partnership established under the laws of the PRC on December 17, 2015, which is primarily engaged in equity investment, asset management, and investment consulting services. Shanghai Xuanjian is owned as to 45.50% by Cheng Hong (程紅), 1.50% by Shanghai Kunjian Investment Center (Limited Partnership) (上海坤鑒投資中心(有限合夥)) ("**Shanghai Kunjian**") as its general partner, and 53.00% by sixteen other limited partners, each holding less than 30% partnership interests therein. Shanghai Kunjian is owned as to 72.73% by Changzhou Baiyan Junhong Enterprise Management Consulting Co., Ltd. (常州柏彥駿鴻企業管理諮詢有限公司), which is held as to 60.00% by Xiong Yunhong (熊運鴻), 0.27% by Shanghai Beihang Asset Management Co., Ltd. (上海北航資產管理有限公司) ("**Beihang Asset**") as its general partner. Beihang Asset is ultimately controlled by Xiong Yunhong.

Kaisheng (being Pingshan Kaisheng and Kaisheng No.5)

Each of Kaisheng is a limited partnership established in the PRC and is ultimately managed by Kaisheng Nanshan Private Equity Investment Fund Management (Shenzhen) Co., Ltd. (凱晟南山私募股權投資基金管理(深圳)有限公司) ("**Kaisheng Nanshan**"), which is held as to 35% by Shenzhen Nanshan Heli Investment Management Limited Partnership (深圳南山合力投資管理合夥企業(有限合夥)) ("**Shenzhen Nanshan Heli**"). The general partner of Shenzhen Nanshan Heli is Chen Chen (陳晨), holding 60.00% partnership interests. None of the limited partners of Shenzhen Nanshan Heli hold 30% or more of partnership interests therein.

Pingshan Kaisheng is a limited partnership established under the laws of the PRC on December 25, 2019, which is primarily engaged in project investment. The general partner of Pingshan Kaisheng is Kaisheng Nanshan. None of the limited partners of Pingshan Kaisheng hold 30% or more of partnership interests therein.

Kaisheng No.5 is a limited partnership established under the laws of the PRC on December 14, 2020, which is primarily engaged in project investment. The general partner of Kaisheng No.5 is Kaisheng Nanshan. None of the limited partners of Kaisheng No.5 hold 30% or more of partnership interests therein.

Wuxi Yicun Juncheng

Wuxi Yicun Juncheng is a limited partnership established under the laws of the PRC on December 29, 2020, which is primarily engaged in industrial investment and equity investment. The general partner of Wuxi Yicun Juncheng is Shanghai Yicun Private Fund Management Co., Ltd. (上海一村私募基金管理有限公司) ("**Yicun Private Fund**"), which is ultimately wholly owned by V-Capital Co., Ltd. (一村資本有限公司) ("**V-Capital**"). The sole limited partner of Wuxi Yicun Juncheng is V-Capital. V-Capital is held as to 41.92% by Wuxi Guolian Industrial Investment Private Fund Management Co., Ltd. (無錫國聯產業投資私募基金管理有限公司) ("**Wuxi Guolian**"). Wuxi Guolian is held as to 55% by Wuxi Capital Group Co., Ltd. (無錫市創新投資集團有限公司) ("**Wuxi Innovation**"). Wuxi Innovation is held as to 73.50% by Wuxi Guofa Capital Operation Co., Ltd. (無錫市國發資本運營有限公司), which is wholly owned by the State-owned Assets Supervision and Administration Commission of Wuxi Municipal People's Government (無錫市人民政府國有資產監督管理委員會).

Chenhui (being Shanghai Puruan, Jiaxing Zhongdian Aijia and Shanghai Baichen)

Each of Chenhui is a limited partnership established in the PRC, and is ultimately managed by Shanghai Chenhui Venture Capital Management Co., Ltd. (上海晨暉創業投資管理有限公司) ("**Chenhui Venture**"), which is held as to 76.50% by Shanghai Chenhang Investment Center (Limited Partnership) (上海晨航投資中心(有限合夥)) ("**Shanghai Chenhang**"). The general partner of Shanghai Chenhang is Xiao Wenbin (肖文彬), holding approximately 82.31% partnership interests.

Shanghai Puruan is a limited partnership established under the laws of the PRC on August 27, 2014, which is primarily engaged in venture capital and venture capital consulting services. The general partner of Shanghai Puruan is Chenhui Venture. Shanghai Puruan has six limited partners, among which Shanghai Puruan Huizhi Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (上海浦軟匯智創業投資合夥企業(有限合夥)), which is ultimately controlled by State-owned Assets Supervision and Administration Commission of The State Council (國務院國有資產監督管理委員會), held approximately 51.77% partnership interests.

Jiaxing Zhongdian Aijia is a limited partnership established under the laws of the PRC on March 28, 2018, which is primarily engaged in investment management. The general partner of Jiaxing Zhongdian Aijia is Chenhui Venture. Jiaxing Zhongdian Aijia has eight limited partners, among which Nanjing CEC Panda Information Industry Group Co., Ltd. (南京中電熊貓信息產業集團有限公司), which is ultimately controlled by State-owned Assets Supervision and Administration Commission of The State Council, held approximately 37.37% partnership interests.

Shanghai Baichen is a limited partnership established under the laws of the PRC on November 16, 2018, which is primarily engaged in venture capital and investment management. The general partner of Shanghai Baichen is Chenhui Venture. Shanghai Baichen has four limited partners, among which Shanghai Shengmai Enterprise Management Center (Limited Partnership), which is controlled by Chenhui Venture, held approximately 46.03% partnership interests and Shanghai Angel Guidance Entrepreneurship Investment Co., Ltd. (上海天使引導創業投資有限公司), which is wholly owned by Shanghai Student Science and Technology Entrepreneurship Foundation (上海市大學生科技創業基金會), held approximately 37.83% partnership interests.

Peng Peng

Peng Peng is an individual investor.

Qingdao Resonance

Qingdao Resonance is a limited liability partnership incorporated under the laws of the PRC on May 16, 2022, which is primarily engaged in private equity investment, investment management and asset management. Qingdao Resonance's general partner is Qingdao Resonance Venture Capital management Co., Ltd. (青島同歌創業投資管理有限公司) ("**Qingdao Resonance**"), which is controlled by Liu Yaocheng (劉耀誠). Qingdao Resonance has nine limited partners, among which Goertek Inc. (歌爾股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002241), holds approximately 45.52% partnership interests.

New Value Capital (being New Fuguo and Shenzhen Haojun)

Each of Xinheng Lida is a limited partnership established in the PRC and is ultimately managed by Shenzhen New Value Capital Management Co., Ltd. (深圳市新恒利達資本管理有限公司) ("**New Value Capital**"), which is held as to 47.50% by Jia Junxin (賈君新).

New Fuguo is a limited partnership established under the laws of the PRC on November 4, 2015, which is primarily engaged in investment consulting and equity investment. The general partner of New Fuguo is New Value Capital. New Fuguo has six limited partners, among which Xiamen Blue Bay Investment Management Co., Ltd. (廈門藍色海灣投資管理有限公司), which is ultimately controlled by Zheng Huijin (鄭惠今), holds approximately 59.99% partnership interests.

Shenzhen Haojun is a limited partnership established under the laws of the PRC on November 3, 2015, which is primarily engaged in equity investment. The general partner of Shenzhen Haojun is New Value Capital. Shenzhen Haojun has eight limited partners, among which Chen Ziyun (陳紫韻) holds approximately 54.84% partnership interests.

Qingdao Microelectronics

Qingdao Microelectronics a limited liability company incorporated under the laws of the PRC on January 8, 2018, which is primarily engaged in sales of integrated circuit, technology consulting and technology promotion. Qingdao Microelectronics is wholly owned by Qingdao Laoshan Science and Technology Innovation Development Group Co., Limited (青島嶗山科技創新發展集團有限公司), which is in turn wholly-owned by Qingdao Laoshan District Finance Bureau (青島市嶗山區財政局).

Guosen Capital

Guosen Capital is a limited liability company incorporated under the laws of the PRC on June 18, 2019, which is primarily engaged in venture capital (limited to investments in unlisted companies), and focuses on investments in non-listed businesses. It is the wholly owned subsidiary of Guosen Securities Co., Ltd. (國信證券股份有限公司), which is a company listed on the Shenzhen Stock Exchange (stock code: 002736).

Zheng Beibei

Zheng Beibei is an individual investor. Ms. Zheng Beibei completed the professional program in child development and educational psychology from the Institute of Psychology, Chinese Academy of Sciences (中國科學研究院心理研究所) in China and obtained her bachelor's degree in economic from Huazhong University of Science and Technology (華中科技大學) in China. She has over 15 years of experience in corporate management and investment management. Ms. Zheng has experience of investing in early-stage enterprises, having previously invested in Shenzhen Haofresh Cold Chain Technology Co., Ltd. (深圳好新鮮冷鏈科技有限公司) and Chengdu Junxin Tianyuan Enterprise Management Center (Limited Partnership) (成都君鑫天元企業管管理中心(有限合夥)).

Nanshan Shanghua Hongtu

Nanshan Shanghua Hongtu is a limited liability partnership incorporated under the laws of the PRC on August 25, 2017, which is primarily engaged in investment management, equity investment and investment consulting. The general partner of Nanshan Shanghua Hongtu is Shenzhen Premier Ventures Capital Fund Management Co., Ltd. (深圳市上華創業投資基金管理有限公司) ("**Shenzhen Shanghua VC**"), which is held as to 60.00% by Shenzhen Shanghua Virtual Reality Entrepreneurship Investment Co., Ltd. (深圳上華虛擬現實創業投資有限公司) ("**Shenzhen Shanghua**"). Shenzhen Shanghua is wholly owned by Shenzhen Weisheng Shanghua Technology Co., Ltd. (深圳威盛上華科技有限公司 ("**Shenzhen Weisheng**")), which is wholly owned by Hungmao Investment Co., Ltd. (弘茂投資股份有限公司) ("**Hungmao Investment**"). Hungmao Investment is ultimately controlled by Jiang Sulan (江素蘭). Nanshan Shanghua Hongtu has four limited partners, among which Shenzhen Shanghua Virtual Reality Entrepreneurship Investment Co., Ltd. (深圳上華虛擬現實創業投資有限公司), which is wholly owned by Shenzhen Weisheng, holds 51.00% partnership interests, and Shenzhen Guiding Fund Investment Co., Ltd., which is wholly owned by Shenzhen Finance Bureau, holds 30.00% partnership interests.

Nanling Huiye

Nanling Huiye is a limited partnership established under the laws of the PRC on December 12, 2018, which is primarily engaged in equity investment. The general partner of Nanling Huiye is Nanling Equity Investment Fund Management (Shenzhen) Co., Ltd. (南嶺股權投資基金管理(深圳)有限公司), which is held as to 60% by Shenzhen Nanling Fuying Investment Co., Ltd. (深圳市南嶺富盈投資有限公司), which in turn is wholly owned by Shenzhen Nanling Village Shareholding Cooperative Company (深圳市南嶺村股份合作公司) ("**Nanling Cooperative**"). Nanling Cooperative is held as to 65% by Zhang Weiji (張偉基) and 773 other individual shareholders. Nanling Huiye has five limited partners, among which Shenzhen Nanling Venture Capital Equity Investment Master Fund Partnership (Limited Partnership) (深圳南嶺創業創新股權投資母基金合夥企業(有限合夥)) and HENGTONG Group Co., Ltd. (亨通集團有限公司) holds

approximately 47.15% and 44.20% partnership interests, respectively, both of which are ultimately controlled by Nanling Cooperative.

Zhicheng Shuzhi No. 10

Zhicheng Shuzhi No. 10 is a limited liability partnership incorporated under the laws of the PRC on January 25, 2022, which is primarily engaged in venture capital. Zhicheng Shuzhi No. 10's general partner is Shenzhen Smart City Industry Investment Private Equity Fund Management Co., Ltd. (深圳市智慧城市產投私募基金管理有限公司), which is wholly owned by Shenzhen Smart City Technology Development Group Co., Ltd. (深圳市智慧城市科技發展集團有限公司) ("**Shenzhen Smart City Technology Development**"). Shenzhen Smart City Technology Development is wholly owned by Shenzhen Municipal People's Governmental State-owned Assets Supervision and Administration Commission (深圳市人民政府國有資產監督管理委員會).

Qingdao Guotou

Qingdao Guotou is a limited liability company incorporated under the laws of the PRC on October 15, 2014, which is primarily engaged in asset management services using proprietary funds, investment activities conducted with proprietary funds, financing consulting, corporate management consulting and socio-economic consulting. Qingdao Guotou is wholly-owned by Qingdao International Investment Co., Ltd. (青島國際投資有限公司), which in turn is wholly owned by State-owned Assets Supervision and Administration Commission of Qingdao Municipal People's Government (青島市人民政府國有資產監督管理委員會).

Roborock Innovation

Roborock Innovation is a limited liability company incorporated under the laws of the PRC on December 17, 2018, which is primarily engaged in technology development and technology consulting. Roborock Innovation is wholly owned by our Customer B. To the best of our Directors' knowledge, information and belief having made all reasonable enquiries, no shareholders of Beijing Roborock Technology Co., Ltd. hold 30% or more of the equity interest.

Zhongshan Entrepreneurship

Zhongshan Entrepreneurship is a limited partnership established under the laws of the PRC on September 5, 2022, which is primarily engaged in investment and project management. Zhongshan Entrepreneurship is owned as to 50.00% by Zhongshan Investment Holding Group Co., Ltd. (中山投資控股集團有限公司) ("**Zhongshan Investment**"), 49.90% by Zhongshan High Quality Development Master Fund Co., Ltd. (中山市高質量發展母基金有限公司) ("**Zhongshan High Quality**") and 0.10% by Zhongshan Venture Capital Co., Ltd. (中山創業投資有限公司) as its general partner. Zhongshan Venture Capital Co., Ltd. is wholly owned by Zhongshan Financial Investment Holdings Co., Ltd. (中山金融投資控股有限公司). Zhongshan Financial Investment Holdings Co., Ltd. is wholly owned by Zhongshan Investment Holding Group Co., Ltd. (中山投資控股集團有限公司), which is ultimately controlled by State-owned Assets Supervision and Administration Commission of Zhongshan Municipal Government (中山市人民政府國有資產監督管理委員會). Both Zhongshan Investment and Zhongshan High Quality are ultimately controlled by State-owned Assets Supervision and Administration Commission of Zhongshan Municipal Government.

Zhongshan Torch

Zhongshan Torch is a limited partnership established under the laws of the PRC on January 9, 2024, which is primarily engaged in investment and project management. The general partner of Zhongshan Torch is Zhongshan Torch Electronics Industry Fund Management Co., Ltd. (中山火炬電子產業基金管理有限公司), which is wholly owned by Zhongshan Torch Huaying Investment Co., Ltd. (中山火炬華盈投資有限公司). Zhongshan Torch Huaying Investment Co., Ltd. is wholly owned by Zhongshan Torch Public Assets Management Group Co., Ltd. (中山火炬公有資產經營集團有限公司), which is wholly owned by Zhongshan Huoju Gaojishuchanye Kaifaqu

Management Committee (中山火炬高技術產業開發區管理委員會) ("**Huoju Committee**"). Zhongshan Torch has fours limited partners, among which Zhongshan Torch South Branch Industrial Development Co., Ltd. (中山火炬南頭分園實業發展有限公司), which is ultimately controlled by Huoju Committee, holds 50.00% partnership interests.

Hefei High-Tech

Hefei High-Tech is a limited partnership established under the laws of the PRC on April 14, 2023, primarily engaged in equity investment activities. The general partner of Hefei High-Tech is Hefei High-Tech Venture Capital Management Partnership (Limited Partnership) (合肥高新創業投資管理合夥企業(有限合夥)), which is owned as to 2.00% by Hefei High-Tech Science and Technology Venture Capital Co., Ltd. (合肥高新科技創業投資有限公司) as its general partner, and 78.00% and 20.00% by Hefei High-tech Investment Co., Ltd. (合肥高新投資有限公司) and Hefei High-tech Holdings Group Co., Ltd.(合肥高新控股集團有限公司) as limited partners, respectively, all of which are wholly owned companies of the Hefei High-Tech Industrial Development Zone Administrative Committee (合肥高新技術產業開發區管理委員會) ("**Hefei HTIDZAC**"). Additionally, Hefei Hi-tech Venture Capital Co., Ltd. (合肥高新創業投資有限公司), which is wholly owned by Hefei High-tech Holdings Group Co., Ltd., is the largest limited partner of Hefei High-Tech, holding a 73.00% partnership interests.

CONCERT PARTY AGREEMENT

On June 6, 2023, Mr. Wang, Mr. Zhou, and Mr. Liu Yi (collectively, the "**Concert Parties**") entered into the Concert Party Agreement, pursuant to which they acknowledged and confirmed their historical relationship of acting in concert since our Company's inception. They further agreed to act in concert, including exercising the voting rights of the Shares held or controlled by them, with respect to the operation and material decisions of our Company for a period extending until 36 months after our Company's initial public offering. Unless otherwise agreed by all parties, such acting-in-concert arrangements shall automatically renew for a period of three years upon expiration.

Therefore, as of the date of this prospectus, Mr. Wang. Mr. Zhou and Mr. Liu Yi, by virtue of the acting-in-concert arrangements, are collectively entitled to exercise the voting rights attached to approximately 31.20% of our total issued Shares, and will be entitled to exercise the voting rights attached to approximately 27.45% of our total issued Shares immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised).

PROPOSED LISTING ATTEMPT

In December 2023, we entered into a tutoring agreement with Guosen Securities Co., Ltd. (國信證券股份有限公司) ("**Guosen Securities**") in connection with the proposed A-share listing of our Company (the "**Proposed A-Share Listing**") and made a preliminary filing (上市輔導備案) with the Shenzhen Regulatory Bureau of the CSRC (中國證券監督管理委員會深圳監管局). In consideration of the reasons as set out in "— Reasons for Listing on the Stock Exchange" below and the uncertainty of the A-share listing timetable influenced by the evolving regulatory environment, our Group decided to focus our resources on the listing on the Stock Exchange and did not proceed with the Proposed A-Share Listing. In March 2025, our Company terminated the tutoring agreement with Guosen Securities. In September 2025, our Company terminated its engagement with Pan-China Certified Public Accountants LLP, which had been engaged as auditor in connection with the Proposed A-Share Listing, after taking into account, among other factors, the withdrawal of the Proposed A-Share Listing and our Company's assessment of the experience and expertise relevant to our proposed Hong Kong listing.

The Company voluntarily withdrew from the Proposed A-Share Listing following a comprehensive assessment of prevailing regulatory developments, market dynamics, investor sentiment, and strategic execution considerations. In light of these factors, the Company re-evaluated its optimal listing venue.

After careful assessment, the Company determined that pursuing a listing on the Hong Kong Stock Exchange would better align with its long-term strategic objectives, including enhancing its international profile, broadening its investor base, and gaining greater access to global capital markets.

To the best of their knowledge, our Directors confirm that they are not aware of (i) any other matters relating to the Proposed A-Share Listing that may have material adverse implications on our Group's suitability for listing on the Stock Exchange; or (ii) any other matters that need to be brought to the attention of the Stock Exchange, our Shareholders or the potential investors in relation to the Proposed A-Share Listing. Our Directors also confirm that (i) no formal listing application was filed in relation to the Proposed A-Share Listing as of the Latest Practicable Date, and (ii) during the preparation for the Proposed A-Share Listing, we did not encounter any disagreements with the relevant professional parties nor the CSRC.

Based on the due diligence work conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would reasonably cause it to disagree with the Directors' view above.

REASONS FOR LISTING ON THE STOCK EXCHANGE

Our Directors believe that the Listing on the Stock Exchange will be in the interest of our Group's business development strategies, and would be beneficial to us and our Shareholders as a whole for, among others, the following reasons:

(i) the Stock Exchange, as a leading player of the international financial markets, could offer us a direct access to the international capital markets, enhance our fundraising capabilities and broaden our fundraising channels and our Shareholders base as well as strengthen our corporate governance;

(ii) the Listing would give us a better platform to further develop our business; and

(iii) the Listing will further raise our brand awareness, business profile and thus, enhance our corporate image to attract new customers, business partners and strategic investors as well as to recruit, motivate and retain key management personnel for our Group's business.

Taking into account, among others, the aforementioned factors and the long-term business development strategies of our Group, our Directors consider the Stock Exchange to be a more suitable venue to access international equity markets, and the Listing will be in the best interest of us and our Shareholders as a whole.

PUBLIC FLOAT AND FREE FLOAT

The 38,066,116 H Shares to be converted from Unlisted Shares held by Mr. Wang, Mr. Zhou, Mr. Liu Yi, Camsense Investment, Camsense Era, Xinle Management, Fuhai Shenwan, Nanshan Fuhai and Fuhai Jiuqian, representing 39.42% of our total issued Shares upon the Listing (assuming the Over-allotment Option is not exercised), will not be counted towards the public float as the aforesaid Shareholders are core connected persons of our Group. In particular, (i) Mr. Wang is our chairman of the Board, executive Director and co-general manager; (ii) Mr. Zhou is our executive Director and general manager; (iii) Mr. Liu Yi is a party to the Concert Party Agreement with Mr. Wang and Mr. Zhou, see "— Concert Party Agreement" above; (iv) each of Camsense Investment and Xinle Management is an Employee Shareholding Platform managed by Mr. Wang as the executive and general partner, see "— Employee Shareholding Platforms" above; (v) Camsense Era is a limited partnership managed by Mr. Zhou as the executive and general partner; and (vi) each of Fuhai Shenwan, Nanshan Fuhai and Fuhai Jiuqian is controlled by OFC, see "— Pre-IPO Investments — H. Information about our Pre-IPO Investors — Dongfang Fuhai (being Fuhai Shenwan, Nanshan Fuhai and Fuhai Jiuqian)" below, which will be interested in approximately 11.96% of the total issued Shares of our Company immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised).

To the best of our Directors' knowledge, information and belief and having made all reasonable inquiries, save as disclosed above, none of the existing Shareholders (i) is a core connected person of our Group; (ii) has been financed directly or indirectly by a core connected person of our Group for the subscription of Shares; or (iii) is accustomed to taking instructions from a core connected person of our Group in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them. Therefore, the 46,918,723 H Shares to be converted from the Unlisted Shares held by the other existing Shareholders together with 11,588,800 H Shares to be issued pursuant to the Global Offering (assuming the Over-allotment Option is not exercised), will be counted towards the public float for the purpose of Rule 8.08 (as amended and replaced by Rule 19A.13A) of the Listing Rules.

Immediately following completion of the Global Offering, assuming that (i) 11,588,800 H Shares are allotted and issued in the Global Offering and the Over-allotment Option is not exercised; (ii) 84,984,839 Unlisted Shares are converted into H Shares; and (iii) 96,573,639 Shares are issued and outstanding in the share capital of our Company upon completion of the Global Offering, based on the Offer Price of HK$58.85 per H Share, 58,507,523 Shares, representing approximately 60.58% of the total number of issued Shares of our Company will be counted towards the public float for the purpose of Rule 8.08 (as amended and replaced by Rule 19A.13A) of the Listing Rules, which is higher than the prescribed percentage of H Shares required to be held in public hands of 25.00% under Rule 8.08(1) (as amended and replaced by Rule 19A.13A(1)) of the Listing Rules. Pursuant to Rule 8.08(1) (as amended and replaced by Rule 19A.13A(1)) of the Listing Rules, assuming that the Over-allotment Option is not exercised, the minimum prescribed public float percentage applicable to our Shares is 25.00% based on the Offer Price of HK$58.85 per H Share. Upon completion of the Global Offering (assuming the Over-allotment Option is not exercised), pursuant to Rule 8.08(3) of the Listing Rules, the aggregate shareholding of the three largest public Shareholders should not exceed 30.29% of our Company's issued share capital, being 50% of the Shares to be held in public hands. Based on the Offer Price of HK$58.85 per H Share, our Company is expected to satisfy the free float requirement under Rule 19A.13C(1) of the Listing Rules.

OUR CAPITALIZATION

The shareholding structure of our Company is set forth below.

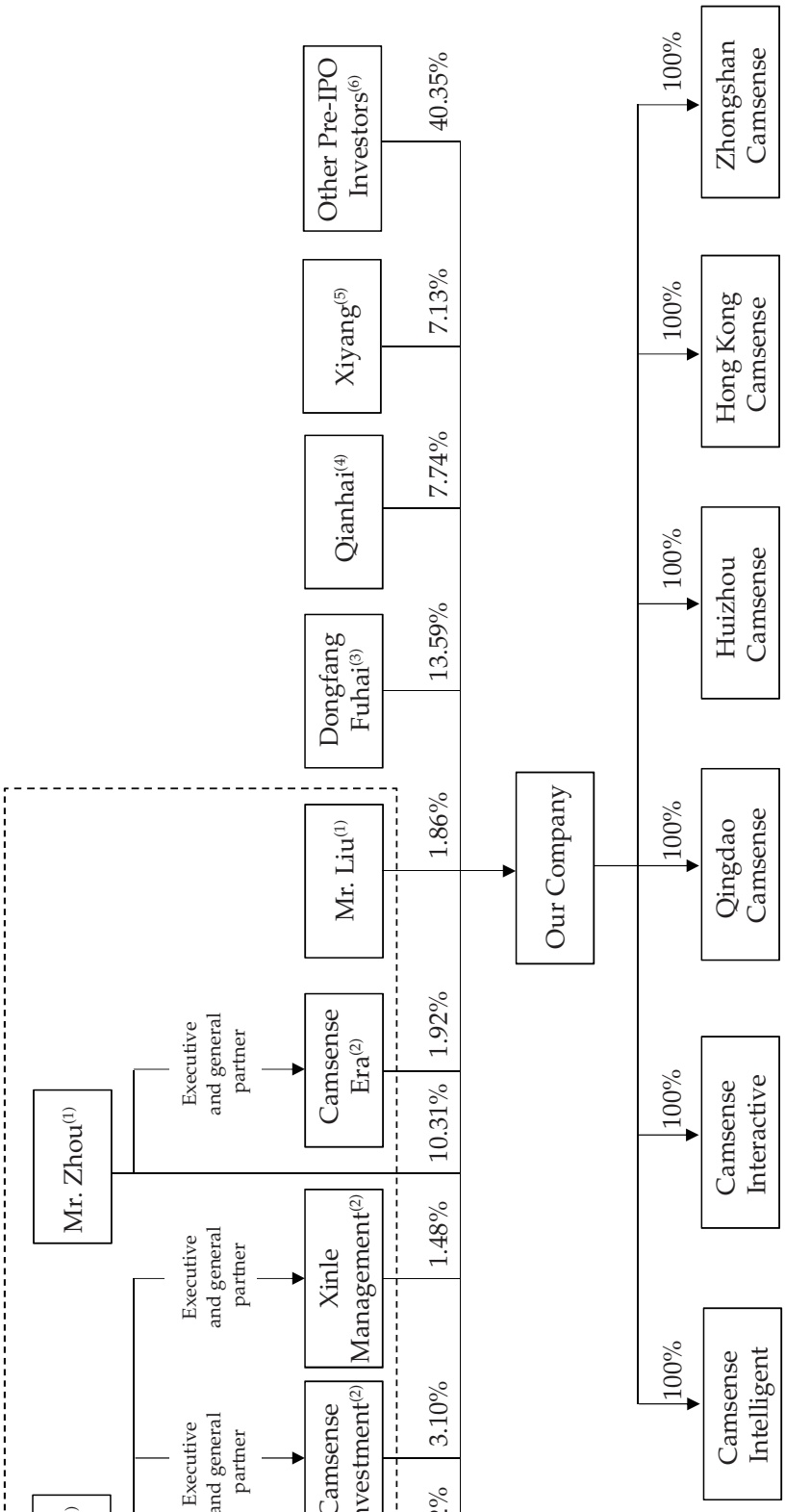
	As of the date of this prospectus		Immediately upon the completion of the Global Offering assuming the Over-allotment Option is not exercised	
Shareholder	**Number of Shares**	**Shareholding percentage**	**Number of H Shares**	**Shareholding percentage**
Concert Parties	26,512,466	31.20%	26,512,466	27.45%
–Mr. Wang	10,641,212	12.52%	10,641,212	11.02%
–Mr. Zhou	8,763,889	10.31%	8,763,889	9.07%
–Camsense Investment	2,636,840	3.10%	2,636,840	2.73%
–Camsense Era	1,627,890	1.92%	1,627,890	1.69%
–Mr. Liu Yi	1,580,986	1.86%	1,580,986	1.64%
–Xinle Management	1,261,649	1.48%	1,261,649	1.31%
Dongfang Fuhai	11,553,650	13.59%	11,553,650	11.96%
–Fuhai Shenwan	5,083,496	5.98%	5,083,496	5.26%
–Nanshan Fuhai	4,964,457	5.84%	4,964,457	5.14%
–Fuhai Jiuqian	1,505,697	1.77%	1,505,697	1.56%
Qianhai	6,573,739	7.74%	6,573,739	6.81%
–Smart Internet	4,864,567	5.72%	4,864,567	5.04%
–Shenzhen Qianhai	1,051,798	1.24%	1,051,798	1.09%
–Zhongyuan Qianhai	657,374	0.77%	657,374	0.68%

Shareholder	As of the date of this prospectus		Immediately upon the completion of the Global Offering assuming the Over-allotment Option is not exercised	
	Number of Shares	Shareholding percentage	Number of H Shares	Shareholding percentage
Xiyang	6,062,753	7.13%	6,062,753	6.28%
–Changzhou Xiyang	1,807,575	2.13%	1,807,575	1.87%
–Changzhou Xiyang Puxin	1,254,778	1.48%	1,254,778	1.30%
–Shanghai Puyang	1,129,250	1.33%	1,129,250	1.17%
–Dongguan Xiyang	1,041,976	1.23%	1,041,976	1.08%
–Changsha Xiyang	690,986	0.81%	690,986	0.72%
–Mr. Yang Xi	138,188	0.16%	138,188	0.14%
Kaisheng	4,669,607	5.49%	4,669,607	4.84%
–Pingshan Kaisheng	3,840,388	4.52%	3,840,388	3.98%
–Kaisheng No.5	829,219	0.98%	829,219	0.86%
Lingrui Keystone	3,853,815	4.53%	3,853,815	3.99%
Chenhui	3,200,452	3.77%	3,200,452	3.31%
–Shanghai Puruan	1,756,617	2.07%	1,756,617	1.82%
–Jiaxing Zhongdian Aijia	752,849	0.89%	752,849	0.78%
–Shanghai Baichen	690,986	0.81%	690,986	0.72%
Hangzhou Puhua Yuchen	2,764,034	3.25%	2,764,034	2.86%
Ms. Peng Peng	2,704,740	3.18%	2,704,740	2.80%
Qingdao Resonance	2,704,425	3.18%	2,704,425	2.80%
Qingdao Microelectronics	1,620,000	1.91%	1,620,000	1.68%
Roborock Innovation	1,554,223	1.83%	1,554,223	1.61%
Guosen Capital	1,541,517	1.81%	1,541,517	1.60%
Wuxi Yicun Juncheng	1,505,697	1.77%	1,505,697	1.56%
Shanghai Xuanjian	1,254,778	1.48%	1,254,778	1.30%
Ms. Zheng Beibei	1,105,596	1.30%	1,105,596	1.14%
Nanshan Shanghua Hongtu	1,081,761	1.27%	1,081,761	1.12%
New Value Capital	1,002,694	1.18%	1,002,694	1.04%
–New Fuguo	925,602	1.09%	925,602	0.96%
–Shenzhen Haojun	77,092	0.09%	77,092	0.08%
Hefei High-Tech	831,060	0.98%	831,060	0.86%
Nanling Huiye	752,849	0.89%	752,849	0.78%
Zhongshan Entrepreneurship	554,040	0.65%	554,040	0.57%
Zhongshan Torch	554,040	0.65%	554,040	0.57%
Zhicheng Shuzhi No. 10	540,903	0.64%	540,903	0.56%
Qingdao Guotou	486,000	0.57%	486,000	0.50%
Other Public Shareholders	–	–	11,588,800	12.00%
Total	**84,984,839**	**100.00%**	**96,573,639**	**100%**

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Immediately Prior to the Global Offering and as of the Date of this Prospectus

The following chart illustrates the simplified shareholding and corporate structure of our Group immediately before the completion of the Global Offering and as of the date of this prospectus:



Notes:

(1) For the concert party arrangement between Mr. Wang, Mr. Zhou, and Mr. Liu Yi, see "— Concert Party Agreement" above.

(2) Camsense Investment and Xinle Management are controlled by their executive and general partner, Mr. Wang. Camsense Era was established in January 2021 and was originally intended to serve as a potential employee incentive platform of our Company. It was subsequently repurposed as a personal shareholding vehicle for Mr. Wang and Mr. Zhou to hold their respective equity interests in our Company. As of the Latest Practicable Date, Camsense Era was owned as to 50.00% by Mr. Zhou as its executive and co-general partner, and 50.00% by Mr. Wang as its co-general partner.

For the concert party arrangement between Mr. Wang, Mr. Zhou, and Mr. Liu Yi, see "— Concert Party Agreement" above.

(3) Refers to Fuhai Shenwan, Nanshan Fuhai and Fuhai Jiuqian.

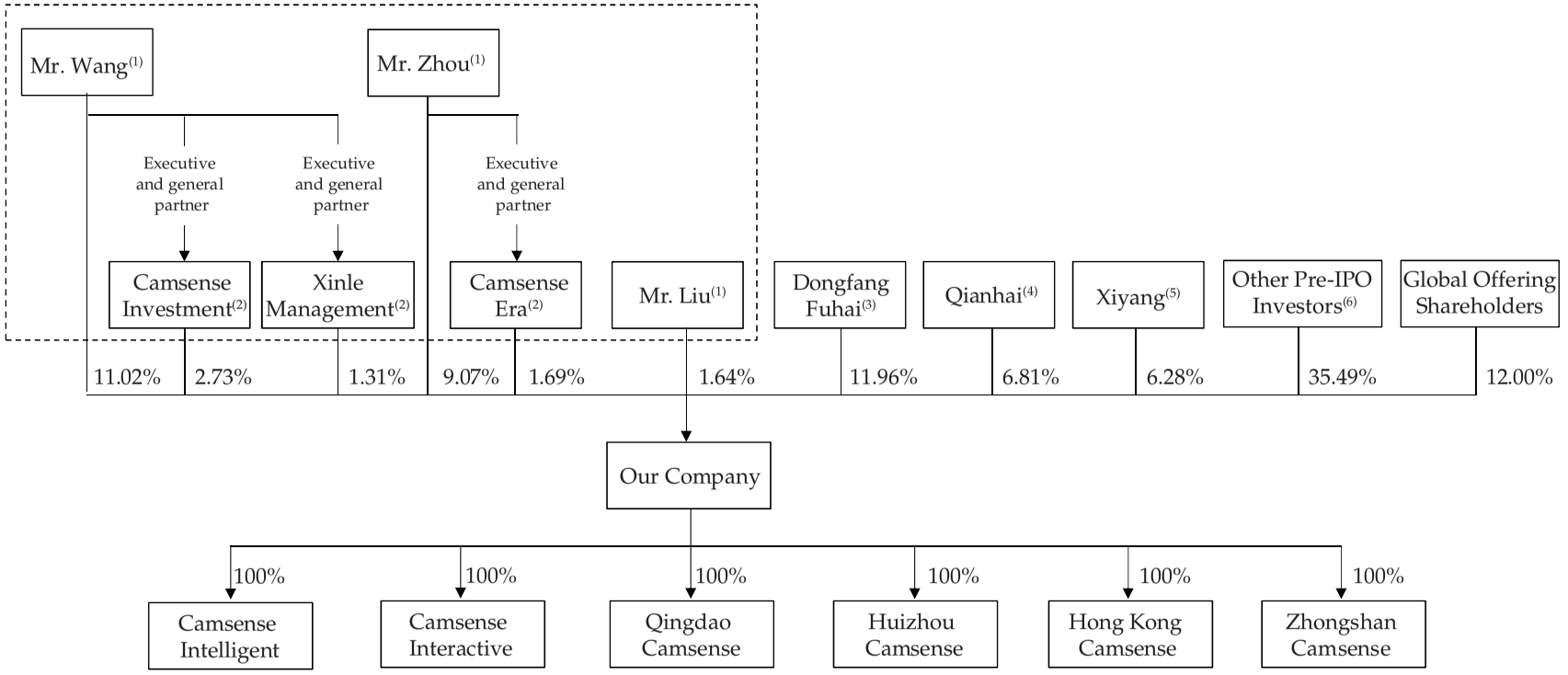
(4) Refers to Smart Internet, Shenzhen Qianhai and Zhongyuan Qianhai.

(5) Refers to Shanghai Puyang, Changzhou Xiyang, Dongguan Xiyang, Changzhou Xiyang Puxin, Changsha Xiyang and Yang Xi.

(6) See "— Our Capitalization" for details.

Immediately Following the Global Offering

The following chart illustrates the simplified shareholding and corporate structure of our Group immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised):



Note: For notes (1)-(6), please refer to "— Our Shareholding and Corporate Structure — Immediately Prior to the Global Offering and as of the Date of this Prospectus" above.

OVERVIEW

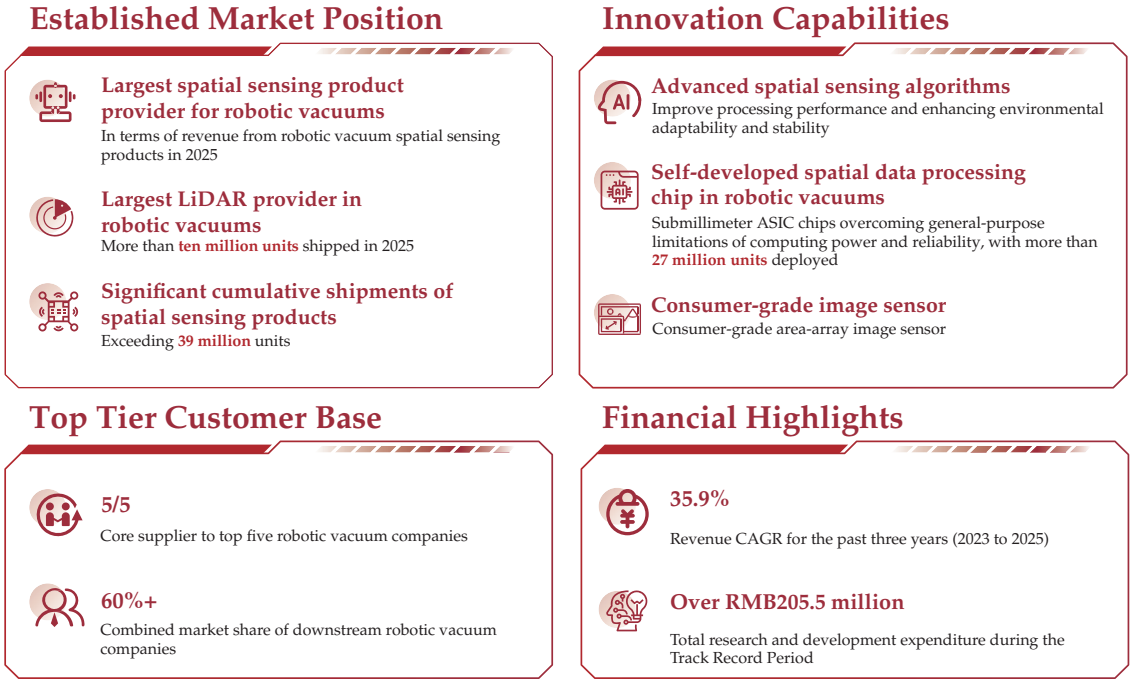
Our Mission

Our mission is to empower end-to-end robotics intelligence through high-precision spatial sensing.

Who We Are

We specialize in developing spatial sensing products, with a focus on robotic vacuums. Leveraging AI technologies, we build intelligent spatial sensing systems and provide algorithms and hardware for robotic vacuums. Since inception, our total cumulative shipment volume has surpassed 39 million units. In 2025, the total shipments of LiDAR and line laser sensors exceeded ten million units and five million units, respectively. This underscores our market position in spatial sensing technology and validates the strong demand for our products. In China, robotic vacuum spatial sensing represented only a relatively small portion of the intelligent robot spatial sensing market, accounting for approximately 5.9% of such market in terms of sales revenue in 2025.

Our key business highlights are summarized as follows:



Over the years, we have built a comprehensive product portfolio in robotic vacuum spatial sensing, bolstered by the largest commercial deployment in the sector. Through years of technology development and product iteration, we offer a diversified product matrix covering conventional triangulation LiDAR, dTOF LiDAR, 3D TOF LiDAR and line laser sensors, among others, meeting differentiated needs across multiple application scenarios. We possess both proprietary submillimeter AI spatial data processing chip design and core spatial sensing AI algorithm capabilities. Through our proprietary consumer-grade CIS combined with self-developed ASIC chip technology, we have improved the cost-efficiency boundaries of robotic spatial sensing technology, while supporting lower costs, higher positioning accuracy and commercial scalability.

Our technology framework is deeply rooted in core spatial sensing algorithms that enable robotic vacuums to accurately sense and perceive their surrounding environment, developing comprehensive spatial understanding capabilities and thereby achieving true embodiment. While spatial sensing faces inherent challenges from variations in light conditions, materials, textures, and object characteristics, our products are designed to enhance environmental adaptability, stability, and interference resistance. Our algorithms and custom chips support submillimeter computation for measurements at millimeter and

sub-millimeter levels. Through automated image signal processing and distance measurement, we achieve high consistency and precision across diverse materials and light conditions, ensuring robust performance in any environment. We continuously refine our products through extensive simulation environments that replicate physical-world conditions, while our over-the-air update capability enables regular enhancements based on customer feedback and evolving market needs, helping robotic vacuums better understand and navigate their surroundings with increasing sophistication.

Capitalizing on our technological capabilities, comprehensive spatial sensing product matrix, and customer-driven product development and manufacturing system, we have established a market-leading position and developed win-win partnerships with key customers in the robotic vacuums industry. We have built relationships with major customers in the robotic vacuums sector, serving all five largest market players in the robotic vacuum industry and have received outstanding supplier recognition from these companies for several consecutive years. For example, we have maintained continuous cooperation with Customers A, B, F and H for periods ranging from three to six consecutive years, and our cooperation with each of them remains ongoing. Through continuous technological advancement and rigorous market validation, we have emerged as a key player in spatial sensing technology. Leveraging our technology capabilities, we are also expanding into new areas, including yard robots, pool-cleaning robots and humanoid robots.

Our Products

Since our inception, we have been empowering the robotic industry by developing and providing spatial sensing products that achieve millimeter and sub-millimeter-level near-field measurement accuracy. Spatial sensing serves as the "eyes and brain" of robots, unleashing their fundamental capabilities to "see, understand, and think" with accuracy. These breakthrough systems enable robots to interpret their surroundings, process complex environmental data, and make intelligent decisions in real-time. This transformative cognitive foundation is what fundamentally bridges the gap between mechanical automation and truly robotic vacuum behavior, ushering in new era of autonomous robotics.

Built on our proprietary ASIC chips, submillimeter spatial sensing algorithms and hardware design, we have established a robust foundation for high-performance, low-power consumption option that deliver exceptional spatial sensing accuracy. We have developed a comprehensive product portfolio meticulously tailored to diverse application scenarios and specific customer requirements, as outlined in the chart below.

* During the Track Record Period, we achieved mass production and substantial commercialization only in respect of our products for robotic vacuum applications, which accounted for 98.2%, 99.5%, 99.5% and 98.4% of our revenue in 2023, 2024, 2025 and the three months ended March 31, 2026 respectively. While our products can be used in other scenarios, including pool-cleaning, yard robots, humanoid robots, industrial applications and drone, we have not yet commenced mass production and generate meaningful revenue from these applications during the Track Record Period. Our products for all other application scenarios, including yard robots, pool-cleaning robots, humanoid robots, drones and industrial applications, are either at the design, development or sampling stage or have generated only immaterial revenue, and there is no assurance that any of them will achieve mass production or commercialization.

With our comprehensive and extensively deployed spatial sensing products portfolio, we strategically integrate technology with physical-world application scenarios to deliver the following systematic products:

- ***Spatial Sensing Products.*** We specialize in providing spatial sensing products that achieve millimeter and sub-millimeter-level near-field measurement accuracy. During the Track Record Period, our spatial sensing product revenue was primarily generated from triangulation LiDAR products, dTOF LiDAR products and line laser sensor products, a substantial portion of which were applied to robotic vacuums. In LiDAR technology, we deliver submillimeter positioning accuracy and reliable environmental sensing capabilities through advanced spatial sensing algorithms. Our LiDAR products have achieved robust performance in both reliability and cost-effectiveness, setting new benchmarks in the market. We leverage proprietary algorithms to achieve environmental understanding and spatial sensing, providing consistently stable and reliable perception capabilities even under the most challenging and complex environments. Our triangulation LiDAR products are primarily used for mapping, navigation and positioning, while our dTOF LiDAR products are designed to provide enhanced precision and integration flexibility for robotic vacuum applications. We also develop line laser sensors with submillimeter-level accuracy that are primarily used for near-field sensing functions such as obstacle avoidance and wall-following.
- ***Other Offerings.*** In addition to our spatial sensing products, we are extending our product offering to other application scenarios. Our positioning systems can support diverse industrial applications. We also provide XR controller interaction products for consumer electronics including smart TVs and gaming devices, delivering seamless and intuitive user experience.

Our Market Opportunities

Robotic vacuum represents a mature household robotic application with increasing adoption of spatial sensing technologies. Robotic vacuum spatial sensing, however, still represents a relatively small portion of the intelligent robot spatial sensing market. In 2025, China's robotic vacuum spatial sensing accounted for approximately 5.9% of intelligent robot spatial sensing market in terms of sales revenue. The penetration rate of robotic vacuum has reached 35 units per thousand family in 2025 globally, increasing from 28 units per thousand family in 2020. The continuously increasing market penetration rate of robotic vacuum is closely correlated with the iterative advancement of core sensor technology. As a critical component for precise navigation and environmental perception, approximately 80% of robotic vacuums produced globally in 2025 were equipped with LiDAR technology. Further, China's robotic vacuum market remains in its early stage, with only 47 units per thousand families, as compared to 154 units in the United States. As consumer awareness of intelligent home products increases, product cost-effectiveness continues to optimize, and user experience improves consistently, the number of robotic vacuums per thousand families in China is expected to increase to 96 units in 2030.

Our Track Record

During the Track Record Period, our revenue grew from RMB332.1 million in 2023 to RMB613.5 million in 2025, at a CAGR of 35.9%, and further increased from RMB131.8 million in the three months ended March 31, 2025 to RMB195.9 million in the three months ended March 31, 2026. Over the same periods, we reversed our net loss of RMB0.9 million in 2023 and RMB31.4 million in 2024, recording net profit of RMB2.2 million in 2025 and RMB7.8 million in the three months ended March 31, 2026.

As our major product, revenue generated from our triangulation LiDAR products increased from RMB326.6 million in 2023 to RMB403.2 million in 2025, at a CAGR of 11.1%. Our revenue further increased from RMB131.8 million in the three months ended March 31, 2025 to RMB195.9 million in the three months ended March 31, 2026, and revenue generated from our triangulation LiDAR products remained relatively stable at RMB92.3 million in the three months ended March 31, 2025 and RMB92.2 million in the three months ended March 31, 2026.

Our commercial scale is expanding rapidly, with LiDAR shipments growing at a CAGR of 47.6% from 4.8 million units in 2023 to 10.5 million units in 2025. Since inception, our cumulative shipment volumes for LiDAR products and line laser sensors have reached over 30.3 million units, and approximately 8.5 million units, respectively. This underscores our market position in spatial sensing technology and validates the strong demand for our products across the robotic vacuum sector. We are actively expanding into yard robots, pool-cleaning robots and humanoid robots.

COMPETITIVE STRENGTH

Established Provider of Spatial Sensing Technology for Robotic Vacuums

We are an established provider of spatial sensing products for robotic vacuum. As a specialized spatial sensing technology provider, our products form the critical foundation layer that enables our customers' robotic systems to achieve embodied intelligence, supporting their autonomous navigation and task execution requirements in dynamic, unstructured environments.

We believe we are positioned at a uniquely strategic and pivotal point. Robotic spatial sensing technology serves as a critical bridge connecting digital intelligence with the physical world and presents expansive growth potential. This industry is characterized by exceptionally high technical barriers and strong customer loyalty — distinguishing it from many other consumer electronics segments. Clients place utmost importance on suppliers' technological expertise, product quality, and consistent delivery performance, which together create natural competitive moats for established players. Within this high-barrier environment, we benefit from significant first-mover advantages and economies of scale. Moreover, as intelligent functionality continues to advance and market penetration deepens, we are observing a consistent increase in the number of sensors per device. This trend offers spatial sensing technology suppliers sustained growth opportunities for the foreseeable future.

The continuous advancement of autonomous robotics and smart device technology is driving increased demand for spatial sensing solutions. Precise, efficient, and reliable perception capabilities are fundamental to the operational performance of automated systems. Our products provide real-time spatial awareness, enabling robotic devices to perform autonomous navigation and obstacle avoidance in physical-world environments. Having established a commercial presence in smart home robotics, including robotic vacuum cleaners, we believe our spatial sensing solutions are well-positioned to support the broader adoption of automated and robotic applications.

R&D Capability: Building a Proactive Perception Framework

We maintain in-house R&D capabilities covering the entire technology chain. Our algorithms serve as the foundation of our spatial sensing technology and represent a key demonstration of our technological advancement. These algorithms, integrated with our underlying technologies including spatial data processing chip, system design, intelligent manufacturing technology, and comprehensive software development, collectively constitute a versatile spatial sensing technology architecture. As one of the few companies in the industry capable of proprietary chip design and core spatial sensing algorithm development, we have established end-to-end control over our technology stack, from underlying hardware to advanced algorithms. This has enabled us to continuously introduce new technologies in our products, including our introduction and successful industrialization in 2018 of the "self-developed ASIC chip + CMOS array image sensor + VCSEL laser" product globally — creatively replacing the traditional "general-purpose chip + linear image sensor + EEL laser" approach and enabling the scalable mass adoption of LiDAR in robotic vacuums.

Key aspects of our R&D and technology capabilities are summarized as follows:

- ***Ultra-precise Spatial Sensing Algorithm.*** Our proprietary technology framework leverages advanced algorithms that deliver precise spatial sensing capabilities through multi-modal sensor fusion and deep learning. By processing extensive physical-world datasets, our spatial sensing algorithms analyze complex environmental variables — including light conditions, surface materials, textures, and object characteristics — to provide high positioning accuracy and stability.

- ***Proprietary Spatial Data Processing Chip.*** We have developed our proprietary spatial data processing chip — C Series, which embedded our ultra-precise spatial data processing algorithm into hardware. Compared to general chips, our spatial data processing chips are optimized with enhanced processing speed, supporting the processing of submillimeter computation. To date, we have already launched three generations of spatial data processing chips, primarily for conventional triangulation LiDAR products, which has been used in over 27 million LiDAR products we sold.
- ***System Design.*** Through years of theoretical research and deep insight into physical-world application scenarios, we have successfully developed the consumer-grade area-array image sensor products, breaking through the limits of industrial-grade designs. We also developed our VCSEL system, making us the first in the industry to replace EEL lasers with VCSELs in spatial sensing industry. In addition, we have also developed core technologies to address multiple critical challenges in the LiDAR industry, including anti-debris entanglement and adaptive laser feedback control systems, to deliver more robust, scalable performance.
- ***Intelligent Manufacturing Technology.*** As LiDARs are highly precise optical devices, they demand extremely high consistency and reliability in mass production. We have established an advanced intelligent manufacturing system, developing calibration technologies, stress-relieving technologies, the full product testing methods, and a suite of proprietary manufacturing software. These innovations ensure product consistency and reliability while reducing defect rates.

We have built a forward-looking intellectual property portfolio. As of the Latest Practicable Date, we held 172 granted patents, including 58 invention patents and 16 granted patents in key overseas markets such as the U.S., EU, Japan, and South Korea. In addition, we had 30 patents under application worldwide. Our intellectual property portfolio strategically covers key technological aspects in the robotic vacuum industry, including 112 patents in precision optical systems, five patents in spatial sensing algorithms and five patents in spatial data processing chips. To maintain our competitive edge, we consistently invest in high-intensity R&D. Our innovation strength has been endorsed through prestigious awards including the National-Level Specialized, Refined, Unique, and New "Little Giant" Enterprise and the Shenzhen Science and Technology Progress Second Prize.

Deep Engagement with Leading Customers Driving Robust Commercial Deployment

Leveraging our deep integration of our proprietary chips and our core algorithms, we have established a suite of cost-efficient spatial sensing products for robotic vacuum and has captured a dominating position in the robotic vacuum spatial sensing sector. Through continuous technological innovation, high-quality service, and stable, premium product delivery, we have been successfully maintained long-term partnerships with leaders across various application scenarios and we have built a customer network that encompasses major industry players. We have been a core supplier to all five largest market players in 2025 in the robotic vacuum industry, four of which were part of our five largest customers in one or more years or periods during the Track Record Period, namely Customers A, B, F and H. We have maintained continuous cooperation with Customers A, B, F and H for periods ranging from three to six consecutive years, and our cooperation with each of them remains ongoing. Their total revenue contribution has also been consistently growing year by year during the Track Record Period.

Our relationships with our major customers extend beyond the traditional supplier role, forming deeply integrated partnerships across the robotic vacuum value chain. We are capable of conducting highly efficient customized product development and new business initiatives tailored to their specific needs and have completed multiple pioneering product developments in collaboration with leading industry players. We are deeply involved in customers' product planning and technology roadmap development, which ensures the stability and sustainability of our relationships with existing key clients while laying a critical foundation for our

expansion into new application scenarios. For example, we have formed deeply integrated partnerships with our major customers in the robotics vacuum industry, as we collaborate with them on the development of their spatial sensing components. Given our long-term cooperation and integration into their product development with these major customers and our integration supply chain processes, and the fact that replacing a trusted spatial sensing sensor supplier would generally require technical evaluation, product validation, supply chain requalification and production coordination, which may involve additional time, cost and execution risk, our Directors believe that our relationships with such customers are unlikely to be terminated or materially adversely affected in the ordinary course of business.

We believe our role as a core supplier to major customers is further underpinned by the importance of spatial sensing sensors to robotic vacuum products and the stringent supply chain requirements of leading robotic vacuum brands. As robotic vacuums increasingly rely on advanced cleaning technologies and autonomous operating capabilities, leading brand customers place significant emphasis on suppliers' product quality, technical responsiveness and delivery reliability. In addition, our shipment volume and experience in the robotic vacuum spatial sensing sensor market have supported the development of our product validation experience, manufacturing know-how and supply chain management capabilities, which facilitate our ability to deliver products at scale and respond to customers' evolving product requirements. Our scale of operations also allow us to achieve procurement efficiencies, production process improvements and cost control benefits, which support our pricing competitiveness while helping us maintain product quality and delivery reliability. We have maintained strong business relationships with each of our five largest robotic vacuum customers and have received 11 supplier and quality awards from leading customers, reflecting their recognition of our product quality and service capabilities. Such awards and recognitions include gold partner, best supplier, best delivery, excellent supplier, quality benchmark and technology innovation awards from certain leading customers, as well as multiple quarterly Grade A assessments from other major customers. These recognitions provide concrete evidence of the depth of our commercial relationships with major customers and our ability to consistently satisfy their quality, delivery and technical requirements on a sustained basis.

Given our long-term cooperation with major customers and integration into their product development and supply chain processes, our Directors believe that our relationships with such customers are unlikely to be terminated or materially adversely affected in the ordinary course. In particular, we believe our customer relationships exhibit strong stickiness due to the following factor:

- ***High switching costs associated with lengthy validation processes.*** Replacing a trusted spatial sensing sensor supplier would generally require technical evaluation, product validation, supply chain re-qualification and production coordination, which may involve additional time, cost and execution risk. For example, our engagement with Customer B one of the five largest market players in the robotic vacuum market involved multiple years of technical exchanges before we were granted a validation and on-boarding opportunity in 2021. The validation process itself spanned over six months from April to October 2021, progressing through sample verification, testing, and small-batch production and validation stages. We believe that any potential replacement supplier would need to undergo a similarly lengthy and resource-intensive validation process, during which time such supplier would face comparable technical evaluation and qualification requirements, thereby creating a significant barrier to supplier substitution.
- ***Proven track record of high-volume supply and sole-source status.*** Taking our D2 series products as an example, during the Track Record Period, a single model of our D2 products achieved shipments exceeding 2.0 million units to Customer A, B and F, three of our five larges customers, also being three of the five largest market players in the robotic vacuum market. Such substantial shipment volumes demonstrate our ability to provide stable quality assurance and reliable performance for finished products at scale.

- ***Strong order visibility and sustained commercial momentum.*** As of August 2026, the aggregate orders from the five largest market players in the robotic vacuum market amounted to approximately RMB594 million, of which approximately RMB458 million had been delivered and approximately RMB136 million is scheduled for delivery during the period from September to December 2026. Our Directors believe that such order volumes provide further evidence of the stability and continuity of our customer relationships.

Diversified Product Portfolio Built on a Unified Technology Foundation that can Quickly Adapt to Different Application Scenarios

We have built a diversified product portfolio based on a unified technological platform, enabling rapid expansion into various application scenarios with strong technical readiness and commercial potential. Our core technology platform is anchored in proprietary spatial sensing algorithms and enhanced by our self-developed ASIC chips, together forming a versatile robotic spatial sensing technology architecture. This foundation has secured our position as a key player in the robotic vacuum market and enables us to further expand into high-value sectors and application scenarios, such as yard robots, pool-cleaning robots, XR, industrial inspection robots, medical devices, and 3D printing.

Leveraging our unified technology platform that can achieve scenario-specific adaptability, we are positioned to enter new consumer-grade and industrial application scenarios rapidly. During the Track Record Period, we achieved mass production and substantial commercialization only in respect of our products for robotic vacuum applications, while our products for the other application scenarios were at the design, development or sampling stage or have generated only immaterial revenue. Among these emerging application scenarios, yard robots represent our most near-term growth opportunity. We have developed specialized technologies to outperform current mainstream products and technologies, enabling positioning with millimeter and sub-millimeter-level near-field measurement accuracy that can replace traditional systems that are widely used in current products. In terms of pool-cleaning robots, our spatial sensing products are designed to enhance navigation accuracy and operational efficiency. For commercial robots, we offer adaptable technical capabilities that are intended to provide navigation while reducing costs to support broader adoption.

In advanced manufacturing and industrial applications, our large-space positioning system has been commercially deployed in robotic laboratories of major home appliances companies in China. Beyond physical limitations, our XR controllers have entered mass production with major XR companies, achieving submillimeter tracking accuracy and latency below 10 milliseconds through multi-sensor fusion technology.

Large Scale Manufacturing System Delivering Stringent Quality Control and Efficiency

We have built a fully integrated value chain from technology development to mass production, enabling rapid response to product development needs and reliable large-scale delivery. Our strategically located advanced manufacturing facilities in Shenzhen and Huizhou ensure agility and resilience in operations. Through our manufacturing excellence, we deliver high-quality products in a cost-effective manner, flexibly meeting diverse customer requirements across growth stages and strengthening our competitive advantage in scalable deployment. This operational prowess has driven a substantial increase in annual production capacity from six million units in 2023 to a combined annual production capacity of 18 million units in 2025.

We integrate quality control into every stage of our operations, from R&D through mass production, maintaining a stringent quality management system supported by automated equipment and intelligent manufacturing technologies. Our standardized R&D process ensures rigorous oversight from initial feasibility analysis through mass production. This disciplined approach has achieved exceptional product yield rates of 99.8% for LiDAR and over 99% for line laser sensors, resulting in high customer satisfaction and an extremely low return rate for repairs. These strong quality metrics have established our reputation as a premium supplier to leading robotic vacuum companies, with multiple customers maintaining partnerships with us for over five years. Our commitment to quality excellence is reflected not

only in our high yield rates but also in our consistently low warranty claims and minimal field failure rates, demonstrating the reliability that our customers have come to depend upon for their mission-critical applications.

Seasoned Leadership with Tech-Forward Organization Culture

We are led by a seasoned and experienced management team, who serves as the core driving force behind our continuous growth. **Mr. Wang Jian**, our Chairman, has nearly two decades of experience in the industry. Mr. Wang held key positions at several renowned companies, including Hualu Panasonic, Zoran Corporation and C2Micro. **Mr. Zhou Kun**, our general manager, has worked at Bell Laboratories in Chicago and China Mobile, demonstrating exceptional capability in translating technological achievements into commercial success. **Dr. Chen Yue**, our CTO, is a recognized expert in CMOS image sensors with extensive experience at multinational companies such as Philips and Zeiss. Dr. Chen held a doctoral degree from Delft University of Technology and is a member of IEEE and an industrial professor at Nanjing University.

Our management philosophy promotes fairness, equality, and a forward-thinking work environment that empowers talent and encourages boundary-pushing experimentation. As one of the rare market players that master both proprietary chip design and core spatial sensing algorithm development, we have built a "tech-forward" organization culture centered on engineering innovation. Our engineer-led culture values vision, innovation, and technical exploration. As of March 31, 2026, over 26.5% of our employees are dedicated to R&D. In particular, our core technical staff members collectively bringing exceptional depth and expertise to our mission. Further, through strategic industry-academia collaborations with top institutions such as Tsinghua University and China Academy of Sciences Shenzhen Institutes of Advanced Technology, we have built a sustainable talent pipeline.

Our engineering-driven culture and leadership — strategic, technical, and global — fuel relentless LiDAR innovation and rapid growth. This strong foundation underpins our robust development and sustains our long-term competitive advantage.

OUR STRATEGIES

Continue to invest in new spatial sensing technology.

We plan to intensify our R&D investment in spatial sensing algorithms. Building on the existing advantages of our triangulation LiDAR technology, we will further optimize our multi-layered algorithm system spanning image preprocessing, core processing, logic, and calibration layers to enhance our capabilities in ranging accuracy, interference resistance and environmental adaptability. Simultaneously, we are exploring the potential of pure vision-based technology and closely monitoring technology trends in emerging fields such as embodied intelligence to ensure we retain a competitive edge as technical pathways evolve.

In addition to strengthening our core technology for triangulation LiDAR products, we will also advance the development in dTOF LiDAR to establish a robust "Phoenix" LiDAR technology platform. We will continue to develop and integrate our algorithms with conventional functions such as obstacle avoidance and wall-following. In this way, we aim to develop and launch our new products, with enhanced environmental perception and measurement stability, thereby delivering more intelligent products to our customers. For our proprietary chips, we plan to advance the development of the next generation of C series chips, leveraging the success of our existing chips (C1 through 3 series for triangulation LiDAR products). Through exploration of system level integration of computing power, power management, and scan control circuits, we will further optimize cost structure and performance metrics for our new chip specifically designed for dTOF products, enabling miniaturization and power efficiency of LiDAR products for all intelligent devices while ensuring hardware-level precision.

Advance multi-scenario application expansion to build comprehensive spatial sensing ecosystem.

We intend to deeply align our technology roadmap with our customers' product planning, creating a seamless cycle of innovation and physical-world applications. With proven capabilities in spatial algorithms, self-developed ASIC chips, and rapid mass production and delivery, we are positioned to quickly respond to customized needs of leading customers across sectors — extending from indoor to outdoor, consumer to industrial, and from 2D to 3D perception. We will sustain mutual reinforcement between technology innovation and application scenario expansion, laying a solid foundation for diversified and sustainable growth:

- ***Consumer-Grade Smart Device.*** Building on our leading position in robotic vacuum market, we will continue to iterate and upgrade products to meet rising demand in navigation accuracy, obstacle avoidance, and cleaning coverage. We will also expand into yard robots, pool-cleaning robots and humanoid robots, delivering specialized spatial sensing products for varied scenarios.
- ***Commercial and Industrial Application.*** We will leverage our technical expertise to offer spatial sensing products for commercial and industrial applications, continuously improving operational accuracy. Our expansion targets include drone altitude holding, passenger traffic flow analysis, logistics, smart transportation and smart factories, supplying standardized spatial sensing products for devices with diverse range requirements.
- ***Embodied Intelligence.*** Recognizing that embodied intelligence demands far greater environmental perception and decision-making than traditional applications, we plan to combine our algorithms and spatial data processing chips with enhanced perception capability to deliver more intelligent motion and task execution capabilities for embodied agents.
- ***Other Emerging Technologies.*** Further, we are also evaluating opportunities in other emerging scenarios. For example, we have introduced a cliff detection sensor, and plan to introduce new product lines such as 3D solid-state LiDAR, 360° LiDAR, and underwater LiDAR, offering specialized spatial sensing products for more scenarios.

Maximize efficiency across the whole value chain through process optimization and technological innovation.

Efficiency enhancement remains our core competitive strategy. Through systematic process optimization and technological innovation, we will continuously improve efficiency across our entire value chain spanning R&D, manufacturing, and operations management.

- ***R&D.*** We will continue to focus on core technologies, enhance digital and standardized management of development processes, strengthen security traceability and reuse of R&D assets such as chip designs and algorithm models, and accelerate both technology iteration and product commercialization.
- ***Production.*** We will optimize capacity allocation across our specialized facilities in Shenzhen and Huizhou, as well as our new manufacturing facility in Zhongshan, which has completed renovation and commenced pilot production, improve coordination among sites, and advance automation upgrades for LiDAR and sensor module production lines. This will reinforce our precision manufacturing, cost control, and quality management capabilities, achieving greater economies of scale.
- ***Operation.*** We will pursue full digital transformation, implementing a collaborated product development management system covering core component procurement, flexible production scheduling, and smart inventory management. This end-to-end approach ensures precise alignment with dynamic multi-sector customer needs, improves rapid-response mechanisms, and shortens overall delivery cycles.

Build a global brand through intelligent manufacturing excellence.

We will further upgrade our intelligent manufacturing facilities by introducing more intelligent equipment and automated production line to enhance efficiency and product quality, thereby strengthening our relationship with major customers. Through partnership with major global robot companies, we will expand and deepen our presence in developed markets including North America and Europe. Our manufacturing capability enables us to quickly accommodate customized requirements from leading clients, addressing differentiated needs for premium products in these markets, while also delivering cost-effective products tailored to emerging markets. This provides solid manufacturing support for our global expansion. In this way, we believe we can further enhance our reputation as a global brand.

Simultaneously, we are transitioning from an embedded technology supplier into a recognized brand in embodied intelligence and spatial sensing. We plan to increase branding investment to strengthen our brand awareness, which is underpinned by our technological expertise and product reliability. As a first step, we have set up a Hong Kong subsidiary to drive expansion in European and the U.S. markets by deepening collaboration with key international customers. Serving as a strategic hub, it will support further build-out of localized teams in key regions, sharpen market-specific insights, and enable a more agile and efficient global supply chain.

Capitalizing on our advantages in algorithms, proprietary chips, and intelligent manufacturing, we believe we are well-positioned to build a globally distinctive spatial sensing technology brand and become a key player in international embodied intelligence.

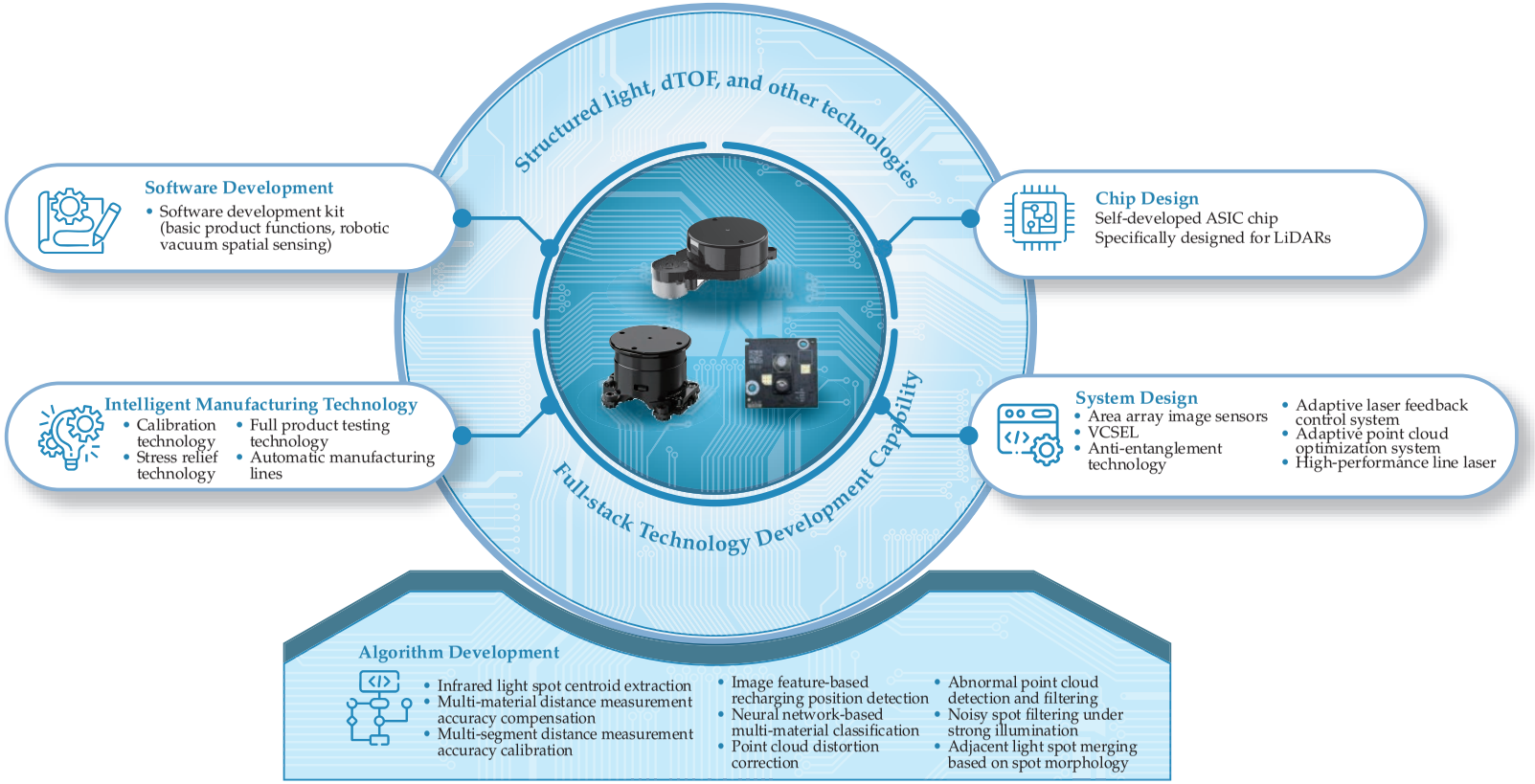
Strengthen talent, organization, and external collaboration to support sustainable growth.

We will continue to enhance our talent recruitment and retention system, organizational capabilities, and external R&D collaboration to provide sustainable organizational support for global scaling — accelerating our presence and breakthrough innovation in spatial sensing technology worldwide:

- We plan to implement a dual-path talent development model balancing technical depth and managerial skill. In this way, we will build a pipeline of both technical and managerial talents. We will also establish a full-cycle talent management system covering recruitment, training, incentivization and retention — with focused investment in core domains including algorithms, chip design, and product development.
- We will further reinforce our engineer-led, innovation-driven organization culture that encourages creativity and technical exploration. For example, we plan to deepen collaboration with top universities in China and overseas. In this way, we believe we can further enhance our innovation capabilities.
- We will proactively build talent capabilities in fields that we consider crucial for our future growth, such as chip design, algorithm development, and industrial automation applications. By cultivating and retaining talent aligned with technology trends over the next decade, we believe we can lay talent foundations for breakthrough innovation and market expansion into emerging application scenarios.

OUR TECHNOLOGY STACK

Our LiDAR technology stack is built on a foundational layer of ultra-precise spatial sensing algorithms, enabling comprehensive processing capabilities from infrared light processing to point cloud morphology. This foundational technology drives four key aspects of our technology stack: proprietary spatial data processing chip design, comprehensive software development for spatial sensing products, system design with VCSEL laser products, and intelligent manufacturing technology. Together, these technologies enable 3D sensing capabilities that achieve millimeter and sub-millimeter-level near-field measurement accuracy through structured light to dTOF approaches, making our LiDAR products particularly valuable for robotics and industrial automation where accurate spatial awareness and reliable object detection are crucial for operational success.



Algorithm Development

Our proprietary ultra-precise spatial sensing algorithms form the foundation of our technology stack. Through advanced and deep learning techniques, these algorithms process extensive physical-world datasets to deliver exceptional measurement precision across complex environments. We collect, store and use physical-world such datasets generated through our internal testing and development processes for the training, testing and refinement of our spatial sensing algorithms. The datasets we use for algorithm training are retained internally and are not sold, licensed or transferred to unrelated third parties or transferred outside of the Chinese Mainland.

The core algorithms span multiple domains of spatial sensing, including infrared light spot centroid extraction, multi-material distance compensation, material classification, image feature-based positioning and point cloud processing. In our LiDAR products, our proprietary algorithms are applied primarily to improve ranging accuracy and environmental adaptability. For example, in robotic vacuum applications, certain recognition algorithms help identify specific environmental features and provide output signals to support navigation-related functions. During the Track Record Period, not all of our products incorporated AI-related technologies. We adopted AI algorithms for model training during the research and development ("**R&D**") phase. The relevant training data and the AI models developed therefrom are retained in-house and have not been embedded into products or otherwise provided to third parties. Our products incorporate and use only parameters and data generated through offline inference using AI models. Certain functions of some of our LiDAR products, such as distance compensation and material identification, are realized based on the aforesaid parameters and data, and no trained AI models are deployed or run during the operation of such products. During the Track Record Period, our AI-capable products comprise the V1 series products (including PMF1, PMB3 and PMA2) and V3 series products (PNA2, PNM1 and PNS1). These products integrate AI-based algorithms to enhance perception accuracy and environmental adaptability. Revenue from AI-capable products increased significantly from nil in 2023 and 2024 to RMB8.8 million in 2025 and further to RMB21.3 million in the three months ended March 31, 2026, accounting for nil, nil, 1.4% and 10.9% of our total revenue for the same periods, respectively, reflecting the growing adoption of our AI-enabled products.

Separately, our algorithms and related tools are also applied in product design and development, although such applications do not necessarily constitute AI capabilities embedded in our end products. For example, they assist our R&D team in areas such as sensor design parameter evaluation and optimization, optical test data analysis, point cloud de-noising, feature extraction and semantic segmentation. These applications help support product design decisions, improve testing and validation efficiency and accelerate product iteration. In addition, we apply AI algorithms in certain production quality inspection processes to help identify component defects before assembly. Such quality inspection algorithms are deployed in production equipment only and are not embedded in our end products.

Chip Design

Our self-developed AI spatial data processing chip (C-Series) forms the cornerstone of our LiDAR technology stack, embedding our ultra-precise AI algorithms directly into the hardware. This custom chip design is crucial because it enables sophisticated processing capabilities while optimizing for size, power, and cost-efficiency — fundamental requirements for commercial LiDAR adoption. Our chip architecture delivers enhanced processing speed for submillimeter computation, crucial for millimeter and sub-millimeter-level near-field measurement accuracy. Through three generations of development, our proprietary design has proven its reliability in conventional triangulation LiDAR applications, with over 27 million products sold. This specialized architecture sets us apart from competitors who rely on general-purpose processors. This foundation enables all higher-level functionalities while maintaining the performance characteristics essential for demanding applications in robotics and industrial automation. Our key ASIC chips include:

- Our C1 ASIC marks a fundamental advancement in LiDAR technology. By integrating CMOS array image sensors with VCSEL technology, we created a

more reliable and stable alternative to traditional EEL-based products. The chip processes 4K resolution at 3000FPS while supporting multiple CMOS sensor types, significantly improving both performance and reliability. This breakthrough has played a key role in driving global LiDAR adoption in robotic vacuums, establishing C1 as a trusted product among leading manufacturers.

- Building on the C1's success, our C3 represent our next generation of innovation in chip design. This new and improved chip introduce enhanced material recognition algorithms and sophisticated angle deviation calibration, achieving precision in spatial sensing. The enhancements in the latest generation's compact design and improved power efficiency enable its integration into an expanding range of applications, while maintaining high computing power and real-time performance. These advancements have already attracted significant interest from customers developing new robotics and industrial automation solutions.

Software Development

Building directly on our chip capabilities, our proprietary SDK creates the crucial bridge between hardware potential and practical applications. This software layer is essential because it transforms raw sensor signal into actionable information, providing developers with the tools needed to harness our LiDAR technology effectively. We implement this through a sophisticated yet accessible development kit that includes both fundamental controls (sensor initialization, point cloud generation) and specialized modules for specific applications like robotic vacuum navigation. Our SDK's architecture uniquely positions us by offering both immediate functionality and future expandability, preparing the ground for our advanced algorithmic capabilities while maintaining developer-friendly interfaces.

System Design

Our system design approach implements comprehensive spatial sensing innovation and sophisticated hardware control systems. We have developed spatial sensing systems that replace traditional line laser sensors with consumer-grade CMOS array image sensors for enhanced privacy. Our VCSEL laser product represents a key advancement in light emission technology, complemented by high-performance line laser capabilities. The system's high reliability is achieved through sophisticated control systems including adaptive point cloud optimization. Additionally, our anti-entanglement technology enables reliable operation in complex environments. This systematic approach sets us apart by creating a robust, practical implementation of our algorithmic capabilities while ensuring consistent performance across varying conditions.

Intelligent Manufacturing Technology

Our LiDAR products require high consistency and reliability in mass production. We have established an advanced intelligent manufacturing system through several key innovations. Our advanced calibration technologies ensure precise optical alignment across all components, while our stress-relieving technology maintain long-term mechanical stability. Each product undergoes rigorous testing methods to validate performance and quality standards. Supporting this hardware framework, our proprietary manufacturing automation capabilities optimize production efficiency across the entire process. These integrated innovations ensure product consistency and reliability while reducing defect rates, enabling us to consistently deliver the full capabilities of our technology stack in every product we produce.

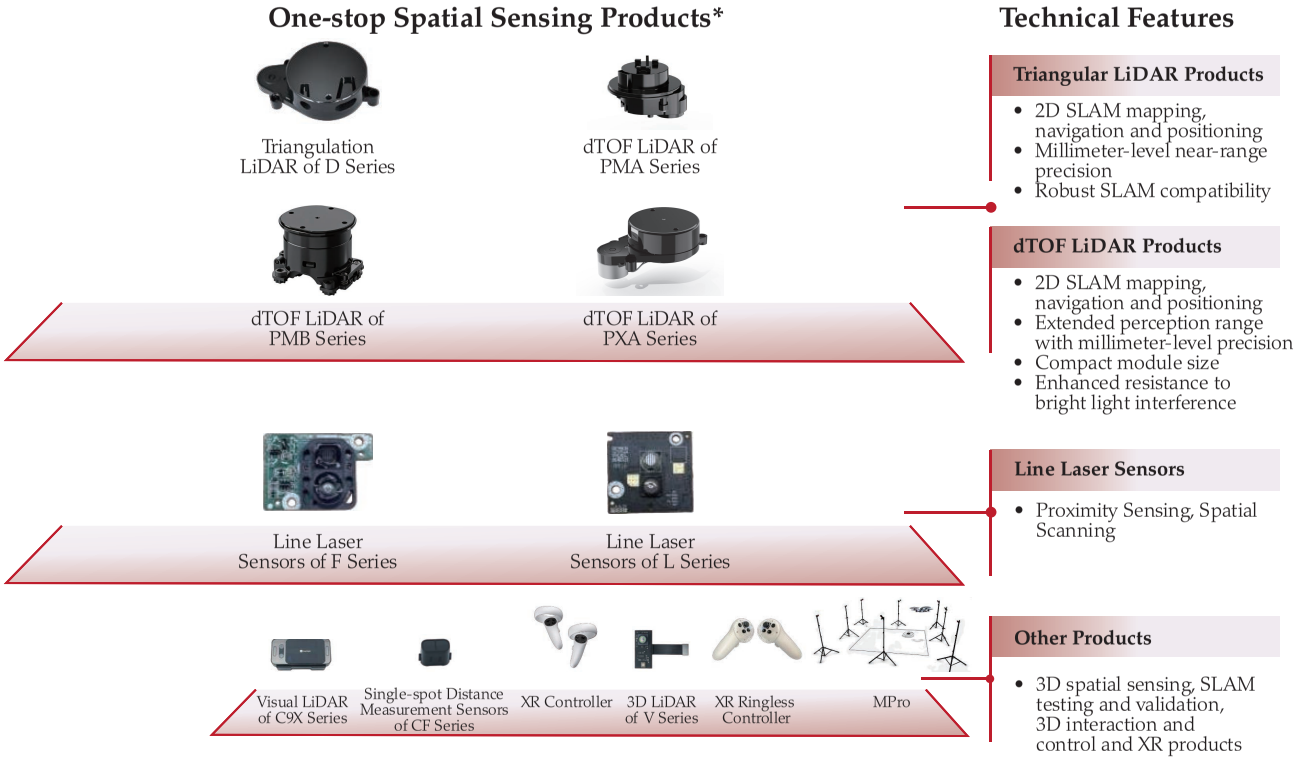
OUR PRODUCTS

Our comprehensive product portfolio addresses the growing demand for spatial sensing across multiple industries. Built on years of research and development in spatial sensing technologies, we deliver products that serve diverse applications from robotics SLAM to XR interactive tracking experiences and industrial automation. During the Track Record Period, we primarily generated revenue by supplying spatial sensing components to robotic vacuums for integration into their devices.

Our product lines are generally categorized based on the underlying technologies employed, details of which are summarized as follows:

- **Triangulation LiDAR** — utilizes geometric measurements to calculate short-range distances. With a perception range of approximately 0.15 to 8.0 metres and millimeter-level precision, this technology is primarily deployed for navigation and mapping functions. Due to its relatively larger module size and cost-effectiveness, triangulation LiDAR serves as a standard solution suited for integration into standard-sized robotic vacuum platforms, facilitating basic floor mapping and reliable room navigation.
- **dTOF LiDAR** — operates by measuring the exact duration a light pulse takes to reflect from an object. This technology offers an extended perception range of approximately 0.1 to 12.0 meters while maintaining millimeter-level precision. Characterized by a compact module size, dTOF LiDAR provides enhanced design flexibility, making it particularly well-suited for integration into compact and premium robotic vacuum models. Furthermore, its robust resistance to bright light interference allows devices to map larger areas more rapidly and ensures highly accurate navigation within complex environments.
- **Line Lasers** — represent a complementary close-range 3D vision solution that operates in conjunction with primary mapping LiDARs. By projecting laser lines, this technology captures the detailed contours of objects situated directly in front of the device. Line lasers are deployed in highly compact modules to serve two primary functions: forward obstacle avoidance, operating within a perception range of approximately 3.0 to 30.0 centimetres; and wall-following, operating within a range of approximately 1.5 to 10.0 centimetres. Both functions achieve sub-millimetre precision, providing the enhanced accuracy required for advanced robotic vacuums to avoid small obstacles, such as cables or footwear, and to execute precise edge-cleaning operations.

We established ourselves as a key industry player through conventional triangulation LiDAR (D2 and D3 series), primarily in robotic vacuum applications. Building on this foundation, we expanded into advanced dTOF technology with our P series, offering enhanced precision and versatility across different configurations while maintaining compatibility for smooth customer transitions. This strategic expansion has enabled us to address emerging requirements for higher precision and more flexible integration options. Our spatial sensing technology and product development roadmap represents a systematic evolution across multiple perception modalities, designed to address the growing complexity of autonomous navigation and spatial awareness requirements. Each product line serves specific market segments and integration requirements, supported by our core technological capabilities in precision sensing and advanced signal processing. In practice, a single robotic vacuum product typically integrates multiple sensing modules from the Company simultaneously — for example, a dTOF LiDAR module together with one or more line laser sensor modules, or a triangulation LiDAR module together with line laser sensor modules. The LiDAR module serves the navigation and mapping function, while the line laser sensor modules perform complementary functions such as forward obstacle avoidance or lateral wall-following. This comprehensive approach allows us to serve diverse customer needs while maintaining our position as a leading provider of LiDAR products.



* During the Track Record Period, we achieved mass production and substantial commercialization only in respect of our products for robotic vacuum applications, which accounted for 98.2%, 99.5%, 99.5% and 98.4% of our revenue in 2023, 2024, 2025 and the three months ended March 31, 2026 respectively. While our products can be used in other scenarios, including pool-cleaning, yard robots, humanoid robots, industrial applications and drone, we have not yet commenced mass production and generate meaningful revenue from these applications during the Track Record Period. Our products for all other application scenarios, including yard robots, pool-cleaning robots, humanoid robots, drones and industrial applications, are either at the design, development or sampling stage or have generated only immaterial revenue, and there is no assurance that any of them will achieve mass production or commercialization.

Our diverse products range from advanced spatial sensing and environmental sensing to XR interaction systems, offering comprehensive technologies for autonomous navigation, detection, and control. This integrated approach enables levels of accuracy and reliability across diverse applications.

- Our 2D spatial sensing products (D-series triangulation and P series dTOF transmission systems) are focused on delivering foundational environmental perception. By incorporating SLAM mapping and navigation capabilities, these products achieve 360° comprehensive awareness while maintaining extremely low computational overhead and ultra-compact form factors.
- Our 3D spatial sensing products comprise C9X visual sensors and V-series 3D LiDAR with AI-enhanced SLAM navigation. This integration enables sophisticated robot control and scene reconstruction, delivering 120° stereoscopic perception with multi-modal fusion capabilities, while remaining compact enough for external deployment scenarios.
- Our obstacle avoidance products comprise CF series point measurement system alongside F-series and L-series line laser sensors for millimeter and sub-millimeter-level near-field measurement accuracy. These systems excel in near-field high-products sensing and spatial mapping, achieving submillimeter-level accuracy while maintaining exceptional environmental clarity through sophisticated sensor fusion.
- Our robotics testing products employ up to 16 monocular cameras for calibration array infrastructure for SLAM testing and precision manufacturing. This comprehensive testing framework achieves submillimeter spatial sensing accuracy through sophisticated algorithms and cross-referenced sensor arrays, ensuring absolute spatial precision at the submillimeter level.
- Our XR spatial sensing products include advanced XR controllers in both tethered and wireless variants. These systems enable sophisticated 3D interaction and spatial control through multi-sensor fusion technology, delivering high-performance tracking with minimal latency and power consumption, ideal for extended XR operation.

Our portfolio allows us to serve diverse market needs while maintaining focused development paths for each technology. Our conventional triangulation LiDAR continues to evolve towards higher performance and better cost efficiency, while our dTOF product line pushes the boundaries of miniaturization and integration. Line laser sensors complement these offerings by providing enhanced environment sensing and obstacle avoidance capabilities. In addition, we also provide products that address emerging needs robotics testing and XR applications that extend beyond the physical world into the digital realm.

The following table sets forth our revenue breakdown by product category, each expressed in absolute amount and as a percentage of our total revenue, for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(unaudited)			
Products	**330,270**	**99.4**	**433,273**	**100.0**	**611,004**	**99.6**	**131,789**	**100.0**	**195,825**	**100.0**
– Triangulation LiDAR	326,602	98.3	407,618	94.1	403,254	65.7	92,278	70.0	92,228	47.1
– dTOF LiDAR	–	–	4,199	1.0	65,032	10.6	13,569	10.3	54,677	27.9
– Line laser sensor	–	–	19,313	4.5	133,794	21.8	25,829	19.6	45,093	23.0
– Others[1]	3,668	1.1	2,143	0.5	8,924	1.5	113	0.1	3,827	2.0
Development services[2]	**1,837**	**0.6**	**51**	**0.0**	**2,519**	**0.4**	**–**	**–**	**94**	**0.0**
Total	**332,107**	**100.0**	**433,324**	**100.0**	**613,523**	**100.0**	**131,789**	**100.0**	**195,919**	**100.0**

Notes:

(1) Primarily include our 3D spatial sensing products such as our C9X visual sensors, robotics testing products such as our M-Pro, and XR products such as our XR Controller.

(2) During the Track Record Period, we also provided development services in the form of product design for our XR product offerings. These development services are primarily provided to major customers through direct bilateral agreements between us and the customer, with no intermediaries involved. Our pricing model for these development services follows a cost-plus approach, where we charge based on the development costs incurred plus a service fee.

Our product mix strategy is to address the evolving spatial sensing requirements of robotic vacuum manufacturers through a portfolio covering D Series triangulation LiDAR, P series dTOF LiDAR, line laser sensor products, single-spot distance measurement sensors and 3D spatial sensing products, including C9X visual sensors and V-series 3D LiDAR. In 2024 and 2025, our revenue growth was mainly driven by dTOF LiDAR products and line laser sensor products, as LiDAR combined with line laser technology was a mainstream spatial sensing sensor configuration for robotic vacuums during these periods. While we expect dTOF LiDAR products and line laser sensor products to remain an important part of our product mix in the near term, we have also developed products covering other sensing configurations, including single-spot distance measurement sensors and 3D spatial sensing products, to address emerging customer requirements such as obstacle crossing, stair cleaning and robotic arm applications. We intend to continue optimizing our product mix in response to customer demand and market development.

Robotic vacuums are commonly categorized by navigation architecture and functional configuration, and our products are used across multiple robotic vacuum types and market tiers. Our triangulation LiDAR and dTOF LiDAR products are generally used as primary mapping and navigation solutions in LiDAR-based and multi-sensor fusion robotic vacuums, including sweep-only models, sweep-and-mop combination models and models equipped with all-in-one base stations. Our triangulation LiDAR products are widely adopted across entry-level, mid-range and high-end models, particularly entry-level and mid-range models, while our dTOF LiDAR products are more commonly adopted in mid-range and high-end models due to their performance and integration advantages. Our line laser sensors are generally used as complementary near-field sensing solutions for obstacle avoidance and wall-following, more commonly in sweep-and-mop combination models and models equipped with all-in-one base stations, with broader adoption in higher-specification mid-range, high-end and flagship models.

LiDAR combined with line laser technology is currently a mainstream spatial sensing configuration for robotic vacuums. Within this configuration, top-mounted LiDAR is generally used for mapping and navigation, while line laser sensors are generally used for near-field sensing functions such as obstacle avoidance and wall-following. Top-mounted triangulation LiDAR refers to our triangulation LiDAR products installed on the top of robotic vacuums, which adopt optical triangulation technology to calculate target distance based on the position shift of reflected light on the receiving sensor. These products form part of our triangulation LiDAR product category. Point laser products refer to our single-spot distance measurement sensor products, which use single-point ToF technology to measure distance based on the time taken for emitted light to be reflected back to the receiver. These products form part of our "Others" product category and are generally used for cliff detection, short-range distance measurement, wall-following detection and auxiliary navigation. We do not expect top-mounted triangulation LiDAR to be phased out in the foreseeable future, given the maturity of such models, their high near-range accuracy and the continued demand from the existing installed base. Our mass-produced dTOF LiDAR products are fully compatible in deployment with triangulation LiDAR, supporting a smooth transition across product generations. More broadly, LiDAR, line laser and point laser products are generally complementary rather than substitutable, as each differs in function, field of view and deployment position, while dTOF and triangulation LiDAR serve as alternative optical solutions rather than substitutes within the top-mounted LiDAR category.

For each of our product lines, we seek to address the spatial sensing requirements of household robotic vacuum products across different functional configurations and market tiers. During the Track Record Period, our D Series triangulation LiDAR products were

primarily deployed in robotic vacuum products with SLAM navigation and edge-following functions, our P series dTOF LiDAR products were primarily deployed in robotic vacuum products with SLAM navigation functions, and our line laser sensor products were primarily deployed in robotic vacuum products requiring wall sensing and obstacle avoidance functions. The robotic vacuum products in which these products were deployed were generally household robotic vacuum products with retail price ranges of approximately RMB1,000 to RMB6,000. Our single-spot distance measurement sensors and 3D spatial sensing products, including C9X visual sensors and V-series 3D LiDAR, are intended to address emerging sensing requirements in household robotic vacuum products, including obstacle crossing, stair cleaning and robotic arm applications, and their deployment will depend on customers' product configurations and commercial adoption plans, including the timing of their new model launches, the sensor specifications selected for each model and the results of their internal validation and mass production planning.

Triangulation LiDAR Products

D Series

The D series represents our foundational LiDAR line, built on proven VCSEL laser technology and CIS detector with triangulation principles. These sensors have undergone multiple generations of refinement, resulting in stable and precise 360° point cloud mapping. The D Series is widely adopted in mid-tier and entry-level robotic vacuum applications due to its robust SLAM compatibility, proven reliability, and cost-effectiveness. It remains the preferred choice for manufacturers prioritizing cost control and operational stability over further reductions in device height.

D2

D3

The D2 and D3 series represent our core D series products, using advanced laser measurement technology that combines precision optics with a rotating scanner. The units are small and protected by a durable rotary cover. These products are capable of delivering reliable performance across operating temperatures from -10°C to +40°C for D2 and +45°C for D3, helping robots navigate accurately through complex environments.

dTOF LiDAR

Our P series dTOF LiDAR embodies our advanced LiDAR technology, combining VCSEL lasers with advanced SPAD detector and dTOF principles. This line introduced retractable and embedded configurations, elevating both the technological sophistication and design aesthetics in the mid to premium segments.

PMA Series

The PMA is designed specifically for compact-sized robotic vacuum applications. This compact dTOF LiDAR achieves submillimeter-level accuracy while maintaining a minimal footprint. Currently in mass production, it enables manufacturers to integrate the unit into slimmer robot designs or incorporate retractable configurations that remain concealed when not in operation.

PMB Series

The PMB series represents our ultra-compact dTOF LiDAR line. These units are based on the same electronic platform as the PMA but utilize a brushless motor. This modification further reduces the device diameter, making it suitable for ultra-compact product designs. The price premium — approximately thirty percent above the PMA — reflects the enhanced motor technology.

PXA Series

The PXA series represents our top-mounted dTOF LiDAR products, engineered to facilitate robotic vacuums' smooth transition from conventional triangulation LiDARs to dTOF technology. In practice, a D Series triangulation scanner can be replaced with a PXA model to achieve higher precision without requiring modifications to the existing chassis.

PMF Series

The PMF series represents an advanced integration, supporting ultra-compact robot profiles. This dTOF LiDAR features an inverted motor assembly, reducing the device height by approximately twenty-two percent, thereby enabling the sensor to be fully integrated within the robot's casing without adding to the robot thickness. Additionally, the integration of a forward-facing line-laser array provides basic obstacle recognition, enhancing the robot's ability to avoid low-lying obstacles.

Line Laser Sensors

F Series

Our F series exemplifies our mastery in solid-state proximity sensing, utilizing semiconductor-grade precision assembly techniques. These sensors achieve submillimeter accuracy within a remarkable 120° FOV, enabling robots to detect low-lying obstacles and assess forward passage with precision. It leverages a global-shutter image sensor, allowing the sensor to capture a crisp profile of objects even when the robot is moving at speed. Our F series delivers longer reach than the L Series and is often favoured for forward-facing obstacle detection.

L Series

Our wall-following L series sensor line delivers submillimeter-precision measurements, significantly enhancing wall-following cleaning coverage and obstacle avoidance capabilities in robotic vacuums. It uses a more economical rolling-shutter sensor, and although its range and frame rate are modest, the cost efficiency makes the L series ideal for side-looking, wall-following duties where only short-range data are needed.

CF Series

Our CF series adopts single-point dTOF technology. These compact sensors provide crucial ground height detection with exceptional reliability, enabling robots to safely navigate elevation changes and prevent falls. They sample a smaller field of view than either F or L models, but their markedly lower cost accelerates the adoption of basic cliff-detection and wall-following functions in entry-level robots.

Selected Other Products

Our other products primarily include C9X visual sensors, M-Pro robotics testing products and XR products. Our C9X visual sensors are designed to address selected 3D spatial sensing requirements, including advanced obstacle avoidance, 3D sensing, obstacle crossing, stair cleaning and robotic arm applications. We also offer M-Pro robotics testing products and XR products to address selected customer needs outside our principal robotic vacuum applications.

Development Services

During the Track Record Period, we provided development services in the form of product design for our XR products. These development services primarily comprised XR handle design and algorithm-related development services, as well as product design for our XR products, with applications in virtual reality and augmented reality within the metaverse industry. Our development service customers are generally companies in the metaverse industry, and all development services are provided directly to customers through bilateral agreements with no intermediaries involved. Deliverables under such development services typically include design drawings, algorithm code and samples. We adopt a cost-plus pricing model for our development services, where charges are determined based on development costs incurred, including direct R&D labour, materials and testing costs, plus an agreed service fee margin. Our development service workflow generally involves the following stages: initial discussions on R&D cooperation intent; negotiation of contract terms, including fees, delivery and acceptance standards, and project milestones; receipt of partial upfront payment; execution of development work; milestone-based acceptance and review; and final invoicing and settlement of outstanding payments.

COMMERCIALIZATION

Our product development and commercialization follows a rigorous stage-gate process, beginning with securing a design win from the customer. Following the design win, we proceed with detailed product planning through BOM (Bill of Materials) and DFM (Design for Manufacturing) evaluations. The process then moves through three critical validation phases: EVT (Engineering Validation Testing), DVT (Design Validation Testing), and PVT

(Production Validation Testing). At each stage, customer feedback and design refinements are incorporated. After successful completion of all validation testing, the product enters mass production, followed by ongoing customer support. This systematic approach embeds quality control and customer engagement throughout the product development cycle to drive successful commercialization and attain high customer satisfaction. Typically, it takes approximately six to nine months from the time we secure a design win until the product qualifies for mass production, and we generally require customers to place their purchase orders 40 to 50 days before the scheduled delivery date.

During the Track Record Period, we secured 25, 46 and 52 design wins in 2023, 2024 and 2025, respectively. Of these design wins, 24, 39 and 42 had been successfully converted into purchase orders during the respective or subsequent periods, respectively, representing conversion rates of 96.0%, 84.8% and 80.8%. For the three months ended March 31, 2026, we secured nine design wins, out of which eight were converted into purchase orders as of the Latest Practicable Date, representing a conversion rate of 88.9%. The fluctuations in conversion rates were primarily attributable to changes in our customers' product development priorities and timelines, where certain customers pursued multiple technical solutions in parallel during the R&D stage and selected one solution for mass production based on market feedback, while certain small and medium-sized customers chose not to proceed to commercial sales even after completing product validation which, based on the Company's understanding, was primarily due to factors such as changes in their product launch schedules, adjustments to product positioning or go-to-market strategies, budgetary or resource constraints, or their reassessment of the expected market demand and commercial viability of the relevant end products. Despite the decrease in conversion rate during the Track Record Period, the number of design wins and number of purchase orders converted from such wins continued to increase. During the Track Record Period, the lead time from our receipt of customers' purchase orders to product delivery for most of our orders ranged from 20 to 80 days, and the average duration from design win to product delivery was two to three months. The actual duration during the Track Record Period varied depending on the customer, product type and project schedule. As of the Latest Practicable Date, based on the backlog of design wins as of July 31, 2026, revenue of approximately RMB174.8 million is expected to be recognized from September 2026 to December 2026, subject to product delivery and the satisfaction of relevant revenue recognition requirements.

Key Operating Data

The table below sets forth our key operating data for the periods indicated:

	Year ended December 31,			Three months ended March 31,
	2023	**2024**	**2025**	**2026**
Number of customers[(1)]	30	33	41	35
Number of new customers[(1)]	14	13	16	7
Customer retention rate *(%)*[(2)]	48.5	66.7	75.8	68.2
Average customer acquisition cost *(RMB'000)*[(3)]	419	431	327	186
Net dollar retention rate *(%)*[(4)]	221.1	126.0	127.1	127.5

Notes:

(1) The calculation of the number of customers and new customers excludes those who are engaged solely in occasional sales or in the purchase of product samples.

(2) Customer retention rate is calculated by subtracting the number of new customers acquired during the year/period from the total number of customers at the end of the year/period, and dividing the result by the total number of customers at the beginning of the year/period (i.e., the total number of customers at the end of the prior year/period) and multiplied by 100%.

(3) Average customer acquisition cost is calculated by dividing the selling and marketing expenses for the year/period by the number of new customers acquired in the same year/period.

(4) Net dollar retention rate equals the revenue of a current year/period from customers that contributed to our revenue for both the current and previous years/periods divided by the revenue of the previous year/period and multiplied by 100%. Our net dollar retention rate remained above 100% throughout the Track Record Period. The decrease from 221.1% in 2023 to 126.0% in 2024 mainly reflected the significant increase in the prior-year revenue base from RMB146 million in 2022 to RMB330 million in 2023, after which the rate continued to remain above 100% and increased broadly in line with our revenue growth.

In 2023, 2024, 2025 and the three months ended March 31, 2026, we acquired 14, 13, 16 and 7 new customers, respectively. We are committed to expanding our customer base to broaden the application scope of our products, which is expected to further enhance our revenue streams, strengthen our market position, and contribute to the sustainable growth of our business.

RESEARCH AND DEVELOPMENT

We are dedicated to the advancement of visual-spatial localization and perception technologies, as well as the development of product application. Our foundational capabilities include algorithmic development, system-level design and intelligent manufacturing technologies, which collectively enable our comprehensive, end-to-end R&D proficiency.

Our R&D Team

Our R&D team comprises dedicated professionals with extensive industry expertise, focusing on the development and commercialization of our products that help sustain our technological capabilities and market position. Our core R&D team members have an average of more than ten years of relevant technical experience, including domestic or overseas working experience in reputable technology companies and laboratories. Each of our core R&D team members has their specialized area and the following table sets out their profile:

Core R&D team member	Profile
Mr. Zhou Kun	Co-founder, executive director and general manager of our Company with over 20 years of experience in technology management and R&D leadership. Track record at global tech companies with expertise in research development and operational management. For details, see "Directors and Senior Management — Board of Directors."
Dr. Chen Yue	Chief Technology Officer with over 10 years of experience. Previous experience at leading European technology companies. Specialized in electronic systems and engineering technology, with focus on industrial applications and advanced technology development. For details, see "Directors and Senior Management — Senior Management."
Mr. Xu Quan	Vice President of Software Engineering with over 25 years of experience. Previously held senior software leadership positions at multinational technology groups, specializing in machine vision, video image processing algorithms, and visual defect detection software development and implementation.

Core R&D team member	Profile
Mr. Yuan Lei	Chief Architect with over 15 years of chip design and architecture experience. Led development of triangulation LiDAR, T-series radar FPGA development, first ASIC implementation, VR framework construction, and wireless communication protocols. Solved key R&D challenges including mixed radar heading angle issues and LiDAR recharge technologies.

As of March 31, 2026, our R&D team consisted of 110 members, approximately 27.3% having a master's degree or above. Our R&D team represented 26.5% of total employees as of the same date. Our research and development costs amounted to RMB54.6 million, RMB76.7 million, RMB59.4 million, RMB17.3 million and RMB14.8 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

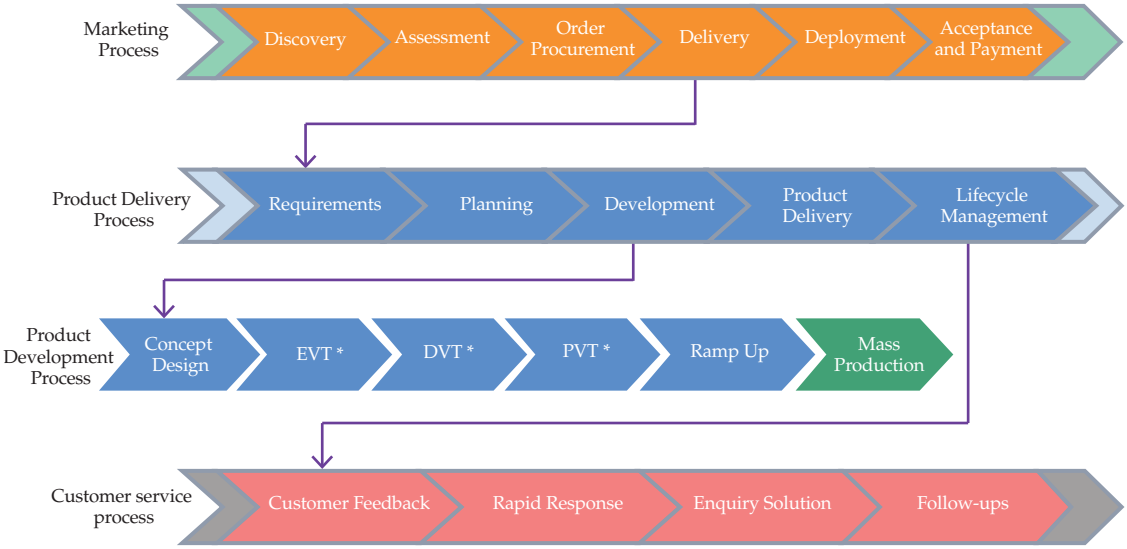
We retain key management and technical staff with competitive remuneration packages and welfare benefits. Notably, we implement a talent incentive mechanism that tilts promotion opportunities and bonus allocations towards R&D personnel, in recognition of their core role in driving technological innovation and product iteration. We also invest in training programs to upskill our key management and technical staff. Furthermore, we provide additional bonuses to employees who successfully obtain patents, aiming to encourage proactive development of intellectual property and reinforce our technological barriers. In the event of termination of employment requested by a key staff, we closely communicate with the staff for the reason of departure and feedback for us. The salient terms of agreements with our management and technical staff are set out below:

- ***Ownership of intellectual properties.*** We hold the intellectual property rights to any inventions, computer software, works, trade secrets or other confidential business information created by employees during their term of employment while performing their duties or primarily utilizing our material and technical resources or business information.
- ***No conflict.*** Employees shall not engage in any other job, whether full-time or part-time, during their term of employment.
- ***Non-competition.*** We have the right to unilaterally initiate a non-competition period of up to two years following the termination of employment. During the term of employment and the non-competition period initiated by us, employees shall not engage in any competitive behavior specified in the agreements.
- ***Confidentiality.*** Employees must protect and maintain the confidentiality of our confidential information during their term of employment and at any time thereafter. Employees are prohibited from disclosing, informing, publishing, releasing, distributing, transferring, or otherwise making our confidential information known to any third party, including other employees who are not permitted to access such information under confidentiality agreements. In addition, employees must not use this confidential information for purposes outside of their job duties.

During the Track Record Period and up to the Latest Practicable Date, there was no legal claim or proceeding that may have an influence on the R&D of our products.

Our R&D Process

We conduct all of our R&D activities in-house. We develop our technologies and products in accordance with an established process and roles and responsibilities. The following chart illustrates each stage of our R&D project development process:



* EVT = engineering validation test; DVT = design validation test; PVT = production validation test

Our product development process consists of five key phases: (i) product definition, (ii) project initiation, (iii) product development, (iv) small-scale trial production, and (v) mass production.

Our R&D process begins with comprehensive market research to identify product and technology requirements. Products are defined and designed based on customer or market needs, followed by ROI analysis and preliminary development planning. Based on the collected information, we conduct detailed product feasibility assessments to determine economic and technical viability. The product department then submits a project initiation report, which requires approval from R&D managers, technical directors, and the general manager.

After project approval, we enter the systematic research, development, and testing verification phase. The R&D team conducts 1-2 rounds of functional testing to obtain product reliability and manufacturability metrics, culminating in a product reliability test report. Successfully verified products then enter small-scale trial production for customer sampling and evaluation. Necessary improvements identified during verification are implemented through adjustments and optimization. The R&D phase concludes once the product fully meets customer specifications and receives customer project qualification, after which it transitions to mass production.

Our ASIC design and development process follows a comprehensive approach built around four key phases.

(1) Our ASIC development process begins with the definition and design phase, during which we define the chip's core functions, system architecture, performance specifications, core algorithm modules and verification plans.

(2) We then move into the implementation and verification phase, where our focus shifts to practical execution and testing. This involves creating and verifying FPGA-based prototypes, implementing various IP modules outside of core algorithms, and establishing the framework design. Our team conducts thorough reviews of simulation and synthesis results, while also evaluating packaging and testing design specifications to ensure everything meets our exacting standards.

(3) The third tape-out and production phase leverages our partnerships with external foundries. While we design our ASIC chips in-house, we did not manufacture chips in-house during the Track Record Period, and the specialized processes of chip fabrication, packaging, and testing of our ASIC chips were carried out by certified third-party foundries as our contract manufacturers. For details, see "— Our Suppliers — Contract Manufacturers."

(4) The fourth phase covers acceptance and validation procedures, which are actually conducted at relevant milestones throughout the ASIC development process, including design review, verification review, tape-out review and post-production testing review, to confirm that the relevant deliverables meet the applicable design specifications and project requirements before the project proceeds to the next stage or is completed.

Key Research Projects

We have recently engaged in various R&D projects aimed at launching new products, as well as iterating and upgrading our existing offerings, with the following key projects, some of which had already been completed as of the Latest Practicable Date:

- ***New 2D dTOF V3 LiDAR.*** We are developing dTOF v3, a new 2D dTOF LiDAR product designed primarily to deliver 360° environmental perception by incorporating SLAM mapping and navigation capabilities for navigation and obstacle avoidance in robotic vacuum and other robotic applications. Compared with previous-generation dTOF LiDAR products, dTOF v3 is an evolved LiDAR system design with a series of products for top-mount, auto-lifting and embedded deployment scenario. Through brand-new optical engine design, it is expected to feature a smaller and more compact module design with improved integration flexibility and an optimized component and manufacturing cost structure, which are intended to facilitate customer adoption in space-constrained product designs and enhance product competitiveness as production scales. The dTOF v3 implemented 12-meter detection range, and 10mm precision. The product is expected to be formally launched in the second half of 2026.

- ***Compact 3D Solid-State LiDAR.*** During the Track Record Period, we have undertaken the R&D of a compact 3D solid-state LiDAR system designed for navigation and obstacle avoidance in robotic vacuum, robot dog, smart toy, and drones. This product features a fully solid-state design and a compact form factor, significantly enhancing the spatial sensing capabilities of robotic vacuums. It aims to improve navigation, obstacle avoidance, and the spatial sensing and precise grasping of robotic arms. As of the Latest Practicable Date, we had successfully commercialized this product.

- ***3D Mid-Range LiDAR.*** We are currently developing a 3D mid-range LiDAR system for navigation and obstacle avoidance in yard robots and general-purpose robots. This product features 192 channels of semi-solid-state technology with a detection range of 40 meters at 10% reflectivity, offering industrial level reliability and accuracy compared to the 360° LiDAR systems used in robotics, thereby enabling yard maintenance robots application. The product has entered the design validation testing (DVT) stage. We expect to attain mass production capability for the product in the fourth quarter of 2026, with targeted commercial launch in the period from the fourth quarter of 2026 to 2027, upon the receipt of purchase orders. The initial production of this product will be conducted on our existing Huizhou and Pingshan production lines and does not depend on the Zhongshan production base.

- ***Pool-Cleaning Robotic Navigation LiDAR.*** We are committed to expanding the application fields of our LiDAR products by developing underwater robotic navigation LiDAR, which will enable our expansion into pool-cleaning robot sector. Utilizing SPAD System-on-Chip (SoC) technology and new optical design, this LiDAR system achieves underwater detection range of nearly 10 meters. It significantly enhances the navigation accuracy, cleaning coverage and intelligence of pool-cleaning robots. The product is progressing towards the DVT stage. We expect to commence commercialization of this product by the fourth quarter of 2026, with limited initial volumes utilizing our existing Huizhou and Pingshan production lines. The initial commercialization of this product does not depend on the commissioning of the Zhongshan production base.

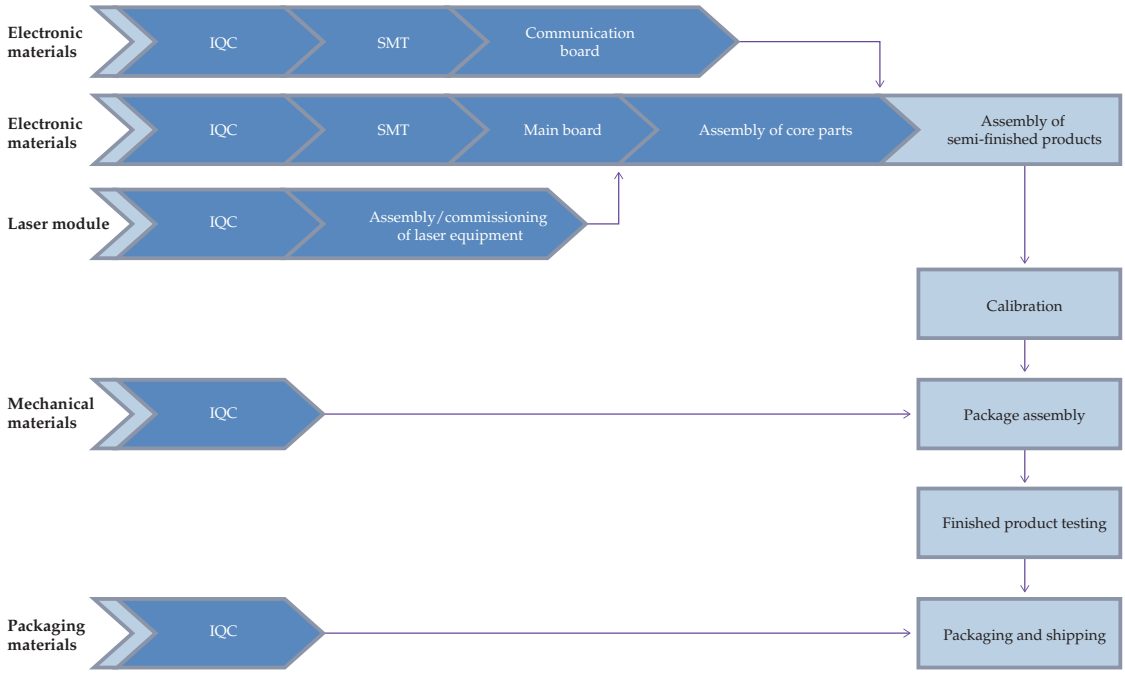
We expect the introduction of the 3D mid-range LiDAR and pool-cleaning robotic navigation LiDAR products to involve a gradual ramp-up of production and sales. Based on the current production plan, the combined production volume of these two products in the fourth quarter of 2026 is expected to be approximately 6,000 units, representing less than 1% of the aggregate production capacity of our existing Huizhou and Pingshan production lines for that quarter. Accordingly, taking into account our current orders on hand, expected production schedules and the limited initial production volume of these two products, we believe our existing Huizhou and Pingshan production capacity will be sufficient to support the initial production and commercialization of these two products, and such initial production and commercialization will not depend on the commissioning of the Zhongshan production base.

PRODUCTION

We have established our own manufacturing processes in response to the algorithm-intensive development of LiDAR and their dedicated chips, as well as the increasing customer demand for product reliability, performance stability and cost-effectiveness. In the meantime, in-house production facilitates coordinated optimization, allowing us to meet the diverse needs of our customers effectively. For our ASIC chips, we complete the design in-house, with the fabrication carried out by certified third-party foundries.

Our Production Process

The chart below illustrates the key steps of the manufacturing process of our LiDAR products:



Our core manufacturing processes for our LiDAR and line laser sensor products comprise incoming quality control, surface-mount technology ("**SMT**"), assembly, laser equipment assembly and commissioning, core parts assembly, semi-finished product assembly, calibration, package assembly, finished product testing, packaging and shipping. These processes are primarily conducted at our own production facilities in Pingshan and Huizhou, Guangdong Province, the PRC.

We design our proprietary ASIC chips in-house. During the Track Record Period, chip fabrication, packaging and testing of ASIC chips were carried out by certified third-party foundries. Chip fabrication, packaging and testing are highly specialized semiconductor processes that require dedicated fabrication facilities and clean room environments and are standard industry practice to outsource to certified foundries and semiconductor assembly and test providers. These processes are distinct from, and do not form part of, our core manufacturing processes for our finished LiDAR and line laser sensor products.

In addition to chip fabrication, we engage a limited number of contract manufacturers to perform certain sub-processes that complement our in-house production, specifically: (i) SMT assembly of integrated circuits onto printed circuit boards ("**PCBs**"); and (ii) front-end focusing lens assembly. These outsourced sub-processes require specialised equipment and technical expertise. By outsourcing these sub-processes, we optimise our overall production efficiency and focus in-house resources on our core manufacturing processes including calibration, system-level assembly, testing and quality control.

Production Bases

All of our products, including those categorized under "others" and "intelligent device" in this prospectus, were manufactured in-house during the Track Record Period. During the Track Record Period, the overall manufacturing process for all of our products was predominantly conducted in-house at our own production facilities in Pingshan and Huizhou, Guangdong Province. To optimize operational efficiency and manage production capacity, we supplemented our in-house manufacturing by engaging a limited number of third-party contract manufacturers in Shenzhen, Guangdong Province and Ganzhou, Jiangxi Province for select processing steps, with outsourcing processing costs accounting for 5.0%, 2.3%, 3.0% and 2.1% of our total cost of sales in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. The table below sets forth some information regarding our major production bases as of March 31, 2026:

Production Base	Location	Gross Floor Area	Primary Products	Construction Completion Year
		(sq.m.)		
Pingshan	Guangdong, China	4,720	Triangulation LiDAR	June 2021
Huizhou	Guangdong, China	16,684	Line laser sensors, dTOF LiDAR, triangulation LiDAR	August 2024

The table below sets forth the production capacity, production volume and utilization rates of our major production bases for the periods indicated:

	Year ended December 31,									Three months ended March 31,		
	2023			2024			2025			2026		
	Production Capacity[1]	Production Volume[2]	Utilization Rate[3]	Production Capacity[1]	Production Volume[2]	Utilization Rate[3]	Production Capacity[1]	Production Volume[2]	Utilization Rate[3]	Production Capacity[1]	Production Volume[2]	Utilization Rate[3]
	('000)		*(%)*	*('000)*		*(%)*	*('000)*		*(%)*	*('000)*		*(%)*
Pingshan production base	6,000	4,795	79.9	6,500	4,800	73.8	6,000	5,100	85.0	1,750	1,080	61.7
Huizhou production base	–	–	–	5,000	3,851	77.0	12,000	11,070	92.3	4,750	4,524	95.2

Notes:

1. The designed capacity for the year/period is calculated based on the following assumptions: (i) the production base operates for 21 hours per day, with each shift lasting 10.5 hours; (ii) the production base operates for 25 days per month; and (iii) our overall equipment effective score is maintained at 80%. In accordance with industry norms, we generally reserve 20% of our production capacity to accommodate potential surges in customer orders. Furthermore, we typically expand our production capacity 45 days in advance based on order forecasts to ensure we meet the demands of new customers, the introduction of new products and the increased demand overall.
2. The production volume refers to actual production of the products for the relevant year/period.
3. The utilization rate during the year is calculated by dividing production volume by the production capacity for the same year/period. Utilization in any individual quarter is accordingly affected by the timing of capacity additions relative to production volumes, and does not necessarily reflect our capacity requirements on an annualized basis.

We also established a production line in Qingdao, Shandong Province in June 2024. The Qingdao production line has one production line dedicated to XR controllers and serves a targeted production function — meaning that capacity is maintained specifically for products for which sales orders have been received or potential sales orders exist. The Qingdao production line is generally operated only when we received purchase orders from our customers. This operational model differs from our Pingshan and Huizhou production bases, which serve as our main production bases and maintain year-round capacity for various products, especially considering XR handle production and sales are not our main revenue source and have relatively lower demand compared to our core LiDAR and line laser sensor products, which justifies the order-driven approach at the Qingdao production line.

During the Track Record Period, production at our Qingdao production line was conducted on a temporary basis in accordance with the purchase orders we received, operating specifically from July to August 2024 and from January to March 2026. Save for the aforementioned operating periods, no manufacturing activities were carried out at our Qingdao production line during the Track Record Period. Revenue was generated from these products only during the above operating periods. We have maintained this production line as we believe the XR controller may present potential applications in data acquisition and artificial intelligence, and we wish to be positioned to capitalize on market opportunities as they arise. To maintain operational readiness, we currently incur modest fixed costs, including office leasing and minimal administrative staff on-site during non-operating periods.

- July to August 2024: The Qingdao facility had an effective production capacity of 6.0 thousand units and an actual production volume of 5.0 thousand units, representing a utilization rate of 83.3%; and
- January to March 2026: The Qingdao facility had an effective production capacity of 13.1 thousand units and an actual production volume of 12.0 thousand units, representing a utilization rate of 91.6%.

We are also building a new production base in Zhongshan, Guangdong Province. As of the Latest Practicable Date, the Zhongshan production base has completed renovation and commenced pilot production. Upon full commissioning, the Zhongshan production base is expected to have an annual production capacity of approximately 8 million units.

Our capacity expansion during the Track Record Period followed a consistent approach of adding capacity in discrete phases as utilization at our existing facilities approached practical operating limits, rather than building capacity in advance of demand. Our Pingshan production base maintained annual capacity of approximately six million units throughout the Track Record Period, with utilization increasing from 79.9% in 2023 to 85.0% in 2025. As demand grew beyond the capacity of Pingshan alone, we commenced operations at our Huizhou production base in September 2024, which reached annual capacity of 12 million units in 2025 with utilization of 92.3%, increasing further to 95.2% in the three months ended March 31, 2026. The utilization levels achieved at Huizhou prompted us to commence construction of our Zhongshan production base, which upon full commissioning is expected to bring our aggregate annual production capacity to over 30 million units in 2026. We intend to apply the same approach to our further capacity expansion, commissioning each subsequent phase by reference to utilization levels at our then-existing facilities, order volume and our design-win pipeline. For details of our planned capacity expansion and the market demand supporting it, see "Future Plans and Use of Proceeds."

Production Equipment and Machinery

We possess advanced production equipment and machinery that are essential for ensuring the quality, cost-effectiveness, and efficiency of our spatial sensing products. Our advanced production bases are equipped with specialized equipment and machinery critical to manufacturing. Our manufacturing facility is equipped with a comprehensive suite of advanced production equipment. At the core of our operations are SMT (Surface Mount Technology) production lines, complemented by specialized conformal coating lines that include selective coating machines for protecting components against moisture, dust, and corrosion. The facility also features temperature cycling chambers for environmental testing, alongside a series of automated production systems. These automated systems handle various

critical processes including calibration, assembly, precision focusing, screw-driving, dispensing, and welding operations. This integrated array of equipment enables us to maintain high precision and consistency throughout our manufacturing processes. To maintain quality control, we employ automated optical inspection systems for real-time defect detection. In addition, our automated programming machines facilitate swift and accurate firmware loading, while automatic focus adjustment equipment ensures optimal optical performance. Our production line also features automated dispensing machines for precise adhesive application, conformal coating systems for environmental protection, and screw fastening machines for reliable assembly. Our automated calibration and finished product testing equipment guarantee that every device meets stringent performance standards.

SALES AND MARKETING

Sales Network

We adopt a transaction-based business model and employ a direct sales model with a customer-centric marketing strategy. Our approach focuses on building and nurturing customer trust by delivering products that precisely meet their requirements. We consistently fulfill our customers' needs across product specifications, delivery timelines, and quality standards, which helps strengthen our industry influence and enhance customer loyalty. We maintain a small but dedicated sales and marketing team that is strategically sized to efficiently serve our focused customer base. This lean structure enables us to maintain deep relationships with key customers while managing our operating expenses efficiently. As our customer base expands, we retain the flexibility to scale our sales and marketing capabilities accordingly.

Under our direct sales model, we acquire new customers and obtain new orders primarily through direct engagement and commercial negotiations, rather than through tendering. Our customer acquisition process typically begins with identifying target customers based on our product roadmap and market strategy. We then engage with such target customers through customer visits, technical exchanges and commercial discussions to understand their product requirements and explore cooperation opportunities. Once cooperation intention is established, we provide product samples for customer testing and validation and continue to communicate with customers to address their technical specifications and application requirements.

A key milestone in our sales process is achieving a "design win," whereby our product is selected and incorporated into the customer's end-product design. A design win generally enhances our visibility over future purchase orders, as replacing qualified components at a later stage would typically require additional testing and validation. However, conversion into purchase orders remains subject to the customer's production schedule, procurement needs and commercialization progress. For target customers aligned with our product roadmap and market strategy, we maintain ongoing engagement throughout the process from initial contact and product validation to design win and, ultimately, purchase orders. During the Track Record Period, our design-win-to-purchase-order conversion rate exceeded 80% in each year, although such rates may fluctuate depending on customers' product development priorities and commercialization timelines. For details, see "— Commercialization."

Pricing

The pricing approach across our product portfolio combines strategic cost-based analysis with market-responsive flexibility. We employ a comprehensive pricing methodology that carefully weighs multiple factors, including customer requirements, competitive landscape dynamics, broader market supply-demand conditions, the strategic importance of the relevant customer or project, and reasonable profit margins, with the aim of maximizing our market share potential while maintaining profitability. In view of the intense market competition, we formulated our pricing strategy with the objective of reinforcing our competitive position while maintaining profitability through product process automation, economies of scale and enhanced operational efficiency. This pricing approach is generally applied consistently across our product lines.

The pricing process follows a structured workflow, beginning with a thorough assessment of customer needs and their price expectations. We then conduct detailed

competitive analysis, evaluate our cost structure, establish target profit margins, and formulate competitive sales quotations. Our cost assessment is based on a comprehensive cost model, which primarily includes materials costs, manufacturing costs, transportation costs, equipment depreciation, customer project-specific costs such as tooling and moulds, management overheads and yield-related costs. This systematic approach ensures our pricing remains both competitive and sustainable while aligning with our market positioning objectives.

In the event of a significant increase in parts or component prices, our ability to pass on such increase to customers depends on the nature and cause of the increase, as well as our ongoing commercial negotiations with customers. Where the increase is industry-wide, we would generally communicate with customers and seek to reflect the increased materials costs in our selling prices. Where the increase relates to a specific component supplier, we would typically seek to mitigate the cost impact by using equivalent parts sourced from pre-qualified alternative suppliers, where available, rather than directly passing on the increase to customers. For risks relating to our ability to recover increases in parts and component costs, see "Risk Factors — Risks Relating to our Business and Industry — Increases in costs of the parts and components that we use in our products would adversely affect our business, financial condition and results of operations."

Marketing

Our commercial approach centers on a direct sales model that emphasizes deep customer relationships. Through consistently delivering products that precisely align with customer specifications, we have established a foundation of trust and reliability in the market. This customer-centric strategy focuses on continually meeting three critical dimensions: product requirements, delivery expectations, and quality standards. This comprehensive approach has strengthened our industry position while fostering strong customer loyalty. We primarily solicit customers and secure new orders through offline commercial negotiations and in-depth technical exchanges with both existing and prospective customers based on their specific application needs. Our sales infrastructure is built around a specialized team of sales professionals and technical support experts. To ensure optimal customer service and market coverage, we maintain dedicated sales and technical support offices in both Suzhou and Hong Kong.

OUR CUSTOMERS

Major Customers

Our major customers primarily include established robot companies and intelligent device manufacturers. Notably, our leading position in robotic vacuum spatial sensing has enabled us to maintain stable business relationships with major robotic vacuum manufacturers. Our robotic vacuum customers collectively command over 60% market share in the global robotic vacuum industry. Specifically, we serve as a core supplier to all five largest market players in the robotic vacuum industry, four of which were part of our five largest customers in one or more years or periods during the Track Record Period, namely Customers A, B, F and H. We have maintained continuous cooperation with Customers A, B, F and H for periods ranging from three to six consecutive years, and our cooperation with each of them remains ongoing. Their total revenue contribution has also been consistently growing year by year during the Track Record Period. We have formed deeply integrated partnerships with these customers, as we collaborate with them on the development of their spatial sensing components. Given our long-term cooperation with these major customers and our integration into their product development and supply chain processes, and the fact that replacing a trusted spatial sensing sensor supplier would generally require technical evaluation, product validation, supply chain requalification and production coordination, which may involve additional time, cost and execution risk, our Directors believe that our relationships with such customers are unlikely to be terminated or materially adversely affected in the ordinary course of business.

In addition to direct procurement, some of our customers may purchase our products through their designated third-party suppliers. We believe these brand owners primarily adopt this approach because, upon validating the reliability of our products, authorizing us to

transact and deliver directly to their designated contract manufacturers streamlines their operations and reduces their supply chain management pressures. As all commercial terms are determined through direct negotiations with the brand owners, the pricing model, profit margin, and other key commercial terms do not vary significantly. Typically, pricing under this model is determined based on the same factors as those applied in the direct procurement by brand owners model. For details, see "— Pricing." Under such arrangements, we generally communicate the product requirements and order details with the customers and enter into sales and purchase agreements with their designated third-party suppliers. These third-party suppliers would further manufacture and assemble our products with other components and sell them to the customers. The relevant sales channel is generally determined by the brand owners based on their procurement, production and supply chain arrangements. In practice, brand owners may procure new products, trial orders or batches undergoing validation or production ramp-up directly from us to facilitate product qualification, commercial negotiation, technical communication, product testing, quality feedback and product iteration. After the relevant products are validated and incorporated into mass production, brand owners may designate third-party suppliers, such as OEM manufacturers, to place purchase orders with us based on the agreed specifications and prices, which streamlines the brand owners' operations by reducing their need to separately manage raw material procurement, payment settlement, logistics arrangements and inventory reconciliation for materials supplied to contract manufacturers. Therefore, even where the same product was sold to both channels during the same period, the gross profit margin of our sales to designated third-party suppliers of brand owners and ODM manufacturers was generally higher than that of brand owners primarily because sales to these customers tend to involve more mature and mass-production-stage products with relatively stable production efficiency and yield rates.

Our revenue generated from our five largest customers in each period during the Track Record Period accounted for 93.6%, 89.2%, 80.4% and 85.6% of our total revenue for the respective periods. Revenue generated from our largest customer in each period during the Track Record Period accounted for 37.1%, 36.1%, 29.0% and 37.3% of our total revenue for the respective periods. We have established and maintained stable and good relationships with our five largest customers in each period during the Track Record Period, having a relationship of five years or above with a majority of them. The following tables set forth certain information of our five largest customers in each period during the Track Record Period:

For the Year Ended December 31, 2023

Rank	Customer	Background	Customer Type	Sales Amount	% of Total Revenue	Credit Terms	Business Relationship Since	Products/ Services Purchased
				(RMB'000)	*(%)*			
1	Customer A . .	Founded in 2018 and headquartered in Jiangsu province, Customer A is a robot company with a registered capital of RMB310 million, primarily engaged in the R&D and production of high-performance robotic home appliances.	End customer, brand owner	123,157	37.1	60 days after invoice date	2020	LiDAR
2	Customer B[(1)] .	Founded in 2014, headquartered in Beijing and listed on the STAR Market, Customer B is a robot company with a registered capital of RMB259.1 million, primarily engaged in the R&D and production of intelligent cleaning appliances.	End customer, brand owner	107,240	32.3	60 days after invoice date	2021	LiDAR

Rank	Customer	Background	Customer Type	Sales Amount	% of Total Revenue	Credit Terms	Business Relationship Since	Products/ Services Purchased
				(RMB'000)	*(%)*			
3	Customer C . .	Founded in 2014 and headquartered in Guangdong province, Customer C is a fundamental component provider to robot companies with a registered capital of RMB360.1 million, primarily engaged in the R&D and sales of ICs and semiconductor solutions for robotics and intelligent home applications.	End customer, brand owner	66,814	20.1	30 days after invoice date	2020	LiDAR
4	Customer D . .	Founded in 2005 and headquartered in Guangdong province, Customer D is a robot company with a registered capital of RMB89.5 million, primarily engaged in the R&D, production and sales of robotic vacuum and related core components.	End customer, brand owner	8,419	2.5	30 days after invoice date	2019	LiDAR
5	Customer E . .	Founded in 2016 and headquartered in Guangdong province, Customer E is a robot company with a registered capital of RMB6.2 million, primarily engaged in the R&D, production and sales of intelligent robots, including robotic vacuums.	End customer, brand owner	5,177	1.6	30 days after invoice date	2020	LiDAR
Total				**310,807**	**93.6**			

For the Year Ended December 31, 2024

Rank	Customer	Background	Customer Type	Sales Amount	% of Total Revenue	Credit Terms	Business Relationship Since	Products/ Services Purchased
				(RMB'000)	*(%)*			
1	Customer B[(1)] .	Founded in 2014, headquartered in Beijing and listed on the STAR Market, Customer B is a robot company with a registered capital of RMB259.1 million, primarily engaged in the R&D and production of intelligent cleaning appliances.	End customer, brand owner	156,629	36.1	60 days after invoice date	2021	LiDAR, line laser sensor

Rank	Customer	Background	Customer Type	Sales Amount	% of Total Revenue	Credit Terms	Business Relationship Since	Products/ Services Purchased
				(RMB'000)	*(%)*			
2	Customer A . .	Founded in 2018 and headquartered in Jiangsu province, Customer A is a robot company with a registered capital of RMB310 million, primarily engaged in the R&D and production of high-performance robotic home appliances.	End customer, brand owner	117,467	27.1	60 days after invoice date	2020	LiDAR
3	Customer F . .	Founded in 1998, headquartered in Jiangsu province and listed on the Shanghai Stock Exchange, Customer F is a robot company with a registered capital of RMB575.3 million, primarily engaged in the R&D, production and sales of intelligent robots, including robotic vacuums.	End customer, brand owner	65,024	15.0	60 days after invoice date	2023	LiDAR, line laser sensor
4	Customer C . .	Founded in 2014 and headquartered in Guangdong province, Customer C is a fundamental component provider to robot companies with a registered capital of RMB360.1 million, primarily engaged in the R&D and sales of ICs and semiconductor solutions for robotics and intelligent home applications.	End customer, brand owner	30,825	7.1	30 days after invoice date	2020	LiDAR
5	Customer D . .	Founded in 2005 and headquartered in Guangdong province, Customer D is a robot company with a registered capital of RMB89.5 million, primarily engaged in the R&D, production and sales of robotic vacuum and related core components.	End customer, brand owner	16,556	3.8	30 days after invoice date	2019	LiDAR
Total				**386,501**	**89.2**			

For the Year Ended December 31, 2025

Rank	Customer	Background	Customer Type	Sales Amount	% of Total Revenue	Credit Terms	Business Relationship Since	Products/ Services Purchased
				(RMB'000)	*(%)*			
1	Customer B[1]	Founded in 2014, headquartered in Beijing and listed on the STAR Market, Customer B is a robot company with a registered capital of RMB259.1 million, primarily engaged in the R&D and production of intelligent cleaning appliances.	End customer, brand owner	178,166	29.0	60 days after invoice date	2021	LiDAR, line laser sensor, dTOF LiDAR
2	Customer A	Founded in 2018 and headquartered in Jiangsu province, Customer A is a robot company with a registered capital of RMB310 million, primarily engaged in the R&D and production of high-performance robotic home appliances.	End customer, brand owner	152,359	24.8	90 days after invoice date	2020	LiDAR, line laser sensor, dTOF LiDAR
3	Customer F	Founded in 1998, headquartered in Jiangsu province and listed on the Shanghai Stock Exchange, Customer F is a robot company with a registered capital of RMB575.3 million, primarily engaged in the R&D, production and sales of intelligent robots, including robotic vacuums.	End customer, brand owner	104,356	17.0	60 days after invoice date	2023	LiDAR, line laser sensor, dTOF LiDAR
4	Customer G[2]	Founded in 2019 and headquartered in Beijing, Customer G is a robot company with a registered capital of RMB2.3 million, primarily engaged in the R&D and production of innovative cleaning appliances.	Designated third-party supplier	33,186	5.4	90 days after invoice date	2024	LiDAR, line laser sensor, dTOF LiDAR
5	Customer H	Founded in 2010 and headquartered in Beijing, Customer H is a telecommunications company with a registered capital of USD32.0 million, primarily engaged in the R&D and production of smartphones, AI-powered IoT devices, intelligent electric vehicles, and embodied robotics.	End customer, brand owner	25,088	4.1	90 days after invoice date	2025[4]	LiDAR
Total				**493,155**	**80.4**			

For the Three Months Ended March 31, 2026

Rank	Customer	Background	Customer Type	Sales Amount	% of Total Revenue	Credit Terms	Business Relationship Since	Products/ Services Purchased
				(RMB'000)	*(%)*			
1	Customer A . .	Founded in 2018 and headquartered in Jiangsu province, Customer A is a robot company with a registered capital of RMB310 million, primarily engaged in the R&D and production of high-performance robotic home appliances.	End customer, brand owner	73,116	37.3	90 days after invoice date	2020	LiDAR, line laser sensor, dTOF LiDAR
2	Customer F. . .	Founded in 1998, headquartered in Jiangsu province and listed on the Shanghai Stock Exchange, Customer F is a robot company with a registered capital of RMB575.3 million, primarily engaged in the R&D, production and sales of intelligent robots, including robotic vacuums.	End customer, brand owner	40,125	20.5	60 days after invoice date	2023	LiDAR, line laser sensor, dTOF LiDAR
3	Customer I[3] . .	Founded in 2018, headquartered in Guangdong province, Customer I is an electronics company with a registered capital of RMB550.0 million, primarily engaged in software development and sales, as well as the R&D, production and sales of electronic products and related components.	Designed third-party supplier	26,350	13.4	60 days after invoice date	2025	LiDAR, line laser sensor, dTOF LiDAR
4	Customer B[1]. .	Founded in 2014, headquartered in Beijing and listed on the STAR Market, Customer B is a robot company with a registered capital of RMB259.1 million, primarily engaged in the R&D and production of intelligent cleaning appliances.	End customer, brand owner	16,797	8.6	60 days after invoice date	2021	LiDAR, line laser sensor, dTOF LiDAR
5	Customer H . .	Founded in 2010 and headquartered in Beijing, Customer H is a telecommunications company with a registered capital of USD32.0 million, primarily engaged in the R&D and production of smartphones, AI-powered IoT devices, intelligent electric vehicles, and embodied robotics.	End customer, brand owner	11,243	5.7	90 days after invoice date	2025[4]	LiDAR
Total				**167,631**	**85.6**			

Notes:

(1) Customer B is the parent company of one of our Pre-IPO investors.

(2) During the Track Record Period, Customer G was a designated third-party supplier of Customer H.

(3) During the Track Record Period, Customer I was a designated third-party supplier of Customer B.

(4) We began collaborating with Customer H in 2021 through its designated third-party suppliers, and commenced direct transactions with Customer H starting from 2025.

During the Track Record Period and as of the Latest Practicable Date, none of our Directors, their associates or any of our shareholders (who owned or to the knowledge of Directors had owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each year/period during the Track Record Period. During the Track Record Period and as of the Latest Practicable Date, each of our five largest customers for each year/period during the Track Record Period was an Independent Third Party.

The typical salient terms of our standard agreements with our major customers include the following:

- *Product specifications.* We specify product models, technical parameters, quality standards, and delivery requirements in accordance with purchase orders received from customers.
- *Payment and delivery.* Our customers typically make payment according to agreed terms after receipt and acceptance of products. We are responsible for delivery to customer-designated locations.
- *Warranty.* We provide warranty services according to agreed terms.
- *Technical support.* We provide necessary technical support and documentation for product integration.
- *Confidentiality.* Parties are required to maintain confidentiality of technical specifications, pricing, and other sensitive business information exchanged.
- *Transfer of risks.* The transfer of risk occurs at the agreed delivery point as specified in our agreement.
- *No return policy.* We normally do not allow product returns unless there are quality defects verified through agreed inspection procedures.
- *Termination.* The agreements will be terminated by mutual agreement, or by other means as set forth in the agreements.
- *Dispute resolution.* Any disputes shall be resolved through friendly negotiation first, failing which they may be resolved through arbitration or litigation as agreed.

In cases where the certain brand owners may procure products through their designated third-party suppliers as part of an OEM procurement model, the brand owners are responsible for product qualification and commercial negotiation, while the designated third-party suppliers place purchase orders with us for the relevant products based on the agreed specifications and prices. This arrangement streamlines the brand owners' operations by reducing their need to separately manage raw material procurement, payment settlement, logistics arrangements and inventory reconciliation for materials supplied to contract manufacturers. As our sales and purchase agreements are entered into directly with the designated third-party suppliers, our contractual recourse for any breach of such agreements is generally against the relevant designated third-party suppliers. To the extent any breach is attributable to the relevant brand owner's instructions or conduct, the designated third-party supplier would typically seek recourse against the brand owner separately.

OUR SUPPLIERS

Our Major Suppliers

Our major suppliers primarily consist of providers for raw materials and components including optical components, structural components and electronic components. Purchases from our largest supplier in each period during the Track Record Period accounted for 8.2%, 9.2%, 8.6% and 8.5% of our total purchases for the respective periods, while purchases from our five largest suppliers in each period during the Track Record Period accounted for 29.7%, 32.3%, 25.7% and 31.5% of our total purchases for the respective periods. The following tables set forth certain information of our five largest suppliers in each period during the Track Record Period.

For the Year Ended December 31, 2023

Rank	Supplier	Background	Purchase Amount	% of Total Purchase	Credit Terms	Business Relationship Since	Products/ Services Supplied
			(RMB'000)	*(%)*			
1	Supplier A . . .	Founded in 2011 and headquartered in Guangdong province, Supplier A is primarily engaged in the R&D, production and sales of optoelectronic components and LED packaging products.	22,214	8.2	60 days after invoice date	2021	Lens, laser tube
2	Supplier B . . .	Founded in 2003 and headquartered in Shanghai, Supplier B is primarily engaged in the design, R&D and sales of CMOS image sensors and display driver chips.	17,965	6.6	Prepayment	2021	Sensor
3	Supplier C . . .	Founded in 2021 and headquartered in Anhui province, Supplier C is primarily engaged in the R&D and sales of optoelectronic devices.	15,214	5.6	30 days after invoice date	2023	Laser tube
4	Supplier D . . .	Founded in 2012 and headquartered in Guangdong province, Supplier D is primarily engaged in the provision of human resources services.	13,860	5.1	Monthly settlement	2021	Labor outsourcing services
5	Supplier E . . .	Founded in 2015 and headquartered in Guangdong province, Supplier E is primarily engaged in the R&D, production and sales of laser equipment and precision laser processing solutions.	11,139	4.1	60 days after invoice date	2021	Laser tube
Total			**80,392**	**29.7**			

For the Year Ended December 31, 2024

Rank	Supplier	Background	Purchase Amount	% of Total Purchase	Credit Terms	Business Relationship Since	Products/ Services Supplied
			(RMB'000)	*(%)*			
1	Supplier C . . .	Founded in 2021 and headquartered in Anhui province, Supplier C is primarily engaged in the R&D and sales of optoelectronic devices.	38,618	9.2	30 days after invoice date	2023	Laser tube
2	Supplier D . . .	Founded in 2012 and headquartered in Guangdong province, Supplier D is primarily engaged in the provision of human resources services.	34,435	8.2	Monthly settlement	2021	Labor outsourcing services
3	Supplier B . . .	Founded in 2003 and headquartered in Shanghai, Supplier B is primarily engaged in the design, R&D and sales of CMOS image sensors and display driver chips.	25,622	6.1	Prepayment	2021	Sensor
4	Supplier A . . .	Founded in 2011 and headquartered in Guangdong province, Supplier A is primarily engaged in the R&D, production and sales of optoelectronic components and LED packaging products.	24,706	5.9	30 days after invoice date	2021	Lens, laser tube
5	Supplier F . . .	Founded in 2004 and headquartered in Sichuan province, Supplier F is primarily engaged in the R&D and sales of electronic components.	12,943	3.1	Prepayment	2021	Main control chip
Total			**136,324**	**32.3**			

For the Year Ended December 31, 2025

Rank	Supplier	Background	Purchase Amount	% of Total Purchase	Credit Terms	Business Relationship Since	Products/ Services Supplied
			(RMB'000)	*(%)*			
1	Supplier C . . .	Founded in 2021 and headquartered in Anhui province, Supplier C is primarily engaged in the R&D and sales of optoelectronic devices.	45,274	8.6	30 days after invoice date	2023	Laser tube
2	Supplier B . . .	Founded in 2003 and headquartered in Shanghai, Supplier B is primarily engaged in the design, R&D and sales of CMOS image sensors and display driver chips.	27,585	5.2	Prepayment	2021	Sensor
3	Supplier D . . .	Founded in 2012 and headquartered in Guangdong province, Supplier D is primarily engaged in the provision of human resources services.	22,864	4.3	Monthly settlement	2021	Labor outsourcing services
4	Supplier G . . .	Founded in 2012, headquartered in Zhejiang province and listed on the STAR Market, Supplier G is primarily engaged in the R&D, production and sales of precision optical lenses.	22,003	4.2	60 days after invoice date	2023	Lens
5	Supplier H . . .	Founded in 2008 and headquartered in Guangdong province, Supplier H is primarily engaged in R&D and manufacturing of advanced printed circuit boards.	17,730	3.4	60 days after invoice date	2021	PCB
Total			**135,456**	**25.7**			

For the Three Months Ended March 31, 2026

Rank	Supplier	Background	Purchase Amount	% of Total Purchase	Credit Terms	Business Relationship Since	Products/ Services Supplied
			(RMB'000)	*(%)*			
1	Supplier I	Founded in 2025 and headquartered in Guangdong province, Supplier I is primarily engaged in information system integration services, software development, R&D and sales of AI, semiconductor and integrated circuit-related products.	13,449	8.5	60 days after invoice date	2025	Sensor
2	Supplier C	Founded in 2021 and headquartered in Anhui province, Supplier C is primarily engaged in the R&D and sales of optoelectronic devices.	13,314	8.4	30 days after invoice date	2023	Laser tube
3	Supplier B	Founded in 2003 and headquartered in Shanghai, Supplier B is primarily engaged in the design, R&D and sales of CMOS image sensors and display driver chips.	9,057	5.7	30 days after invoice date	2021	Sensor
4	Supplier J	Founded in 2016 and headquartered in Guangdong province, Supplier J is primarily engaged in design, development and sales of electronic products.	7,313	4.6	60 days after invoice date	2023	SMT assembly services
5	Supplier G	Founded in 2012, headquartered in Zhejiang province and listed on the STAR Market, Supplier G is primarily engaged in the R&D, production and sales of precision optical lenses.	6,910	4.3	60 days after invoice date	2023	Lens
Total			**50,043**	**31.5**			

During the Track Record Period and as of the Latest Practicable Date, none of our Directors, their associates or any of our shareholders (who owned or to the knowledge of the Directors had owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each year/period during the Track Record Period. During the Track Record Period and as of the Latest Practicable Date, each of our five largest suppliers for each year/period during the Track Record Period was an Independent Third Party.

The typical salient terms of our standard agreements with our major suppliers include the following:

- *Product specifications.* We specify the product name, manufacturer or brand, specification, price, quantity, delivery timeline and other detailed items in each purchase order we send to our suppliers.
- *Payment and delivery.* We are responsible for timely payment to suppliers upon receipt of invoice. The supplier bears responsibility for delivery and associated costs.
- *Quality control.* Upon receipt, we inspect the products and have the right to reject or return any products that do not meet requirements. Quality inspection costs may be deducted from payment if quality issues arise.
- *Product change notification (PCN) requirements.* Suppliers must notify us in advance of any changes to product specifications, manufacturing processes, materials, or production locations through formal PCN procedures as agreed.
- *Transfer of risks.* The risk transfers to us after we complete inspection and confirm receipt of the products.
- *Product return.* We have the right to return or replace products for a variety of reasons, including non-conformity with product specifications or quantity with the order placed.
- *Termination.* The agreements will be terminated by mutual agreement, or by other means as set forth in the agreements.
- *Dispute resolution.* Any disputes arising from or in connection with the agreement shall typically be resolved through friendly negotiation, failing which they may be resolved through arbitration or litigation in accordance with the agreement.

Contract Manufacturers

During the Track Record Period, we engaged third-party contract manufacturers for the SMT assembly of ICs on PCBs and the front-end focusing lens assembly processes to complement our in-house production. In 2023, 2024, 2025 and the three months ended March 31, 2026, we engaged two, one, two and two contract manufacturers, respectively, which were located in Shenzhen, Guangdong and Ganzhou, Jiangxi. During the same period, our outsourced processing costs in relation to these contract manufacturers amounted to RMB13.0 million, RMB8.3 million, RMB15.1 million and RMB3.4 million, representing 5.0%, 2.3%, 3.0% and 2.1% of our total cost of sales, respectively. We outsource these sub-processes because they require specialized equipment and technical expertise, and engaging third-party contract manufacturers for these specific processes allows us to optimize our overall production efficiency and focus our in-house resources on core manufacturing processes of our spatial sensing products. Our management of third-party contract manufacturers is consistent with our supplier management practices to ensure product quality. During the Track Record Period and as of the Latest Practicable Date, all of our contract manufacturers engaged during the Track Record Period were Independent Third Parties. The salient terms of our agreements with contract manufacturers are set forth as below:

- ***Product specifications.*** We specify requirements such as product name, model specifications, quantity and price in the orders we placed with the contract manufacturers. Contract manufacturers utilize the materials we provide for the SMT and assembly processes. Should additional materials be required, contract manufacturers must obtain our written consent prior to procuring them on our behalf.
- ***Payment and delivery.*** We are responsible for timely payment to contract manufacturers upon receipt of invoice in accordance with the agreements. The contract manufacturers are responsible for delivering the products to the locations specified by us.
- ***Quality control.*** We are responsible for providing the acceptance standards and methods, while the contract manufacturers are responsible for conducting

incoming material inspections. During the production process, we are entitled to conduct on-site supervision and inspections at any time. Prior to shipment, the contract manufacturers will perform a comprehensive inspection and provide quality record documents for our acceptance of the finished products.

- ***Warranty.*** The contract manufacturers provide a warranty period for the products they produce. If quality issues arise within the warranty period, the contract manufacturers are responsible for performing free repairs within one week.
- ***Transfer of risks.*** The risk transfers to us after we complete inspection and confirm receipt of the products.
- ***Termination.*** The agreements can be terminated by mutual agreement, or by other means as set forth in the agreements.
- ***Dispute resolution.*** Any disputes arising from or in connection with the agreement shall typically be resolved through friendly negotiation, failing which they may be resolved through arbitration or litigation in accordance with the agreement.

During the Track Record Period and up to the Latest Practicable Date, we did not encounter material quality accidents or disputes in relation to the engagement of third-party contract manufacturers. Nevertheless, our engagement of third-party contract manufacturers for these sub-processes exposes us to risks including supply interruptions, quality issues and loss of manufacturing capacity, any of which could adversely affect our production schedules and product quality. For details, see "Risk Factors — Risks Relating to our Business and Industry — We depend on third-party suppliers and partners for materials, components, equipment and services critical to our operations. Any interruption in supply, shortage, quality issues or loss of capacity from these partners could materially affect our business operations, product offerings and customer relationships, which may adversely affect our business, financial condition and results of operations."

Supplier Management

We have established a comprehensive supplier management system that encompasses supplier engagement, daily management and periodic evaluation to ensure the quality of our products. During the supplier engagement process, we primarily consider several key factors, including product quality, qualifications and credentials, compliance with the safety standards, reputation and pricing. We require our raw material suppliers to obtain ISO 9001 certification for their quality management systems, which underscores our commitment to quality and consistency in our supply chain, enabling us to deliver reliable and high-quality products to our customers.

We maintain a qualified supplier list and formulate tailored evaluation plans based on the type of raw material supplied. After each evaluation, we communicate any required improvements to our suppliers, ensuring they take the necessary corrective actions. We are entitled to terminate collaboration with the supplier if it fails to meet our standards in two consecutive assessments.

During the Track Record Period and up to the Latest Practicable Date, we had not encountered any disruption of business as a result of shortages or delays in procurement from our suppliers.

LOGISTICS AND INVENTORY MANAGEMENT

Logistics

We primarily engage reputable third-party logistics service providers to deliver our products from our production facilities and warehouses to the venue specified by our customers. To the best of our knowledge, such logistics service providers are Independent Third Parties.

Inventory Management

Our inventories primarily consist of raw materials, work in progress and finished goods. As of December 31, 2023, 2024, 2025 and March 31, 2026, our inventories amounted to RMB27.2 million, RMB52.9 million, RMB59.1 million and RMB86.2 million, respectively.

Our inventory turnover days for the same years were 33 days, 40 days, 39 days and 41 days, which were in line with industry norms.

We operate an integrated inventory management system built around weekly cross-functional meetings, where representatives from sales, procurement, production, and quality control departments align on customer requirements and supply chain strategy. Our centralized raw material procurement management system serves as the backbone of this operation, continuously monitoring lead-time-critical components and triggering advance procurement alerts. For standard materials, procurement and production scheduling are directly aligned with customer orders and delivery requirements. Components with extended lead times follow a more structured process, where purchasing decisions are based on sales forecasts and undergo formal company review before order placement. Oversight is maintained through multiple channels: the finance department issues weekly inventory monitoring reports to ensure rigorous management across planning and production departments, while our warehouse management team regularly tracks slow-moving inventory and defective items. This multi-layered approach, supported by close coordination between quality control and other departments, enables us to maintain optimal stock turnover efficiency while ensuring supply chain continuity.

QUALITY CONTROL

We are committed to upholding the highest standards of quality across our products, recognizing that robust quality management is essential to our reputation and long-term competitiveness. To this end, we have established a comprehensive quality management system that provides the organizational framework and operational standards for the continuous improvement of our products, processes and customer service. Our production bases are certified under ISO 9001, ISO 45001 and ISO 14001, highlighting our dedication to effective quality control and management.

Our quality control measures include (i) the establishment of the quality control system, (ii) quality control throughout the production process and (iii) customer feedback analysis and quality improvement.

- *Establishment of the quality control system:* We have developed a range of internal policies, including a quality manual, document control procedures, record control procedures, internal audit procedures and management review procedures. These policies clearly define the responsibilities of each department in quality control and outline internal processes to ensure product quality, a safe production environment, employee health and safety, environmental protection and compliance with various health, safety and environmental regulations.
- *Quality control throughout the production process:* We implement tailored procurement procedures based on the specific types of raw materials. For materials utilized in the production process, our quality control department is responsible for the quality inspection, as well as tracking and archiving their quality status. We identify, record and separate raw materials, semi-finished products and finished products during the production process, enabling effective traceability through documented identifiers. In addition, we maintain strict controls to prevent the use of expired raw materials or the sale of expired finished goods. We have established specific storage conditions for different types of raw materials and finished products, along with designated procurement and storage cycles tailored to each category.
- *Customer feedback analysis and quality improvement:* Our quality control department is tasked with analyzing and addressing quality issues arising from customer feedback or complaints. The quality department collaborates with research and development, engineering, production and other relevant teams to investigate the root causes and develop appropriate countermeasures. While we prioritize the prompt resolution of these issues, we also implement preventive measures to mitigate potential causes of non-conformance and avert future occurrences. Additionally, we employ data analysis control procedures to assess the data generated during production and service processes, ensuring the

suitability and effectiveness of our quality, environmental and occupational health and safety management systems while identifying opportunities for improvement.

Warranty, Product Returns and Recalls

We generally provide a one or two-year warranty period for our products, during which we provide rework and replacement services to our customers. To address any product that fails to meet customer requirements, we enforce a disciplined process for managing non-conforming products. Upon identification of such products, our engineering department formulates a detailed rework plan, while our quality control department conducts a comprehensive risk analysis, defines validated inspection standards, and performs a final product audit. For products that cannot be effectively improved after rework or do not meet shipping standards, we will proceed with scrapping them to ensure quality integrity.

During the Track Record Period and up to the Latest Practicable Date, we have not experienced any material product returns or recalls or received any material product quality complaints, reflecting the effectiveness of our quality control system and our commitment to product excellence. During the Track Record Period and as of the Latest Practicable Date, we did not receive any claims for personal injury or property damage to consumers arising from product defects or deficiencies.

INTELLECTUAL PROPERTY RIGHTS

Our success and competitive advantages depend in part on our ability to develop and protect our core technologies and intellectual property. Since our inception, we have internally developed a variety of intellectual property rights. As of the Latest Practicable Date, we had 172 granted patents, including 58 invention patents and 16 granted patents in key overseas markets such as the U.S., EU, Japan, and South Korea. In addition, we had 30 patents under application worldwide. Our intellectual property portfolio strategically covers key technological aspects in the robotic vacuum industry, including 112 patents in precision optical systems, five patents in AI spatial sensing algorithms and five patents in AI spatial data processing chips. See "Appendix VI — Statutory and General Information — B. Further Information About Our Business — 2. Intellectual Property Rights of Our Group" for details of our material intellectual property rights.

We acquire patents and core technologies through self-development. We believe that our intellectual property portfolio is critical to strengthening our technological capabilities and maintaining substantial barriers to entry. We intend to continue expanding our intellectual property assets by developing more advanced algorithms for spatial sensing. See "Risk Factors — Risks Relating to Our Intellectual Property Rights — Obtaining and maintaining our patent protection depends on compliance with various procedural, documentary, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements."

We rely heavily on our intellectual property portfolio, particularly a select group of core patents, to protect our proprietary spatial sensing technologies and maintain our competitive edge. These key patents encompass critical innovations in our spatial sensing products. By securing and maintaining these patents in key global jurisdictions, we establish significant technical barriers to entry that prevent competitors from replicating our core technologies. The table below sets forth the key intellectual property rights corresponding to the core technologies applied in our products:

Product	Core Technology	Jurisdiction	Patent No.	Application Scenario	Features/Functions
Triangulation LiDAR . . .	Belt Cover Plate	China Europe United States Japan South Korea	CN201922395373.4 EP3861915B1 US12072708B2 JP7177927B2 KR102575493B1 US20210247494A1	Ranging Module	China's first tangle-prevention technology, preventing hair, dust, and debris from entering the LiDAR interior. Stops internal transmission wheels from jamming and causing LiDAR damage.

Product	Core Technology	Jurisdiction	Patent No.	Application Scenario	Features/Functions
	Artificial Intelligence	China	CN116740581B CN117837987A CN118642085B CN117970350B	Recharging, Calibration, and Ranging Correction	Uses advanced models (deep learning, machine learning) for noise filtering, error elimination, and material identification.
	Area Array Sensor	China, United States	CN107607960B US11675082B2 CN207457505U	Ranging Module	Replaces expensive linear sensors with area array sensors, enabling low-cost spatial sensing that achieve millimeter near-field measurement accuracy.
	Control and Signal Processing	China	CN213846342U CN113343839B CN114371483B CN114355321B CN115079128B CN115616522A CN115372933B CN115524684A	Signal analysis, shaping, and point cloud processing	Performs signal post-processing, multi-optical-path fusion, obstacle avoidance
	Optical Design	China	CN115840231B CN116501070B CN117381860A CN202411986966.7 CN202510028277.3 CN220141574U	Triangulation/TOF ranging	Improves ranging accuracy, reduces optical assembly complexity
dTOF LiDAR	One-Transmit-Multiple-Receive (LiDAR architecture)	China, Japan, Europe, Germany	JP7430886B2 DE202022003129U1 CN307678725S CN307637472S	TOF ranging/ Triangulation + TOF hybrid ranging	Combines triangulation + TOF advantages into hybrid LiDAR system, enhancing accuracy & range
	LiDAR Miniaturized Design	China	CN115213923B CN218247101U CN219225085U CN221841202U	Ranging module	Reduces LiDAR volume
3D Spatial Sensing Technology.	Radar Component + RGB Component Joint Mapping and Obstacle Avoidance	China	CN202310550531.7 CN202311159762.1 CN222704932U CN222394162U	Through LiDAR + camera component interaction, enabling joint mapping and obstacle avoidance	China's first proposed LiDAR-camera tandem obstacle avoidance system
Line Laser	Module Design	China	CN218247127U CN218240394U CN220105293U CN220773263U	Obstacle Avoidance	Increases structural strength/stability
Robotics Testing Products .	Monocular Camera Array and High-Performance Tracking Algorithms	China	CN205981242U	SLAM Testing for Mobile Robots	Large-scale testing with submillimeter accuracy

Product	Core Technology	Jurisdiction	Patent No.	Application Scenario	Features/Functions
XR Products	Module Design, High-Performance Computer Vision and Multi-Sensor Fusion Algorithms	China	CN111614915B CN111752386B CN212112405U CN107564064B CN106372702B CN116540408A CN222882849U CN104436643B CN106372702B CN116540408A CN222882849U CN104436643B	Education, gaming and remote collaboration	6DOF hand motion interaction product based on inside-out and VSLAM technology, featuring low power consumption, low latency and wireless connectivity.

As advised by our PRC Legal Advisor, pursuant to the Patent Law of the People's Republic of China (中華人民共和國專利法), an invention patent registered in China is valid for a term of 20 years from the date of filing of the application for the patent, an utility model patent registered in China is valid for a term of 10 years from the date of filing of the application for the patent, and since June 1, 2021, a design patent registered in China is valid for a term of 15 years from the date of filing of the application for the patent. These terms represent the maximum statutory terms available. The subsistence of a patent within its statutory term is subject to payment of periodic annuities in the relevant jurisdiction. We conduct periodic reviews of our patent portfolio and, where a patent no longer supports a marketed product or a technology with continuing application in our product lines, we may determine not to maintain that patent, in which case the patent will cease before the end of its statutory term. Patents granted outside the PRC are subject to the terms and maintenance requirements of the relevant jurisdiction.

We may rely, in some circumstances, on trade secrets and/or confidential information to protect aspects of our technology. We seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with external consultants. We have entered into confidentiality and non-competition agreements with our employees who have access to trade secrets or confidential information about our business. Our standard employment contract, which we use to employ our employees, contains an assignment clause, under which we own all the rights to all inventions, technology, know-how and trade secrets derived during the course of such employee's work. These agreements may not provide sufficient protection of our trade secret and/or confidential information. These agreements may also be breached, resulting in the misappropriation of our trade secret and/or confidential information, and we may not have an adequate remedy for any such breach. In addition, our trade secret and/or confidential information may become known or be independently developed by a third party, or misused by any collaborator to whom we disclose such information. Despite any measures taken to protect our intellectual property, unauthorized parties may attempt to or successfully copy aspects of our products or to obtain or use information that we regard as proprietary without our consent. As a result, we may be unable to sufficiently protect our trade secrets and proprietary information. See "Risk Factors — Risks Relating to Our Intellectual Property Rights — We may be unable to protect the confidentiality of our trade secrets or other proprietary information, and we may be subject to claims that our employees or third parties have wrongfully used or disclosed alleged trade secrets or other proprietary information owned by others."

As confirmed by our Directors, during the Track Record Period and up to the Latest Practicable Date, we did not have any instances of infringement of third parties' intellectual property rights. For risks related to intellectual property rights, see "Risk Factors — Risks Relating to Our Intellectual Property Rights."

COMPETITION

Spatial sensing serves as the core technical foundation for mapping, navigation, and obstacle avoidance, increasingly relying on AI-driven algorithms, specialized chip development, and multi-sensor fusion. Within this space, LiDAR has emerged as the

mainstream technology due to its enhanced precision and environmental adaptability, with triangulation, dTOF, and line laser scanning technologies collectively catering to differentiated product tiers and cost segments. Fueled by the demand for high-precision, millimeter-level sensing in complex environments, the global robotic vacuum spatial sensing market is projected to grow from RMB3.1 billion in 2025 to RMB9.1 billion by 2030 at a CAGR of 24.3%. In China, robotic vacuum spatial sensing represented only a relatively small portion of the intelligent robot spatial sensing market, accounting for approximately 5.9% of such market in terms of sales revenue in 2025. Concurrently, the corresponding LiDAR segment is expected to experience even faster growth, scaling from RMB1.7 billion in 2025 to RMB5.2 billion by 2030 at a CAGR of 25.5%, highlighting a robust and complementary market landscape with significant opportunities for integrated hardware and software providers.

Comparison of Key Performance Parameters of Spatial Sensing Products

Spatial sensing products are widely used across industries to improve awareness, precision and automation. These capabilities are powered by various spatial sensing modalities, including triangular LiDAR and dTOF. The table below presents a comparative analysis of spatial sensing products provided by us and our key competitors in terms of key performance parameters.

Company	Ranging Method	Year of First Product Launch	Measurement Range	Accuracy	Angle Resolution[1]	Rotational Speed[2]	Major Application
The Company	Triangulation ranging	2018	0.12-8m	≤5mm (0.125-0.35m) ≤2% (0.35-3m) ≤3% (3-4m) ≤4% (4-6m)	0.72°/0.9°	5.2Hz/6Hz	Robotic vacuums
	dTOF ranging	2024	0.06-12m	≤10mm (0.1-0.6m) ≤30mm (0.6-12m)	0.374° (at 4688 frames per second, 5.2 Hz)	5-8Hz	Robotic vacuums
Company A	Triangulation ranging	2009	0.26-5m	±1.5mm	/[3]	/[3]	Mapping robotics
	dTOF ranging	/[3]	0.5-14m		/[3]	/[3]	
Company B	Triangulation ranging	/[3]	0.16-8m at 70% reflectivity	±8mm (0.1-0.5m)/ ±45mm/	1°	210 Hz (typically at 6 Hz)	Robotic vacuums
	dTOF ranging	/[3]	0.03-25m/ 0.02-12m at 70% reflectivity	±10mm (0.03-0.5m)	1°	5-13Hz	
Company C	dTOF ranging	2019	90m at 10% reflectivity, 130m at 20% reflectivity and 260m at 80% reflectivity	2cm	0.28° (vertical) x 0.03° (horizontal)	N/A	Autonomous mobile robotics, logistics robotics and mapping robotics
Company D	dTOF ranging	2020	100m (30m at 10% reflectivity)	±1cm	0.1~0.4°×2.81°	5/10/20Hz	Autonomous service and logistics robots

Notes:

(1) Angle resolution refers to the minimum angular difference at which the LiDAR can distinguish two distinct objects.

(2) Rotational speed refers to the rate at which a LiDAR sensor or its scanning mechanism rotates, determining how quickly it can scan its surroundings.

(3) The information could not be obtained from public sources.

Our Value Proposition and Competitive Advantages

We are a leading provider of cost-effective spatial sensing products, serving both consumer and specialized markets. Leveraging our proprietary ASIC chips and area-array image sensors, we deliver outstanding ranging accuracy, ultra-compact product designs, low power consumption and substantial cost efficiencies across our triangulation and dTOF LiDAR product lines. Our competitive advantages are rooted in our comprehensive technology stack, which encompasses proprietary AI spatial data processing chip design, comprehensive software development for spatial sensing, system design with VCSEL laser, and intelligent manufacturing technology. This technological leadership, combined with our application-specific designs for robotic vacuums and a scalable, highly replicable production process, enables us to offer products that are distinguished by their comprehensive features, technological innovation and competitive pricing. Collectively, these strengths create substantial competitive barriers and reinforce our leadership position within the industry.

The table below sets forth a summary table of the value proposition and competitive advantages of our products relative to our peers:

Our Value Proposition	Our Competitive Advantage
Proprietary AI Spatial Data Processing Chips	• ***Submillimeter Computation***: Compared to general chips, our AI spatial data processing chips are optimized with enhanced processing speed and tailored for millimeter and sub-millimeter-level near-field measurement accuracy, supporting the processing of submillimeter computation. • ***In-Depth Customization as a Catalyst for Product Innovation***: Our proprietary chips enable comprehensive customization tailored to specific product requirements, offering significant flexibility to meet each customer's specific needs. This capability allows us to swiftly iterate and upgrade our products in response to evolving market demands, achieve distinctive functional differentiation, and effectively address the unique needs of diverse customers. • ***Supply Chain Risk Management and Cost Optimization***: Dependence on external chip suppliers can expose us to challenges such as price volatility, supply chain disruptions and technological constraints. By developing our proprietary chips, we are able to exercise greater control over our BOM costs, minimize reliance on third-party supply chains, and strengthen our ability to manage and mitigate risks.

Our Value Proposition	Our Competitive Advantage
Ultra-Compact Design	• ***Enhancement of Product Integrability and Applicability***: The adoption of ultra-compact design allows LiDAR and line laser sensor products to be integrated into a wide range of devices and systems. In scenarios such as robotic vacuums, where space is limited and strict requirements exist for sensor size and weight, ultra-compact products are particularly well-suited to meet these challenges. This capability significantly strengthens the market competitiveness of our product portfolio. As product dimensions continue to shrink, LiDAR and line laser sensors can also be deployed in emerging sectors with stringent spatial constraints, such as wearable devices, smart home, and medical equipment. Expanding into these new application domains further enhances our growth potential. • ***Reduction of Power Consumption and Cost***: Ultra-compact design is typically achieved through the optimization of circuitry and structural configuration, which leads to reductions in both material and manufacturing costs. Additionally, smaller product sizes contribute to lower power consumption, thereby extending the operational lifespan of devices. This is especially beneficial for mobile and portable applications where energy efficiency is critical. Together, these advantages enable us to provide cost-effective and energy-efficient products, further reinforcing our competitive position in the market.
Proven Product Reliability	• ***Belt Dust-Proof Structure***: We have integrated a belt dust-proof structure into our products to significantly enhance their reliability and durability. This advanced design effectively prevents dust and foreign particles from entering, thereby minimizing the risk of malfunctions caused by dust accumulation. As a result, our products are capable of long-term stable operation with minimal maintenance requirements. The dust-proof structure also improves robustness and consistency, ensuring that our products maintain reliable spatial sensing and navigation performance even in complex and demanding environments. This is especially beneficial for applications requiring high operational stability. The adoption of the belt dust-proof structure underscores our commitment to delivering products with high reliability, enhanced stability, and extended service life.
Cost-control	• ***Less Reliance on Hardware***: Our ability to leverage advanced algorithms reduces our hardware dependency, thereby optimizing our overall cost structure and strengthening our cost-control measures.

Our Value Proposition	Our Competitive Advantage
	• ***High Manufacturing Yield***: We believe our end-to-end oversight from R&D through mass production drives our high manufacturing yield rates of 99.8% for LiDAR and over 99% for line lasers. Crucially, these high manufacturing yields optimize our production costs by minimizing material waste and rework, while also ensuring consistent quality and low post-sale repair rates.
	• ***Strategic Collaboration with Key Suppliers***: We have established strategic partnerships with certain key suppliers. Leveraging our leading shipment volumes in spatial sensing products, we possess significant bargaining power. This enables us not only to secure favorable commercial terms, but also to work closely with these suppliers to customize their component specifications to meet our precise product requirement

DATA PRIVACY AND SECURITY

We attach great importance to data security and protection. We have established a series of internal policies and procedures, including the information security management measures and the information security incident grading standards, to govern matters related to our data management. To safeguard the overall security of our data and IT systems, we have formulated the policy for software Installation and designated the IT department as the management body responsible for supervising and inspecting software installations on computers across all departments.

We have implemented comprehensive management protocols for data based on its level of confidentiality. These protocols ensure that the storage, transfer, duplication, backup, and destruction of data comply with our internal policies as well as applicable laws and regulations. We collect and store essential data integral to our business operations, which includes commercial and transactional information from our engagements with customers, suppliers, and other counterparties, as well as personal information of our employees, job applicants, and designated contacts within our partner organizations, primarily consisting of their names and contact information. We primarily collect the aforementioned business contact and transaction-related information through our enterprise email and ERP systems. Although our spatial sensing products are primarily integrated into robotic vacuums, we do not collect, store, or transmit any personal information from end users. Specifically, we do not have access to sensitive user data, including floor maps, room layouts, or behavioral habits generated by the robotic vacuums that utilize our components. Any spatial data captured by our products is processed locally on the end device and managed entirely by our customers' own proprietary software systems.

To safeguard information security and prevent unauthorized internal access, access to and management of the personal information database of employees and designated contact persons of our business partners are strictly limited to authorized personnel within the Group. We do not transfer data outside of the PRC, nor do we disclose any personal, business, or transaction information to unrelated third parties. All such data collected by us in the course of our business and transactions in the Chinese Mainland is stored within the Chinese Mainland. Based on the terms of our agreements with customers and suppliers and in accordance with general commercial practice, the ownership of external business and transaction information we obtain belongs to the party providing such information.

Data backups are performed regularly, with access to backup files strictly restricted to authorized employees, following a rigorous approval process. All access is logged for accountability. Furthermore, confidential data and documents are encrypted using our advanced encryption system, with decryption permissions managed by department heads or designated confidentiality officers. The destruction of media containing confidential data requires approval from relevant management personnel, must be conducted under supervision, and ensures that the data is rendered irrecoverable.

Given that during the Track Record Period and up to the Latest Practicable Date, (i) we did not receive any complaints regarding our data privacy or security measures, (ii) to the best of our knowledge, there were no investigations, legal proceedings, or administrative penalties for violations of cybersecurity, data security, or personal information protection laws or regulations, nor were any such actions pending or threatened by competent authorities or third parties, and (iii) we have established and implemented comprehensive internal policies and protocols to govern our data management, our PRC Legal Advisors as to data compliance is of the view, and our Directors concur, that we have complied with the relevant laws and regulations on cybersecurity and data security and privacy in all jurisdictions where we operated during the Track Record Period and up to the Latest Practicable Date. For the foregoing reasons, our Directors further consider that the internal measures described above are adequate and effective for managing the Group's data privacy and security risks, having regard to the nature and scale of the Group's operations and data processing activities.

EMPLOYEES

As of March 31, 2026, we had a total number of 415 full-time employees, all of whom were based in the Chinese Mainland. The following table sets forth the number of our full-time employees by function as of March 31, 2026:

Function	Number of Employees
Production and Supply	252
Research and Development	110
General Administration	43
Sales and Marketing	10
Total	**415**

Our success is underpinned by our ability to attract, retain and motivate highly qualified personnel, and we regard our talent pool as a core strength of our Company. We adopt high standards and rigorous procedures in our recruitment process to ensure the quality of new hires. We recruit employees primarily through on-campus job fairs, industry referrals, online recruitment channels, and, where appropriate, specialized talent agencies, in order to meet our evolving business needs. We offer competitive salaries, performance-based cash bonuses, and other incentives to our employees. In addition, we have adopted share-based incentive plans for eligible employees to further align individual performance with our Company's long-term success. Our compensation and benefits packages are designed to attract and retain top talent in a highly competitive labor market.

We enter into standard employment contracts, confidentiality and non-compete agreements with all employees in accordance with market practice. To support the ongoing professional development of our employees, we provide new employee orientation programs as well as regular on-the-job training and continuing education opportunities. These programs are aimed at enhancing the skills and knowledge of our workforce, fostering a culture of innovation and excellence, and supporting the long-term growth of our business. Our employees have not formed any employee union or association. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material labor disputes, work stoppages, or significant difficulties in recruiting or retaining staff for our operations.

In line with PRC laws, we participate in government-mandated employee benefit plans, including social insurance for pensions, medical care, unemployment, work-related injury, maternity, and housing funds. We are required by PRC law to contribute to employee benefit plans at specific rates based on employee salaries, bonuses, and certain allowances, up to limits set by local regulations. During the Track Record Period, we engaged third-party human resource agencies to pay social insurance and housing provident fund for some of our employees at the request of the employees, because we did not have legal entities to pay social insurance premium or housing provident funds for them locally. In addition, we did not make social insurance contributions and housing provident funds in full for certain employees, although we did not incur any material administrative fines or penalties for such failure during the Track Record Period. See "Risk Factors — Risks Relating to Doing Business in Jurisdictions Associated with Our Operations — We may be subject to fines and penalties as a result of our non-compliance with certain PRC laws and regulations regarding the social insurance and housing provident fund during the Track Record Period."

INSURANCE

We believe that our insurance coverage is in line with the industry practice and adequate to cover our key assets, facilities and liabilities. Vehicle insurance, employer liability insurance, and executive travel insurance for U.S. business trips are maintained to cover daily operations and specific scenarios. In line with general market practice, we do not maintain any business interruption insurance or product liability insurance, which are not mandatory under PRC laws. We also do not maintain key man life insurance, insurance policies covering damages to our network or information technology systems or any specialized insurance policies for our properties. See "Risk Factors — Risks Related to Our Business and Industry — We may not have sufficient insurance coverage to cover our business risks." During the Track Record Period and up to the Latest Practicable Date, we did not make any material insurance claims in relation to our business.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are committed to strengthening the management of Environmental, Social, and Governance (ESG) issues by establishing a three-level ESG governance structure, as authorized by the Board of Directors, comprising the ESG Management Committee, the ESG Secretariat, and the ESG Working Group. The Board of Directors is responsible for overseeing and coordinating ESG issues, including setting the overall direction for sustainable development, ensuring disclosures comply with regulatory requirements, identifying and assessing ESG-related risks, and continuously monitoring sustainability performance. The ESG Management Committee is tasked with reviewing ESG-related laws, regulations, and policies, identifying and managing ESG risks and opportunities that may have a significant impact on our Company's business, and evaluating performance. The ESG Secretariat serves as the coordinating body for ESG management, responsible for implementing the Committee's work assignments, advancing the management and execution of ESG topics, and coordinating ESG-related information disclosure. The ESG Working Group, as the implementing body, is responsible for facilitating the execution of ESG topics, monitoring their progress, and regularly collecting, consolidating, and reporting updates, performance, and case studies from the respective responsible departments. The Board convenes at least one meeting annually to receive briefings from the ESG Management Committee and to review the progress of ESG issues and targets, thereby continuously enhancing our Company's ESG management capabilities. Looking ahead, we will further improve our ESG governance mechanisms to ensure strong organizational support for the effective implementation of ESG issues.

Material ESG-related Risk Assessment Mechanism

We identify ESG-related risks that could adversely affect our Company's business, results of operations and financial performances, as well as collect, analyze, prioritize and summarize key concerns of stakeholders to assess the materiality of each ESG-related risk and effectively manage material ESG-related risks of our Company. We have established and implemented the following materiality assessment process:

1. Identify potential material ESG-related risks that may impact our Company's business or related parties, considering the business strategy, current international standards (such as the guidelines enacted by the Sustainability Accounting Standards Board (SASB)) and industry practices of our Company.
2. Invite key stakeholders to participate in surveys and express their understanding and concerns regarding material ESG-related risks.
3. Analyze the collected surveys and prioritize material ESG-related risks.

Material ESG-related Risk Management

Based on the nature of our business and future development direction, we have conducted a targeted identification and assessment of ESG risks through our risk assessment procedures. For multiple risk topics, we have already taken mitigation measures to reduce potential risks. We have identified, evaluated, and prioritized the following material ESG risk topics, together with their potential impacts and corresponding mitigation measures, key risk topics include:

Risk topics	Potential risk impact	Mitigation measures
Product quality and safety	Without quality reviews and risk assessments during product development or material inspection stages, product quality may not be adequately assured. This could result in declining customer satisfaction, product recalls, and, consequently, reduced revenue and increased production costs for our Company.	The Company has obtained ISO 9001:2015 quality management system certification and established production planning and operational control procedures. By implementing stringent controls over material management, production management, quality audits, non-conformance handling, and quality issue resolution, we ensure rigorous product quality management. At the same time, we comply with OEM safety standards and deliver certified products.
Protection of intellectual property rights	Without the awareness of protecting intellectual property (such as patents, trademarks, and software copyrights), it may lead to the loss of intangible assets or trigger intellectual property litigation, resulting in increased operating costs for our Company.	The Company has established R&D project management mechanism to oversee R&D outcomes and intellectual property. From the outset, we identify and protect intellectual property rights, while implementing a patent incentive program to accelerate the accumulation of high-quality patent assets and strengthen employees' awareness of intellectual property protection.

Risk topics	Potential risk impact	Mitigation measures
Employee health and safety	If our Company fails to provide a safe working environment and foster employee awareness of workplace safety and occupational health, it may face risks such as workplace injuries, declining employee well-being, and increased staff turnover, ultimately leading to higher operational costs.	The Company has obtained ISO 45001:2018 Occupational Health and Safety Management System certification and established a comprehensive safety management framework covering occupational health, labor protection, workplace injuries, and emergency response. Regular fire drills and safety training are conducted to further safeguard employees' health and safety.
Information security and privacy protection	If our Company lacks sufficient controls over data security and personal privacy protection, confidential business information, such as operational data and customer details, may be exposed, creating risks of information leakage. This could negatively affect business operations and corporate reputation, potentially reducing revenue and increasing production or operational costs.	The Company has established information security, incident classification, and confidentiality management mechanisms. Through measures such as pre-approval, process control, and post-incident accountability, it systematically prevents information security breaches and privacy risks.
Customer relationship management	If our Company fails to capture customer needs and feedback through multiple channels in a timely manner, or if market sensitivity in areas such as design, R&D, and material procurement declines, it may adversely affect business operations and result in reduced revenue.	The Company has established product pricing, customer profile, and after-sales service management mechanisms to maintain effective communication with clients. By providing product training and technical support, our Company continuously enhances customer relationship management efficiency and better meets customer needs.

Risk topics	Potential risk impact	Mitigation measures
Compliance risk control	Without a compliance management system, it becomes difficult to prevent and control improper behaviors such as corruption, bribery, and fraud in operational processes. Without effective risk control mechanisms, our Company may face operational and ESG-related risks, threatening business continuity and potentially leading to reduced revenue and increased operating costs.	The Company has established internal management policies such as the *Anti-Monopoly and Fair Competition Management Regulations* (《反壟斷與公平競爭管理規定》) and the *Anti-Bribery Management Regulations* (《預防商業賄賂管理規定》), and outlined employee integrity and ethics requirements in the *Social Responsibility Management Manual*. Reporting channels and whistleblower protection mechanisms have been set up to ensure compliance oversight of employees, customers, and suppliers. In addition, a clearly defined and well-functioning ESG risk management framework has been established to manage environmental, social, and governance-related risks, including climate-related risks.
Energy management . . .	If our Company does not manage energy consumption in its operations, such as electricity for air conditioning and lighting, it may contribute to the greenhouse effect and increase the likelihood of climate-related risks, including extreme weather events (see Addressing Climate Change section for details). In addition, under the ongoing energy transition, rising energy prices could lead to higher operational costs.	The Company has established internal management policies, including the *Energy and Resource Management Measures* (《能源資源管理辦法》) and the *Energy Conservation and Consumption Reduction Regulations* (《節能降耗管理規定》), to implement energy-saving practices across office operations, production, and daily activities, while promoting green office and operational practices.

We place strong emphasis on risk management and internal controls, and have formulated the *ESG Management Policy* (《ESG管理制度》) to establish an ESG risk management mechanism that integrates ESG practices into our corporate strategy and daily operations. We have developed methods and procedures for risk identification, assessment, management, and monitoring, covering strategic, financial, market, operational, legal, technological, and ESG-related risks. Targeted risk management strategies and solutions are proposed and implemented accordingly, while regular supervision and continuous improvement are carried out to ensure the effectiveness of our Company's risk management and internal control.

Intellectual Property Rights

We have established internal policies such as the *Intellectual Property Management Procedures* (《知識產權管理程序》) and the *Non-Disclosure Agreements* (《保密協議》), continuously strengthening our Company's intellectual property (IP) management system and resolutely preventing any loss of IP arising from improper conduct. The Company upholds a principle of reciprocal and mutual IP protection: we are committed to the lawful use of third-party IP only upon authorization, while requiring our stakeholders to respect our IP in return. To ensure the implementation of these commitments, we have put in place an internal

inquiry and whistleblowing mechanism, with the Human Resources Department responsible for investigating and addressing all cases of infringement.

Product Quality

We have established internal quality management systems, including the *Production Operation Control Procedures* (《生產作業控製程序》), *Quality Abnormality Handling Process* (《品質異常處理流程》), the *Nonconforming Product Control Procedures* (《不合格控製程序》), and the *Material Management Operation Procedures* (《物料管理作業程序》), to regulate quality control across product design, development, testing, and delivery and provide guidelines and methods for quality management. We have obtained ISO 9001 Quality Management System certification.

We enforce strict quality management for both products and raw materials, and conduct inspections and testing at the procurement, production, and after-sales stages to prevent the transfer or release of nonconforming products, thereby establishing a robust product safety management mechanism. At the procurement stage, we following the *Material Sample Approval Management Regulations* (《物料樣品承認管理規定》), all suppliers of electronic components, assemblies, and other raw materials must undergo material sample inspections, and materials without an approved *Sample Approval Certificate* (《樣品承認書》) are not permitted for direct use or processing. During the production stage, we conduct first-piece inspection, self-inspection, mutual inspection, reliability sampling, and final inspection before shipment to ensure compliance with quality standards at every stage. If nonconforming products are identified on the production line, they are subject to rework, repair, or scrapping.

Supplier Management

We have established internal supplier management systems, including the *Supplier Management Procedures* (《供應商管理程序》), *Procurement Control Procedures* (《採購控製程序》), and the *Anti-Commercial Bribery Management Regulations* (《預防商業賄賂管理規定》), to strengthen supplier classification and evaluation processes, as well as to standardize supplier development and review.

All qualified suppliers are subject to annual assessments across multiple dimensions such as material quality, pricing, delivery, and service. Based on assessment results, suppliers are categorized into four grades: A, B, C, or D. For suppliers graded C or D, we require the implementation of improvement plans and closely monitor corrective measures in areas such as production processes, quality systems, and key operations to ensure their effectiveness. Suppliers that receive a D grade for two consecutive years are disqualified and no longer eligible for further cooperation.

We sign the *Integrity and Fair Cooperation Agreement* (《誠信廉潔合作協議》) with all suppliers. Any supplier found to have engaged in improper practices, including business bribery during bidding, procurement, or contract fulfillment, will have its cooperation terminated immediately and be subject to legal action. At the same time, suppliers are also required to sign the *Social Responsibility Commitment Letter* (《社會責任承諾書》), pledging compliance with local labor laws as well as social responsibility standards such as RBA and SA8000. During supplier risk assessment and annual review period, suppliers must also provide ISO 9001, ISO 14001, and ISO 45001 certifications to ensure supply stability and compliance. To mitigate potential risks such as supply disruptions and quality fluctuations that may arise from reliance on a single supplier, we actively seek partnerships with a broader pool of high-quality suppliers and implement multi-sourcing strategies for critical raw material suppliers. This approach enhances resilience, ensuring both continuity and stability across our supply chain. For the three months ended March 31, 2026, we had a total of 310 suppliers, primarily comprising suppliers of electronics components, plastics, optical components and packaging materials.

Employee Rights and Benefits

We have established internal recruitment management policies, including the Recruitment Management Policy (《招聘管理制度》), Employee Handbook (《員工手冊》), the Regulations on Prohibition of Forced Labor (《反強迫性勞工管理規定》), and the Regulations on Prohibition of Child Labor (《禁止使用童工管理規定》), to build a comprehensive and standardized talent acquisition system aligned with the Company's development needs and strategic plans.

To enhance workforce diversity, we have established policies such as the Recruitment Management Policy and Performance Assessment and Incentive Program etc. These ensure strict adherence to the principles of fairness, justice, and non-discrimination in recruitment, compensation, promotion, and termination processes, strictly prohibiting discrimination based on gender, age, or any other factors. We utilize diverse recruitment channels, including online platforms, third-party agencies, employee referrals, and campus recruitment. We protect employees' rights and provide benefits such as additional allowances and leave. Simultaneously, we support employees' career development through a systematic training framework, thereby providing talent assurance for the company's sustainable development.

The table below shows the breakdown of employee numbers by gender during the reporting period:

Indicator	Unit	As of March 31, 2026	As of December 31, 2025	2024	2023
Total number of employees . . .	Person	415	390	377	345
Number of male employees . . .	Person	277	252	246	197
Number of female employees . .	Person	138	138	131	148

Note:

The total number of employees includes full-time employees of the Company and its subsidiaries (excluding outsourced personnel).

We have established the Performance Assessment and Incentive Program (《績效考核與激勵方案》) and the Leave Management Policy (《假期管理制度》), and provide employees with full contributions to pension, maternity, medical, unemployment, and work-related injury insurance, as well as housing provident fund. Beyond statutory benefits, we also offer employees additional perks, including transportation and lunch allowances, annual leave, maternity-related leave (prenatal checkups, maternity leave, breastfeeding leave, childcare leave, and nursing leave), among others.

We have formulated internal policies such as the New Employee Onboarding and Confirmation Guidelines (《新員工培養和轉正流程指引》) and the Internal Trainer Management Policy (《內部講師管理制度》). Aligning with the Company's development and strategic plans, we conduct onboarding training for new employees as well as specialized technical training. The Human Resources Department is responsible for conducting an annual evaluation of training programs and outcomes to ensure training effectiveness.

Occupational Health and Safety

We have established internal occupational health and safety management systems, including the *Occupational Health and Safety Management Measures* (《職業健康及勞動保護管理辦法》), the *Production Safety Accident Emergency Plan* (《生產安全事故應急預案》), and the *Fire Safety Management Measures* (《消防安全管理辦法》), to create a comprehensive production safety framework through cross-departmental coordination. Our health and safety programs are centrally developed and implemented by the Administration Department, ensuring employee occupational safety and well-being through regular safety and hygiene inspections, monitoring, and systematic risk assessments. We conduct company-wide safety training, new equipment operation training, and onboarding/role-change safety training semi-annually to ensure proper operation of equipment. In addition, we organize emergency drills, including first aid, fire response, and evacuation exercises, at least once every six months to enhance our emergency response capabilities.

During the Track Record Period and as of the Latest Practicable Date, there were no work-related fatalities, occupational injuries or lost workdays due to occupational injuries.

Environmental Protection

We are aware that climate change will bring risks to our Company's business, and therefore we identify, evaluate and manage climate-related risks and opportunities, and take response measures to address global climate change.

Risk name	Risk description	Potential impact	Mitigation measures
Physical risks			
Extreme weather . .	Extreme weather events caused by climate change, including but not limited to typhoons, heavy rains, heat waves, cold waves, etc.	During extreme weather, the transportation of raw materials and products will be blocked, and risks such as power and water outages may also occur, resulting in risks such as interruption of enterprise production and operation, equipment failure, and personnel injuries, resulting in an increase in the Company's operating costs; In addition, temperature changes may affect product storage conditions, battery life and performance, etc., resulting in an increase in product costs. Extreme weather events may affect raw material suppliers, production facilities, and logistics networks, potentially causing delays or shortages in the supply of key raw materials and increasing production costs.	➢ Formulate the Emergency Plan for Safety Production Accidents(《安全生產事故應急預案》), set up response measures for extreme environments (extreme high temperatures, typhoons, extreme rainfall, etc.) in the emergency plan, and clarify that outdoor high-altitude operations are not allowed in strong winds, heavy rains, and dense fog weather above level six. ➢ The Company has established a diversified supplier system. This system ensures multi-sourced supply of key raw materials, significantly enhancing the company's ability to respond to supply disruptions or quality fluctuations.
Transition risks			
Policy and regulatory impact . .	Regulators have gradually increased their requirements for company information disclosure. For example, the implementation of "dual carbon" policies and supporting regulations has increased relevant information disclosure requirements (such as information on clean energy use, carbon emissions, ESG and environmental management).	With the higher regulatory requirements for information disclosure, the Company may face information disclosure compliance risks, and may be punished for violations, resulting in business suspension and reducing the Company's revenue.	➢ Establish a sound ESG management system, regularly monitor and report the Company's performance and management progress, pay attention to ESG-related risks and opportunities, and proactively disclose ESG-related information.

Risk name	Risk description	Potential impact	Mitigation measures
Technical risks . . .	It may not be possible to follow the sustainable transformation trend of products, technologies or devices during product or technology development.	The Company's demand for sustainable and environmentally friendly products or energy-saving technologies and equipment has expanded, resulting in an increase in product or technology costs.	➢ In terms of technology research and development, we will increase investment in energy-saving vision sensors and other fields, deploy advanced green sensing technology, and continue to improve innovation capabilities. ➢ Optimize supply chain management, reduce procurement costs of key components, and actively strive for government green technology subsidies, tax incentives and green certification to reduce transformation costs.
Market risks	As people gain stronger awareness of climate change and environmental protection, more and more customers may tend to choose environmentally friendly/low-carbon products and companies that adopt sustainable production methods in the future. Changes in consumer behavior will cause potential consequences for enterprises. market risk.	Consumer and customer expectations for sustainable and low-carbon products are directly transmitted to the supply chain, requiring the Company and its upstream suppliers to meet increasingly stringent environmental standards. If we fail to meet consumer expectations for sustainable/low-carbon products in a timely manner, the demand for the Company's products/services may decrease, resulting in a decrease in revenue.	➢ When technical capabilities and qualifications are comparable, we prioritize suppliers with stronger ESG performance, source greener and safer raw materials, and build a more sustainable supply chain. ➢ Introduce energy-saving design in the product design and development stage, and promote the application of green materials and environmentally friendly manufacturing processes to provide energy-saving products that are more in line with consumers' preferences.
Reputational risks	Stakeholders' attention to climate change and ESG-related information has increased.	Based on changes in the concerns of stakeholders, the Company may face changes in consumer preferences and capital market inquiries, which will have an impact on the overall operating business and lead to a decrease in revenue.	➢ Keep track of climate-related risks, ensure that risks are controllable, and avoid negative impacts on corporate image due to risks. ➢ Continue to identify major risk issues and listen to the opinions of external stakeholders including customers and investors.

Utilization of energy and resources

We have established internal management systems, including the *Energy and Resource Management Measures* (《能源資源管理辦法》) and the *Energy Conservation and Consumption Reduction Regulations* (《節能降耗管理規定》), to regulate the management and use of our Company's energy and resources. Our key energy and resource inputs include electricity, diesel for power generation, machinery lubricants, water, and paper. Energy consumption primarily occurs across office and public areas, production facilities, warehouses, and employee dormitories.

We take the following measures to reduce unnecessary energy and resource consumption in daily operations and production:

- ✔ When lighting levels allow, strictly control the number of production lights turned on, and post "Save Electricity" signs in visible locations.
- ✔ After using water, immediately turn off taps, and place "Save Water" signs at tap locations.
- ✔ Minimize oil spillage, drips, leaks, or overflows during use, and collect used or waste oil in designated waste oil barrels for centralized disposal.
- ✔ Promote energy conservation, environmental protection, and resource efficiency by placing scrap paper recycling bins near printers to reduce paper waste.

We have established the *Solid Waste Management Measures* (《固體廢棄物管理辦法》) to clearly define the categories, collection, and disposal methods for general and hazardous waste. General waste is classified into recyclable and non-recyclable categories, with designated collection points and containers established for each type. Employees receive training on proper waste sorting and are required to dispose of waste in accordance with these classification rules. Hazardous waste is centrally collected and processed by the property management company, and the relevant personnel is required to fill out the *Hazardous Waste Storage and Transfer Records*. During transportation, strict precautions are enforced to prevent rough handling and leakage.

The Company has established systematic processes for collecting and monitoring environmental data, tracking and disclosing data and intensity metrics related to key resource consumption (e.g., energy, water), emissions (e.g., greenhouse gases), and waste. During the Track Record Period, our intensity metrics were suitable for peer comparison, and we have provided explanations for any significant data fluctuations observed historically.

The following table presents the environmental quantitative indicators in terms of energy and resource waste in our offices and operating production facilities during the Track Record Period.

		As of March 31,	As of December 31,		
Indicator	**Unit**	**2026**	**2025**	**2024**	**2023**
Gasoline consumption	Liter	425.78	1,426.69	761.07	946.76
Purchased electricity	MWh	1,367.17	6,466.76	4,770.37	2,355.93
Intensity of electricity consumption	MWh/RMB million of revenue	6.98	10.54	11.01	7.09
Water consumption	Tons	5,436	42,000	26,952	11,337
Water consumption density	Tons/RMB million of revenue	27.75	68.46	62.20	34.14
Total Non-Hazardous Waste Generated	Tons	0.20	0.30	0.10	0.09
Non-Hazardous Waste Intensity	Tons/RMB million of revenue	0.0010	0.0005	0.0002	0.0003

The material fluctuations in our environmental quantitative indicators during the Track Record Period were primarily driven by the expansion of our business operations. From 2023 to 2025, the expansion of our production facilities and manufacturing lines resulted in increased consumption of purchased electricity and water, as well as an increase in total non-hazardous waste generation, which in turn contributed to an increase in our greenhouse gas emissions over the same period. In addition, the growth in our overall business volume during the Track Record Period led to increased vehicle usage, resulting in higher total gasoline consumption, particularly in 2025. These increases in environmental data are

therefore reflective of our operational growth during the Track Record Period rather than a deterioration in our environmental management practices. We are committed to implementing various emission reduction and resource efficiency measures going forward, with a view to managing the consumption and intensity of our key environmental indicators in a manner commensurate with our business growth.

GHG Management

Our GHG emissions mainly come from direct emissions from the use of gasoline vehicles and indirect emissions from purchased electricity used for lighting and air conditioning in office operations and factory floors. We regularly collect, analyze and report data related to GHG emissions to set targeted emission reduction targets and measures.

The following table sets forth the environmental quantitative indicators in terms of GHG emissions from our offices and operating production facilities in Shenzhen, Huizhou, Beijing, Suzhou and Hong Kong during the Track Record Period. During the Track Record Period, our GHG emission intensity per RMB million of revenue is applicable to our peers for comparison, and the value of such indicator is lower than that of peer companies.

Indicator	Unit	As of March 31, 2026	2025	2024	2023
CO_2 emissions (Scope 1)	tCO_2e	1.00	3.37	1.80	2.23
CO_2 emissions (Scope 2)	tCO_2e	0.73	3.43	2.56	1.34
CO_2 emissions (Scope 3)	tCO_2e	29.93	118.78	116.21	105.50
CO_2 emissions (Scopes 1, 2, 3)	tCO_2e	31.66	125.58	120.57	109.08
CO_2 emissions (Scope 1, 2, 3) intensity	tCO_2e/RMB million of revenue	0.16	0.20	0.28	0.33

Note:

The calculation of scope one includes the gasoline consumed by our gasoline vehicles. The Scope 2 calculations include the electricity consumption of our purchased electricity. Scope 3 includes Category 7-GHG emission data for employee commuting.

Setting of targets

We have set quantified ESG goals:

1. Carbon Emission Reduction Target: By 2029, reduce the company's Scope 1 and Scope 2 greenhouse gas emission intensity (tonnes of CO_2e per million RMB revenue) by 5% compared to 2024.
2. Energy Target: By 2029, reduce the company's electricity consumption intensity (kWh per million RMB revenue) by 4% compared to 2024.
3. Water Target: By 2029, reduce the company's water consumption intensity (tonnes per million RMB revenue) by 6% compared to 2024.

We regularly record and analyze energy and resource consumption data, review the goals and their progress, and continuously refine energy-saving and emission-reduction measures based on operational realities. We implement measures to improve the efficiency of energy, water, and packaging material use in our daily operations and production activities, continually enhancing energy and resource management levels. The effective achievement of the goals is supported through internal energy conservation management, promotion of green office practices, and other means. Furthermore, we plan to increase future investment in R&D for energy-efficient products, actively adopting energy-efficient design in software product development and design to build a green and energy-efficient brand.

PROPERTIES

Our headquarters is located in Shenzhen, China. As of the Latest Practicable Date, we operated our business operations through 11 leased properties with an aggregate GFA of approximately 42,892.7 square meters. Our leased properties are used for non-property activities as defined under Rule 5.01(2) of the Listing Rules and are principally used for offices, research and development, production and warehousing purposes.

Pursuant to the applicable PRC laws and regulations, property lease agreements are required to be registered with the relevant local land and real estate administration bureau. As of the Latest Practicable Date, six of our leased properties in China had not completed such lease registration procedures with the relevant PRC government authorities, primarily due to the lack of cooperation from the lessors, which has hindered the timely completion of the registration process. As advised by our PRC Legal Advisor, failure to complete the registration and filing of lease agreements will not affect the validity of such leases or impede our use of the relevant properties but could result in the imposition of fines up to RMB10,000 for each leased property that is unregistered if we fail to rectify the non-compliance within the time frame prescribed by the relevant authorities. As of the Latest Practicable Date, we were not aware of any notice or allegation of penalty from PRC government authorities for our failure on the registration of lease agreements. We have not made provisions for potential penalties, given that the risk of significant administrative penalties is considered low and we are actively rectifying such non-registration.

To prevent similar incidents from recurring, we plan to conduct employee training to emphasize the legal requirements and risks associated with lease registration, strengthen internal review procedures, and include explicit lease registration compliance clauses in new lease agreements. In addition, alternative properties for relocation are available, and while the timeline and costs would depend on factors such as equipment transfer and installation requirements, we do not anticipate any material impact on our financial performance from such potential relocation activities. For a discussion of risks relating to property interest defects, see "Risk Factors — Risks Relating to Doing Business in the Jurisdictions Associated with Our Operations — We face certain risks relating to our leased properties, which may disrupt our operations and relocation costs."

As of the Latest Practicable Date, none of the properties leased by us had a carrying amount of 15% or more of our consolidated total assets. Therefore, according to Chapter 5 of the Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Cap. 32L of the Laws of Hong Kong), this prospectus is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance which requires a valuation report with respect to all our Group's interests in land or buildings.

LICENSES, PERMITS AND APPROVALS

During the Track Record Period and up to the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant governmental authorities that are material to our business operations in markets in which we operate. We renew all such material permits and licenses from time to time to comply in all material aspects with the relevant laws and regulations and we do not expect any material difficulties in such renewals so long as we comply with the applicable requirements and conditions set by the relevant laws and regulations.

The following table sets forth a summary of the key licenses, permits and certificates necessary for our business operations:

License/Permit	Holder	Expiration Date
Pollutant discharge permit	Camsense Intelligent	October 25, 2028
Pollutant discharge permit	Huizhou Camsense	August 12, 2030
Registration Certificate of Customs Declaration Entity	The Company	Valid for long term[(1)]
Registration of Enterprises for Entry-Exit Inspection and Quarantine Declaration	The Company	N/A[(2)]

Notes:

(1) As advised by our PRC Legal Advisor, the Registration Certificate of Customs Declaration Entity remains permanently valid.

(2) As advised by our PRC Legal Advisor, the Registration of Enterprises for Entry-Exit Inspection and Quarantine Declaration does not have an exact expiration date on its certificate.

LEGAL PROCEEDING AND COMPLIANCE

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. See "Risk Factors — Risks Relating to Our Business and Industry — We may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business."

During the Track Record Period and up to the Latest Practicable Date, there were no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

Compliance

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that have led to fines, enforcement actions, or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

As advised by our PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, we have complied with the relevant laws and regulations in all material respects.

Insufficient contribution of the social insurance and housing provident fund

During the Track Record Period, we did not pay social insurance and housing provident fund contributions in full for certain employees based on their actual salary levels in accordance with applicable PRC laws and regulations. In 2023, 2024, 2025 and the three months ended March 31, 2026, the shortfall in our social insurance and housing provident fund contributions amounted to approximately RMB12.1 million, RMB11.7 million, RMB8.9 million and RMB2.4 million, respectively. If we fail to pay the outstanding social insurance within the prescribed period, we may be subject to a fine equivalent to one to three times of the outstanding social insurance amount. Pursuant to Article 19(1) of the Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) (the "**New Judicial Interpretation**"), promulgated on July 31, 2025 and effective from September 1, 2025, where an employer and an employee agree, or an employee undertakes, that social insurance contributions are not required to be paid, the People's Court shall deem such agreement or undertaking invalid; where an employer fails to pay social insurance contributions and the employee requests termination of the labor contract and claims economic compensation pursuant to the PRC Labor Contract Law, the People's Court shall support such claims.

In addition, during the Track Record Period and up to the Latest Practicable Date, we engaged certain third-party human resources agencies to make social insurance and housing

provident fund contributions on behalf of certain employees in the localities where they worked or resided. This arrangement was implemented primarily because the relevant employees expressed a preference to participate in the social insurance and housing provident fund schemes in their respective cities of residence. Pursuant to the agreements entered into with each such third-party agency, the agency assumed the obligation to make the relevant social insurance and/or housing provident fund contributions for the relevant employees. Such arrangements, although not uncommon in China, are not in strict compliance with relevant PRC laws and regulations. If the arrangement is challenged by government authorities, we may be deemed as failing to discharge our obligations in relation to the payment of social insurance and housing provident funds through our own accounts as an employer. We may face uncertainties as to the application and implementation of laws and regulations in this regard and thus may not be practical for us to estimate the maximum potential fine or penalty quantitatively.

Our PRC Legal Advisor is of the view that, on the basis that (i) according to the compliance certificates issued by the competent PRC authorities, during the Track Record Period, neither we nor our PRC subsidiaries were subject to any material administrative penalties for non-compliance with PRC laws, regulations or rules in respect of social insurance or housing provident fund contributions; (ii) pursuant to the Urgent Notice of the General Office of the Ministry of Human Resources and Social Security on Implementing the Spirit of the Executive Meeting of the State Council and Effectively Stabilising the Collection of Social Insurance Premiums (Ren She Ting Han [2018] No. 246) (《人力資源社會保障部辦公廳關於貫徹落實國務院常務會議精神切實做好穩定社保費徵收工作的緊急通知》(人社廳函〔2018〕246號)), the prevailing social insurance premium collection policies shall be strictly implemented and any self-initiated centralized recovery of historical arrears from enterprises is strictly prohibited; (iii) based on the interviews conducted by our PRC Legal Advisor with the competent social insurance authorities and housing provident fund management authorities in charge of our PRC subsidiaries, such authorities will not proactively conduct any comprehensive centralized recovery or clearance against us or our PRC subsidiaries, and provided that the relevant PRC subsidiary completes rectification as required upon receipt of any notice from the relevant authority, no penalty will be imposed on the relevant PRC subsidiary; and (iv) during the Track Record Period and up to the Latest Practicable Date, there had not been any material employee complaints against us or our PRC subsidiaries in respect of the payment of social insurance or housing provident fund contributions, and we had not received any notice from the competent authorities requiring us to make up such contributions or to rectify within a prescribed period, nor had we been subject to any regulatory investigation, inquiry or penalty by any governmental authority in this regard. We have further undertaken that, in the event the competent authorities require us to rectify, make up or supplement social insurance premiums and/or housing provident fund contributions within a prescribed period in the future, we will actively cooperate with such requirements and perform the relevant obligations, the risk of the competent authorities conducting a comprehensive centralised recovery or clearance of social insurance and housing provident fund contributions against us and our PRC subsidiaries, and the risk of us and our PRC subsidiaries, taken as a whole, being subject to material administrative penalties for failure to pay social insurance and housing provident fund contributions on time, are relatively low, provided that there is no material change in the prevailing policies, laws and regulations or in the enforcement and supervisory practices of the local governments. Based on the above, we have not made provisions for the insufficient contribution of the social insurance and housing provident fund.

To monitor our compliance with the relevant laws and regulations in respect of social insurance and housing provident fund contributions, we have adopted and implemented the following internal control measures:

- we have designated our human resources department and our internal audit and supervision department to review and monitor the reporting and contribution of social insurance and housing provident funds on a monthly basis;
- we are in the process of communicating, and will continue to communicate, with our employees with a view to seeking their understanding of, and cooperation in, complying with the applicable contribution base for social insurance and housing provident funds, which will also require additional contributions from our employees;

- we have strengthened our internal policies governing matters relating to social insurance and housing provident funds to ensure proper identification and reporting of similar matters; and
- we will consult our PRC Legal Advisor on a regular basis for advice on relevant PRC laws and regulations to keep ourselves abreast of relevant PRC legal and regulatory developments, including but not limited to PRC laws and regulations relating to social insurance and housing provident funds, and will provide relevant employees with legal compliance training in respect of the same.

INTERNATIONAL TRADE POLICIES AND RESTRICTIONS

International Sanctions and Export Controls

In relation to our overseas sales, during the Track Record Period, we sold products directly to customers, including OEM manufacturers, and brand owners, in Taiwan and Vietnam. We did not have any sales to the United States or any other overseas markets during the Track Record Period. Overseas sales revenue totalled nil, RMB1.1 million, RMB6.9 million, and nil in 2023, 2024, 2025 and for the three months ended March 31, 2026, respectively, representing nil, 0.2%, 1.1%, and nil of total revenue. Of these amounts, Taiwan accounted for nil, RMB0.4 million, RMB0.2 million, and nil of revenue in 2023, 2024, 2025 and for the three months ended March 31, 2026, respectively, while Vietnam accounted for nil, RMB0.7 million, RMB6.7 million, and nil of revenue in 2023, 2024, and 2025 and for the three months ended March 31, 2026, respectively.

As advised by our International Sanctions Legal Advisor who has conducted the relevant due diligence into our business activities, our Directors are of the view that, during the Track Record Period and up to the Latest Practicable Date, all applicable laws and regulations, as amended and supplemented from time to time, related to economic sanctions, export controls, trade embargoes and wider prohibitions and restrictions on international trade and investment-related activities (the "**International Sanctions**") imposed by the U.S., European Union, and the United Nations (the "**Relevant Jurisdictions**") have not had, and are not expected to have, any material adverse impact on our Group's business, relationship with overseas suppliers and customers, financial performance or expansion plan, because:

(a) our Group did not engage in any Primary Sanctioned Activity (which means any activity in a Sanctioned Country or (i) with; or (ii) directly or indirectly benefiting, or involving the property or interests in property of, a Sanctioned Target by an applicant incorporated or located in a Relevant Jurisdiction or which otherwise has a nexus with such jurisdiction with respect to the relevant activity, such that it is subject to the relevant sanctions law or regulation) in violation of the applicable International Sanctions in the Relevant Jurisdictions that could result in any material sanctions risk to our Group;

(b) the Group did not engage in Secondary Sanctionable Activity (which means certain activity by an applicant that may result in the imposition of sanctions against our Group by a Relevant Jurisdiction (including designation as a Sanctioned Target or the imposition of penalties), even though the applicant is not incorporated or located in that Relevant Jurisdiction and does not otherwise have any nexus with that Relevant Jurisdiction) that could likely result in the imposition of sanctions on our Group;

(c) no Group entity has been designated as a Sanctioned Target (which means any person or entity (i) designated on any list of targeted persons or entities issued under the sanctions-related law or regulation of a Relevant Jurisdiction; (ii) that is, or is owned or controlled by, a government of a Sanctioned Country; or (iii) that is the target of sanctions under the law or regulation of a Relevant Jurisdiction because of a relationship of ownership, control, or agency with a person or entity described in (i) or (ii)) or is located, incorporated, organized, or is a resident in any country or territory subject to a general and comprehensive export, import, financial or investment embargo under sanctions-related law or regulation of the Relevant Jurisdiction (a "**Sanctioned Country**");

(d) no Group entity is a Sanctioned Trader (which means any person or entity that does a material portion (10% or more) of its business with Sanctioned Targets and Sanctioned Country entities or persons) because none of them derived a material portion of its revenue (10% or more) from business activities with persons in any Sanctioned Country or with Sanctioned Targets; and

(e) none of the business dealings of our Group was subject to material risks under the export control regulations of the Relevant Jurisdictions. In particular, because our Company did not utilize U.S.-origin software or technology in our product design and manufacturing processes, nor did we procure any U.S.-origin components or technology, our products are not subject to export control restrictions under the U.S. Export Administration Regulations and have not been subject to any sanctions imposed by the U.S. government.

U.S. Outbound Investment Rule

On October 28, 2024, the U.S. Department of the Treasury ("**Treasury**") issued the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern, which became effective on January 2, 2025 ("**Outbound Investment Rule**"), to implement the Outbound Investment Security Program established by Executive Order 14105, a mechanism for reviewing U.S. outbound investments in certain national security technologies in "countries of concern," including China (including Hong Kong and Macau). The Outbound Investment Rule imposes prohibition or notification requirements on investments in persons engaged in "covered activities" in specified sectors, including semiconductors and microelectronics, quantum information technologies, and AI. The rules regarding U.S. outbound investment remain subject to further development. On December 17, 2025, the U.S. President signed into law the National Defense Authorization Act for Fiscal Year 2026, which includes the Comprehensive Outbound Investment National Security Act of 2025 (the "**COINS Act**"). Although the existing Outbound Investment Rule regulations remain in effect, the COINS Act requires the Treasury to propose revisions within 450 days of enactment. Those revisions will include, among other changes, an expansion of the countries of concern and covered technologies, revisions to key defined terms, and the establishment of a formal advisory opinion process.

As advised by our International Sanctions Legal Advisor, we are a "covered foreign person," and U.S. person investments in our equity interests are "notifiable transactions." This is because our Company is a "person of a country of concern" engaged in the design and development of ASIC chips for our robotic solutions, which is a notifiable "covered activity" under 31 CFR 850.217(a).

On the other hand, as advised by our International Sanctions Legal Advisor, our Directors are of the view that an investment in our Group's equity interests by a U.S. person should not be subject to other prohibitions under the Outbound Investment Rule. Our Company does not "develop," "fabricate," "design," or "package" any product that meets any parameter described in the definition of "prohibited transactions" concerning semiconductors and microelectronics under the Outbound Investment Rule. Furthermore, we do not develop any "AI system" as defined in the Outbound Investment Rule. The development of algorithms applied to our robotic solutions are not subject to investment prohibitions concerning AI systems because: (i) the function of our algorithms is limited, without any higher-level inference or autonomous decision-making that would influence the environment in a manner contemplated by the scope of the Outbound Investment Rule; and (ii) the algorithms are not trained on the specifications of computing power as defined in the Outbound Investment Rule.

U.S. persons' purchases of certain publicly traded securities are not prohibited or subject to notification to Treasury under an exception that applies to U.S. persons' purchase of "any publicly traded security, with 'security' as defined in the U.S. Exchange Act, denominated in any currency, and that trades on a securities exchange in any jurisdiction" (the "**Publicly Traded Securities Exception**"), provided that such U.S. persons or their non-U.S. person subsidiaries are not afforded rights beyond standard minority shareholder protections with respect to our Company. In addition, pursuant to Treasury guidance on December 23,

2025 (the "**FAQ**"), absent additional facts, when a U.S. person acquires an equity interest in a covered foreign person, and at the time of such acquisition the equity interest is publicly traded, such security falls under the description of a "publicly traded security," regardless of when an agreement is entered into. In general, our International Trade Legal Advisor has advised that U.S. persons who acquire our Company's H Shares in the Global Offering or trade in our H Shares after Listing are not subject to notification obligations to Treasury under the Publicly Traded Securities Exception. In cases of doubt (including as to whether "additional facts" that are relevant under the FAQ are present), U.S. persons or their non-U.S. person subsidiaries that acquire H Shares from us in the Global Offering or trade in our H Shares after Listing should consult their legal counsel regarding availability of the Publicly Traded Securities Exception to their circumstances. See "Risk Factors – Risks Relating to Our Business and Industry – We may be subject to the risks associated with export controls, economic sanctions and investment restrictions, and our business, financial condition and results of operations may be materially and adversely affected."

Tariff Policies

In recent years, the United States has adopted a series of tariff measures affecting goods imported from China. In February 2025, the U.S. government imposed additional tariffs on goods imported from China pursuant to the International Emergency Economic Powers Act ("**IEEPA**"). On April 2, 2025, the U.S. government announced a baseline tariff on imports from its trading partners, together with additional country-specific tariffs, including tariffs applicable to imports from China (the "**Reciprocal Tariffs**"). Following several rounds of adjustments and trade discussions between the United States and China, certain heightened tariffs were suspended or reduced. On February 20, 2026, the U.S. Supreme Court ruled that the President did not have authority under the IEEPA to impose certain tariffs, including the reciprocal and fentanyl-related tariffs. Following such ruling, the relevant IEEPA-based tariffs were rescinded, and the U.S. government subsequently imposed a temporary 10% tariff pursuant to Section 122 of the Trade Act of 1974 on certain imports, effective from February 24, 2026, subject to applicable exclusions and further regulatory developments. Existing tariffs imposed under Section 301 of the Trade Act of 1974 on certain China-origin goods may also continue to apply depending on the applicable product classification. U.S. tariff policies remain subject to rapid changes, administrative actions, judicial review and ongoing trade negotiations. Accordingly, the scope, tariff rates and duration of tariffs applicable to goods imported from China may continue to evolve, and additional tariffs or other trade measures may be introduced in the future.

During the Track Record Period, our direct exposure to such tariffs was limited. Our overseas sales amounted to nil, RMB1.1 million, RMB6.9 million and nil in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, representing nil, 0.2%, 1.1% and nil of our total revenue for the respective periods. Such overseas sales were derived from Taiwan and Vietnam. In addition, procurement from overseas suppliers, directly or indirectly, accounted for approximately 1.0%, 0.9%, 0.2% and 0.3% of our cost of sales in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. We did not use U.S.-origin software or technology in our product design and manufacturing processes or procure any U.S.-origin components or technology during the Track Record Period. Accordingly, we had limited direct exposure to tariffs applicable to imports into or exports from the United States during the Track Record Period. Nevertheless, certain of our customers sell robotic vacuums and other end products incorporating our spatial sensing products to overseas markets, including the United States. Accordingly, even where our products are sold to customers or their designated suppliers in the PRC, we may be indirectly affected by tariffs applicable to our customers' finished products. Tariffs or other import restrictions imposed on such finished products may increase their landed costs, reduce their pricing competitiveness or adversely affect end-market demand. A decline in our customers' sales or profitability may, in turn, result in reduced or delayed procurement from us, downward revisions to procurement forecasts, requests for price concessions or adjustments to their production, sourcing or supply chain arrangements, which may affect our order volumes, product mix, average selling prices and profitability. To the best of our knowledge, certain of our customers have established manufacturing operations outside the PRC. Such overseas manufacturing arrangements may provide them with greater flexibility to adjust production allocation and

supply chain arrangements in response to changes in tariffs and international trade policies. The effectiveness of such arrangements, however, may depend on production capacity, operating costs, local supply chain capabilities, applicable rules of origin, logistics arrangements and tariff treatment in the relevant jurisdictions.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material cancellation of orders or material reduction in procurement from our customers that was directly attributable to tariffs or other changes in international trade policies. Accordingly, tariffs did not have a material adverse impact on our business operations or financial performance during the Track Record Period and up to the Latest Practicable Date. Nonetheless, we will continue to closely monitor developments in U.S. and other international tariff policies, as well as changes in our major customers' overseas production and supply chain arrangements. We will maintain regular communication with our major customers regarding their procurement plans, product demand and production arrangements, and will continue to assess whether changes in tariffs or international trade policies may affect their demand for our products. Given our limited reliance on overseas procurement, we believe that our direct supply-side exposure to tariffs remains limited. However, future tariff measures and international trade policies remain uncertain and may indirectly affect us through our customers and downstream markets. For risks related to tariff policies, see "Risk Factors — Risks Relating to Our Business and Industry — We may be subject to the risks associated with export controls, economic sanctions, investment restrictions, tariffs and other international trade measures, and our business, financial condition and results of operations may be materially and adversely affected."

Impact of International Trade and Geopolitical Developments

Based on the disclosures set forth above, and as advised by our International Sanctions Legal Advisor, our Directors are of the view that: (a) our Group has complied with all applicable International Sanctions laws imposed by the Relevant Jurisdictions during the Track Record Period and up to the Latest Practicable Date; and (b) geopolitical tensions did not and will not have any material adverse impact on our Group's business, operations, financial performance and prospects.

In connection with any potential future International Sanctions risk, we have enhanced our internal controls as follows:

(a) Implement a sanctions and export controls compliance policy, and incorporate sanctions and export controls-related clauses in contracts with customers and suppliers;

(b) Conduct ongoing automated sanctions screening and monitoring of all counterparties, especially in relation to high-risk jurisdictions such as Sanctioned Countries (e.g., Cuba, Iran, North Korea or Russia) or jurisdictions where we sell where there are individuals or entities subject to International Sanctions (e.g., the Chinese Mainland or Hong Kong);

(c) Use market-standard screening software in its sanctions screening processes to ensure none of its counterparties is majority-owned or controlled by Sanctioned Targets;

(d) Conduct ongoing and randomized audits of customers that re-export the Group's products to high-risk jurisdictions such as Sanctioned Countries or jurisdictions where we sell where there are individuals or entities subject to International Sanctions, including making queries about such customers' end users and details of the re-export transactions;

(e) Continuously enhance and enforce the current comprehensive sanctions compliance-related contractual obligations imposed on customers, suppliers and distributors; and

(f) Incorporate and implement sanctions compliance-focused audit into our Group's periodic audits of our operations.

Our International Sanctions Legal Advisor has reviewed and evaluated these internal control enhancements and is of the view that these measures, when implemented by our Group, would be adequate and effective for our Group to ensure ongoing compliance with the applicable International Sanctions laws and to monitor our exposure to International Sanctions risks.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

We have established and maintained risk management and internal control systems consisting of policies and procedures that we consider to be appropriate for our business operations. We are dedicated to continuously improving these systems. We have adopted and implemented risk management policies in various aspects of our business operations. Our Board of Directors is responsible for the establishment and updating of our internal control systems, while our senior management monitors the daily implementation of the internal control procedures and measures with respect to each subsidiary and functional department.

To monitor the ongoing implementation of risk management policies and corporate governance measures after the Listing, we have adopted or will continue to adopt, among other things, the following risk management measures:

- Our Board is responsible for overseeing and managing the overall risk management and internal control related to our business operations. Our Audit Committee is authorized by the Board to review and supervise financial reporting procedures, risk management system and internal control system of our Group. Our Audit Committee consists of three members, namely Mr. Liang Wenzhao (梁文昭), who serves as chairman of the committee, Mr. Dong Shengtang (董勝堂) and Ms. Li Shangran (李尚然). For the qualifications and experience of these audit committee members, see "Directors and Senior Management."
- Our finance, legal, human resources and other relevant departments are primarily responsible for developing and implementing our risk management policy and conducting our daily risk management practice. In order to formalize risk management and set a common level of transparency and performance, these departments will (i) gather information on operational risks; (ii) conduct risk assessments to identify, prioritize, measure and categorize all key risks that could potentially affect their objectives; (iii) continuously monitor these key risks; (iv) implement appropriate risk responses where needed; and (v) develop and maintain an appropriate mechanism to facilitate the application of our risk management framework.
- We will adopt various policies to ensure compliance with the Listing Rules, including, among others, aspects related to conflict-of-interest management, connected transactions and information disclosure.
- We will continue to organize training sessions for our Directors and senior management in respect of the relevant requirements of the Listing Rules and duties of directors of companies listed in Hong Kong.
- We will regularly provide anti-corruption and anti-bribery compliance training to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations. Relevant policies against non-compliance will also be included in employee handbooks.

Internal Control

Our Board is responsible for establishing and overseeing our internal control system and evaluating its effectiveness. We have engaged an independent internal control consultant to assess the effectiveness of our internal controls associated with our major business processes, identify deficiencies, provide recommendations on remedial actions and review the implementation status of these remedial actions. Certain internal control matters were identified by our independent internal control consultant, and we have implemented corresponding remedial actions to improve on these matters. Specifically, the internal control

consultant had identified certain non-material internal control deficiencies in our sales, accounts receivable and collections, procurement, accounts payable and payments, asset management, R&D management and IT general controls. We have completed the rectification of all internal control issues identified by the internal control consultant. Following our rectification, the internal control consultant performed follow-up procedures on our internal control system with regard to those remedial actions and has not identified any material deficiencies in our internal control system. The internal control consultant confirmed that we had completed the formulation and implementation of the corresponding corrective measures. On this basis, and with the support of the internal control consultant's follow-up review and confirmation, our Directors are of the view that our enhanced internal control measures are sufficient and effective. As of the Latest Practicable Date, our Directors are of the view and nothing has come to the Joint Sponsors' attention to cast doubt on such view that there were no material outstanding issues relating to our Group's internal control.

Below is a summary of the internal control policies, measures and procedures we have implemented or plan to implement:

- We have implemented various measures and procedures in relation to our business operations, including related party transactions, risk management, intellectual property protection, environmental protection, and occupational health and safety. See "— Intellectual Property" and "— Environmental, Social and Governance" for more details. We regularly provide training on these measures and procedures to our employees.
- Our Directors, who are responsible for overseeing the corporate governance of our Group, with assistance from our legal advisors, will periodically review our compliance status with all relevant laws and regulations following the Listing.
- We have established an audit committee, which will (i) recommend the appointment and removal of external auditors to our Directors; and (ii) review the financial statements and provide advice on financial reporting, and oversee the internal control procedures of our Group.
- We have appointed First Shanghai Capital Limited as our Compliance Advisor to advise our Directors and management team regarding matters relating to the Listing Rules until the end of the first fiscal year after the Listing. Our compliance advisor is expected to ensure our use of funding aligns with the section headed "Future Plans and Use of Proceeds" in this prospectus after the Listing, as well as to provide timely support and advice regarding requirements of relevant regulatory authorities.

AWARDS AND RECOGNITION

We have received various awards, honors and recognitions for our business and products, including:

Award/Recognition	Award Year	Awarding Institution/Authority
Single Champion Enterprise in the Manufacturing Industry in Guangdong (廣東省製造業單項冠軍企業)	2026	Department of Industry and Information Technology of Guangdong Province (廣東省工業和信息化廳)
Single Champion Enterprise in the Manufacturing Industry in Shenzhen (深圳市製造業單項冠軍企業)	2025	Industry and Information Technology Bureau of Shenzhen Municipality (深圳市工業和信息化局)

Award/Recognition	Award Year	Awarding Institution/Authority
Second Price of the Shenzhen Municipal Science and Technology Award (深圳市科技進步獎二等獎) . . .	2025	CPC Shenzhen Municipal Committee and People's Government of Shenzhen Municipality
Shenzhen Gazelle Enterprise (深圳市瞪羚企業)	2025	Shenzhen Unicorn Enterprise Evaluation Committee (深圳市獨角獸企業評價委員會)
2022 Potential Tech Unicorn Enterprise of Shenzhen (2022年度深圳市潛在科技獨角獸企業)	2023	Shenzhen Unicorn Enterprise Evaluation Committee (深圳市獨角獸企業評價委員會)
Top 10 Most Innovative Enterprises in the 2022 Digital-Manufacturing Industry (2022數字製造產業最具創新TOP10企業)	2023	Foshan National Hi-tech Industrial Development Zone (佛山高新技術產業開發區) and Dark Horse (創業黑馬)
2022 VENTURE 50 in the Hard-Tech Sector (2022投資界硬科技VENTURE 50行業榜單50強)	2022	Zero2IPO (清科創業) and PE daily (投資界)
2021 Specialized, Sophisticated, Unique and Innovative Small and Medium-sized Enterprises in Shenzhen (2021深圳市專精特新中小企業)	2022	Industry and Information Technology Bureau of Shenzhen Municipality
National-level Specialized and Innovative "Little Giant" Enterprise (國家級專精特新"小巨人"企業)	2022	Ministry of Industry and Information Technology

OVERVIEW

As of the date of this prospectus, Mr. Wang (our chairman of the Board, executive Director and co-general manager), Mr. Zhou (executive Director and our general manager) and Mr. Liu Yi (劉屹) directly hold approximately 12.52%, 10.31% and 1.86% of our total share capital, respectively. Furthermore, Mr. Wang and Mr. Zhou collectively control an aggregate of approximately 6.50% of the voting rights in our Company through entities under their control, namely: (i) Camsense Investment, where Mr. Wang serves as the executive and general partner; (ii) Xinle Management, where Mr. Wang also serves as the executive and general partner; and (iii) Camsense Era, where Mr. Zhou serves as the executive and general partner.

Therefore, as of the date of this prospectus, Mr. Wang, Mr. Zhou, Mr. Liu, Camsense Investment, Xinle Management and Camsense Era collectively, through a concert party arrangement, control approximately 31.20% of the voting rights in our Company. Immediately upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised), Mr. Wang, Mr. Zhou, Mr. Liu, Camsense Investment, Xinle Management and Camsense Era will collectively, through a concert party arrangement, control approximately 27.45% of the voting rights in our Company. Accordingly, Mr. Wang, Mr. Zhou, Mr. Liu, Camsense Investment, Xinle Management and Camsense Era, as a group of Shareholders, will not be regarded as our controlling shareholders under the Listing Rules, but will remain as the single largest group of Shareholders of our Company (the "**Single Largest Group of Shareholders**"). For details of the concert party arrangement, see "History, Development and Corporate Structure — Concert Party Agreement."

Mr. Liu Yi (劉屹) is a seasoned leader with profound expertise and visionary insight in the fields of technology and semiconductors. Mr. Liu obtained his master's degree in electronic components and materials and his bachelor's degree in electronic engineering from Xi'an Jiaotong University (西安交通大學) in China in 1992 and 1989, respectively. He served as Deputy General Manager of Shenzhen China Merchants Technology Co., Ltd. (深圳招商局科技有限公司) from August 2006 to October 2018. Since November 2018, Mr. Liu has been serving as General Manager of Shenzhen Haichuang Semiconductor Technology Co., Ltd. (深圳海創半導體科技有限公司). For details of the background of Mr. Wang and Mr. Zhou, see "Directors and Senior Management."

COMPETITION

As of the Latest Practicable Date, none of the Single Largest Group of Shareholders and their respective close associates had any interest in any business that competes or is likely to compete, either directly or indirectly with our Group's business, which would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying out our business independently from our Single Largest Group of Shareholders and their close associates after the Listing.

Management Independence

Our business is managed and conducted by the Board and senior management. Our Board consists of nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors. For more information, see "Directors and Senior Management." We believe that our Directors and members of the senior management are able to perform their roles in our Company in managing our business independently from our Single Largest Group of Shareholders and their respective close associates for the following reasons:

(i) our Directors are aware of their fiduciary duties as a director, which require, among other things, that they act for the benefits and in the interests of our Company and all our Shareholders as a whole and do not allow any conflict between their duties as a Director and their personal interests;

(ii) our daily management and operations are carried out by our executive Directors and senior management team, all of whom have substantial experience in the industry in which our Company is engaged and will therefore be able to make impartial and sound business decisions that are in the best interests of our Group. For details of the industry experience of our executive Directors and senior management team, please see the section headed "Directors and Senior Management;"

(iii) our Board acts collectively by majority vote in accordance with our Articles of Association and applicable laws and regulations, and no single Director is able to make any decisions unless authorized by the Board;

(iv) our Board has a balanced composition of executive, non-executive and independent non-executive Directors, which ensures the independence of the Board in making decisions affecting our Company. Our independent non-executive Directors account for one-third of the Board, and do not and will not take up any position with our Single Largest Group of Shareholders. All of our three independent non-executive Directors are independent from our Single Largest Group of Shareholders and possess the requisite industry knowledge and experience. For details, see "Directors and Senior Management." All independent non-executive Directors are appointed in accordance with the requirements under the Listing Rules, and certain matters of our Company must always be referred to the independent non-executive Directors for review, ensuring the decisions of the Board are made only after the due consideration of independent and impartial opinions;

(v) in the event that there is a potential conflict of interests arising out of any transaction to be entered into between our Group and our Directors or their respective close associate, any interested Director is required to declare the nature of such interests and shall abstain from voting at the relevant Board meetings of our Company in respect of such transactions and shall not be counted in the quorum; and

(vi) upon the Listing, we will adopt a series of corporate governance measures to manage conflicts of interests, if any, between our Group and our Single Largest Group of Shareholders. For details, see "— Corporate Governance Measures" below.

Based on the above, our Directors believe that our Company has sufficient and effective control mechanisms to ensure that our Directors perform their respective duties properly and safeguard the interests of our Company and our Shareholders as a whole. Our Board together with our senior management team, therefore, are able to perform the managerial role in our Group independently.

Operational Independence

We possess all relevant technologies, licenses, and intellectual properties related to our Group's business, as well as all requisite qualifications and approvals necessary for conducting our business. Currently, we conduct our Group's business independently, with the authority to make operational decisions and implement them independently.

We have sufficient capital, facilities, technology, equipment and employees to operate our business independently from our Single Largest Group of Shareholders. We also have independent access to our customers and suppliers and an independent management team to handle our day-to-day operations.

Based on the above, our Directors believe that we are able to operate independently from our Single Largest Group of Shareholders and their respective close associates.

Financial Independence

Our Company has established its own finance department with a team of independent financial staff responsible for discharging treasury, accounting, reporting, group credit and internal control functions independently from our Single Largest Group of Shareholders and their respective close associates, as well as a sound and independent financial system. Our Company makes financial decisions and determine our use of funds according to our own business needs. Our Company maintains bank accounts independently and does not share any bank account with our Single Largest Group of Shareholders. Our Company makes tax registration and pays tax independently with its own funds. As such, our Company's financial functions, such as cash and accounting management, invoices and bills, operate independently from our Single Largest Group of Shareholders and their respective close associates.

As of the Latest Practicable Date, there was no outstanding loan, advance, balance of non-trade nature due to or from, or pledge or guarantee provided by our Single Largest Group of Shareholders or their respective close associates. We do not expect to rely on our Single Largest Group of Shareholders and their close associates for financing after the Listing as we expect that our working capital will be funded by cash flows generated from operating activities, equity financing, bank loans as well as the net proceeds from the Global Offering.

Based on the above, our Directors believe that we do not place undue reliance on our Single Largest Group of Shareholders and their respective close associates.

CORPORATE GOVERNANCE MEASURES

Upon the Listing, we will comply with the provisions of the Corporate Governance Code in Appendix C1 to the Listing Rules, which sets out principles of good corporate governance.

Our Directors recognize the importance of good corporate governance in protection of our Shareholders' interests. We would put in place the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and our Single Largest Group of Shareholders:

(i) where a Board meeting is held for the matters in which any Director has a material interest, such Director(s) shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;

(ii) where a Shareholders' meeting is to be held for considering proposed transactions in which any member of our Single Largest Group of Shareholders or any of their associates has a material interest, the relevant member in our Single Largest Group of Shareholders will not vote on the resolutions and shall not be counted in the quorum for the voting;

(iii) our Company has established internal control mechanisms to identify connected transactions. Upon the Listing, if our Company enters into connected transactions with any member of our Single Largest Group of Shareholders or any of their associates, our Company will comply with the relevant requirements of Chapter 14A of the Listing Rules, including the announcement, reporting and independent Shareholders' approval requirements (if applicable) under the Listing Rules;

(iv) our Board will consist of a balanced composition of executive and non-executive Directors, including not less than one-third of independent non-executive Directors, to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors, individually and collectively, possess the requisite knowledge and experience. They are committed to providing experienced and professional advice to protect the interests of our minority Shareholders;

(v) our Company shall disclose the decisions, with basis, on matters reviewed by the independent non-executive Directors, either in its annual or interim reports or by way of announcements, as required by the Listing Rules;

(vi) we have established our audit committee, remuneration and appraisal committee, nomination committee and strategy committee with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code in Appendix C1 to the Listing Rules;

(vii) where the advice from an independent professional, such as a financial or legal adviser, is reasonably requested by our Directors (including the independent non-executive Directors), the appointment of such independent professionals will be made at our Company's expenses; and

(viii) we have appointed First Shanghai Capital Limited as our Compliance Advisor to provide advice and guidance to us in respect of compliance with the Listing Rules and applicable laws, rules, codes and guidelines, including but not limited to various requirements relating to Directors' duties and internal controls.

Our Directors consider that the above corporate governance measures are sufficient to manage any potential conflict of interests between our Single Largest Group of Shareholders and their respective close associates and our Group and to protect the interests of our Shareholders, in particular, the minority Shareholders.

OVERVIEW

As of the date of this prospectus, our registered capital is RMB84,984,839, comprising 84,984,839 Unlisted Shares with a nominal value of RMB1.00 each.

In the course of the Global Offering, all of the existing Shareholders of our Company have applied to the CSRC, the Stock Exchange and other relevant regulatory authorities to convert all Unlisted Shares held by them into H Shares.

Immediately following the completion of the Global Offering and the Conversion of Unlisted Shares into H Shares, the share capital of our Company will be as follows:

Assuming the Over-allotment Option is not exercised:

Description of Shares	Number of Shares	% of the total share capital
H Shares converted from Unlisted Shares [(1)]	84,984,839	88.00
H Shares to be issued pursuant to the Global Offering	11,588,800	12.00
Total	**96,573,639**	**100.0%**

Assuming the Over-allotment Option is exercised in full:

Description of Shares	Number of Shares	% of the total share capital
H Shares converted from Unlisted Shares [(1)]	84,984,839	86.44
H Shares to be issued pursuant to the Global Offering	13,327,100	13.56
Total	**98,311,939**	**100.0%**

Note:

(1) Following the completion of the Global Offering, 84,984,839 Unlisted Shares held by our existing Shareholders will be converted into H Shares on a one-for-one basis and listed on the Stock Exchange for trading. Filing of such conversion of Unlisted Shares into H shares has been completed with the CSRC on August 24, 2026.

For details of the Pre-IPO Investments (including the redemption rights previously granted by our Company and the accounting treatment thereof), please refer to "History, Development and Corporate Structure — Pre-IPO Investments — F. Special Rights of the Pre-IPO Investors" and Note 28(c) to the Accountants' Report set out in Appendix I to this prospectus.

SHARES OF OUR COMPANY

Upon completion of the Global Offering, depending on whether Shares are listed on the Stock Exchange, our Company will consist of Unlisted Shares and H Shares. Unlisted Shares and H Shares are both ordinary Shares in the share capital of our Company and are regarded as the same class of Shares under the Articles of Association. However, the H Shares generally may not be subscribed for by, or traded between, legal or natural persons of the PRC, apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, and other persons who are entitled to hold the H Shares pursuant to relevant PRC laws and regulations or upon approval by any competent authorities.

RANKING

Unlisted Shares and the H Shares carry the same rights and will rank *pari passu* with each other in all respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this prospectus. All dividends in respect of the H Shares are to be declared in RMB and paid by our Company in Hong Kong dollars or RMB, whereas all dividends for Unlisted Shares will be paid in RMB. Other than cash, dividends could also be paid in the form of Shares or a combination of cash and Shares.

CONVERSION OF UNLISTED SHARES INTO H SHARES

According to the regulations issued by the securities regulatory authorities of the State Council and the Articles of Association, the Unlisted Shares may be converted into H Shares, and such converted Shares may be listed and traded on an overseas stock exchange provided that the conversion, listing and trading of such converted Shares have been filed with the CSRC. Additionally, such conversion, trading and listing shall meet any requirement of internal approval process and in all respects comply with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

Pursuant to the filing notice of the CSRC dated August 24, 2026, 84,984,839 Unlisted Shares will be converted to H Shares on a one-for-one basis and be listed for trading on the Stock Exchange upon completion of the Global Offering.

In accordance with the Guidelines for the "Full Circulation Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請全流通業務指引》)" announced by the CSRC, H-share listed companies which apply for the conversion of shares into H shares for listing and circulation on the Stock Exchange shall file the application with the CSRC. An unlisted domestic joint stock company may apply for "full circulation" when applying for an overseas Listing.

Our Company has applied for a "full circulation" filing when applying for an overseas listing with the CSRC on August 24, 2026, and submitted the application reports, authorization documents of the shareholders of unlisted shares for which an H-share "full-circulation" was applied, undertaking about the compliance of share acquisition and other documents in accordance with the requirements of CSRC.

Our Company has received the filing notice from the CSRC dated August 24, 2026 in relation to the filing of the overseas listing and "Full Circulation," pursuant to which:

(i) our Company was approved to issue no more than 24,433,100 H Shares with a nominal value of RMB1.00 each, which are all ordinary Shares, and upon this issuance our Company may be listed on the Main Board of the Stock Exchange; and

(ii) our Company was approved to convert a total of 84,984,839 Unlisted Shares (with a nominal value of RMB1.00 each) held by certain Shareholders of our Company (the "**Full Circulation Participating Shareholders**") into H Shares, and the relevant Shares may be listed on the Stock Exchange upon completion of the conversion.

Where the Global Offering cannot be completed within one year upon receipt of the filing notice, and our Company will continue to conduct overseas listing and global offering after that, it shall update the filing materials, and the CSRC will update the public filing information accordingly.

We have applied to the Listing Committee for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the exercise of the Over-allotment Option) and the H Shares to be converted from 84,984,839 Unlisted Shares on the Stock Exchange.

We will perform the following procedures for the Conversion of Unlisted Shares into H Shares after receiving the approval of the Stock Exchange: (i) giving instructions to our H Share Registrar regarding relevant share certificates of the converted H Shares; and (ii) enabling the converted H Shares to be accepted as eligible securities by HKSCC for deposit,

clearance and settlement in the CCASS. The Full Circulation Participating Shareholders may only deal in the Shares upon completion of following domestic procedures. Any application for listing of the converted Shares on the Stock Exchange after our initial listing is subject to prior notification by way of announcement to inform the Shareholders and the public of any proposed conversion.

The Full Circulation Participating Shareholders may only deal in the Shares upon completion of the below arrangement procedures for the registration, deposit and transaction settlement in relation to the conversion and listing:

(i) We will appoint China Securities Depository and Clearing Corporation Limited ("**CSDC**") as the nominal holder to deposit the relevant securities at CSDC (Hong Kong), which will then deposit the securities at HKSCC in its own name. CSDC, as the nominal holder of the Full Circulation Participating Shareholders, shall handle all custody, maintenance of detailed records, cross-border settlement and corporate actions, etc. relating to the converted H Shares for the Full Circulation Participating Shareholders;

(ii) We will engage a domestic securities company (the "**Domestic Securities Company**") to provide services such as sending orders for trading of the converted H Shares and receipt of transaction returns. The Domestic Securities Company will engage a Hong Kong securities company (the "**Hong Kong Securities Company**") for settlement of share transactions. We will make an application to CSDC, Shenzhen Branch for the maintenance of a detailed record of the initial holding of the converted H Shares held by our Shareholders. Meanwhile, we will submit applications for a domestic transaction commission code and abbreviation, which shall be confirmed by CSDC, Shenzhen Branch as authorized by Shenzhen Stock Exchange;

(iii) The Shenzhen Stock Exchange shall authorize Shenzhen Securities Communication Co., Ltd. to provide services relating to transmission of trading orders and transaction returns in respect of the converted H Shares between the Domestic Securities Company and the Hong Kong Securities Company, and the real-time market forwarding services of the H Shares;

(iv) According to the Notice of SAFE on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》), the Full Circulation Participating Shareholders shall complete the overseas shareholding registration with the local foreign exchange administration bureau before the Shares are sold, and after the overseas shareholding registration, open a specified bank account for the holding of overseas shares by domestic investors at a domestic bank with relevant qualifications and open a fund account for the H Share "Full Circulation" at the Domestic Securities Company. The Domestic Securities Company shall open a securities trading account for the H Share "Full Circulation" at the Hong Kong Securities Company; and

(v) The Full Circulation Participating Shareholders shall submit trading orders of the converted H Shares through the Domestic Securities Company. Trading orders of the Full Circulation Participating Shareholders for the relevant Shares will be submitted to the Stock Exchange through the securities trading account opened by the Domestic Securities Company at the Hong Kong Securities Company. Upon completion of the transaction, settlements between each of the Hong Kong Securities Company and CSDC (Hong Kong), CSDC (Hong Kong) and CSDC, CSDC and the Domestic Securities Company, and the Domestic Securities Company and the Full Circulation Participating Shareholders, will all be conducted separately.

As a result of the conversion, the shareholding of the relevant Full Circulation Participating Shareholders in our Unlisted Shares shall be reduced by the number of the Unlisted Shares converted and the number of H Shares shall be increased by the number of converted H Shares.

RESTRICTION ON TRANSFER OF SHARES ISSUED PRIOR TO THE GLOBAL OFFERING

The PRC Company Law provides that in relation to the public share offering of a company, the shares of the company which have been issued prior to the offering shall not be transferred within one year from the date of the listing. Accordingly, Shares issued by our Company prior to the Listing Date shall be subject to this statutory restriction and shall not be transferred for a period of one year from the Listing Date.

Our Company will work with the Domestic Securities Company to be engaged by our Company to restrict the trading of the H Shares converted from Unlisted Shares technically within one year after the Listing.

Pursuant to the PRC Company Law, Shares transferred by our Directors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company. The Shares that the aforementioned persons held in our Company cannot be transferred within one year from the date on which the H Shares are listed and traded, nor within half a year after they leave their positions in our Company. The Articles of Association may contain other restrictions on the transfer of our Shares held by our Directors and members of senior management, a summary of which is set out in "Appendix V — Summary of Articles of Association."

SHAREHOLDER'S GENERAL MEETINGS

For details of circumstances under which our general Shareholders' meeting is required, see "Appendix IV — Summary of Principal Laws and Regulations" and "Appendix V — Summary of Articles of Association."

GENERAL MANDATES TO ISSUE H SHARES

Subject to the completion of the Global Offering, our Board has been granted a general mandate to allot and issue H Shares at any time within a period up to the date of the conclusion of the next annual general meeting of the Shareholders or the date on which our Shareholders pass a special resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes and to such persons as our Board in their absolute discretion deem fit, and to make necessary amendments to the Articles of Association, provided that, the number of H Shares to be issued shall not exceed 20% of the number of H Shares in issue as of the Listing Date.

For details, see "Appendix VI — Statutory and General Information — Further Information about Our Group — Shareholders' Resolutions."

So far as our Directors are aware, immediately following the completion of the Global Offering and the conversion of Unlisted Shares into H Shares (assuming the Over-allotment Option is not exercised), the following persons will have interests and/or short positions (as applicable) in the Shares or underlying Shares of our Company, which would be required to be disclosed to us and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of our Company:

		Shares interested in as of the date of this prospectus			Shares interested in immediately following the completion of the Global Offering and the Conversion of Unlisted Shares into H Shares (assuming the Over-allotment Option is not exercised)			
Name of Shareholder	Nature of Interest[1]	Description of Shares	Number	% of the total share capital of our Company	Description of Shares	Number	% of shareholding in the relevant class of Shares[2]	% of the total share capital of our Company[2]
Mr. Wang Jian (王健) ("**Mr. Wang**")[3][4]	Beneficial interest	Unlisted Shares	10,641,212	12.52%	H Shares	10,641,212	11.02%	11.02%
	Interest in the parties acting in concert	Unlisted Shares	10,344,875	12.17%	H Shares	10,344,875	10.71%	10.71%
	Interest in controlled corporations	Unlisted Shares	5,526,379	6.50%	H Shares	5,526,379	5.72%	5.72%
Mr. Zhou Kun (周琨) ("**Mr. Zhou**")[3][5]	Beneficial interest	Unlisted Shares	8,763,889	10.31%	H Shares	8,763,889	9.07%	9.07%
	Interest in the parties acting in concert	Unlisted Shares	12,222,198	14.38%	H Shares	12,222,198	12.66%	12.66%
	Interest in controlled corporations	Unlisted Shares	5,526,379	6.50%	H Shares	5,526,379	5.72%	5.72%
Mr. Liu Yi (劉屹) ("**Mr. Liu**")[3]	Beneficial interest	Unlisted Shares	1,580,986	1.86%	H Shares	1,580,986	1.64%	1.64%
	Interest in the parties acting in concert	Unlisted Shares	24,931,480	29.34%	H Shares	24,931,480	25.82%	25.82%
Fuhai Shenwan (Shenzhen) Mobile Innovation Private Equity Venture Capital Fund Partnership Enterprise (Limited Partnership) (富海深灣(深圳)移動創新私募創業投資基金合夥企業(有限合夥)) ("**Fuhai Shenwan**")[6]	Beneficial interest	Unlisted Shares	5,083,496	5.98%	H Shares	5,083,496	5.26%	5.26%
Shenzhen Oriental Fortune Capital Co., Ltd. (深圳市東方富海投資管理股份有限公司) ("**OFC**")[6]	Interest in controlled corporations[6]	Unlisted Shares	11,553,650	13.59%	H Shares	11,553,650	11.96%	11.96%
Qianhai Ark Assets Management Co., Ltd. (前海方舟資產管理有限公司) ("**Qianhai Ark Assets**")[7]	Interest in controlled corporations	Unlisted Shares	6,573,739	7.74%	H Shares	6,573,739	6.81%	6.81%

		Shares interested in as of the date of this prospectus			Shares interested in immediately following the completion of the Global Offering and the Conversion of Unlisted Shares into H Shares (assuming the Over-allotment Option is not exercised)			
Name of Shareholder	Nature of Interest[1]	Description of Shares	Number	% of the total share capital of our Company	Description of Shares	Number	% of shareholding in the relevant class of Shares[2]	% of the total share capital of our Company[2]
Mr. Yang Xi[8]	Beneficial interest	Unlisted Shares	138,188	0.16%	H Shares	138,188	0.14%	0.14%
	Interest in controlled corporations	Unlisted Shares	5,924,565	6.97%	H Shares	5,924,565	6.13%	6.13%

Notes:

(1) All interests stated are long positions.

(2) The calculation is based on the total number of 96,573,639 H Shares in issue immediately upon the completion of the Global Offering and the Conversion of Unlisted Shares into H Shares (assuming the Over-allotment Option is not exercised).

(3) On June 6, 2023, Mr. Wang, Mr. Zhou, and Mr. Liu Yi (劉屹) (**"Mr. Liu"**) (collectively, the **"Concert Parties"**) entered into the Concert Party Agreement, pursuant to which they acknowledged and confirmed their historical relationship of acting in concert since our Company's inception. They further agreed to act in concert, including exercising the voting rights of the Shares held or controlled by them, with respect to the operation and material decisions of our Company for a period extending until 36 months after our Company's initial public offering, subject to renewal. Unless otherwise agreed by all parties, such acting-in-concert arrangements shall automatically renew for a period of three years upon expiration. Please refer to "History, Development and Corporate Structure — Concert Party Agreement" for further details. Therefore, by virtue of SFO, each of Mr. Wang, Mr. Zhou and Mr. Liu is deemed to be interested in the Shares the other is interested in.

(4) As of the Latest Practicable Date, Mr. Wang was the executive and general partner of Camsense Investment and Xinle Management, and a co-general partner of Camsense Era. As such, under the SFO, Mr. Wang is deemed to be interested in the Shares held by Camsense Investment, Xinle Management and Camsense Era.

(5) As of the Latest Practicable Date, Mr. Zhou was the executive and general partner of Camsense Era, and a co-general partner of Camsense Investment and Xinle Management. As such, under the SFO, Mr. Zhou is deemed to be interested in the Shares held by Camsense Investment, Xinle Management and Camsense Era.

(6) Fuhai Shenwan and Fuhai Jiuqian (Wuhu) Venture Capital Fund (L.P.) (富海玖仟(蕪湖)創業投資基金(有限合夥)) ("**Fuhai Jiuqian**") are limited partnerships established in the PRC. The general partner of Fuhai Shenwan and Fuhai Jiuqian is Dongfang Fuhai (Wuhu) Equity Investment Fund Management Enterprise (Limited Partnership) (東方富海(蕪湖)股權投資基金管理企業(有限合夥)) ("**Dongfang Fuhai Wuhu**"), which is owned as to 95% by its limited partner, OFC, and 5% by its general partner, Shenzhen Dongfang Fuhai Venture Capital Management Co., Ltd. (深圳市東方富海創業投資管理有限公司) ("**Dongfang Fuhai Venture Capital**"). Dongfang Fuhai Venture Capital is wholly owned by OFC, which is, in turn, beneficially owned as to approximately 48.42% in aggregate by Mr. Chen Wei (陳瑋) and partnerships in which he holds more than one-third partnership interest.

Shenzhen Nanshan Dongfang Fuhai Small and Medium-sized Enterprise Venture Capital Fund Partnership (Limited Partnership) (深圳南山東方富海中小微創業投資基金合夥企業(有限合夥)) ("**Nanshan Fuhai**") is a limited partnership established in the PRC. The general partner of Nanshan Fuhai is Dongfang Fuhai Venture Capital.

Therefore, by virtue of SFO, (i) Dongfang Fuhai Wuhu is deemed to be interested in Shares held by Fuhai Shenwan and Fuhai Jiuqian; and (ii) Dongfang Fuhai Venture Capital, OFC and Chen Wei are deemed to be interested in Shares held by Fuhai Shenwan, Fuhai Jiuqian, and Nanshan Fuhai.

(7) Smart Internet Telecom Ark (Shenzhen) Venture Capital Fund Partnership Enterprise (Limited Partnership) (智慧互聯電信方舟(深圳)創業投資基金合夥企業(有限合夥)) ("**Smart Internet**") is a limited partnership established in the PRC. The general partner of Smart Internet is Ark Internet (Shenzhen) Private Equity Fund Management Partnership (Limited Partnership) (方舟互聯(深圳)私募股權基金管理合夥企業(有限合夥)) ("**Ark Internet**"), the general partner of which is Qianhai Ark Assets. Qianhai Ark Assets is owned as to 58.71% by Shenzhen Qianhai Huaize Ark Venture Capital Enterprise (Limited Partnership) (深圳前海淮澤方舟創業投資企業(有限合夥)) ("**Qianhai Huaize**"). Qianhai Huaize is held as to approximately 62.80% by Jiaozuo Huaihai Consulting Service Center (焦作市淮海諮詢服務中心) ("**Jiaozuo Huaihai**"), its general partner, which is wholly owned by Jin Haitao, and as to 37.20% by Shenzhen Qianhai Huaize Gongchuang Investment Consulting Partnership (Limited Partnership) (深圳前海淮澤共創投資諮詢合夥企業(有限合夥)) ("**Huaize Gongchuang**"). Huaize Gongchuang is owned as to (i) 7.06% by Jiaozuo Huaihai, its general partner, and (ii) 34.79% by Chen Wenzheng (陳文正), its limited partner.

Qianhai Equity Investment Fund (LP) (前海股權投資基金(有限合夥)) (**"Shenzhen Qianhai"**) is a limited partnership established in the PRC. The general partner of Shenzhen Qianhai is Qianhai Ark Assets.

Zhongyuan Qianhai Equity Investment Fund (L.P.) (中原前海股權投資基金(有限合夥)) (**"Zhongyuan Qianhai"**) is a limited partnership established in the PRC. The general partner of Zhongyuan Qianhai is Qianhai Ark (Zhengzhou) Venture Capital Management Enterprise (Limited Partnership) (前海方舟(鄭州)創業投資管理企業(有限合夥)), a limited partnership which is in turn controlled by its general partner, Qianhai Ark Assets.

Therefore, by virtue of SFO, (i) Ark Internet is deemed to be interested in the Shares held by Smart Internet; and (ii) Qianhai Ark Assets, Qianhai Huaize, Jiaozuo Huaihai, Jin Haitao, Huaize Gongchuang and Chen Wenzheng are deemed to be interested in Shares held by Smart Internet, Shenzhen Qianhai and Zhongyuan Qianhai.

(8) Shanghai Pu Yang Venture Capital Center (L.P.) (上海普揚創業投資中心(有限合夥)) (**"Shanghai Puyang"**) is a limited partnership established under the laws of the PRC controlled by its general partner, Shanghai Woyang Investment Management Partnership (Limited Partnership) (上海沃楊投資管理合夥企業(有限合夥)) ("**Shanghai Woyang**"). The general manager of Shanghai Woyang is Xiyang Investment. Xiyang Investment is held as to 95.24% by Mr. Yang Xi.

Each of Changzhou Xiyang Chengxin Venture Capital Center (Limited Partnership) ((常州希揚成芯創業投資中心(有限合夥)) ("**Changzhou Xiyang**"), Dongguan Xiyang Venture Capital Partnership (Limited Partnership) ((東莞希揚創業投資合夥企業(有限合夥)) ("**Dongguan Xiyang**") and Changsha Xiyang Liangxin Venture Capital Partnership (Limited Partnership) ((長沙希揚量芯創業投資合夥企業(有限合夥)) ("**Changsha Xiyang**") is a limited partnership established under the laws of the PRC, which is controlled by its general partner, Xiyang Investment.

Changzhou Xiyang Puxin Venture Capital Partnership (L.P.) ((常州希揚璞信創業投資合夥企業(有限合夥)) ("**Changzhou Xiyang Puxin**") is a limited partnership established under the laws of the PRC, which is controlled by its general partner, Shanghai Fengpu Enterprise Management Partnership (Limited Partnership) (上海灃璞企業管理合夥企業(有限合夥)) ("**Fengpu Enterprise**"). The general partner of Fengpu Enterprise is Xiyang Investment.

Therefore, by virtue of SFO, Xiyang Investment and Mr. Yang Xi are deemed to be interested in Shares held by Shanghai Puyang, Changzhou Xiyang, Dongguan Xiyang, Changzhou Xiyang Puxin and Changsha Xiyang.

Save as otherwise disclosed herein, our Directors are not aware of any persons who will, immediately following the Global Offering and the Conversion of Unlisted Shares into H Shares (assuming the Over-allotment Option is not exercised), have any interests and/or short positions in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of our Company.

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a "**Cornerstone Investment Agreement**", and together the "**Cornerstone Investment Agreements**") with the cornerstone investors set out below (each a "**Cornerstone Investor**," and together the "**Cornerstone Investors**"), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe for or cause their designated entities to subscribe for such number of Offer Shares (rounded down to the nearest whole board lot of 100 Shares) which may be purchased at the Offer Price with an aggregate amount of HK$110.00 million (the "**Cornerstone Placing**").

Based on the Offer Price of HK$58.85, the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 1,869,200 Offer Shares. The table below reflects the shareholding percentage immediately after the completion of the Global Offering.

Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is fully exercised	
Approximate % of the Offer Shares	Approximate % of the total issued share capital	Approximate % of the Offer Shares	Approximate % of the total issued share capital
16.13%	1.94%	14.03%	1.90%

We believe that the Cornerstone Placing signifies our Cornerstone Investors' confidence in our Company and our business prospect, and that the Cornerstone Placing will help to raise the profile of our Company. We became acquainted with each of the Cornerstone Investors through business relationships.

The Cornerstone Placing will form part of the International Offering, and save as otherwise obtained consent from the Stock Exchange, the Cornerstone Investors, and their respective close associates will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreements). The Offer Shares to be subscribed for by the Cornerstone Investors will rank *pari passu* in all respects with the fully paid H Shares in issue following the Global Offering of the Company and will be counted towards the public float of our Company under Rule 19A.13A of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investors or their close associates will not, by virtue of their cornerstone investments, have any Board representation in our Company; and none of the Cornerstone Investors and their close associates will become a substantial Shareholder of our Company. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, the Cornerstone Investors do not have any preferential rights under each of their respective Cornerstone Investment Agreements, as compared with other public Shareholders. There are no side arrangements or agreements between our Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Listing, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, following the principles as set out in Chapter 4.15 of the Guide for New Listing Applicants.

To the best knowledge of the Company, (i) each of the Cornerstone Investors is an Independent Third Party; (ii) none of the Cornerstone Investors is accustomed to taking instructions from our Company, our Directors, our chief executive, substantial Shareholders, Single Largest Group of Shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares; (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed by our Company, our Directors, chief executive, Single Largest Group of Shareholders, substantial Shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates; (iv) each Cornerstone Investor will be utilizing its internal financial resources or financial resources of its controlling shareholders for its investors as its source of funding for the

subscription of the Offer Shares, and it has sufficient funds to settle its respective investment under the Cornerstone Placing; and (v) each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing and that no specific approval from any stock exchange (if relevant) is required for the relevant Cornerstone Placing. No specific approval from any stock exchange is required for the relevant Cornerstone Placing. In addition, to the best knowledge of our Company, each of the Cornerstone Investors is independent from each other and makes independent investment decisions.

The Cornerstone Investors have agreed to pay for the relevant Offer Shares that they have subscribed before dealings in the Company's H Shares commence on the Stock Exchange. Both of the Cornerstone Investors have agreed that, our Company, the Joint Sponsors and the Overall Coordinators may in their sole discretion defer the delivery of all or part of the Offer Shares it will subscribe to on a date later than the Listing Date. Such delayed delivery arrangement is in place to facilitate the over-allocation in the International Offering. There will be no delayed delivery if there is no over-allocation in the International Offering. Where delayed delivery takes place, (i) there would be delayed delivery of Offer Shares to some of the Cornerstone Investors based on commercial negotiations with the Cornerstone Investors, (ii) the delayed delivery date should be no later than three business days following the last day on which the Over-allotment Option may be exercised, (iii) no extra payment will be made to the relevant Cornerstone Investors for the purpose of the delayed delivery arrangement, and (iv) each of the Cornerstone Investors has agreed that it shall nevertheless pay for the relevant Offer Shares in full before the Listing. As such, there will not be any deferred settlement in payment by the Cornerstone Investors.

Details of the actual number of Offer Shares to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement of our Company to be published on or around September 29, 2026.

OUR CORNERSTONE INVESTORS

The table below sets forth details of the Cornerstone Placing based on the Offer Price of HK$58.85:

			Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is fully exercised	
Cornerstone Investor	**Investment amount**	**Number of Offer Shares[1]**	**Approximate % of the Offer Shares**	**Approximate % of the Shares in issue upon completion of the Global Offering**	**Approximate % of the Offer Shares**	**Approximate % of the Shares in issue upon completion of the Global Offering**
	(HK$ in millions)					
Golden Link Worldwide Limited ("**Golden Link**")	100	1,699,200	14.66%	1.76%	12.75%	1.73%
Taiwan ZMAX Optech Co., Ltd. (台灣中潤光電股份有限公司) ("**Taiwan ZMAX**")	10	170,000	1.47%	0.18%	1.28%	0.17%
Total	**110**	**1,869,200**	**16.13%**	**1.94%**	**14.03%**	**1.90%**

Note:

(1) Rounded down to the nearest whole board lot of 100 Shares.

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

Golden Link

Golden Link, incorporated on April 22, 2005, is a limited company incorporated in the British Virgin Islands, whose shares are wholly owned by BYD (H.K.) Co., Limited ("**BYD HK**"), which is in turn a wholly-owned subsidiary of BYD Company Limited ("**BYD**"). BYD is a company headquartered in Shenzhen. Its principal operations include new energy vehicles, electronics, as well as rechargeable batteries and photovoltaics. Leveraging its technological strengths, BYD is also actively developing its urban rail transportation business. BYD is listed on the Shenzhen Stock Exchange (stock code: 002594) and the Stock Exchange (stock codes: 01211 (HKD counter); 81211 (RMB counter)). No single ultimate beneficial owner holds 30% or more interests in Golden Link. BYD is one of our suppliers.

Taiwan ZMAX

Taiwan ZMAX, established on September 12, 2018, is a wholly-owned subsidiary of Jiaxing ZMAX Optech Co., Ltd. (嘉興中潤光學科技股份有限公司) ("**ZMAX Optics**"), a company listed on the Shanghai Stock Exchange (stock code: 688307). As at June 30, 2026, ZMAX Optics is owned as to approximately 33.63% by Zhang Pinghua (張平華) and his controlled entity, namely Dongtai Shangtong Enterprise Management Partnership (Limited Partnership) (東台尚通企業管理合夥企業(有限合夥)), in which Mr. Zhang Pinghua is the general partner. ZMAX Optics is a comprehensive service provider focusing on high-precision optical technology and products, with its business covering the design, manufacturing and sales of high-precision optical lens and optical components.

The optical lens products of ZMAX Optics are widely used in various fields: in the area of specialized security and smart surveillance, covering smart city security, forest fire prevention, and monitoring of major infrastructure such as rivers and riverbanks; in the field of intelligent mobile machine perception, used for drone visual perception; in addition, it also serves scenarios such as high-definition filming and display, video communication and interaction, advanced manufacturing and inspection, including handheld and professional imaging equipment, smart projection, and industrial visual inspection applications. Optical component products of ZMAX Optics are mainly oriented towards optical communication and optical interconnect, advanced manufacturing and inspection fields, with typical applications including optical modules, optical interconnection equipment, industrial lasers, biomedical and semiconductor equipment. ZMAX Optics was one of our five largest suppliers during the Track Record Period.

CLOSING CONDITIONS

The obligation of each Cornerstone Investor to subscribe for the Offer Shares under the respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions:

(i) the Underwriting Agreements for the Hong Kong Public Offering and the International Offering being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the Underwriting Agreements, and neither of the aforesaid Underwriting Agreements having been terminated;

(ii) the Offer Price having been agreed upon between our Company and the Overall Coordinators (for themselves and on behalf of the underwriters of the Global Offering);

(iii) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Shares (including the Offer Shares subscribed for by the Cornerstone Investors) as well as other applicable waivers and approvals, and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;

(iv) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or in the respective Cornerstone Investment Agreements and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(v) the respective acknowledgements, representations, warranties, undertakings and confirmations of relevant Cornerstone Investor under the respective Cornerstone Investment Agreement are accurate and true in all material respects and not misleading and that there is no material breach of the Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from (and inclusive of) the Listing Date (the "**Lock-up Period**"), dispose of, in any way, any of the Offer Shares or any interest in any company or entity holding such Offer Shares that they have purchased pursuant to the relevant Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

BOARD OF DIRECTORS

Our Board consists of nine Directors, comprising four executive Directors, two non-executive Directors and three independent non-executive Directors. Pursuant to the Articles of Association, our Directors are elected and appointed by our Shareholders at a Shareholders' meeting for a term of three years, which is renewable upon re-election and re-appointment. The following table sets forth the key information about our Directors as of the Latest Practicable Date.

Name	Age [Note]	Positions	Time of joining our Group	Time of appointment as a Director	Roles and responsibilities
Mr. Wang Jian (王健)	52	Chairperson of the Board, executive Director and co-general manager	Co-founder	December 2013	Responsible for overseeing the overall management and business operation, Board affairs, formulating strategies and operation plans and making major business decisions of our Group
Mr. Zhou Kun (周琨)	48	Executive Director and general manager	Co-founder	December 2013	Responsible for overseeing the research and development of our Group
Mr. Huang Shuguang (黃署光)	45	Executive Director, chief financial officer and vice general manager	April 2020	November 2023	Responsible for overseeing the overall financial management of our Group
Ms. Qiu Lin (丘琳)	30	Executive Director	April 2021	September 2025	Responsible for overseeing the commercial and order lifecycle management for key clients of our Group
Ms. Li Shangran (李尚然)	33	Non-executive Director	December 2020	December 2020	Responsible for overseeing Board affairs and giving strategic advice and guidance on the business operations of our Group
Mr. Liu Xinpeng (劉鑫鵬)	35	Non-executive Director	March 2021	March 2021	Responsible for overseeing Board affairs and giving strategic advice and guidance on the business operations of our Group
Mr. Dong Shengtang (董勝堂)	39	Independent non-executive Director	November 2023	November 2023	Responsible for supervising and providing independent opinion and judgment to the Board
Mr. Conrad Yan (甄偉傑)	55	Independent non-executive Director	September 2025	September 2025	Responsible for supervising and providing independent opinion and judgment to the Board

Name	Age [Note]	Positions	Time of joining our Group	Time of appointment as a Director	Roles and responsibilities
Mr. Liang Wenzhao (梁文昭)	56	Independent non-executive Director	November 2023	November 2023	Responsible for supervising and providing independent opinion and judgment to the Board

Note: Ages are calculated based on the year of birth.

Executive Directors

Mr. Wang Jian (王健), aged 52, co-founded our Group in December 2013 and has served as the chairperson of the Board and a Director of our Company since its establishment and was further re-designated as an executive Director in September 2025. He was also appointed as the co-general manager of our Company in March 2025. He is primarily responsible for overseeing the overall management and business operation, Board affairs, formulating strategies and operation plans and making major business decisions of our Group. Mr. Wang also currently holds directorships and managerial positions in various subsidiaries of our Company.

Mr. Wang has more than two decades of experience in the telecommunications and electronic equipment manufacturing industry. Mr. Wang served as the sales manager of the marketing department at China Hualu Panasonic AVC Networks Co., Ltd. (中國華錄•松下電子資訊有限公司) from August 1996 to October 2000. He served as the general manager of the Shanghai Office of Zoran Corporation, a company listed on the Nasdaq (stock symbol: ZRAN), from October 2000 to August 2006. He then served as the sales and marketing director of the C2 Microsystems Inc. from August 2006 to April 2013.

Mr. Wang obtained a bachelor's degree in mechanical manufacturing from Xi'an Jiaotong University (西安交通大學) in the PRC in July 1996.

Mr. Zhou Kun (周琨), aged 48, co-founded our Group in December 2013 and has served as a Director and the general manager of our Company since its establishment. Mr. Zhou was re-designated as an executive Director in September 2025. He is primarily responsible for overseeing the research and development of our Group. Mr. Zhou also currently holds directorships and managerial positions in various subsidiaries of our Company.

Mr. Zhou has more than 20 years of experience in the management and operation of technology companies. Mr. Zhou served as a research and development engineer at Chicago Bell Labs, Lucent Technologies, Inc, from July 2003 to December 2004. Subsequently, Mr. Zhou served as the senior engineer of Zhuowang Information Technology (Shenzhen) Co., Ltd. (卓望信息網絡(深圳)有限公司) from January 2005 to June 2007. He then served as the vice president of Shenzhen Taishan Sports Technology Co., Ltd. (深圳泰山體育科技有限公司) from July 2007 to December 2013.

Mr. Zhou obtained both a bachelor's degree in precision instrumentation in July 2000 and a master's degree in automation in January 2003 from the Tsinghua University (清華大學) in the PRC. Mr. Zhou was awarded the Second Prize of Shenzhen 2023 Science and Technology Progress Award (深圳市2023年度科技進步二等獎) issued by Shenzhen Municipal Government (深圳市人民政府).

Mr. Huang Shuguang (黃署光), aged 45, has served as the chief financial officer of our Company since April 2020. He was appointed as a Director and the vice general manager of our Company in November 2023, and was re-designated as an executive Director of our Company in September 2025. He is primarily responsible for overseeing the overall financial management of our Group.

Mr. Huang has more than 20 years of experience in financial management. From July 2004 to December 2007, he worked at Shen Zhen Fu Tai Hong Precision Industry Co., Ltd. (深圳富泰宏精密工業有限公司), being responsible for operating management. From January 2008 to April 2017, he worked at Huawei Technologies Co., Ltd. (華為技術有限公司). Mr.

Huang served as the chief financial officer at Wuhu Muchen E-commerce Co., Ltd. (蕪湖市慕晨電子商務有限公司) from June 2017 to July 2018. He then served as the vice director of finance of Shenzhen Yuedong Tianxia Technology Co., Ltd. (深圳市悦動天下科技有限公司) from October 2018 to April 2020.

Mr. Huang received a bachelor's degree in administrative management and accounting from Shenzhen University (深圳大學) in the PRC in June 2004. Mr. Huang has passed the National Accounting Professional and Technical Intermediate Qualification Examination (全國會計專業技術中級資格考試) in 2021.

Ms. Qiu Lin (丘琳), aged 30, joined our Group in April 2021 and has served as the senior business manager of our Company since May 2024. She was appointed as an executive Director of our Company in September 2025. She also served as our supervisor from November 2023 to September 2025. She is primarily responsible for overseeing the commercial and order lifecycle management for key clients of our Group.

Prior to joining our Group, Ms. Qiu served as a business specialist of Suzhou Hongyuan Electric Co., Ltd. (蘇州弘遠電氣有限公司) (previously known as Shenzhen Hongyuan Electric Co., Ltd. (深圳弘遠電氣有限公司)), from November 2018 to April 2021.

Ms. Qiu received a bachelor's degree in business administration at Zhuhai College of Science and Technology (珠海科技學院) (previously known as Zhuhai College of Jilin University (吉林大學珠海學院)) in the PRC in July 2018.

Non-Executive Directors

Ms. Li Shangran (李尚然), aged 33, was appointed as our Director in December 2020 and was re-designated as a non-executive Director of our Company in September 2025. She is primarily responsible for overseeing Board affairs and giving strategic advice and guidance on the business operations of our Group.

Ms. Li has extensive experience in investment management and venture capital. From February 2017 to March 2019, Ms. Li served as the investment manager of Shenzhen Oriental Fortune Capital Co., Ltd. (深圳市東方富海投資管理股份有限公司). From March 2019 to August 2022, she served as the deputy investment director of Shenzhen Fuhai SME Development Fund Equity Investment Management Co., Ltd. (深圳市富海中小企業發展基金股權投資管理有限公司). Since August 2022, she has served as the deputy investment director of Shenzhen Dongfang Fuhai Venture Capital Management Co., Ltd. (深圳市東方富海創業投資管理有限公司).

Ms. Li received a bachelor's degree in finance from Dongbei University of Finance and Economics (東北財經大學) in the PRC and a bachelor's degree in finance and investment management from the University of Ulster in the United Kingdom in July 2015. She also received a master's degree in finance from the University of Warwick in the United Kingdom in December 2016.

Mr. Liu Xinpeng (劉鑫鵬), aged 35, was appointed as our Director in March 2021, and was re-designated as a non-executive Director of our Company in September 2025. He is primarily responsible for overseeing Board affairs and giving strategic advice and guidance on the business operations of our Group.

Mr. Liu has nearly eight years of experience in investment management and venture capital. From September 2017 to September 2020, he served as the senior investment manager of Beijing Gaojie Asset Management Co., Ltd. (北京高捷資產管理有限公司). Since September 2020, he has served as the investment director at the Smart Internet Telecom Ark (Shenzhen) Venture Capital Fund Partnership Enterprise (Limited Partnership) (智慧互聯電信方舟(深圳)創業投資基金合夥企業(有限合夥)). In addition, Mr. Liu has also served as the director of Wuhu Chu Rui Intelligent Technology Co., Ltd. (蕪湖楚睿智能科技有限公司) and Light Cloud (Hangzhou) Technology Co., Ltd. (光線雲(杭州)科技有限公司) since January 2023 and May 2024, respectively.

Mr. Liu received both a bachelor's degree in physics in June 2013 and a master's degree in thermophysics and energy utilization technology in June 2016 from Sun Yat-Sen University (中山大學) in the PRC.

Independent Non-Executive Directors

Mr. Dong Shengtang (董勝堂), aged 39, was appointed as our independent Director in November 2023 and re-designated as an independent non-executive Director of our Company in September 2025. He is primarily responsible for supervising and providing independent opinion and judgment to the Board.

Mr. Dong has over a decade of experience in corporate governance and legal affairs. During the tenure at Yueyang Xingchang Petrochemical Co., Ltd. (岳陽興長石化股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 000819) from July 2009 to February 2019, he assumed the roles of the secretary of the youth league committee, deputy office director and secretary of the party branch of the administration department, respectively. From February 2019 to August 2021, he served as the assistant to secretary-general and then the deputy secretary-general of the Shenzhen Listed Companies Association (深圳上市公司協會). Since September 2021, he has served as the partner of Zhejiang Tiance (Shenzhen) Law Firm (浙江天冊(深圳)律師事務所).

Mr. Dong obtained a bachelor's degree in law from Xiangtan University (湘潭大學) in the PRC in June 2009.

Mr. Liang Wenzhao (梁文昭), aged 56, was appointed as an independent Director of our Company in November 2023 and re-designated as an independent Director in September 2025. He is primarily responsible for supervising and providing independent opinion and judgment to the Board.

Mr. Liang has extensive experience in accounting and corporate services. He served as the senior audit manager of Arthur Andersen LLP (安達信會計師事務所) from September 1993 to June 2002. Since November 2002, he served in Shenzhen Union Strength Business Consulting Co., Ltd. (深圳市友聯時駿企業管理顧問有限公司), with his last position as the executive director. Since December 2013, Mr. Liang served as the chairman of board in Shenzhen Hejun Private Equity Fund Management Co., Ltd. (深圳和駿私募股權基金管理有限公司).

Mr. Liang received a bachelor's degree in accounting from Shenzhen University (深圳大學) in June 1993 and a master's degree in business administration from China Europe International Business School (中歐國際工商學院) in the PRC in August 2015. Mr. Liang has been a member of The Chinese Institute of Certified Public Accountants (中國註冊會計師協會) since October 1999.

Mr. Conrad Yan (甄偉傑) (also known as Yan Wai Kit Conrad), aged 55, was appointed as an independent non-executive Director of our Company in September 2025. Mr. Yan is primarily responsible for supervising and providing independent opinion and judgment to the Board.

Mr. Yan has nearly three decades of professional experience in the investment management industry, dealing with top-class institutional investors. From February 1994 to March 1997, he was employed by the Fidelity Investments (富達投資集團), primarily responsible for servicing institutional investors. From March 1997 to July 2000, he worked at the ABN AMRO Asset Management with his last position as a vice president, primarily responsible for marketing institutional investment products. He then served as the regional director and subsequently was promoted to managing director of AIG Investments (the predecessor of Pinebridge Investments) from August 2000 to March 2009. From April 2009 to September 2010, he served as the managing director of Crédit Suisse Asset Management. In December 2010, Mr. Yan established Campbell Lutyens' Asia presence as the partner and left the firm after almost a decade as the vice chairman in September 2020. From October 2020 to January 2025, he co-managed Albamen Capital Partner (旭智資本有限公司) as a partner. Currently, Mr. Yan is an advisor to select investment firms, including Albamen Capital Partner (旭智資本有限公司). In addition to above, Mr. Yan served as board member and secretary of Pacific Pension & Investment Institute (PPI) (太平洋養老金協會) from February 2016 to March 2024. He also served as the member of the market development committee of Hong Kong Financial Services Development Council (FSDC) (香港金融發展局) from January 2021 to January 2023. Since July 2024, Mr. Yan has served as vice chair of the capital markets policy council of Chartered Financial Analyst (CFA) Institute (註冊金融分析師(CFA)協會), and was appointed as chair in January 2026.

Mr. Yan also currently holds the following positions:

Period of service	Name of company	Position
Since May 2023 . . .	Mercer CFA Institute Global Pension Index (美世CFA協會2024全球退休金指數)	Member of the advisory board
Since January 2023 .	Hong Kong Financial Services Development Council (FSDC) (香港金融發展局)	Member of the mainland opportunities committee
Since July 2021 . . .	Chartered Financial Analyst (CFA) Institute (註冊金融分析師(CFA)協會)	Member of the capital markets policy council

Mr. Yan obtained his bachelor's degree in science in May 1993 and master's degree in business from the Stern School of Business New York University in the United States of America in May 1994. Mr. Yan is a Chartered Financial Analyst (CFA) charterholder.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The following table sets forth the key information about our senior management as of the Latest Practicable Date.

Name	Age	Positions	Date of joining our Group	Date of appointment as a senior management	Roles and responsibilities
Mr. Wang Jian (王健)	52	Chairperson of the Board, executive Director and co-general manager	December 2013	December 2013	Responsible for overseeing the overall management and business operation, Board affairs, formulating strategies and operation plans and making major business decisions of our Group
Mr. Zhou Kun (周琨)	48	Executive Director and general manager	December 2013	December 2013	Responsible for overseeing the research and development of our Group
Dr. Chen Yue (陳悦)	45	Chief technology officer and vice general manager	April 2022	April 2022	Responsible for overseeing the technology research and development and product development of our Group
Mr. Song Jiangping (宋江平)	60	Senior vice general manager	February 2014	January 2020	Responsible for overseeing the sales and marketing of our Group
Mr. He Jian (何劍)	53	Vice general manager	July 2022	July 2023	Responsible for overseeing the production operations of our Group

Name	Age	Positions	Date of joining our Group	Date of appointment as a senior management	Roles and responsibilities
Mr. Huang Shuguang (黄署光)	45	Executive Director, chief financial officer and vice general manager	April 2020	April 2020	Responsible for overseeing the overall financial management of our Group
Ms. Chen Pei (陳沛)	35	Vice general manager and Board secretary	August 2018	August 2021	Responsible for overseeing the corporate governance, investor relations, capital markets activities and human resource of our Group

Note: Ages are calculated based on the year of birth.

Mr. Wang Jian (王健), aged 52, is the chairperson of the Board, an executive Director and the co-general manager of our Company. For his biography, see "— Board of Directors — Executive Directors" above.

Mr. Zhou Kun (周琨), aged 48, is an executive Director and the general manager of our Company. For his biography, see "— Board of Directors — Executive Directors" above.

Dr. Chen Yue (陳悦), aged 45, has served as the chief technology officer of our Company since April 2022 and further appointed as a vice general manager in November 2023. He is primarily responsible for overseeing the research and development of our Group.

Dr. Chen served at the department of electrical engineering of Delft University of Technology in the Netherlands (荷蘭代爾夫特理工大學) from August 2011 to August 2012. He served at the ALLSEAS Engineering B.V. in the Netherlands from August 2012 to April 2014. From April 2014 to July 2018, he served at Koninklijke Philips N.V. in the Netherlands (a company listed on the New York Stock Exchange, stock code PHG, and Euronext Amsterdam, stock code: PHIA). He served at Tooz Technologies GmbH (a joint venture company of Deutsche Telekom and ZEISS) from September 2018 to February 2022.

Dr. Chen obtained his B.Sc in physics from Nanjing University (南京大學) in the PRC in June 2004. He also obtained his M.Sc and Ph.D in electrical engineering from Delft University of Technology in the Netherlands in August 2007 and January 2012, respectively.

Mr. Song Jiangping (宋江平), aged 60, has served as our senior vice general manager since November 2023, and is primarily responsible for overseeing the sales and marketing of our Group. Mr. Song joined our Company in February 2014 as the director of sales. In January 2020, he was promoted to vice president. From April 2021, he served as director of the purchasing center, and in June 2023, he was appointed as a senior vice president. In June 2024, he was appointed as a senior vice president and the deputy head of the business development department. Since November 2024, he has served as head of the sales department.

Mr. Song worked in the technical department of Mianyang Changhong Power Supply Factory (綿陽長虹電源廠) from July 1988 to January 1990. From February 1990 to December 1997, he worked at the technology department at Industrial and Commercial Bank of China, Mianyang Jiangyou Branch (中國工商銀行綿陽江油支行). He then worked in Zoran Corporation, which was listed on Nasdaq (stock symbol: ZRAN) from June 1998 to June 2007. From September 2007 to June 2013, he worked in Beijing Xitu Shiding Co., Ltd. (北京希圖視鼎科技有限公司).

Mr. Song received his bachelor's degree in electromechanical engineering from the University of Electronic Science and Technology of China (電子科技大學) in July 1988.

Mr. He Jian (何劍), aged 53, has served as the vice general manager of our Company since July 2022 and is primarily responsible for overseeing the production operations of our Group.

Prior to joining our Company, he worked at Delta Electronics, Inc. (台達電子有限公司), a company listed on the Taiwan Stock Exchange (stock code: 2308) from March 2000 to February 2011. From March 2011 to August 2015, he worked at the manufacturing department of Guangdong Gaobiao Intelligent Technology Co., Ltd. (廣東高標智能科技股份有限公司).

Mr. He obtained a bachelor's degree in electronics and Information from Xiangtan University (湘潭大學) in PRC in June 1996 and a master's degree in business administration from the Hong Kong Asia Metropolitan University (香港亞洲商學院) in January 2012.

Mr. Huang Shuguang (黃署光), aged 45, is an executive Director, the chief financial officer and a vice general manager of our Company. For his biography, see "— Board of Directors — Executive Directors" above.

Ms. Chen Pei (陳沛), aged 35, was appointed as the vice general manager and the Board secretary of our Company in November 2023. Ms. Chen joined our Company in August 2018 as the assistant of the general manager. She served as a Director of our Company from August 2021 to November 2023, and has served as our Board secretary since October 2021. She is primarily responsible for overseeing the corporate governance, investor relations, capital markets activities and human resource of our Group.

From August 2015 to March 2016, Ms. Chen served as the sales director assistant of Shenzhen Xiaoman Technology Co., Ltd. (深圳市小滿科技有限公司). From May 2016 to March 2017, she served as the investment operations officer of the investment promotion department of Shenzhen Qianhai Siwei Investment Management Co., Ltd. (深圳市前海思微投資管理有限公司). From April 2017 to August 2018, she served as the client manager of Shenzhen Xiaoman Technology Co., Ltd. (深圳市小滿科技有限公司).

Ms. Chen obtained a bachelor's degree in management from the Zhuhai College of Science and Technology (珠海科技學院), previously known as Zhuhai College of Jilin University (吉林大學珠海分校), in the PRC in July 2015.

OTHER INFORMATION IN RELATION TO OUR DIRECTORS AND SENIOR MANAGEMENT

To the best knowledge, information and belief of the Directors having made all reasonable inquiries, there are no material matters relating to their appointment as a Director that need to be brought to the attention of our Shareholders and there is no other information in relation to his or her appointment which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules as of the Latest Practicable Date.

Save as disclosed above, none of the Directors and senior management held any other directorships in any other company listed in Hong Kong or overseas during the three years immediately preceding the date of this prospectus.

Save as disclosed above, none of our Directors and senior management is related to other Directors and senior management.

JOINT COMPANY SECRETARIES

Ms. Chen Pei (陳沛), aged 35, is a vice general manager and the Board secretary of our Company and was appointed as one of the joint company secretaries of our Company with effect from September 27, 2025. For her biography, see "— Senior Management" in this section.

Ms. Pau So Yi (鮑素怡), was appointed as one of our joint company secretaries with effect from September 27, 2025. She is a manager of company secretarial services of Tricor Services Limited, a member of Vistra Group. Ms. Pau has over ten years of experience in the corporate service field. She has been providing professional corporate services to Hong Kong listed companies, private and offshore companies.

Ms. Pau obtained a bachelor's degree of Commerce (Hons) in accounting in Hong Kong Shue Yan University in Hong Kong in July 2015. Ms. Pau is a Chartered Secretary, a Chartered Governance Professional, an Associate of both The Hong Kong Chartered Governance Institute (香港公司治理公會) and The Chartered Governance Institute in the United Kingdom (英國特許公司治理公會).

BOARD COMMITTEES

Our Company has established four committees under the Board in accordance with the relevant laws and regulations in mainland China, the Articles of Association and the code of corporate governance practices under the Listing Rules, including the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy Committee.

Audit Committee

We have established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of our Group, review and approve connected transactions and to advise the Board. The Audit Committee comprises one non-executive Director and two independent non-executive Directors, namely, Mr. Liang Wenzhao (梁文昭), Mr. Dong Shengtang (董勝堂) and Ms. Li Shangran (李尚然). Mr. Liang Wenzhao (梁文昭), being the chairperson of the Audit Committee, holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

Remuneration and Appraisal Committee

We have established a Remuneration and Appraisal Committee in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Remuneration and Appraisal Committee are to review and make recommendations to the Board regarding the terms of remuneration packages, bonuses and other compensation payable to our Directors and senior management. The Remuneration and Appraisal Committee comprises one executive Director and two independent non-executive Directors, namely, Mr. Dong Shengtang (董勝堂), Mr. Conrad Yan (甄偉傑) and Mr. Wang Jian (王健). Mr. Dong Shengtang (董勝堂) is the chairperson of the Remuneration and Appraisal Committee.

Nomination Committee

We have established a Nomination Committee in compliance with the Code on Corporate Governance set out in Appendix C1 to the Listing Rules. The primary duties of the Nomination Committee are to make recommendations to our Board regarding the appointment of Directors and Board succession. The Nomination Committee comprises one non-executive Director and two independent non-executive Directors, namely, Mr. Conrad Yan (甄偉傑), Mr. Liang Wenzhao (梁文昭) and Ms. Li Shangran (李尚然). Mr. Conrad Yan (甄偉傑) is the chairperson of the Nomination Committee.

Strategy Committee

We have established the Strategy Committee in compliance with the Articles of Association. The primary duties of the Strategy Committee are to make recommendations to our Board on the long-term development strategy of our Company. The Strategy Committee comprises two executive Directors and one independent non-executive Director, namely Mr. Wang Jian (王健), Mr. Zhou Kun (周琨) and Mr. Conrad Yan (甄偉傑). Mr. Wang Jian (王健) is the chairperson of the Strategy Committee.

CORPORATE GOVERNANCE CODE

We recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group to achieve effective accountability. Our Company intends to comply with all code provisions in the Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules after the Listing except for code provision C.2.1 of Part 2 of the Corporate Governance Code, which provides that the roles of chairman of the board and chief executive should be separate and should not be performed by the same individual.

The roles of chairman and chief executive of our Company are currently performed by Mr. Wang. In view of Mr. Wang's substantial contribution to our Group since our establishment and his extensive experience, we consider that having Mr. Wang acting as both our chairman and chief executive will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. We consider it appropriate and beneficial to our business development and prospects that Mr. Wang continues to act as both our chairman and chief executive after the Listing, and therefore currently do not propose to separate the functions of chairman and chief executive. While this would constitute a deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code, the Board

believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that: (i) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Mr. Wang and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of chairman and chief executive is necessary.

MANAGEMENT PRESENCE

According to Rules 8.12 and 19A.15 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. Since the principal business operations of our Group are conducted in mainland China, members of our senior management are, and are expected to continue to be, based in mainland China. Further, as our executive Directors have a vital role in our Group's operations, it is crucial for them to remain in close proximity to our Group's central management located in mainland China. Our Company does not and, for the foreseeable future, will not have a sufficient management presence in Hong Kong. We have applied for, and the Stock Exchange has granted, a waiver from compliance with Rules 8.12 and 19A.15 of the Listing Rules. For further details, see "Waivers — Waiver in respect of Management Presence in Hong Kong."

BOARD DIVERSITY POLICY

Our Board has adopted a board diversity policy which sets out the approach to achieve diversity on our Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in supporting the attainment of our Company's strategic objectives and sustainable development. Our Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to talent, skills, gender, age, cultural and educational background, ethnicity, professional experience, independence, knowledge and length of service. We will select potential Board candidates based on merit and their potential contribution to our Board while taking into consideration our own business model and specific needs from time to time. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of diversity on our Board.

Our Board has a balanced mix of knowledge, skills and experience. They completed studies in various majors including, among others, mechanical manufacturing, finance, business management, accounting and law. We have three independent non-executive Directors who have different industry backgrounds. Furthermore, our Directors are of a wide range of age, from 28 to 55 years old. Taking into account our business model and specific needs as well as the presence of two female Directors out of a total of nine Board members, we consider that the composition of our Board satisfies our board diversity policy.

We recognize the particular importance of gender diversity on our Board. We have taken, and will continue to take, steps to promote gender diversity at all levels of our Company, including but not limited to our Board and the senior management levels. Our board diversity policy provides that our Board shall take opportunities when selecting and making recommendations on suitable candidates for Board appointments with the aim of increasing the proportion of female members over time after Listing. In particular, taking into account the business needs of our Group and changing circumstances that may affect our business plans, we will actively identify and select several female individuals with a diverse range of skills, experience and knowledge in different fields from time to time, and maintain a list of such female individuals who possess qualities to become our Board members, which will be periodically reviewed by our Nomination Committee in order to develop a pipeline of potential successors to our Board and promote gender diversity. Additionally, female representatives of our investors are also considered as potential candidates for Board appointments. We will also ensure that there is gender diversity when recruiting staff at the

mid- to senior-level so that we have a pipeline of female senior management and potential successors to our Board going forward. We plan to offer well-rounded trainings to female employees whom we consider have the requisite experience, skills and knowledge of our operation and business, on topics including but not limited to business operation, management, accounting and finance, and legal compliance. We are of the view that such strategies will provide our Board with ample opportunities to identify capable female employees to be nominated as Directors in the future, fulfilling our aim to develop a pipeline of female candidates to achieve greater gender diversity in our Board in the long run. We believe that such a merit-based selection process with reference to our diversity policy and the nature of our business will be in the best interests of our Company and our Shareholders as a whole. It is our objective to maintain an appropriate balance of gender diversity with reference to the stakeholders' expectations and international and local recommended best practices.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After Listing, our Nomination Committee will review our board diversity policy and its implementation annually to monitor its continued effectiveness and we will disclose the implementation of our board diversity policy, including any measurable objectives set for implementing the board diversity policy and the progress on achieving these objectives, in our corporate governance report on an annual basis.

COMPLIANCE ADVISOR

We have appointed First Shanghai Capital Limited as our Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, our Compliance Advisor will advise our Company in certain circumstances including:

(a) before the publication of any regulatory announcement, circular, or financial report;

(b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;

(c) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where the business activities, development or results of our Group deviate from any forecast, estimate or other information in this prospectus; and

(d) where the Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Advisor will, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules that are announced by the Stock Exchange. The Compliance Advisor will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the applicable requirements under the Listing Rules and laws and regulations.

The term of appointment of our Compliance Advisor shall commence on the Listing Date and is expected to end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing Date.

REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The Directors and senior management members who receive remuneration from our Company are paid in forms of fees, wages, salaries, bonuses, pension scheme contributions, and other benefits in kind. When reviewing and determining the specific remuneration packages for our Directors and members of the senior management of our Company, the Shareholders' meetings and the Board of Directors take into account factors such as job responsibilities, prevailing remuneration standards in comparable companies, the individual's contributions to our Company, and their professional competencies. As required by the relevant PRC laws and regulations, our Company also participates in various defined contribution plans organized by relevant provincial and municipal government authorities and welfare schemes for employees of our Company, including medical insurance, injury insurance, unemployment insurance, pension insurance, maternity insurance and housing provident fund.

For the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026, the total amount of remuneration (including fees, wages, salaries, bonuses and pension scheme contributions) and other benefits in kind (if applicable) paid to our Directors were RMB10.8 million, RMB14.8 million, RMB12.3 million and RMB1.8 million, respectively.

According to existing effective arrangements, we estimate the total remuneration before taxation to be accrued to our Directors in kind for their service for the year ending December 31, 2026 to be approximately RMB11.20 million. The actual remuneration of our Directors may be different from the expected remuneration.

For the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026, the total emoluments paid to the five highest paid individuals (excluding four, three, four and three Directors) by us amounted to RMB1.3 million, RMB2.9 million, RMB1.6 million and RMB1.9 million, respectively.

During the Track Record Period, no remuneration was paid by our Company to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any of our subsidiaries.

During the Track Record Period, none of our Directors waived any remuneration. Save as disclosed above, during the Track Record Period, no other amounts shall be paid or payable by us or any of our subsidiaries to our Directors or the five highest paid individuals.

CONFIRMATIONS FROM OUR DIRECTORS

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on September 19, 2025, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) that his or her independence with regard to each of the factors referred to in Rule 3.13(1) to (8) of the Listing Rules; (ii) that he or she have no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date; and (iii) that there are no other factors that may affect his or her independence at the time of his/her appointments.

Rule 8.10 of the Listing Rules

From time to time our non-executive Directors may serve on the boards of both private and public companies within the broader spatial sensing solutions industries. However, as these non-executive Directors are not members of our executive management team, we do not believe that their interests in such companies as directors would render us incapable of carrying on our business independently from the other companies in which these non-executive Directors may hold directorships from time to time.

Each of our executive and non-executive Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, directly or indirectly, with our business and requires disclosure under Rule 8.10 of the Listing Rules.

CORE R&D TEAM MEMBERS

For further details of the experience of our core R&D team members, see "Business — Research and Development — Our R&D Team" in this prospectus.

You should read the following discussion and analysis in conjunction with our consolidated financial statements, included in the Accountants' Report in Appendix I, together with the respective accompanying notes. Our consolidated financial information has been prepared in accordance with IFRS.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties, many of which we cannot control or foresee. In evaluating our business, you should carefully consider all of the information provided in this prospectus, including the sections headed "Risk Factors" and "Business," and elsewhere in this prospectus. For further details, see "Forward-Looking Statements."

OVERVIEW

We specialize in developing spatial sensing products, with a focus on robotic vacuum applications. Leveraging AI technologies, we build intelligent spatial sensing systems and provide algorithms and hardware for robotic vacuum. Since inception, our cumulative shipment volume has surpassed 39 million units. In 2025, the total shipments of LiDAR and line laser sensors exceeded ten million units and five million units, respectively. This underscores our market position in spatial sensing technology and validates the strong demand for our products across the robotic vacuum spatial sensing sector.

During the Track Record Period, our revenue grew from RMB332.1 million in 2023 to RMB613.5 million in 2025 at a CAGR of 35.9%, and further increased from RMB131.8 million in the three months ended March 31, 2025 to RMB195.9 million in the three months ended March 31, 2026, while we reversed our net loss position, recording net profit of RMB2.2 million in 2025 and RMB7.8 million in the three months ended March 31, 2026 after net losses of RMB0.9 million and RMB31.4 million in 2023 and 2024, respectively.

BASIS OF PREPARATION

Our historical financial information has been prepared in accordance with International Financial Reporting Standards ("**IFRSs**"), which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**"). All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2026, together with the relevant transitional provisions, have been early adopted by us in the preparation of the historical financial information throughout the Track Record Period.

Our historical financial information has been prepared under the historical cost convention except for certain financial instruments which have been measured at fair value at the end of each period of the Track Record Period. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated. For details, see Note 2.1 to the Accountants' Report set out in Appendix I to this prospectus.

For ordinary shares issued to pre-IPO investors before 30 September 2025, pursuant to the supplemental agreements entered into between our Company and such pre-IPO investors in relation to the termination of certain of special rights granted by our Company, including redemption rights, which will be void ab initio, taking into account the legal and regulatory framework of our jurisdiction and the governing law of the supplementary agreements, our Directors considered that it is appropriate to present the pre-IPO investments as equity throughout the Track Record Period. For details, see Note 28(c) to the Accountants' Report set out in Appendix I to this prospectus.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been, and are expected to continue to be, materially affected by a number of key factors, including the following:

Our Ability to Maintain Technology Expertise and Enhance Our Product Portfolio

Our revenue growth and competitive positioning depend on our ability to maintain and strengthen our technology expertise, as well as develop new and upgraded products. We have established a unified technological platform that enables us to efficiently address evolving market requirements across multiple application scenarios. Leveraging such technological capabilities, we have achieved significant progress in new product development, with multiple business segments successfully commercializing. Our line laser sensors began large-scale commercial production in the second half of 2024, with cumulative shipments approximately 8.5 million units by March 31, 2026. We are also actively expanding into yard robots, pool-cleaning robots and humanoid robots, demonstrating our ability to adapt our core technology across diverse applications.

As the industry continues to expand across household, service, industrial, and logistics applications, consumer preferences are evolving toward more sophisticated features including sensor fusion, AI-enabled functionality and integrated hardware-software capabilities. Our established technological foundation and proven ability to commercialize spatial sensing products in robotic vacuum sector position us well to address these market trends. By continuing to develop and adapt our products for diverse applications, we believe we can maintain our market competitiveness and drive sustained growth.

Our Ability to Deepen Relationships with Existing Customers and Expand Customer Base

Our business growth depends on our ability to deepen our relationship with existing customers and acquire new customers. We have established a market-leading position in robotic vacuum spatial sensing technology, serving all five largest market players in the robotic vacuum industry. Our deep technical expertise and ability to meet the sophisticated needs of industry leaders have enabled us to build and maintain strong strategic partnerships with these key customers. This is reflected in our revenue concentration, where our five largest customers in each year during the Track Record Period accounted for RMB310.8 million, RMB386.5 million, RMB493.2 million and RMB167.6 million for the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2026, representing 93.6%, 89.2%, 80.4% and 85.6% of our total revenue, respectively. While this represents a high customer concentration, it demonstrates our success in positioning ourselves as a critical technology partner to the industry's most influential players.

Complementing our success with existing customers, we are actively expanding into new customer segments in high-value markets such as XR, industrial inspection, medical devices and 3D printing. Our track record of successfully developing and deploying customized products for established robot companies has proven instrumental in establishing relationships with industry leaders in these new sectors. For example, we are working to secure partnerships with key players in the medical devices sector and leading manufacturers of humanoid robots. We believe this dual approach of deepening existing relationships while actively expanding into new markets positions us well for sustainable growth while gradually reducing our customer concentration.

Our Cost Structure and Product Mix

Our profitability is significantly influenced by the mix of products we sell and their respective cost structures. Our cost of sales, consisting primarily of raw material and labor costs, is subject to fluctuations that directly impact our gross profit margin. Our gross profit margin was 21.5%, 16.3%, 16.5%, 12.4% and 19.2% for the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively. The fluctuation in our gross profit margin was primarily due to (i) the expansion of our product offerings as we introduced dTOF LiDAR products and line laser sensor products during the Track Record Period that have not yet achieved optimal production efficiency, and (ii) our sales and marketing initiatives to capture a larger market share. We expect our product mix and cost structure to remain key drivers of our financial performance. The pricing trends of

parts, components and other supplies used in our production, along with our ongoing supply chain optimization efforts, will continue to play an important role in determining our overall profitability.

Our Ability to Improve Operating Efficiency

Our operating expenses consist primarily of research and development costs, selling and marketing expenses and administrative expenses. During the Track Record Period, these expenses as a percentage of revenue have shown an improving trend. Our research and development costs as a percentage of revenue were 16.4% in 2023 and 17.7% in 2024, and decreased to 9.7% in 2025 and 7.6% in the three months ended March 31, 2026. Similarly, our administrative expenses as a percentage of revenue decreased from 6.5% in 2023 to 5.9% in 2024, and increased to 6.5% in 2025. Our administrative expenses as a percentage of revenue remained relatively stable at 6.5% in the three months ended March 31, 2026. Selling and marketing expenses as a percentage of revenue have also decreased from 1.8% in 2023 to 1.3% in 2024, 0.9% in 2025 and 0.7% in the three months ended March 31, 2026.

While we expect the absolute amounts of our research and development costs, selling and marketing expenses and administrative expenses will continue to increase along with our business growth in the future, we are constantly improving our operating efficiency in various aspects. We are continuously striving to optimize our operational efficiency, especially in relation to our workforce management as well as R&D processes. In addition, as we ramp up the sales of our products, we expect to achieve greater economies of scale such that our operating expenses as a percentage of our total revenue will continue to decrease.

Seasonality

Our results of operations are affected by seasonal fluctuations in the demand for our products, as impacted by the market trends of robotic vacuums. In particular, due to the impacts of the public holidays such as the Spring Festival and the stocking and sales cycles of customers before or around holidays, we typically experience higher sales in the second and fourth quarters during the year. These seasonal fluctuations may render our results of operations in certain given periods not indicative of our results of operations for the full year. As we continue to enrich our product portfolio and expand into other high-value sectors and application scenarios, we expect to reduce the impact of seasonality with this increased diversity.

MATERIAL ACCOUNTING POLICY INFORMATION AND CRITICAL ESTIMATES AND JUDGMENT

Our material accounting policies are important for understanding our financial condition and results of operations. The preparation of our historical financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures. Uncertainty about these assumptions and estimates could require a material adjustment to the carrying amounts of the affected assets or liabilities in the future. We continually evaluate these judgments and estimates based on our own historical experience, knowledge and assessment of current business and other conditions and expectations regarding the future. Since the use of judgments and estimates is an integral component of the financial reporting process, our actual results could differ from those estimates and expectations. The material accounting policy information, estimates, assumptions and judgments, which are important for understanding our financial condition and results of operations, are set forth in detail in Note 2.3 and Note 3 to the Accountants' Report in Appendix I to this prospectus.

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

The table below sets forth a summary of our consolidated statements of profit or loss for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*% of revenue*	*Amount*	*% of revenue*	*Amount*	*% of revenue*	*Amount*	*% of revenue*	*Amount*	*% of revenue*
	(RMB in thousands, except for percentage)						*(unaudited)*			
Revenue	332,107	100.0	433,324	100.0	613,523	100.0	131,789	100.0	195,919	100.0
Cost of sales	(260,852)	(78.5)	(362,483)	(83.7)	(512,534)	(83.5)	(115,511)	(87.6)	(158,339)	(80.8)
Gross profit	**71,255**	**21.5**	**70,841**	**16.3**	**100,989**	**16.5**	**16,278**	**12.4**	**37,580**	**19.2**
Other income and gains	10,812	3.3	9,415	2.2	7,228	1.2	3,108	2.4	958	0.5
Selling and marketing expenses	(5,861)	(1.8)	(5,600)	(1.3)	(5,230)	(0.9)	(1,655)	(1.3)	(1,301)	(0.7)
Administrative expenses	(21,620)	(6.5)	(25,497)	(5.9)	(39,987)	(6.5)	(6,547)	(5.0)	(12,658)	(6.5)
Research and development costs	(54,619)	(16.4)	(76,695)	(17.7)	(59,367)	(9.7)	(17,347)	(13.2)	(14,813)	(7.6)
Reversal of impairment losses on financial assets, net	281	0.1	15	0.0	21	0.0	4	0.0	(1,613)	(0.8)
Other expenses	(198)	(0.1)	(2,926)	(0.7)	(761)	(0.1)	(321)	(0.2)	(165)	(0.1)
Finance costs	(933)	(0.3)	(913)	(0.2)	(692)	(0.1)	(189)	(0.1)	(231)	(0.1)
(Loss)/profit before tax	**(883)**	**(0.3)**	**(31,360)**	**(7.2)**	**2,201**	**0.4**	**(6,669)**	**(5.1)**	**7,757**	**4.0**
Income tax expense	–	–	(15)	(0.0)	–	–	–	–	–	–
(Loss)/profit for the year/period	**(883)**	**(0.3)**	**(31,375)**	**(7.2)**	**2,201**	**0.4**	**(6,669)**	**(5.1)**	**7,757**	**4.0**

For details of the Pre-IPO Investments (including the redemption rights previously granted by our Company and the accounting treatment thereof), see "History, Development and Corporate Structure — Pre-IPO Investments," "— Share Capital" and Note 28(c) to the Accountants' Report set out in Appendix I to this prospectus.

Revenue

Revenue by Products

During the Track Record Period, we primarily derived revenue from the sales of our various LiDAR products and line laser sensor products. The table below sets forth our revenue breakdown by products in absolute amounts and as percentages of our total revenue for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)						*(unaudited)*			
Products	**330,270**	**99.4**	**433,273**	**100.0**	**611,004**	**99.6**	**131,789**	**100.0**	**195,825**	**100.0**
– Triangulation LiDAR	326,602	98.3	407,618	94.1	403,254	65.7	92,278	70.0	92,228	47.1
– dTOF LiDAR	–	–	4,199	1.0	65,032	10.6	13,569	10.3	54,677	27.9
– Line laser sensor	–	–	19,313	4.5	133,794	21.8	25,829	19.6	45,093	23.0
– Others[(1)]	3,668	1.1	2,143	0.5	8,924	1.5	113	0.1	3,827	2.0
Development services[(2)]	**1,837**	**0.6**	**51**	**0.0**	**2,519**	**0.4**	**–**	**–**	**94**	**0.0**
Total	**332,107**	**100.0**	**433,324**	**100.0**	**613,523**	**100.0**	**131,789**	**100.0**	**195,919**	**100.0**

Notes:

(1) Primarily include our 3D spatial sensing products such as our C9X visual sensors, robotics testing products such as our M-Pro, and XR products such as our XR Controller.

(2) During the Track Record Period, we also provided development services in the form of product design for our XR product offerings. These development services are primarily provided to major customers through direct bilateral agreements between us and the customer, with no intermediaries involved. Our pricing model for these development services follows a cost-plus approach, where we charge based on the development costs incurred plus a service fee.

We experienced strong revenue growth during the Track Record Period, primarily due to (i) the robust growth in the downstream robotic vacuum industry, fueling market demand for our LiDAR products, and (ii) our sustained product development efforts, which enhanced product performance and functionality and facilitated an expansion of our customer base. Revenue from our "others" product category decreased from 2023 to 2024, primarily attributable to a reduction in sales volume of XR products, driven by a softening of customer demand in the metaverse industry, and increased in 2025, primarily driven by sales of C9X series of our visual LiDAR products. Revenue from our "others" product category increased from RMB0.1 million for the three months ended March 31, 2025 to RMB3.8 million for the three months ended March 31, 2026, primarily due to the increase in sales volume and average selling price of our XR controllers and to a lesser extent, the increased sales of our C9X visual sensors.

The table below sets forth the breakdown of the shipment volume and average selling price by products, for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Shipment volume (thousand units)	*Average selling price (RMB per unit)*	*Shipment volume (thousand units)*	*Average selling price (RMB per unit)*	*Shipment volume (thousand units)*	*Average selling price (RMB per unit)*	*Shipment volume (thousand units)*	*Average selling price (RMB per unit)*	*Shipment volume (thousand units)*	*Average selling price (RMB per unit)*
Triangulation LiDAR	4,760.1	68.6	7,849.9	51.9	9,312.7	43.3	2,037.6	45.3	2,280.2	40.4
dTOF LiDAR	–	–	52.3	80.3	1,156.2	56.2	172.1	78.9	1,256.7	43.5
Line laser sensor	–	–	752.2	25.7	5,657.5	23.6	1,063.2	24.3	2,007.6	22.5
Others	27.3	134.3	16.7	128.2	93.2	95.8	1.2	93.6	247.6	15.5

The shipment volume of our triangulation LiDAR products increased consistently throughout the Track Record Period, from 4,760.1 thousand units in 2023 to 7,849.9 thousand units in 2024, further to 9,312.7 thousand units in 2025. The shipment of our triangulation LiDAR products further increased from 2,037.6 thousand units in the three months ended March 31, 2025 to 2,280.2 thousand units in the three months ended March 31, 2026. The increase was primarily due to (i) the robust growth in the downstream robotic vacuum industry, which boosted demand for our triangulation LiDAR products, and (ii) the expansion of our customer base. The average selling price of our triangulation LiDAR products decreased from RMB68.6 per unit in 2023 to RMB51.9 per unit in 2024, and further to RMB43.3 per unit in 2025, primarily due to (i) a decrease in per-unit cost as we benefited from economies of scale and improved production efficiency, and (ii) a change in product mix within our triangulation LiDAR products, with an increased share of our revenue generated from certain triangulation LiDAR products, primarily our earlier-generation products, the pricing of which was proactively adjusted during the relevant periods to enhance their competitiveness in light of market competition, including competition from customers' self-developed products. Such pricing strategy was adopted to strengthen our customer relationships, support shipment volume growth and enhance our market position. The average selling price of our triangulation LiDAR products decreased from RMB45.3 per unit in the three months ended March 31, 2025 to RMB40.4 per unit in the three months ended March 31, 2026, primarily due to changes in product mix, as our D3 series with relatively lower average selling prices accounted for a larger proportion of our triangulation LiDAR product sales.

We commenced the commercial launch of our dTOF LiDAR products in the second half of 2024. The shipment volume of our dTOF LiDAR products reached 52.3 thousand units in 2024 and 1,156.2 thousand units in 2025, which demonstrated growing market recognition and adoption. The shipment of our dTOF LiDAR products further increased from 172.1 thousand units in the three months ended March 31, 2025 to 1,256.7 thousand units in the three months ended March 31, 2026, primarily driven by wider adoption of our P series dTOF LiDAR products. The average selling price of our dTOF LiDAR products was RMB80.3 per unit in 2024 and RMB56.2 per unit in 2025. The decrease in average selling price was primarily attributable to reduced per-unit costs resulting from improved production efficiency and production yield, notwithstanding that we were still in the ramp-up phase. Specifically, our downstream customers operate in competitive end markets and generally seek cost reductions from suppliers, including us, as part of their own pricing and market-share strategies. At the same time, as our production and sales volumes increased, we benefited from economies of scale, including lower per-unit labor costs through automation and lower per-unit allocation of fixed manufacturing overheads such as equipment depreciation, facility costs and production support costs. We passed part of these cost savings to customers through lower selling prices, which is consistent with pricing trends for consumer-grade industrial electronic products. The average selling price of our dTOF LiDAR products decreased from RMB78.9 per unit in the three months ended March 31, 2025 to RMB43.5 per unit in the three months ended March 31, 2026, primarily because products with relatively lower selling prices contributed a larger proportion of sales.

Our line laser sensor products were commercially launched in the first half of 2024. The shipment volume of our line laser sensor products increased from 752.2 thousand units to 5,657.5 thousand units in 2025, primarily as a result of increased customer adoption. The shipment of our line laser sensor products increased from 1,063.2 thousand units in the three months ended March 31, 2025 to 2,007.6 thousand units in the three months ended March 31, 2026, primarily driven by substantial growth in sales of our L4 series line laser sensor products. The average selling price of our line laser sensor products decreased slightly from RMB25.7 per unit in 2024 to RMB23.6 per unit in 2025, primarily attributable to reduced per-unit costs resulting from improved production efficiency, which was achieved through economies of scale as production volume increased. The average selling price of our line laser sensor products decreased from RMB24.3 per unit in the three months ended March 31, 2025 to RMB22.5 per unit in the three months ended March 31, 2026, primarily because sales volume growth was mainly driven by products with relatively lower average selling prices.

We believe that the risk of our products becoming obsolete or materially replaced by customers' self-developed products is limited. Our triangulation LiDAR and dTOF LiDAR products are positioned for different application scenarios, with triangulation LiDAR products primarily used in short-range applications and dTOF LiDAR products primarily used in longer-range applications, while our line laser sensor products address different sensing applications. Accordingly, these product lines are complementary rather than substitutive. Based on our understanding, customers' self-developed LiDAR products are generally used for differentiated product models, while their mainstream products requiring large-scale production continue to rely on external suppliers with stable mass production capabilities, including us.

Revenue by Downstream Application

The table below sets forth our revenue breakdown by downstream application in absolute amounts and as percentages of our total revenue for the years indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)						*(unaudited)*			
Products	**330,270**	**99.4**	**433,273**	**100.0**	**611,004**	**99.6**	**131,789**	**100.0**	**195,825**	**100.0**
– Robotic vacuums	325,975	98.2	431,112	99.5	610,180	99.5	131,764	100.0	192,759	98.4
– Intelligent devices[(1)]	4,295	1.3	2,161	0.5	824	0.1	25	0.0	3,066	1.6
Development services	**1,837**	**0.6**	**51**	**0.0**	**2,519**	**0.4**	**–**	**–**	**94**	**0.0**
Total	**332,107**	**100.0**	**433,324**	**100.0**	**613,523**	**100.0**	**131,789**	**100.0**	**195,919**	**100.0**

Note:

(1) Primarily included applications in the entertainment scenarios, laboratory applications, embodied intelligence products, yard robots and delivery robots. During the Track Record Period, our products sold that were applied towards intelligent devices primarily comprised our 3D spatial sensing products such as C9X visual sensors, L-series structure light sensor with AI-enhanced algorithm for various service robotics, robotics testing products such as our M-Pro, and XR products such as our XR controller.

During the Track Record Period, revenue from products applied to robotic vacuums increased consistently, from RMB326.0 million in 2023 to RMB431.1 million in 2024, and further to RMB610.2 million in 2025. The growth was primarily attributable to (i) the robust market expansion and increasing penetration rate of robotic vacuums, and (ii) our sustained product development efforts, which enhanced product performance and functionality and facilitated the expansion of our customer base. Revenue from products applied to robotic vacuums further increased from RMB131.8 million for the three months ended March 31, 2025 to RMB192.8 million for the three months ended March 31, 2026, primarily attributable to the increase in sales of our dTOF LiDAR and line laser sensor products.

Revenue from products applied to intelligent devices decreased from RMB4.3 million in 2023 to RMB2.2 million in 2024, and further to RMB0.8 million in 2025, primarily due to evolving market conditions in the metaverse industry, which resulted in more cautious procurement strategies and extended purchasing cycles for XR products among customers. Revenue from products applied to intelligent devices increased significantly from RMB0.03 million for the three months ended March 31, 2025 to RMB3.1 million for the three months ended March 31, 2026, primarily due to the increase in sales volume and average selling price of our XR controllers.

The table below sets forth the breakdown of the shipment volume and average selling price by downstream application, for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Shipment volume (thousand units)	*Average selling price (RMB per unit)*	*Shipment volume (thousand units)*	*Average selling price (RMB per unit)*	*Shipment volume (thousand units)*	*Average selling price (RMB per unit)*	*Shipment volume (thousand units)*	*Average selling price (RMB per unit)*	*Shipment volume (thousand units)*	*Average selling price (RMB per unit)*
Robotic vacuums										
Triangulation LiDAR	4,749.8	68.8	7,849.6	51.9	9,303.1	43.3	2,037.1	45.3	2,259.4	40.4
dTOF LiDAR	–	–	52.3	80.3	1,156.2	56.2	172.1	78.9	1,256.7	43.5
Line laser sensor	–	–	752.2	25.7	5,657.3	23.6	1,063.2	24.3	2,007.4	22.5
Others	–	–	–	–	87.0	98.2	1.2	93.6	232.7	7.3
Intelligent devices										
Triangulation LiDAR	10.3	66.3	0.3	64.6	9.6	45.2	0.5	48.7	20.8	44.2
Line laser sensor	–	–	–	–	0.2	29.5	–	–	0.2	33.3
Others	27.3	132.2	16.7	128.2	6.2	61.9	–	–	14.9	143.6

During the Track Record Period, a majority of our products were applied to robotic vacuums. The shipment of our products applied to intelligent devices fluctuated during the Track Record Period, primarily due to changes in demand from downstream customers.

The average selling prices of our products applied to intelligent devices are typically higher than those of our products applied to robotic vacuums, primarily because (i) the product mix differs, with products applied to intelligent devices — particularly XR products — commanding higher selling prices due to the incorporation of more advanced technology and complex features, and (ii) we have not yet achieved large-scale shipments of products applied to intelligent devices, resulting in relatively higher unit costs due to lower economies of scale.

Revenue by Customer Type

During the Track Record Period, the customers for our products can be broadly classified into three categories, namely brand owners, designated third-party suppliers of brand owners and ODM manufacturers. The table below sets forth our revenue breakdown by customer type in absolute amounts and as percentages of our total revenue for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(unaudited)			
Products	**330,270**	**99.4**	**433,273**	**100.0**	**611,004**	**99.6**	**131,789**	**100.0**	**195,825**	**100.0**
– Brand owners	234,304	70.5	356,151	82.2	514,720	83.9	120,343	91.3	160,070	81.7
– Designated third-party suppliers of brand owners	14,844	4.5	25,127	5.8	68,449	11.2	4,919	3.7	31,648	16.2
– ODM manufacturers	81,121	24.4	51,995	12.0	27,836	4.5	6,527	5.0	4,108	2.1
Development services	**1,837**	**0.6**	**51**	**0.0**	**2,519**	**0.4**	**–**	**–**	**94**	**0.0**
Total	**332,107**	**100.0**	**433,324**	**100.0**	**613,523**	**100.0**	**131,789**	**100.0**	**195,919**	**100.0**

Cost of Sales

Our cost of sales primarily consists of raw material costs, labor costs manufacturing overhead costs and outsourced processing costs. The table below sets forth the breakdown of our cost of sales by nature in absolute amounts and as a percentage of our total cost of sales for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(unaudited)			
Raw material costs	198,299	76.0	282,174	77.8	379,226	74.0	83,387	72.2	122,206	77.2
Labor costs	39,946	15.3	56,680	15.6	92,541	18.0	22,432	19.4	26,408	16.7
Manufacturing overhead	9,608	3.7	15,372	4.2	25,631	5.0	5,626	4.9	6,374	4.0
Outsourced processing costs	12,999	5.0	8,257	2.3	15,136	3.0	4,066	3.5	3,351	2.1
Total	**260,852**	**100.0**	**362,483**	**100.0**	**512,534**	**100.0**	**115,511**	**100.0**	**158,339**	**100.0**

Our outsourced processing costs represented fees we paid to our contract manufacturers. In 2023, 2024, 2025 and the three months ended March 31, 2026, we engaged two, one, two and two contract manufacturers, respectively, which were located in Shenzhen, Guangdong and Ganzhou, Jiangxi.

Gross Profit and Gross Profit Margin

Gross Profit and Gross Profit Margin by Products

The table below sets forth our gross profit both in absolute amounts and gross profit margin, by products for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross profit	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*
	(RMB in thousands, except for percentages)						*(unaudited)*			
Products	**70,368**	**21.3**	**70,820**	**16.3**	**99,718**	**16.3**	**16,278**	**12.4**	**37,557**	**19.2**
– Triangulation LiDAR	68,600	21.0	73,102	17.9	75,147	18.6	14,739	16.0	18,205	19.7
– dTOF LiDAR	–	–	(1,376)	(32.8)	4,526	7.0	444	3.3	10,374	19.0
– Line laser sensor	–	–	(1,173)	(6.1)	18,174	13.6	1,159	4.5	9,187	20.4
– Others	1,767	48.2	268	12.5	1,871	21.0	(64)	(57.1)	(209)	(5.5)
Development services	**887**	**48.3**	**21**	**40.9**	**1,271**	**50.5**	**–**	**–**	**23**	**24.5**
Total	**71,255**	**21.5**	**70,841**	**16.3**	**100,989**	**16.5**	**16,278**	**12.4**	**37,580**	**19.2**

Our gross profit and gross profit margin fluctuated during the Track Record Period. Our gross profit amounted to RMB71.3 million, RMB70.8 million, RMB101.0 million, RMB16.3 million and RMB 37.6 million in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively. Our gross profit margin was 21.5%, 16.3%, 16.5%, 12.4% and 19.2% in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively. The fluctuation was primarily due to (i) the expansion of our product offerings as we introduced dTOF LiDAR products and line laser sensor products during the Track Record Period that have not yet achieved optimal production efficiency, and (ii) our sales and marketing initiatives to capture a larger market share. The gross profit margin of our "others" product category decreased from 48.2% in 2023 to 12.5% in 2024, as the reduction in production volumes of our XR products fell below optimal levels resulting in a corresponding increase in unit production costs, and then recovered from 12.5% in 2024 to 21.0% in 2025, primarily attributable to the higher margins associated with our visual LiDAR C9X series products. The gross loss margin of our "others" product category improved from 57.1% for the three months ended March 31, 2025 to 5.5% for the three months ended March 31, 2026. The gross loss margin for the three months ended March 31, 2025 was primarily due to the C9X products being in the trial production and ramp-up stage, with low shipment volume, production efficiency and yield rate. The improvement for the three months ended March 31, 2026 was primarily due to the increased revenue contribution from XR controllers, which generated positive gross profit, partially offset by negative gross profit from C9X series visual sensors, which were still at an early stage of production.

Gross Profit and Gross Profit Margin by Downstream Application

The table below sets forth our gross profit both in absolute amounts and gross profit margin, by downstream application for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross profit	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*
	(RMB in thousands, except for percentages)						*(unaudited)*			
Products	**70,368**	**21.3**	**70,820**	**16.3**	**99,718**	**16.3**	**16,278**	**12.4**	**37,557**	**19.2**
– Robotic vacuums	68,327	21.0	70,462	16.3	99,270	16.3	16,271	12.3	37,127	19.3
– Intelligent devices	2,041	47.5	358	16.6	448	54.4	7	28.0	430	14.0
Development services	**887**	**48.3**	**21**	**40.9**	**1,271**	**50.5**	**–**	**–**	**23**	**24.5**
Total	**71,255**	**21.5**	**70,841**	**16.3**	**100,989**	**16.5**	**16,278**	**12.4**	**37,580**	**19.2**

The gross profit from products applied to robotic vacuums increased from RMB68.3 million in 2023 to RMB70.5 million in 2024, and further to RMB99.3 million in 2025. The increase was in line with our continued sales growth. The gross profit from products applied to robotic vacuums increased from RMB16.3 million in the three months ended March 31 2025 to RMB37.1 million in the three months ended March 31 2026, primarily due to the increase in sales volume of our dTOF LiDAR products and line laser sensor products applied to robotic vacuums. The gross profit margin of products applied to robotic vacuums decreased from 21.0% in 2023 to 16.3% in 2024, primarily due to the introduction of new products, including line laser sensors and dTOF LiDAR products,which have not yet achieved economies of scale and consequently generated lower profit margins. Our gross margin of products applied to robotic vacuums remained at 16.3% in 2025. The gross profit margin of products applied to robotic vacuums increased from 12.3% in the three months ended March 31, 2025 to 19.3% in the three months ended March 31,2026, primarily attributable to improved production efficiency and first-pass yield of certain new products, which reduced our unit production costs.

The gross profit from products applied to intelligent devices amounted to RMB2.0 million, RMB0.4 million, RMB0.4 million, RMB7 thousand and RMB0.4 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. The gross profit margin decreased from 47.5% in 2023 to 16.6% in 2024, and increased to 54.4% in 2025, primarily reflecting changes in product mix and shipment volume, which affected overall pricing and per-unit costs. The gross profit margin from products applied to intelligent devices decreased from 28.0% in the three months ended March 31, 2025 to 14.0% in the three months ended March 31, 2026, due to changes in product mix, from a greater proportion of sensor products with relatively higher gross profit margins in the prior-year period to a greater proportion of XR controllers with relatively lower gross profit margins in the current period.

The table below sets forth our gross profit both in absolute amounts and gross profit margin, by customer type for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross profit	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*	*Gross profit*	*Gross profit margin (%)*
	(RMB in thousands, except for percentages)						*(unaudited)*			
Products	**70,368**	**21.3**	**70,820**	**16.3**	**99,718**	**16.3**	**16,278**	**12.4**	**37,557**	**19.2**
– Brand owners	45,692	19.5	50,229	14.1	77,091	15.0	13,341	11.1	30,031	18.8
– Designated third-party suppliers of brand owners	5,213	35.1	5,565	22.1	14,460	21.1	975	19.8	6,276	19.8
– ODM manufacturers	19,463	24.0	15,027	28.9	8,167	29.3	1,962	30.1	1,250	30.4
Development services	**887**	**48.3**	**21**	**40.9**	**1,271**	**50.5**	**–**	**–**	**23**	**24.5**
Total	**71,255**	**21.5**	**70,841**	**16.3**	**100,989**	**16.5**	**16,278**	**12.4**	**37,580**	**19.2**

The fluctuation in our gross profit margin across each customer type was primarily attributable to the same factors affecting our overall gross profit margin as discussed above. The gross profit margin of our sales to designated third-party suppliers of brand owners and ODM manufacturers was generally higher than that of brand owners primarily because sales to these customers tend to involve more mature and mass-production-stage products with relatively stable production efficiency and yield rates. See also, "Business — Our Customers — Major Customers."

Other Income and gains

Our other income and gains primarily consist of (i) government grants, including value added tax ("**VAT**") refund, and (ii) investment income from financial assets. The table below sets forth the breakdown of our other income and gains for the periods indicated:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(unaudited)	
Other income					
Government grants	5,056	4,223	4,765	2,347	155
Bank interest income	1,732	1,354	719	294	2
Investment income from financial assets	973	1,001	550	199	159
Others	1,888	1,588	740	173	438
	9,649	8,166	6,774	3,013	754
Gains					
Fair value gains on financial assets at fair value through profit or loss	1,163	1,249	454	95	204
	1,163	1,249	454	95	204
Total	**10,812**	**9,415**	**7,228**	**3,108**	**958**

Selling and Marketing Expenses

Our selling and marketing expenses primarily consist of (i) employee benefit expenses and (ii) travel and business development expenses. The table below sets forth the breakdown of our selling and marketing expenses for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)									
							(unaudited)			
Employee benefit expenses	4,617	78.7	4,522	80.8	4,366	83.5	1,379	83.3	1,085	83.4
Travel and business development expenses	879	15.0	699	12.5	421	8.0	184	11.1	116	8.9
Marketing expenses	128	2.2	176	3.1	153	2.9	23	1.4	3	0.2
Others[(1)]	237	4.1	203	3.6	290	5.6	69	4.2	97	7.5
Total	**5,861**	**100.0**	**5,600**	**100.0**	**5,230**	**100.0**	**1,655**	**100.0**	**1,301**	**100.0**

Note:

(1) Primarily include miscellaneous expenses and depreciation and amortization of leased premises used for selling and marketing activities.

Administrative Expenses

Our administrative expenses primarily consist of (i) employee benefit expenses, (ii) professional service fees, mainly comprising consulting and other service fees incurred in the course of our business and (iii) depreciation and amortization. The table below sets forth a breakdown of the components of our general and administrative expenses for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)						*(unaudited)*			
Employee benefit expenses	13,126	60.7	16,145	63.4	18,235	45.6	4,649	71.0	4,160	32.9
Listing expense	–	–	–	–	15,153	37.9	–	–	5,963	47.1
Professional service fees	4,167	19.3	2,198	8.6	1,127	2.8	794	12.1	27	0.2
Depreciation and amortization	876	4.1	1,334	5.2	1,307	3.3	240	3.7	318	2.5
Rent and renovation expenses	430	2.0	1,571	6.2	1,497	3.7	270	4.1	649	5.1
Office expenses	506	2.3	949	3.7	501	1.3	105	1.6	113	0.9
Others[(1)]	2,515	11.6	3,300	12.9	2,167	5.4	489	7.5	1,428	11.3
Total	**21,620**	**100.0**	**25,497**	**100.0**	**39,987**	**100.0**	**6,547**	**100.0**	**12,658**	**100.0**

Note:

(1) Primarily include utilities, maintenance fees and low-value consumables for office use.

Research and Development Costs

Our research and development costs primarily consist of (i) employee benefit expense and (ii) material consumption for product development and testing. The table below sets forth a breakdown of our research and development costs for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)						*(unaudited)*			
Employee benefit expenses	43,458	79.6	61,519	80.2	44,225	74.5	12,953	74.7	11,115	75.0
Material consumption	5,864	10.7	9,588	12.5	10,613	17.9	2,854	16.5	2,176	14.7
Depreciation and amortization	972	1.8	1,281	1.7	1,556	2.6	661	3.8	596	4.0
Travel expenses	473	0.9	827	1.1	1,006	1.7	321	1.9	254	1.7
R&D support expenses	3,180	5.8	2,029	2.6	1,162	2.0	189	1.1	353	2.4
Others	672	1.2	1,451	1.9	805	1.4	369	2.1	319	2.2
Total	**54,619**	**100.0**	**76,695**	**100.0**	**59,367**	**100.0**	**17,347**	**100.0**	**14,813**	**100.0**

Reversal of Impairment Losses on Financial Assets, Net

Our net reversal of impairment losses on financial assets primarily represent the net provision and reversal of impairment losses on our trade receivables. We recorded net reversal of impairment losses on financial assets of RMB0.3 million, RMB15.0 thousand and RMB21.0 thousand and RMB4.0 thousand in 2023, 2024, 2025 and the three months ended

March 31, 2025, and provision of impairment losses on financial assets of RMB1.6 million in the three months ended March 31, 2026, respectively.

Other Expenses

Our other expenses primarily consist of expenses associated with the early termination of certain operating leases and the amortization of such leasehold improvements. We incurred other expenses of RMB0.2 million, RMB2.9 million, RMB0.8 million, RMB0.3 million and RMB0.2 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively.

Finance Costs

Our finance costs primarily consist of interest expenses on bank borrowings and lease liabilities. We had finance costs of RMB0.9 million, RMB0.9 million, RMB0.7 million, RMB0.2 million and RMB0.2 million, respectively.

Income Tax Expense

We are subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of our Group are domiciled and operate. The provision for corporate income tax in the Chinese Mainland is based on the statutory rate of 25% of the assessable profits, in accordance with the PRC Income Tax Law and the respective regulations which were approved and became effective on January 1, 2008.

Our Company was qualified as a high and new technology enterprise ("**HNTE**") and was subject to income tax at a preferential tax rate of 15% during the Track Record Period. The qualification as a HNTE is subject to review by the relevant tax authority in the PRC every three years. Our subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year, while the subsidiary which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 of assessable profits of the subsidiary was taxed at 8.25% and the remaining assessable profits are taxed at 16.5% during each period during the Track Record Period.

We had income tax credit of nil in 2023, and income tax expense of RMB15 thousand in 2024. We did not record income tax expense in 2025 and the three months ended March 31, 2025 and 2026. During the Track Record Period and up to the Latest Practicable Date, we did not have any material disputes or unresolved tax issues with the relevant tax authorities.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Three Months ended March 31, 2026 Compared to Three Months ended March 31, 2025

Revenue

Our revenue increased by 48.7% from RMB131.8 million in the three months ended March 31, 2025 to RMB195.9 million in the three months ended March 31, 2026, primarily due to the increased sales of our dTOF LiDAR and line laser sensor products.

- Revenue from triangulation LiDAR products remained relatively stable at RMB92.3 million and RMB92.2 million in the three months ended March 31, 2025 and 2026. The shipment volume of our triangulation LiDAR products increased slightly from 2,037.6 thousand units to 2,280.2 thousand units during the same period, driven by sales of our D3 series products, with the average selling price of our triangulation LiDAR products decreased from RMB45.3 per unit to RMB40.4 per unit, reflecting changes in product mix.
- Revenue from dTOF LiDAR products increased from RMB13.6 million in the three months ended March 31, 2025 to RMB54.7 million in the three months ended March 31, 2026, primarily due to a significant increase in shipment volume from 172.1 thousand units to 1,256.7 thousand units during the same periods, driven by the continued ramp-up and broader adoption of our dTOF LiDAR products. The average selling price of our dTOF LiDAR products decreased from RMB78.9 per unit to RMB43.5 per unit during the same periods, mainly because products with relatively lower average selling prices accounted for a larger proportion of dTOF LiDAR product sales.

- Revenue from line laser sensor products increased from RMB25.8 million in the three months ended March 31, 2025 to RMB45.1 million in the three months ended March 31, 2026, primarily due to an increase in shipment volume from 1,063.2 thousand units to 2,007.6 thousand units during the same periods, driven by increased customer adoption of our line laser sensor products. The average selling price of our line laser sensor products decreased from RMB24.3 per unit to RMB22.5 per unit during the same periods, as shipment growth was mainly driven by products with relatively lower average selling prices.

Cost of Sales

Our cost of sales increased by 37.1% from RMB115.5 million in the three months ended March 31, 2025 to RMB158.3 million in the three months ended March 31, 2026, in line with our business and revenue growths.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased significantly from RMB16.3 million in the three months ended March 31, 2025 to RMB37.6 million in the three months ended March 31, 2026.

Our gross profit margin increased from 12.4% in the three months ended March 31, 2025 to 19.2% in the three months ended March 31, 2026. Specifically:

- The gross profit margin of our triangulation LiDAR products increased from 16.0% in the three months ended March 31, 2025 to 19.7% in the three months ended March 31, 2026, primarily reflecting improved unit economics and production efficiency.
- The gross profit margin of our dTOF LiDAR products increased from 3.3% in the three months ended March 31, 2025 to 19.0% in the three months ended March 31, 2026, primarily due to increased revenue contribution and improved production efficiency as shipment volume increased.
- The gross profit margin of our line laser sensor products increased from 4.5% in the three months ended March 31, 2025 to 20.4% in the three months ended March 31, 2026, primarily due to increased revenue contribution and improved production efficiency as shipment volume increased.

Other Income and Gains

Our other income and gains decreased by 69.2% from RMB3.1 million in the three months ended March 31, 2025 to RMB1.0 million in the three months ended March 31, 2026, primarily due to a decrease of RMB2.2 million in government grants related to changes in government subsidy policies.

Selling and Marketing Expenses

Our selling and marketing expenses decreased by 21.4% from RMB1.7 million in the three months ended March 31, 2025 to RMB1.3 million in the three months ended March 31, 2026, as we incurred higher employee benefit expenses in the three months ended March 31, 2025, in relation to departure of certain sales and marketing personnel.

Administrative Expenses

Our administrative expenses increased 93.3% from RMB6.5 million in the three months ended March 31, 2025 to RMB12.7 million in the three months ended March 31, 2026, primarily due to the increase in rent and renovation expenses related to new lease for our Zhongshan production base.

Research and Development Expenses

Our research and development expenses decreased by 14.6% from RMB17.3 million in the three months ended March 31, 2025 to RMB14.8 million in the three months ended March 31, 2026, primarily because (i) we incurred higher employee benefit expenses in the three months ended March 31, 2025, in relation to departure of certain research and development employees in relation to our XR controller products and the adoption of AI technologies allowed us to assign certain tasks previously performed by more experienced engineers to relatively junior personnel, and (ii) we incurred higher material consumption in early 2025 for trial production of new products.

Reversal of Impairment Losses on Financial Assets, Net

We recorded net provision of impairment losses on financial assets of RMB1.6 million in the three months ended March 31, 2026, compared to net reversal of impairment losses on financial assets of RMB4.0 thousand in the three months ended March 31, 2025, primarily due to the increase in the aging and overall balance of our trade receivables.

Finance Costs

Our finance costs remained relatively stable at RMB0.2 million in the three months ended March 31, 2025 and 2026.

Profit/(Loss) for the Period

As a result of the foregoing, we recorded a loss of RMB6.7 million in the three months ended March 31, 2025 and a profit of RMB7.8 million in the three months ended March 31, 2026.

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

Revenue

Our revenue increased by 41.6% from RMB433.3 million in 2024 to RMB613.5 million in 2025, primarily due to the increased sales of our dTOF LiDAR and line laser sensor products as we further expanded our customer base. Specifically:

- Revenue from triangulation LiDAR products remained relatively stable at RMB407.6 million and RMB403.2 million in 2024 and 2025, while the shipment volume of our triangulation LiDAR products increased by 18.6% from 7,849.9 thousand units in 2024 to 9,312.7 thousand units in 2025, which primarily reflected the decreased unit selling price driven by our continuous improvement of triangulation LiDAR products.
- Following the successful commercial launch of our dTOF LiDAR products in the second half of 2024, they quickly gained market recognition and adoption. Our sales of dTOF LiDAR products contributed revenue of RMB65.0 million in 2025, as compared to RMB4.2 million in 2024.
- Revenue from line laser sensor products increased significantly from RMB19.3 million in 2024 to RMB133.8 million in 2025, primarily due to increased customer adoption following our commencement of mass production, which drove shipment of our line laser sensor products to exceed five million units in 2025.

Cost of sales

Our cost of sales increased by 41.4% from RMB362.5 million in 2024 to RMB512.5 million in 2025. The increase was generally in line with the increase in our revenue, and was primarily driven by the increase in product sales volume. Specifically, our labor costs increased from RMB56.7 million in 2024 to RMB92.5 million in 2025, primarily due to the surge in order volume we received during the 2025 Spring Festival, which required us to hire temporary workers at higher wages.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 42.6% from RMB70.8 million in 2024 to RMB101.0 million in 2025.

Our gross profit margin slightly increased from 16.3% in 2024 to 16.5% in 2025. Specifically:

- The gross profit margin of our triangulation LiDAR products increased from 17.9% in 2024 to 18.6% in 2025, primarily reflecting improved unit economics driven by higher production scale and efficiency, partially offset by the competitive pricing of our triangulation LiDAR products sold.
- The gross profit margin of our dTOF LiDAR products improved from a negative gross margin of 32.8% in 2024 to a gross profit margin of 7.0% in 2025, primarily because these products were in the early ramp-up stage following their launch in the second half of 2024 and in 2025, we achieved improved production efficiency as shipment volume increased.
- The gross margin of our line laser sensor products improved from a negative gross margin of 6.1% in 2024 to a gross profit margin of 13.6% in 2025, primarily due to our improved production efficiency, benefiting from the economies of scale achieved through increased production volume.

Other Income and gains

Our other income and gains decreased by 23.2% from RMB9.4 million in 2024 to RMB7.2 million in 2025, primarily due to a decrease in fair value gains recognized on financial assets at fair value through profit or loss, which was mainly attributable to changes in the market performance of our wealth management products and structured deposits during the year.

Selling and Marketing Expenses

Our selling and marketing expenses remained relatively stable at RMB5.6 million and RMB5.2 million in 2024 and 2025, respectively.

Administrative Expenses

Our administrative expenses increased by 56.8% from RMB25.5 million in 2024 to RMB40.0 million in 2025, primarily due to the listing expenses incurred in 2025.

Research and Development Costs

Our research and development costs decreased by 22.6% from RMB76.7 million in 2024 to RMB59.4 million in 2025, primarily due to the decrease in employee benefit expenses attributable to the streamlining of our R&D team for our XR controller products, resulting in the reduction of an approximately 50-person team, as we refocused our core research and development activities on spatial sensing products, and the adoption of AI technologies, as we have been able to assign certain R&D tasks that were previously performed by more experienced engineers to relatively junior R&D personnel with AI assistance, thereby optimizing our workforce structure. This optimized workforce structure has allowed us to steadily reduce our R&D-related employee benefit expenses — from RMB61.5 million in 2024 to RMB44.2 million in 2025 — even while maintaining a stable, and recently growing, R&D headcount.

Reversal of Impairment Losses on Financial Assets, Net

We recorded net reversal of impairment losses on financial assets of RMB15 thousand and RMB21 thousand in 2024 and 2025, respectively, primarily due to our continuous improvement of receivable management, leading to effective payment collection.

Other Expenses

Our other expenses decreased from RMB2.9 million in 2024 to RMB0.8 million in 2025, primarily due to our early termination of certain leases in 2024 following the completion of the construction of our Huizhou production base, resulting in expenses related to the forfeiture of deposits and the amortization of the renovation costs, which largely did not recur in 2025.

Finance Costs

Our finance costs decreased from RMB0.9 million in 2024 to RMB0.7 million in 2025, primarily due to a decrease in interest expenses on bank borrowings following repayments made.

Loss for the Year

As a result of the foregoing, while we incurred loss of RMB31.4 million in 2024, we recorded profit of RMB2.2 million in 2025.

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

Revenue

Our revenue increased by 30.5% from RMB332.1 million in 2023 to RMB433.3 million in 2024, primarily due to (i) the increase in the shipment volume of our triangulation LiDAR products, by 64.9% from 4,760.1 thousand units in 2023 to 7,849.9 thousand units in 2024, driven by the commencement of mass production and delivery of certain products in collaboration with major partners in the robotic vacuum industry, and (ii) the launch of our dTOF LiDAR products and line laser sensor products in 2024.

Cost of sales

Our cost of sales increased by 39.0% from RMB260.9 million in 2023 to RMB362.5 million in 2024. The increase was generally in line with the increase in our revenue, primarily caused by the increase in the sales volume of our LiDAR products. As our Huizhou production base commenced operation in 2024, the outsourced processing costs decreased from RMB13.0 million in 2023 to RMB8.3 million in 2024.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit remained relatively stable at RMB71.3 million in 2023 and RMB70.8 million in 2024.

Our gross profit margin decreased from 21.5% in 2023 to 16.3% in 2024, primarily because (i) we implemented certain sales and marketing initiatives aimed at enhancing the market share of our triangulation LiDAR products, and (ii) we recorded negative gross margins for our newly launched dTOF LiDAR products and line laser sensor products, as these newly launched products were still in the ramp-up phase and had not yet achieved optimal production efficiency.

Other Incomes and gains

Our other incomes and gains decreased by 12.9% from RMB10.8 million in 2023 to RMB9.4 million in 2024, primarily due to a decrease in government grants.

Selling and Marketing Expenses

Our selling and marketing expenses remained relatively stable at RMB5.9 million in 2023 and RMB5.6 million in 2024.

Administrative Expenses

Our administrative expenses increased by 17.9% from RMB21.6 million in 2023 to RMB25.5 million in 2024, primarily due to (i) an increase in employee benefit expenses attributable to the increase in administrative personnel to support expanding business scale and compensation policy adjustment, and (ii) an increase in rent and renovation expenses as we leased properties for our Huizhou production base.

Research and Development Costs

Our research and development costs increased by 40.4% from RMB54.6 million in 2023 to RMB76.7 million in 2024, primarily due to (i) an increase in employee benefit expenses attributable to the strategic expansion of our R&D team and (ii) an increase in material consumption attributable to our intensified development initiatives for our LiDAR products for new application-specific scenarios, leading to launches of new products in 2024.

Reversal of Impairment Losses on Financial Assets, Net

We recorded net reversal of impairment losses on financial assets of RMB0.3 million in 2023 and RMB15 thousand in 2024, primarily due to our collection of outstanding trade receivables from certain customers.

Other Expenses

Our other expenses increased from RMB0.2 million in 2023 to RMB2.9 million in 2024, primarily due to the relocation of certain production lines to Huizhou in the second half of 2024, which resulted in (i) expenses from early lease terminations, including forfeited deposits and amortization of renovation costs, and (ii) impairment losses on specialized equipment for certain production lines.

Finance Costs

Our finance costs remained stable at RMB0.9 million and RMB0.9 million in 2023 and 2024, respectively.

Loss for the Year

As a result of the foregoing, our loss for the year increased from RMB0.9 million in 2023 to RMB31.4 million in 2024.

DISCUSSION OF KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth our consolidated statements of financial position as of the dates indicated:

	As of December 31,			As of March 31,
	2023	**2024**	**2025**	**2026**
	(RMB in thousands)			
Non-Current Assets				
Property, plant and equipment	19,217	48,165	53,618	52,899
Intangible assets	1,074	727	906	864
Right-of-use assets	12,472	15,312	15,145	13,425
Prepayments, other receivables and other assets	43,753	3,311	1,611	2,816
Total non-current assets	**76,516**	**67,515**	**71,280**	**70,004**
Current Assets				
Inventories	27,208	52,852	59,138	86,238
Trade and bills receivables	74,413	137,923	185,726	248,279
Prepayments, other receivables and other assets	7,644	29,265	11,230	10,870
Financial assets at fair value through other comprehensive income	35,177	25,605	20,449	15,819
Financial assets at fair value through profit or loss	100,267	65,146	123,645	99,549
Cash and cash equivalents	15,109	29,608	12,123	26,314
Total current assets	**259,818**	**340,399**	**412,311**	**487,069**
Current Liabilities				
Trade payables	44,886	85,779	102,257	161,617
Other payables and accruals	17,271	25,819	23,704	30,132
Contract liabilities	1,191	1,520	1,313	661
Interest-bearing bank borrowings	10,000	–	10,000	10,000
Lease liabilities	4,161	4,291	6,971	7,611
Total current liabilities	**77,509**	**117,409**	**144,245**	**210,021**

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Net Current Assets	**182,309**	**222,990**	**268,066**	**277,048**
Total Assets Less Current Liabilities	**258,825**	**290,505**	**339,346**	**347,052**
Non-Current Liabilities				
Lease liabilities	9,210	12,864	11,929	10,209
Deferred tax liabilities	–	15	15	15
Total non-current liabilities	**9,210**	**12,879**	**11,944**	**10,224**
Net Assets	**249,615**	**277,626**	**327,402**	**336,828**

For details of the Pre-IPO Investments (including the redemption rights previously granted by our Company and the accounting treatment thereof), see "History, Development and Corporate Structure — Pre-IPO Investments," "— Share Capital" and Note 28(c) to the Accountants' Report set out in Appendix I to this prospectus.

Property, Plant and Equipment

Our property, plant and equipment primarily consist of (i) machinery, (ii) leasehold improvements and renovation costs and (iii) office and other equipment. The table below sets forth a breakdown of our property, plant and equipment as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Machinery equipment	13,345	32,643	41,824	41,860
Leasehold improvements	3,708	13,203	10,112	9,237
Office and other equipment	2,164	1,926	1,391	1,263
Transportation equipment	–	393	291	539
Construction in progress	–	–	–	–
Total	**19,217**	**48,165**	**53,618**	**52,899**

Our property, plant and equipment increased from RMB19.2 million as of December 31, 2023 to RMB48.2 million as of December 31, 2024, primarily due to (i) our continued investments in automated production equipment and (ii) an increase in leasehold improvements and renovation costs for our Huizhou production base. As of December 31, 2025, our property, plant and equipment further increased to RMB53.6 million, primarily resulting from our ongoing investments in automated production equipment. Our property, plant and equipment slightly decreased to RMB52.9 million as of March 31, 2026 mainly related to depreciation, partially offset by additions of machinery and transportation equipment.

Right-of-use Assets

Our right-of-use assets primarily consist of leased properties. Our right-of-use assets increased from RMB12.5 million as of December 31, 2023 to RMB15.3 million as of December 31, 2024, primarily due to the increase in our leased properties. Our right-of-use assets decreased to RMB15.1 million as of December 31, 2025, primarily due to depreciation and termination of certain lease agreements. Our right-of-use assets decreased to RMB13.4 million as of 31 March, 2026, primarily due to depreciation of our existing leased production facilities and offices.

Prepayments, Other Receivables and Other Assets

The table below sets forth our prepayments, other receivables and other assets as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Non-current				
Prepayments for property, plant and equipment	1,777	3,311	1,611	2,816
Time deposits	41,976	–	–	–
	43,753	3,311	1,611	2,816
Current				
Time deposits	–	21,303	–	–
Prepayments	4,554	3,229	1,695	1,776
Value-added tax recoverable	1,786	2,559	3,724	2,201
Capitalized listing expense	–	–	3,496	5,058
Other receivables	1,304	2,175	2,316	1,836
Provision for impairment	–	(1)	(1)	(1)
	7,644	**29,265**	**11,230**	**10,870**
Total	**51,397**	**32,576**	**12,841**	**13,686**

The non-current portion of our prepayments, other receivables and other assets decreased from RMB43.8 million as of December 31, 2023 to RMB3.3 million as of December 31, 2024, primarily as a result of the maturity and redemption of such deposit products. The non-current portion of our prepayments, other receivables and other assets remained relatively stable at RMB1.6 million as of December 31, 2025. The non-current portion of our prepayments, other receivables and other assets increased to RMB2.8 million as of March 31, 2026, primarily related to deposits for leased premises and prepayments for production line equipment.

The current portion of our prepayments, other receivables and other assets increased from RMB7.6 million as of December 31, 2023 to RMB29.3 million as of December 31, 2024, primarily due to an increase in deposit products we purchased from banks in the Chinese Mainland with maturities between three months and one year. The current portion of our prepayments, other receivables and other assets decreased to RMB11.2 million as of December 31, 2025 primarily due to redemption of two large certificates of deposit products upon their maturity. The current portion of our prepayments, other receivables and other assets remained relatively stable at RMB10.9 million as of March 31, 2026.

Inventories

Our inventories primarily consist of raw materials, work in progress and finished goods. The table below sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Raw materials	16,610	24,847	33,927	54,170
Finished goods	10,096	14,916	22,315	17,366
Work in progress	836	12,697	4,468	16,460
Contract cost	–	1,119	–	–
	27,542	**53,579**	**60,710**	**87,996**
Less: Provision for impairment loss	334	727	1,572	1,758
Total	**27,208**	**52,852**	**59,138**	**86,238**

Our inventories increased from RMB27.2 million as of December 31, 2023 to RMB52.9 million as of December 31, 2024 and further to RMB59.1 million as of December 31, 2025, primarily driven by our strategic inventory buildup to support continued business expansion. Our inventories further increased to RMB86.2 million as of March 31, 2026 as we increased our raw materials and work in progress to meet expected sales demand and delivery requirements.

We periodically assess impairment of inventories and typically recognize write-down of inventories when their carrying amount is lower than their net realizable value. Our provision for impairment loss on inventories was RMB0.3 million, RMB0.7 million, RMB1.6 million and RMB1.8 million, as of December 31, 2023, 2024, 2025 and 31 March, 2026, respectively.

The aging analysis of our inventories based on invoice date as of the dates indicated is as follows:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Within one year	27,010	52,664	58,549	85,650
Over one year	198	188	589	588
Total	**27,208**	**52,852**	**59,138**	**86,238**

The table below sets forth our inventory turnover days for the periods indicated:

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
Inventory turnover days[(1)]	33	40	39	41

Note:

(1) Calculated as the average of the beginning and ending balance of inventories for the period divided by the cost of sales for that period and multiplied by 360/90 days (i.e., 360 days for the years ended December 2023, 2024 and 2025 and 90 days for the three months ended March 31, 2026).

Our inventory turnover days increased from 33 days in 2023 to 40 days in 2024, primarily because we maintained a higher level of inventories for the production ramp-up of our new products. Our inventory turnover days remained relatively stable at 39 days and 41 days in 2025 and the three months ended March 31, 2026.

As of July 31, 2026, RMB82.8 million, or approximately 96.1% of our inventories as of March 31, 2026 had been subsequently consumed or sold.

Trade and Bills Receivables

The table below sets forth a breakdown of our trade and bills receivables as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Trade receivables	75,139	131,910	183,570	245,198
Bills receivables	–	6,058	2,180	4,718
Impairment	(726)	(45)	(24)	(1,637)
Total	**74,413**	**137,923**	**185,726**	**248,279**

Our trade and bills receivables increased from RMB74.4 million as of December 31, 2023 to RMB137.9 million as of December 31, 2024, and further to RMB185.7 million as of December 31, 2025, primarily due to our strong sales growth throughout the Track Record Period. Our trade and bills receivables further increased to RMB248.3 million as of March 31, 2026, in line with our business and revenue growths.

The table below sets forth an ageing analysis of our trade receivables based on the invoice date and net of allowance for expected credit losses as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Within 3 months	74,318	131,709	181,831	239,187
3 to 6 months	95	154	1,715	4,374
6 to 12 months	–	2	–	–
Total	**74,413**	**131,865**	**183,546**	**243,561**

The table below sets forth our trade and bills receivables turnover days for the periods indicated:

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
Trade and bills receivables turnover days[(1)]	75	88	95	100

Note:

(1) Calculated as the average of the beginning and ending balance of trade and bills receivables for the period divided by the revenue for that period and multiplied by 360/90 days (i.e., 360 days for the years ended December 2023, 2024 and 2025 and 90 days for the three months ended March 31, 2026).

Our trade and bills receivables turnover days increased from 75 days in 2023 to 88 days in 2024, and further to 95 days in 2025, primarily reflecting the relatively longer credit term for certain key customers with strong credit profiles. Our trade and bills receivables turnover days further increased to 100 days in the three months ended March 31, 2026, in line with our payment arrangements with key customers, under which we generally grant longer credit periods having regard to their market positions, scale of procurement and settlement history, and reflecting the rapid growth in demand from these customers and the corresponding increase in their contribution to our revenue and share of our trade and bills receivables. Correspondingly, our trade and bills receivables increased by approximately 33.7% from RMB185.7 million as of December 31, 2025 to RMB248.3 million as of March 31, 2026. Notwithstanding such increase, the aging profile of our trade receivables remained relatively short, with RMB239.2 million, or approximately 98.2%, of our trade receivables as of March 31, 2026 being aged within three months and RMB4.4 million, or approximately 1.8%, being aged between three and six months. As of March 31, 2026, we recorded impairment allowance of RMB1.6 million in respect of our trade receivables, representing approximately 0.7% of the gross balance of our trade receivables.

As of July 31, 2026, RMB182.4 million, or approximately 74.9% of our trade receivables as of March 31, 2026 had been subsequently collected.

Financial Assets at Fair Value Through Other Comprehensive Income

Our financial assets at fair value through other comprehensive income represented bank acceptance bills, which are bank-guaranteed payments received from customers, which we intend to transfer to our suppliers to settle our own accounts.

Our financial assets at fair value through other comprehensive income was RMB35.2 million, RMB25.6 million, RMB20.4 million and RMB15.8 million as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively. The changes in the balance of our financial assets at fair value through other comprehensive income primarily reflected the amount of bank acceptance bills received from customers for settlement, as well as the timing of subsequent transfers of these bills to suppliers.

Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss primarily consist of (i) wealth management products and (ii) structured deposits.

Our financial assets at fair value through profit or loss amounted to RMB100.3 million, RMB65.1 million, RMB123.6 million and RMB99.5 million as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively.

We have established a prudent investment policy and internal control framework for the management of our wealth management products and structured deposits, with a primary focus on capital preservation, liquidity and risk mitigation. Our investment strategy is designed to match the intended use and liquidity needs of our funds, ensuring that operational and surplus funds are directed toward appropriate low-risk financial instruments to optimize returns while maintaining flexibility. The management and execution of these investment activities are overseen by our chief financial officer, who possesses over 20 years of professional experience in financial management and holds relevant academic and professional qualifications. All investment decisions are subject to a robust internal approval process, which includes the preparation of investment plans by the finance department, multi-level review and approval by senior management and oversight by the Board. The Board is actively involved in supervising significant fund allocations, ensuring that all investments are conducted in strict compliance with our internal policies and corporate governance requirements. After the Listing, our investments in the financial assets at fair value through profit or loss will be subject to Chapter 14 of the Listing Rules.

Trade Payables

Our trade payables primarily consist of payables for raw materials and contract manufacturing services. Our trade payables increased from RMB44.9 million as of December 31, 2023 to RMB85.8 million as of December 31, 2024, and further to RMB102.3 million as of December 31, 2025, primarily due to our increased procurement of raw materials and contract manufacturing services to support our expanded production volume and business growth. Our trade payables increased to RMB161.6 million as of March 31, 2026, primarily attributable to increased procurement to support our revenue growth and increased sales volume.

The table below sets forth our trade payables turnover days for the periods indicated:

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
Trade payables turnover days[(1)]	56	65	66	75

Note:

(1) Calculated as the average of the beginning and ending balance of trade payables for the period divided by the cost of sales for that period and multiplied by 360/90 days (i.e., 360 days for the years ended December 2023, 2024 and 2025 and 90 days for the three months ended March 31, 2026).

Our trade payables turnover days increased from 56 days in 2023 to 65 days in 2024, primarily due to our increased bargaining power to obtain more favorable credit terms from our suppliers. Our trade payables turnover days remained relatively stable at 66 days in 2025. Our trade payables turnover days increased to 75 days in the three months ended March 31, 2026, as we obtained longer credit terms from our suppliers.

As of July 31, 2026, RMB146.0 million, or approximately 90.3% of our trade payables as of March 31, 2026 had been subsequently settled.

Other Payables and Accruals

The table below sets forth a breakdown of our other payables and accruals as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Listing expense	–	–	4,583	9,655
Other tax payables	4,955	8,643	9,077	9,594
Payroll payables	10,560	12,927	7,260	8,230
Accrued expense	598	762	930	773
Other payables	1,158	3,487	1,854	1,880
Total	**17,271**	**25,819**	**23,704**	**30,132**

Our other payables and accruals increased from RMB17.3 million as of December 31, 2023 to RMB25.8 million as of December 31, 2024, primarily due to (i) an increase in other tax payables, primarily resulting from increased tax obligations corresponding to our business expansion and (ii) an increase in payroll payables. Our other payables and accruals decreased to RMB23.7 million as of December 31, 2025, primarily due to the decrease in payroll payables as we implemented initiatives to optimize our workforce and enhance operational efficiency. Our other payables and accruals increased to RMB30.1 million as of March 31, 2026, primarily due to the increase in listing expense related to our proposed Global Offering.

SHARE CAPITAL

Our share capital amounted to RMB81.0 million, RMB83.1 million, RMB85.0 million and RMB85.0 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively. The increase in our share capital during the Track Record Period was primarily attributable to capital contributions by our shareholders.

Pursuant to the shareholders' agreements entered into between our Company and the Pre-IPO Investors on or before September 25, 2025, our Company issued an aggregate of 55,767,553 ordinary Shares to the Pre-IPO Investors for total net cash proceeds of approximately RMB409.8 million. Pursuant to such agreements, the Pre-IPO Investors were granted certain special rights, including redemption rights, pursuant to which the relevant Pre-IPO Investors were entitled to request redemption upon the occurrence of certain specified trigger events, including our Company's failure to complete a qualified listing or a qualified merger and acquisition by December 31, 2026. There was no exercise of the redemption rights granted by our Company throughout the Track Record Period.

On September 25, 2025, our Company and the Pre-IPO Investors entered into supplemental agreements, pursuant to which the redemption rights granted by our Company to the Pre-IPO Investors were irrevocably terminated and deemed *void ab initio*. Taking into account the legal and regulatory framework of our Company's jurisdiction and the governing law of the supplemental agreements, our Directors considered that it is appropriate to present the Pre-IPO Investments as equity throughout the Track Record Period.

Had the redemption rights granted by our Company to the Pre-IPO Investors been accounted for as financial liabilities measured at fair value prior to entering into the supplemental agreements, the redemption financial liabilities, total non-current liabilities and net assets/(liabilities) would have been as follows:

	As of 31 December			As of 31 March
	2023	2024	2025	2026
		RMB'000		
Redemption financial liabilities	637,296	794,226	–	–
Total non-current liabilities*(Note)*	646,506	807,105	11,944	10,224
Net assets/(liabilities)	(387,681)	(516,600)	327,402	336,828

Note: The redemption financial liabilities would have been classified as non-current liabilities as the Investors would not demand the Company to redeem the shares subscribed within 12 months after each of December 31, 2023 and 2024. No redemption financial liabilities would have been recognized as of December 31, 2025 and March 31, 2026 as the redemption rights were irrevocably terminated and deemed void ab initio pursuant to the supplemental agreements dated September 25, 2025.

Had such redemption rights been accounted for as financial liabilities measured at fair value, the fair value changes associated with the redemption financial liabilities, total net loss and basic and diluted loss per Share would have been as follows:

	Year ended 31 December			Three months ended March 31,	
	2023	2024	2025	2025	2026
			RMB'000		
				(unaudited)	
Fair value changes associated with the redemption financial liabilities	146,694	106,946	726,829	357,727	–
Total net (loss)/profit	(147,577)	(138,321)	(724,628)	(364,396)	7,757
Basic (loss)/earnings per share	(1.83)	(1.67)	(8.67)	(4.38)	0.09
Dilutive (loss)/earnings per share	(1.83)	(1.67)	(8.67)	(4.38)	0.09

For further details of the Pre-IPO Investments, the redemption rights and the related financial impacts, see "History, Development and Corporate Structure — Pre-IPO Investments" and Note 28(c) to the Accountants' Report set out in Appendix I to this prospectus.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash are to fund our procurement of raw material, research and development and sales activities, construction of our production facilities and other operational needs. During the Track Record Period, we financed our capital expenditures and working capital requirements principally with funds from equity financing, cash generated from our operations and bank borrowings. After the Global Offering, we believe that our liquidity requirements will continue to be satisfied with a combination of these sources and net proceeds from the Global Offering. As of December 31, 2023, 2024, 2025 and March 31, 2026, we had cash and cash equivalents of RMB15.1 million, RMB29.6 million, RMB12.1 million and RMB26.3 million, respectively.

Cash Flows

The table below sets forth a summary of our cash flows for the periods indicated:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(unaudited)	
Net cash used in operating activities	(34,831)	(39,987)	(9,038)	(7,937)	(5,319)
Net cash flows from/(used in) investing activities	12,397	20,451	(52,183)	1,610	21,148
Net cash flows from/(used in) financing activities	(767)	34,052	43,633	(917)	(1,641)
Net increase/(decrease) in cash and cash equivalents	(23,201)	14,516	(17,588)	(7,244)	14,188
Cash and cash equivalents at beginning of the year/period	38,304	15,109	29,608	29,608	12,123
Effect of foreign exchange rate changes, net	6	(17)	103	(1)	3
Cash and cash equivalents at end of the year/period	15,109	29,608	12,123	22,363	26,314

To strengthen our liquidity position and improve working capital management, we have adopted and are continuing to implement (i) improving cash outflow management by engaging with key suppliers to negotiate longer payment terms and improve payment scheduling, as evidenced by the increase in our average trade payables turnover days from 66 days in 2025 to 75 days for the three months ended March 31, 2026, and by evaluating the use of bank acceptance bills for payments to suppliers; (ii) enhancing cash flow and financing flexibility by strengthening receivables management through regular monitoring of outstanding balances and collection follow-up, negotiating with customers to shorten payment terms or provide early payment incentives where commercially appropriate, and maintaining active dialogue with commercial banks to preserve liquidity headroom for our operations; and (iii) improving operating efficiency by optimizing our inventory management, procurement planning and production planning, including improving sales forecasting and aligning purchases with confirmed or expected customer demand, reducing unnecessary inventory holding periods, maintaining cost discipline across our operations, and regularly monitoring our cash flow forecasts and working capital requirements. We believe these measures, together with our expected revenue growth, will help us maintain adequate liquidity to meet our obligations as they fall due and support our business growth.

Net Cash Used in Operating Activities

Net cash used in operating activities primarily comprised our loss or profit before tax for the year adjusted by (i) non-cash items, (ii) changes in working capital and (iii) interest received.

In the three months ended March 31, 2026, we had net cash used in operating activities of RMB5.3 million, primarily reflecting profit before tax of RMB7.8 million, adjusted by non-cash and other items to arrive at an operating profit before working capital changes of RMB16.1 million. Our movements in working capital primarily reflect an increase in trade payables of RMB59.4 million, partially offset by (i) an increase in trade and bills receivables of RMB62.6 million and (ii) an increase in inventories of RMB27.1 million.

In 2025, we had net cash used in operating activities of RMB9.0 million, primarily reflecting profit before tax of RMB2.2 million, adjusted by non-cash and other items to arrive at an operating profit before working capital changes of RMB26.2 million. Our movements in

working capital primarily reflect an increase in trade and bills receivables of RMB47.8 million, partially offset by (i) an increase in trade payables of RMB16.5 million and (ii) a decrease in financial assets at fair value through other comprehensive income of RMB5.2 million.

In 2024, we had net cash used in operating activities of RMB40.0 million, primarily reflecting loss before tax of RMB31.4 million, adjusted by non-cash and other items to arrive at an operating loss before working capital changes of RMB7.7 million. Our movements in working capital primarily reflect (i) an increase in trade and bills receivables of RMB63.5 million and (ii) an increase in inventories of RMB26.3 million, partially offset by an increase in trade payables of RMB40.9 million.

In 2023, we had net cash used in operating activities of RMB34.8 million, primarily reflecting loss before tax of RMB0.9 million, adjusted by non-cash and other items to arrive at an operating profit before working capital changes of RMB11.2 million. Our movements in working capital primarily reflect (i) an increase in financial assets at fair value through other comprehensive income of RMB35.2 million and (ii) an increase in trade and bills receivables of RMB10.2 million, partially offset by an increase in trade payables of RMB8.2 million.

Net Cash Flows From/(Used in) Investing Activities

In the three months ended March 31, 2026, we had net cash flows from investing activities of RMB21.1 million. This was primarily attributable to proceeds from wealth management products and structured deposits of RMB74.3 million, partially offset by purchases of wealth management products and structured deposits of RMB50.0 million.

In 2025, we had net cash flows used in investing activities of RMB52.2 million. This was primarily attributable to purchases of wealth management products and structured deposits of RMB422.5 million, partially offset by (i) proceeds from wealth management products and structured deposits of RMB364.5 million and (ii) withdrawal of time deposits of RMB22.0 million.

In 2024, we had net cash flows from investing activities of RMB20.5 million. This was primarily attributable to (i) proceeds from wealth management products and structured deposits of RMB590.9 million and (ii) withdrawal of time deposits of RMB22.0 million, partially offset by (i) purchases of wealth management products and structured deposits of RMB554.6 million and (ii) purchases of property, plant and equipment of RMB38.9 million.

In 2023, we had net cash flows from investing activities of RMB12.4 million. This was primarily attributable to proceeds from wealth management products and structured deposits of RMB493.2 million, partially offset by (i) purchases of wealth management products and structured deposits of RMB471.7 million and (ii) purchases of property, plant and equipment of RMB9.5 million.

Net Cash Flows From/(Used in) Financing Activities

In the three months ended March 31, 2026, we had net cash flows used in financing activities of RMB1.6 million, primarily attributable to lease payments of RMB1.3 million.

In 2025, we had net cash flows from financing activities of RMB43.6 million. This was primarily attributable to (i) capital contribution net of issuance expense of RMB40.7 million, and (ii) new bank borrowings of RMB10.0 million, partially offset by lease payments of RMB4.0 million.

In 2024, we had net cash flows from financing activities of RMB34.1 million. This was primarily attributable to the capital contribution net of issuance expense of RMB50.0 million, partially offset by (i) repayment of bank loans of RMB10.0 million and (ii) lease payment of RMB5.8 million.

In 2023, we had net cash flows used in financing activities of RMB0.8 million. This was primarily attributable to (i) repayment of bank loans of RMB10.0 million and (ii) lease payment of RMB4.1 million, partially offset by (i) new bank borrowings of RMB10.0 million and (ii) capital contribution net of issuance expense of RMB3.6 million.

Net Current Assets

The table below sets forth our current assets and liabilities as of the dates indicated:

	As of December 31,			As of March 31,	As of July 31,
	2023	2024	2025	2026	2026
	(RMB in thousands)				*(Unaudited)*
Current Assets					
Inventories	27,208	52,852	59,138	86,238	91,398
Trade and bills receivables	74,413	137,923	185,726	248,279	317,234
Prepayments, other receivables and other assets	7,644	29,265	11,230	10,870	15,034
Financial assets at fair value through other comprehensive income	35,177	25,605	20,449	15,819	5,597
Financial assets at fair value through profit or loss	100,267	65,146	123,645	99,549	67,013
Cash and cash equivalents	15,109	29,608	12,123	26,314	26,085
Total current assets	**259,818**	**340,399**	**412,311**	**487,069**	**511,361**
Current Liabilities					
Trade payables	44,886	85,779	102,257	161,617	157,508
Other payables and accruals	17,271	25,819	23,704	30,132	40,266
Contract liabilities	1,191	1,520	1,313	661	392
Interest-bearing bank borrowings	10,000	–	10,000	10,000	49,100
Lease liabilities	4,161	4,291	6,971	7,611	8,227
Total current liabilities	**77,509**	**117,409**	**144,245**	**210,021**	**255,493**
Net Current Assets	**182,309**	**222,990**	**268,066**	**277,048**	**266,868**

Our net current assets increased from RMB182.3 million as of December 31, 2023 to RMB223.0 million as of December 31, 2024, primarily due to (i) an increase in trade and bills receivables of RMB63.5 million, which was in line with the increase in our revenue, (ii) an increase in inventories of RMB25.6 million as we maintained a higher level of inventories for the production ramp-up of our new products, and (iii) an increase in prepayments, other receivables and other assets of RMB21.6 million made to suppliers for raw materials; partially offset by (i) an increase in trade payables of RMB40.9 million as we increased procurement of raw materials, and (ii) a decrease in financial assets at fair value through profit or loss of RMB35.1 million.

Our net current assets remained relatively stable at RMB268.1 million as of December 31, 2025, RMB277.0 million as of March 31, 2026 and RMB266.9 million as of July 31, 2026.

BUSINESS SUSTAINABILITY

During the Track Record Period, while we recorded net profit of RMB2.2 million and RMB7.8 million in 2025 and the three months ended March 31, 2026, we incurred net losses of RMB0.9 million and RMB31.4 million in 2023 and 2024, respectively. Such net losses were primarily because we made significant research and development investments, with research and development costs increasing from RMB54.6 million in 2023 to RMB76.7 million in 2024. In 2025 and the three months ended March 31, 2026, we recorded net profit of RMB2.2 million and RMB7.8 million, which was primarily driven by our strong revenue growth, supported by our strong operating and administrative efficiency.

During the Track Record Period, our overall gross profit margin decreased from 21.5% in 2023 to 16.3% in 2024, and slightly increased to 16.5% and 19.2% in 2025 and the three months ended March 31, 2026. The decrease in 2024 was primarily because we recorded negative gross margins for our newly launched dTOF LiDAR products and line laser sensor products, as these newly launched products were still in the ramp up phase and had not yet achieved optimal production efficiency. In 2025, the gross profit margin of our core products improved, reflecting lower unit production cost driven by higher production scale and improved efficiency as shipment volume increased. The gross profit margin of our triangulation LiDAR products increased from 17.9% in 2024 to 18.6% in 2025, while the gross profit margin of our dTOF LiDAR products improved from negative gross margin of 32.8% in 2024 to gross profit margin of 7.0% in 2025, and the gross margin of our line laser sensor products improved from negative gross margin of 6.1% in 2024 to gross profit margin of 13.6% in 2025. In the three months ended March 31, 2026, gross profit margin of our triangulation LiDAR products, dTOF LiDAR products and line laser sensor products was 19.7%, 19.0% and 20.4%, respectively.

In addition, as a result of the increases in our trade and bills receivables and inventories driven by our business expansion, as well as our net loss positions in 2023 and 2024, we recorded net cash used in operating activities in the amount of RMB34.8 million, and RMB40.0 million, respectively. In 2025, our operating cash flow improved significantly, with net cash used in operating activities decreasing to RMB9.0 million, primarily due to our improved profitability in 2025, partially offset by working capital requirements associated with our business growth. In the three months ended March 31, 2026, we recorded net cash used in operating activities of RMB5.3 million, compared to RMB7.9 million in the three months ended March 31, 2025.

As our R&D efforts are gradually paying off, we have been able to constantly launch new products. The significant R&D investments made in prior years have largely been expensed and are now translating into commercialized products that generate revenue. As these new products enter the market and contribute to our revenue growth, we expect our research and development costs as a percentage of revenue to gradually decline. This trend reflects the natural lifecycle of our R&D investments, where upfront development costs incurred during the product development phase are followed by revenue generation once products achieve commercial success. As a percentage of our revenue, our research and development costs have decreased from 16.4% and 17.7% in 2023 and 2024, and to 9.7% and 7.6% in 2025 and the three months ended March 31, 2026. The decreasing research and development cost ratio demonstrates improving operational leverage and the monetization of our historical R&D investments, while we continue to maintain appropriate R&D spending levels to support our long-term competitiveness. In addition, as our revenue continues to grow, our economies of scale have improved significantly, resulting in enhanced operational efficiency. Our administrative expenses, as a percentage of revenue, have demonstrated a consistent downward trend, decreasing from 6.5% in 2023 to 5.9% in 2024, and increased slightly to 6.5% in 2025 and the three months ended March 31, 2026, primarily due to non-recurring listing-related expenses.

As a result of the above, our net loss margin increased from 0.3% in 2023 to 7.2% in 2024 due to intensified research and development efforts in developing new LiDAR products for application-specific scenarios. Such R&D efforts included, for example, our miniaturized retractable LiDAR products, which involved a new optical and hardware platform; our C9X series visual LiDAR sensors, which integrate vision and LiDAR technologies and support external mounting; and our line laser products, which are used for precise wall-following, obstacle avoidance and height measurement. In 2025 and the three months ended March 31, 2026, we reversed our net loss position and recorded net profit margin of 0.4% and 4.0%, primarily driven by revenue growth from increased adoption of our LiDAR products and the commercialization of our sustained R&D efforts. Our Directors believe that our return to profitability is supported by the following factors and that we will be able to maintain and further improve our profitability in the future.

- ***Diversification of our product portfolio and revenue mix.*** During the Track Record Period, we successfully expanded beyond our legacy triangulation LiDAR products, which accounted for 98.3% and 94.1% of our total revenue in 2023 and

2024, respectively, into dTOF LiDAR and line laser sensor products that we commercially launched in 2024 following years of in-house research and development. Revenue from our dTOF LiDAR products grew from RMB4.2 million in 2024 to RMB65.0 million in 2025, and revenue from our line laser sensor products grew from RMB19.3 million in 2024 to RMB133.8 million in 2025. In the three months ended March 31, 2026, revenue from our dTOF LiDAR products and line laser sensor products amounted to RMB54.7 million and RMB45.1 million, respectively. As a result, the revenue contribution from triangulation LiDAR products declined to 65.7% and 47.1% of our total revenue in 2025 and the three months ended March 31, 2026, materially reducing our reliance on a single product line and broadening our addressable market across robotic vacuums and other applications.

- ***Deepening of relationships with leading brand customers.*** We have implemented a brand-focused customer development strategy by prioritizing cooperation with leading robotic vacuum brands, as the robotic vacuum industry is concentrated and primarily driven by leading brand owners with strong product development capabilities and market influence. As part of this strategy, we seek to leverage product adoption by leading brands to enhance market recognition and further penetrate other robotic vacuum brands. In practice, once our products are validated and adopted by a brand customer, the relevant brand customer may designate OEM manufacturers or other parties to procure our products for incorporation into its robotic vacuum products. During the Track Record Period, our products were adopted by leading robotic vacuum brands, including all five largest market players in the robotic vacuum industry, four of which were part of our five largest customers in one or more years or periods during the Track Record Period, namely Customers A, B, F and H. During the Track Record Period, we also expanded our coverage across customers' brands and product series. To the best of our knowledge and based on information available to us, including information obtained through communications with customers, in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, we served 10, 15, 18, 12 and 17 brands, respectively, and 15, 33, 52, 34 and 50 product series, respectively. This coverage across leading industry participants demonstrates our ability to serve customers with different product requirements and provides a foundation for us to further broaden our cooperation with brand customers in this industry. Revenue attributable to our five largest brand customers, including revenue from direct sales to such brand customers and, where applicable, sales to their designated third party suppliers, represented approximately 72%, 83%, 88% and 94% of our total revenue in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. Such revenue contribution reflected the commercial significance of leading brand customers in the robotic vacuum industry and the continued adoption of our products in their robotic vacuum product lines. Our cooperation with these customers has enabled us to accumulate product validation experience, application know-how and supply chain management capabilities, which provide a foundation for us to further penetrate existing customers' product lines, pursue cooperation with additional brand customers in the robotic vacuum industry and diversify into other application scenarios requiring similar spatial sensing capabilities.

- ***Commercialization of prior R&D investments and improving R&D efficiency.*** Our research and development costs increased from RMB54.6 million in 2023 to RMB76.7 million in 2024, reflecting our intensified development of dTOF LiDAR and line laser sensor products for new application scenarios. As these products were launched in 2024 and ramped up in 2025, our prior R&D investments are translating into commercialized revenue-generating products, and our research and development costs as a percentage of revenue decreased from 16.4% in 2023 and 17.7% in 2024 to 9.7% and 7.6% in 2025 and the three months ended March 31, 2026.

  In addition, we deployed AI-assisted development tools across selected stages of our R&D process, including simulation testing, product design and R&D project

management. For example, we used locally deployed AI tools based on open code and relevant AI modules, to support sensor simulation testing, generate complex test scenarios such as LiDAR scene simulation, motion distortion simulation and anti-interference testing, and produce large volumes of test cases in virtual environments. We also applied AI tools to support product design, including structural material selection, optical test data analysis, sensor design parameter optimization, point cloud denoising, feature extraction and semantic segmentation, as well as R&D project management functions such as project progress tracking, automated test case generation and code review. These tools enhanced the automation and efficiency of our R&D workflow, reduced the need for repeated physical testing and prototyping, and improved the output of our existing R&D personnel. The availability of AI tools has enabled us to assign certain R&D tasks that were previously performed by more experienced engineers to relatively junior R&D personnel, with AI assistance. The efficiency of this optimized workforce structure is reflected in our R&D-related staffing and expenditure metrics. While our R&D headcount remained stable at 87 in 2024 and 2025 (before increasing to 106 in the three months ended March 31, 2026), R&D-related employee benefit expenses have steadily declined since 2025 from RMB61.5 million in 2024 to RMB44.2 million in 2025, and from RMB13.0 million in the three months ended March 31, 2025 to RMB11.1 million for the same period in 2026. Although we have expanded our R&D activities for spatial sensing products, our total R&D headcount has only increased marginally. In addition, as we continue to focus our core R&D activities on spatial sensing products, we have streamlined our R&D team for XR controller products accordingly. These factors collectively contributed to a decrease in R&D expenses. These factors contributed to a decrease in our R&D-related employee benefit expenses from RMB61.5 million in 2024 to RMB44.2 million in 2025, and further from RMB13.0 million in the three months ended March 31, 2025 to RMB11.1 million in the three months ended March 31, 2026, while continuing to maintain R&D spending at levels appropriate to support our long-term technological competitiveness.

- ***Economies of scale and improving unit economics of newly launched products.*** Our annual production capacity expanded from six million units in 2023 to a combined 18 million units in 2025, driving lower unit production costs as shipment volumes increased. The gross profit margin of our triangulation LiDAR products improved from 17.9% in 2024 to 18.6% in 2025, while the gross profit margin of our dTOF LiDAR products improved from a negative 32.8% in 2024 to a positive 7.0% in 2025, and that of our line laser sensor products improved from a negative 6.1% in 2024 to a positive 13.6% in 2025. In the three months ended March 31, 2026, gross profit margin of our triangulation LiDAR products, dTOF LiDAR products and line laser sensor products was 19.7%, 19.0% and 20.4%, respectively. We expect our overall gross profit margin to continue to improve as our newly launched products further mature and achieve greater production efficiencies through economies of scale.

- ***Operating leverage from a scalable cost base.*** As our revenue scaled from RMB332.1 million in 2023 to RMB613.5 million in 2025, at a CAGR of 35.9%, and increased from RMB131.8 million in the three months ended March 31, 2025 to RMB195.9 million in the three months ended March 31, 2026, our fixed and semi-fixed cost base supported revenue growth without proportional increases in operating expenses, contributing to our reversal from net losses of RMB0.9 million and RMB31.4 million in 2023 and 2024 to net profit of RMB2.2 million and RMB7.8 million in 2025 and the three months ended March 31, 2026, respectively. In particular, a portion of our administrative expenses consists of fixed costs, such as office rentals, amortization of leasehold improvements and fixed salaries of management and functional department personnel, which remain broadly stable within a certain range of operating scale. Another portion consists of semi-fixed costs, such as office utility expenses and bonus payments to management and functional department personnel, which may increase as our business scale expands, but generally at a rate lower than our revenue growth. As a result, our administrative expenses as a percentage of revenue declined from 6.5% in 2023 to 5.9% in 2024 (and were 6.5% and 6.5% in 2025 and the three months ended March 31, 2026 due to non-recurring listing-related expenses), and our selling and marketing expenses remained substantially stable in absolute terms. We expect this operating leverage to continue to support our profitability as revenue grows.

- ***Expansion of customer base and downstream applications.*** Revenue contribution from our five largest customers decreased from 93.6% in 2023 to 89.2% in 2024 and further to 80.4% in 2025, reflecting our successful customer base expansion in terms of broader coverage of brand customers, product series and application scenarios. For the three months ended March 31, 2026, this contribution increased to 85.6%, primarily due to a substantial increase in procurement by our largest customer during the period, resulting in a higher relative revenue contribution from such customer for the period. This reflected increased demand from major brand customers in a robotic vacuum industry where market demand is increasingly concentrated among leading brand owners. Certain brand customers also procure our products through designated suppliers, such as OEM manufacturers, for supply chain and inventory management purposes. During the same year/period, Customers G and I purchased our products as designated suppliers of Customers H and B, respectively, reflecting our penetration into the product supply chains of the relevant brand customers through both direct sales and designated procurement channels. Together with our broader brand and product series coverage, such direct and designated procurement channels reflect the continued expansion of our customer base and penetration into customers' product supply chains.

  We are also actively extending our product applications beyond robotic vacuums into yard robots, pool-cleaning robots, humanoid robots, XR, industrial inspection, medical devices and 3D printing, which we expect will further diversify our revenue streams and reinforce the long-term sustainability of our profitability. As of the Latest Practicable Date, our products for XR and industrial inspection applications had begun generating revenue, and we had made progress in other emerging applications, including completion of channel development with leading industry customers, sample deliveries and technical evaluation for yard robots, pool-cleaning robots and humanoid robots. Although we had not received mass production orders for yard robots, pool-cleaning robots or humanoid robots, we had already received non-binding indicative order demand from two established brand customers for pool-cleaning robots and from one established customer for yard robots. Based on the foregoing, we believe these developments provide a reasonable basis for the commercial feasibility of our expansion into these other emerging applications, while the timing and scale of commercialization will continue to depend on customer testing results, product validation, commercial negotiations and customer launch schedules.

We expect to further improve our profitability as we realize returns on our research and development investments through new product launches, achieve greater economies of scale as production volumes increase, and continue to expand our market presence both by growing our market share and by capturing emerging opportunities in the intelligent devices market. As our net loss position continue to improve, we also expect our operating cash outflow position to improve.

However, there is the possibility of continued losses due to increases in costs and expenses along with our business expansion, as well as our continuous investment in research and development. We may not be able to maintain profitability in the future. See "Risk Factors — Risks Relating to Our Financial Condition and Need For Additional Capital — We incurred net losses during the Track Record Period, and we may not be able to maintain profitability in the future."

INDEBTEDNESS

The table below sets forth the breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of March 31,	As of July 31,
	2023	2024	2025	2026	2026
	(RMB in thousands)				*(Unaudited)*
Current					
Interest-bearing bank borrowings	10,000	–	10,000	10,000	49,100
Lease liabilities	4,161	4,291	6,971	7,611	8,227
Total current	**14,161**	**4,291**	**16,971**	**17,611**	**57,327**
Non-Current					
Lease liabilities	9,210	12,864	11,929	10,209	8,238
Total non-current	**9,210**	**12,864**	**11,929**	**10,209**	**8,238**
Total indebtedness	**23,371**	**17,155**	**28,900**	**27,820**	**65,565**

Interest-bearing Bank Borrowings

During the Track Record Period, our interest-bearing bank borrowings were unsecured bank loans with interest rate at the loan prime rate minus 0.25% per annum. As of December 31, 2023, 2024 and 2025, March 31, 2026 and July 31, 2026, we had interest-bearing bank borrowings of RMB10.0 million, nil, RMB10.0 million, RMB10.0 million and RMB49.1 million, respectively. As of July 31, 2026, we had committed unutilized bank facilities of RMB0.9 million.

Our bank borrowings agreements contain standard terms, conditions and covenants that are customary for commercial bank loans. As of the Latest Practicable Date, the agreements relating to our borrowings did not contain any covenant that would have a material adverse effect on our ability to make additional borrowings or issue debt or equity securities in the future. During the Track Record Period and up to the Latest Practicable Date, we did not have any material defaults or breaches of covenants in repayment of indebtedness.

Lease Liabilities

Our lease liabilities primarily related to leases of offices and production facilities. As of December 31, 2023, 2024, and 2025, March 31, 2026 and July 31, 2026, our total lease liabilities (including current and non-current portion) amounted to RMB13.4 million, RMB17.2 million, RMB18.9 million, RMB17.8 million and RMB16.5 million, respectively.

Except as disclosed above, as of July 31, 2026, being the latest practicable date for determining our indebtedness, we had no bank loans or other borrowings, or any other loan capital issued and outstanding or agreed to be issued, bank overdrafts, borrowings or similar indebtedness, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchases, guarantees or other material contingent liabilities.

Our Directors confirm that there have been no material changes in our indebtedness since July 31, 2026 and up to the Latest Practicable Date.

CONTINGENT LIABILITIES

As of December 31, 2023, 2024, 2025 and March 31, 2026, we did not have any material contingent liabilities.

CAPITAL EXPENDITURE

During the Track Record Period, our capital expenditures primarily consisted of purchases of property, plant and equipment. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our capital expenditure amounted to RMB9.5 million, RMB38.9 million, RMB16.5 million, RMB7.2 million and RMB3.3 million, respectively.

CAPITAL COMMITMENTS

The table below sets forth our capital commitments as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	(RMB in thousands)			
Purchases of long-term assets	2,511	7,770	1,925	5,148
Research and development cooperation	300	1,900	1,800	1,800
Total	**2,811**	**9,670**	**3,725**	**6,948**

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we did not have any material off-balance sheet commitments or arrangements.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. Our Directors are of the view that each of the related party transactions set out in Note 33 of the Accountants' Report in Appendix I was conducted in the ordinary course of business and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

KEY FINANCIAL RATIOS

The table below sets forth certain of our key financial ratios as of the dates indicated, or for the years indicated:

	As of/Year ended December 31,			As of/ Three months ended March 31,
	2023	2024	2025	2026
Revenue growth rate[(1)]	128.1	30.5	41.6	48.7
Net (loss)/profit margin[(2)]	(0.3)	(7.2)	0.4	4.0
Current ratio[(3)]	3.4	2.9	2.9	2.3
Quick ratio[(4)]	3.0	2.4	2.4	1.9

Notes:

(1) Revenue growth rate equals the difference between the revenue for the year/period indicated and the revenue for the prior year/period, divided by the revenue for the prior year/period, and multiplied by 100%.

(2) Net (loss)/profit margin equals net loss or profit divided by revenue for the year/period indicated and multiplied by 100%.

(3) Current ratio is calculated by dividing current assets by current liabilities as of the date indicated.

(4) Quick ratio is calculated by dividing current assets less inventories by current liabilities as of the date indicated.

QUANTITATIVE AND QUALITATIVE DISCLOSURE OF MARKET RISKS

Our principal financial instruments comprise interest-bearing bank borrowings, financial assets at fair value through profit or loss, financial assets in prepayments, other receivables and other assets and cash and cash equivalents. The main purpose of these financial instruments is to fund our operations. We have various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from our operations. The main risks arising from our financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. Our Directors review and determine the policies for managing each of these risks. For details of our financial risk management, see Note 36 to the Accountants' Report in Appendix I to this prospectus.

DIVIDENDS

No dividend was paid or declared by our Company during the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. PRC laws require that dividends be paid only out of our distributable profits. In particular, our PRC Legal Advisor is of the view that, according to PRC Company Law and the Company's Articles of Association, in view of our accumulated losses, our Company cannot declare and pay dividends, unless our Company has already made up the accumulated losses and accrued reserve. Distributable profits are our after-tax profits, less appropriations to statutory and other reserves that we are required to make. Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial conditions, cash requirements and availability, and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents, applicable PRC laws and approval by our Shareholders.

WORKING CAPITAL

Our Directors are of the opinion that, taking into account the financial resources available to us, including (i) our future operating cash flows in respective periods, (ii) cash and cash equivalents, (iii) current financial assets at fair value through profit or loss, (iv) available bank facilities, and (v) the estimated net proceeds from the Global Offering, we have sufficient working capital for our requirements for at least the next 12 months from the date of this prospectus. We do not expect to have next round of financing before the Global Offering.

DISTRIBUTABLE RESERVES

As of March 31, 2026, we did not have any distributable reserves.

LISTING EXPENSES

Listing expenses to be borne by us are estimated to be approximately HK$66.6 million (based on the Offer Price of HK$58.85 per Share, assuming no Shares are issued pursuant to the Over-allotment Option). The listing expenses consist of (i) underwriting-related expenses, including underwriting commission, of approximately HK$23.9 million, and (ii) non-underwriting-related expenses of approximately HK$42.7 million, comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$22.3 million, and (b) other fees and expenses of approximately HK$20.4 million. During the Track Record Period, approximately HK$24.4 million was charged to our consolidated statements of profit or loss, and approximately HK$4.9 million was accounted for as a deduction from equity. Subsequent to the Track Record Period, approximately HK$12.5 million is expected to be charged to our consolidated statements of profit or loss, and approximately HK$24.8 million is expected to be accounted for as a deduction from equity upon the Listing. We do not believe any of the above fees or expenses are material or are unusually high for our Group. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

See Appendix II to this prospectus for details.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, the Directors confirm that, up to the date of this prospectus, there has been no material adverse change in our financial or trading position or prospects since March 31, 2026 and up to the date of this prospectus.

DISCLOSURE REQUIRED UNDER LISTING RULES

Our Directors confirm that as of the Latest Practicable Date, there are no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND PROSPECTS

See "Business — Our Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$615.4 million after deducting the underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, assuming no exercise of the Over-allotment Option and the Offer Price of HK$58.85 per Share.

We intend to apply our net proceeds for the following purposes, subject to changes in light of our evolving business needs and changing market conditions.

- approximately HK$400.0 million (representing 65.0% of the net proceeds) will be allocated to enhance our R&D capabilities to strengthen our core technologies and the research and development of sensor products. The allocation consists of two primary components: foundation technology and product-related R&D. The foundation technology allocation focuses on developing our core spatial sensing platform encompassing algorithm development, data training, and sensor chip customization which serves as the technical bedrock for our entire ecosystem. Conversely, the product-related R&D allocation is dedicated to specific LiDAR and line laser sensors, focusing on defining precise product specifications, addressing distinct application scenarios, and realizing end products built upon our proprietary technical foundation.

  Our R&D activities are central to our competitiveness. During the Track Record Period, our R&D costs amounted to RMB54.6 million, RMB76.7 million, RMB59.4 million and RMB14.8 million for 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. Employee compensation consistently represented the largest component of R&D expenditure, reflecting the labour-intensive and talent-driven nature of our product development activities. As of March 31, 2026, our R&D team comprised 110 members, representing approximately 26.5% of total employees. The R&D allocation is primarily intended to fund:

  (i) ongoing compensation of the existing R&D team and expansion of the team to support multiple concurrent product development projects over the next five years;

  (ii) development of new LiDAR and line laser sensor products to address emerging market opportunities, including products for outdoor service robots (such as lawn mowing, pool cleaning and snow removal robots), embodied-intelligence robots and industrial applications; and

  (iii) commercialization of our existing R&D investments into dTOF LiDAR and advanced line laser products, including the preparation of customer samples and prototype-to-production transitions.

  We believe such R&D allocation is reasonable and justified. The planned R&D investment will be deployed progressively over a five-year period from 2026 to 2030. The table below sets forth the estimated annual breakdown of our planned R&D expenditure funded from the net proceeds:

Year	2026	2027	2028	2029	2030	Total
Planned R&D Investment *(RMB million)*	63.2	72.1	78.5	83.4	102.9	400.0

  On an annualized basis, the planned R&D investment in 2026 is generally in line with our peak annual R&D spending during the Track Record Period in 2024. The gradual increase in later years reflects the planned scaling of our R&D team and the progression of multiple concurrent development projects towards later-stage validation and commercialization. Viewed in this context, the

year-by-year deployment is not materially disproportionate to our demonstrated capacity to absorb R&D investment.

Foundation Technology

- approximately 15.6% of our net proceeds, or HK$96.0 million, for the further R&D and development on our spatial sensing technologies in the next five years including (i) 8.2% for the development of chips and related core technologies, namely design customization of CMOS image sensor chips, design customization of dTOF chips and application and research of spatial sensing-related MEMS sensors to support enhanced accuracy of our products across different product categories. We intend to apply these proceeds to recruit 20 to 25 engineers with an average of over five years of experience to execute the development of chips and related core technologies. Specifically, this team will complete specification verification by the fourth quarter of 2026, achieve design verification and tape-out by the second quarter of 2027, and finalize sample verification and product application implementation for mass production by the fourth quarter of 2027; (ii) 5.2% for the optimization of our core algorithms and spatial sensing products, such as 3D spatial sensing AI algorithms, RGB-D fusion sensing, AI algorithms and multi-sensor fusion embodied robotics spatial sensing products to enhance environmental adaptability of our products. We intend to apply these proceeds to recruit 10 to 15 engineers with an average of over five years of experience to advance the optimization of our core algorithms and spatial sensing products. Specifically, this team will verify algorithm specifications for robotic 3D spatial perception and design the sensor design for 3D perception and RGB-D fusion, and finalize the product-level application and mass production deployment of the optimized algorithms in the first half of 2027; and (iii) 2.2% for the development of our fundamental optical technology to enhance the accuracy of our products. We intend to apply these proceeds to recruit five to ten engineers with an average of over ten years of experience to advance the development of our fundamental optical technology. Specifically, this team will define the optical system platform specifications for LiDAR and line lasers by the end of 2026, optimize the optical system design and manufacturing processes by the first half of 2027, and put this new platform into use by the end of 2027.

  We believe this aligns with our business strategy to continue to invest in spatial sensing products, enabling us to maintain our technological leadership and deliver products that address evolving market demands. The development of these chips and core technologies, the optimization of our algorithms and spatial sensing products, and the advancement of our fundamental optical technology collectively form the technological foundation underpinning our competitive advantages in the spatial sensing industry. This funding allocation will accelerate our development timelines for new products, enhance our research and development capabilities, and strengthen our ability to capture emerging market opportunities across diverse application scenarios where advanced spatial sensing capabilities are increasingly critical.

Product-specific R&D

- approximately 20.1% of our net proceeds, or HK$123.7 million, for the development of new LiDAR products to provide more accurate and cost- and energy-efficient products primarily for robotic vacuums and to support use of our products in other consumer-grade smart devices in the next five years including (i) the development of 3D LiDAR products. We intend to apply these proceeds to recruit 10 to 15 engineers with an average of over three years of experience to develop new LiDAR products, including humanoid, quadruped, industrial, and service robots, as well as unmanned

aerial vehicles. Specifically, our future LiDAR product development plan includes launching long-range LiDARs for high-end robots (2026 to 2027) and mid-range models for entry-level robotics (2027 to 2028). Furthermore, we plan to introduce compact laser sensors capable of scanning a broad surrounding area for unmanned aerial vehicles alongside high-reliability solid-state architectures for humanoid robots between 2027 and 2028, culminating in the roll-out of highly cost-effective solid-state iterations for quadruped robots from 2028 to 2029; (ii) the development of dTOF products. We intend to apply these proceeds to recruit 30 to 35 engineers with an average of over three years of experience to develop dTOF products for robotic vacuums. Specifically, from 2027 to the first quarter of 2028, this team will drive the development and customer mass production of front-mounted laser depth sensors using direct light-timing technology; and (iii) the development of RGB-D sensor products. We intend to apply these proceeds to recruit 10 to 15 engineers with an average of over five years of experience to develop RGB-D fusion sensor products for embodied AI robots. Specifically, our roadmap includes achieving customer mass production of high-resolution 3D sensors that combine multiple data sources to generate detailed, million-point spatial images by the first half of 2028, and introducing audio-visual fusion modules integrating RGB-D and microphone arrays by the first half of 2029;

We believe this aligns with our strategy to advance multi-scenario application expansion to build comprehensive spatial sensing ecosystem, particularly in consumer-grade smart devices. The development of these LiDAR, dTOF and RGB-D sensor products will enhance our products' capabilities in navigation accuracy, obstacle avoidance, and environmental mapping, enabling us to address increasingly sophisticated customer requirements and expand our market presence into high-growth application areas such as yard robots, pool-cleaning robots and humanoid robots. These product enhancements will strengthen our competitive positioning by offering performance characteristics that differentiate our products in the market and enable our customers to deliver enhanced user experiences in their end products.

- approximately 10.4% of our net proceeds, or HK$64.0 million, for the development of line laser sensor products in the next five years, including (i) the development of line laser products for 3D printing applications, which is not covered by our current product portfolio, We intend to apply these proceeds to recruit 5 to 10 engineers with an average of over five years of experience to develop high-precision line laser modules for 3D printers that enable micron-level 3D modeling and fitting accuracy. Specifically, by the end of 2027, this team will drive the development and mass production of these products; (ii) the optimization of our AI obstacle avoidance line laser sensors to provide more accurate obstacle avoidance capability. We intend to apply these proceeds to recruit 15 to 20 engineers with an average of over five years of experience to develop our AI obstacle avoidance line laser sensors. Specifically, this team will define the product specifications and architecture by the end of 2026, complete prototype design and specification verification by the first half of 2027, and finalize client-side performance verification and the product launch in the second half of 2027; and (iii) the development of submillimeter level scanning line laser sensors to support use of our products in industrial scenarios. We intend to apply these proceeds to recruit 5 to 10 engineers with an average of over five years of experience to develop submillimeter level line laser modules. Specifically, we plan to achieve mass production capability and commercially launch of the first product of this kind by the end of 2028, and commercially launch another industrial-level product by the end of 2029.

  We believe this allocation aligns with our business strategy to advance multi-scenario application expansion by extending our spatial sensing

capabilities into industrial and commercial applications. The development of line laser products for 3D printing applications will enable us to penetrate the additive manufacturing market, where precise depth measurement and surface profiling are critical for quality control and process optimization. The optimization of our AI obstacle avoidance line laser sensors will enhance the performance and safety features of our products in robotics and automated guided vehicle applications, addressing the growing demand for more sophisticated perception systems in industrial automation and logistics. Furthermore, the development of submillimeter-level scanning line laser sensors will position us to serve millimeter and sub-millimeter-level near-field measurement accuracy and inspection applications across manufacturing, quality assurance, and metrology sectors, where extreme accuracy is essential. These initiatives collectively broaden our addressable market beyond our current focus areas and establish our presence in adjacent high-value segments that require advanced spatial sensing technology.

- approximately 10.3% of our net proceeds, or HK$63.4 million for the development of our products for new industrial applications including (i) the development of spatial sensing products for yard robots and pool-cleaning robots. We intend to apply these proceeds to recruit 10 to 15 engineers with an average of over five years of experience to develop specialized LiDAR and line laser solutions for service robots. Specifically, we plan to develop and launch LiDAR products for yard robot LiDAR by the first half of 2028 and develop and launch LiDAR products for pool-cleaning robots by the end of 2027; and (ii) the development of spatial sensing products for other industrial applications. We intend to apply these proceeds to recruit 10 to 15 engineers with an average of over five years of experience to explore industrial market applications and develop tailored solutions. Specifically, this team will finalize product development launch this product in the second half of 2027.

  We believe this aligns with our strategy to advance multi-scenario application expansion to build comprehensive spatial sensing ecosystem, particularly in consumer-grade smart devices. The development of spatial sensing products for yard robots and pool-cleaning robots represents a strategic expansion into outdoor autonomous applications, where environmental complexity, varying lighting conditions, and diverse terrain present unique technical challenges that our advanced spatial sensing technologies are well-positioned to address. These outdoor applications require enhanced durability, weather resistance, and sophisticated navigation capabilities, creating opportunities for us to deliver premium spatial sensing products that command higher value.

- approximately 8.6% of our net proceeds, or HK$52.9 million, for the development of our technology platform, including the development of our AI agent to support our product development; and the upgrade and development of our C-series chips. We intend to apply these proceeds to recruit 25 to 30 engineers with an average of over ten years of experience to develop and optimize our proprietary AI agent platform. Specifically, this team will complete the development of our first-generation AI agent in the first half 2027, and conduct internal testing and continuous iterations by the end of 2027 to achieve more efficient development and operational workflows. This AI agent is designed to automate and optimize our research and development workflows—encompassing data analysis, tool generation, risk assessment, and product design—to significantly enhance R&D efficiency, scale our capacity for parallel projects, and mitigate development risks and human errors.

We believe this allocation aligns with our growth strategy to maximize R&D efficiency across the whole value chain from R&D perspective. The development of our AI agent platform will automate and optimize various stages of our product development cycle, from initial design and simulation to testing and validation, thereby reducing development timelines and enabling our engineering teams to focus on higher-value innovation activities. Concurrently, the upgrade and development of our C-series chips will provide a unified and scalable computational architecture that can be leveraged across multiple product lines, creating synergies that accelerate time-to-market for new products while ensuring consistent performance standards and reducing the need for customized development efforts for each application.

Our new product development strategy reflects the industry trend of cleaning and service robots transitioning from indoor environments to outdoor and yard-based applications. This expansion in application scenarios is distinct from the positioning of robotic products by market segment, and outdoor applications do not necessarily correspond to high-end robotic products. Different working environments create new perception requirements (such as longer range, strong-light resistance and weatherproofing) that overlap with the technical demands of embodied-intelligence robots, thereby expanding our total addressable market. Accordingly, while we plan to initially develop long-range LiDAR products with enhanced performance for high-end robotic applications, our product roadmap also covers mid-range products for entry-level robotics, reflecting our intention to address different performance requirements and market segments rather than focusing exclusively on high-end applications. The key products under development are summarised below:

Product/Project	Perception Range	Key Specifications	Development Stage	Expected Timeline
VH96 (long-range multi-line LiDAR)	Up to 70m	96 lines; accuracy +/-3 cm	DVT1 prototype	Samples for customers in preparation; targeted launch 2H2026-2027
VS1 (mid-range 3D sensor)	Up to 8m	3D depth resolution 100x40; accuracy 2 cm	In development	Entry-level robotics; targeted launch 2027-2028
VC3 (strong-light LiDAR)	Up to 15m	100Klux strong light resistance; accuracy 2.5 cm	In development	EVT samples for customers in 2H2026; targeted launch 2H2026-2027
N1 (pool obstacle avoidance sensor)	Up to 40 cm	Accuracy 5 mm	DVT prototype	Small-batch production and initial commercial deliveries in 2H2026; targeted launch by end 2026
AI obstacle avoidance line laser	N/A	Specifications by end 2026	Specification stage	Prototype by 2H2027; launch 2028
Submillimeter scanning line laser	N/A	Submillimeter precision	In development	Mass production/launch by end 2028

- approximately HK$153.8 million (representing 25.0% of the net proceeds) will be allocated to enhance our manufacturing capabilities;
    - approximately 10.0% of our net proceeds, or HK$61.5 million, for the construction of new manufacturing facilities, including the Zhongshan facility, which are expected to be located in the South China or East China regions of the PRC and will primarily be used for the production of our dToF LiDAR, line laser sensors, point laser sensors, 3D LiDAR and underwater LiDAR products. With the new manufacturing facilities, we expect our annual production capacity will reach approximately 130 million units in 2030;
    - approximately 10.0% of our net proceeds, or HK$61.5 million, for the upgrade of our existing production lines, including procurement of new manufacturing equipment and upgrading quality control systems, primarily for the acquisition of (i) surface mount technology production lines for the processing of PCBA semi-finished products; (ii) precision assembly equipment for automated assembly of structural components and semi-finished products into modules; and (iii) optical calibration and testing equipment to enhance the accuracy and stability of our products. We plan to implement these capacity upgrades in a phased manner with regard to the anticipated market demand;
    - approximately 5.0% of our net proceeds, or HK$30.8 million, for the production facility renovation, including interior decoration and modification works to accommodate our production lines and equipment;

      We believe this allocation aligns with our growth strategy to maximize manufacturing efficiency and expand our production capacity to meet anticipated demand growth, as well as to build a global brand through intelligent manufacturing excellence. The construction of new manufacturing facilities will provide us with additional production capacity and operational flexibility, enabling us to scale our output in line with market expansion. The upgrade of existing production lines with advanced automation equipment and process optimization technologies will improve manufacturing throughput, reduce unit production costs, and enhance product consistency and yield rates. The facility renovations will further modernize our manufacturing infrastructure to accommodate new products and processes, creating a more efficient and adaptable production environment that supports our evolving product portfolio and positions us to capture economies of scale as our business continues to grow.

      In 2023, 2024, 2025 and the three months ended March 31, 2026, the utilization rate of our Pingshan production base was 79.9%, 73.8%, 85.0% and 61.7%, respectively. Our Huizhou production base commenced operation in September 2024. In 2024, 2025 and the three months ended March 31, 2026, the utilization rate of our Huizhou production base was 77.0%, 92.3% and 95.2%, respectively. While we have not achieved maximum manufacturing capability, these figures are calculated based on theoretical maximum capacity assumptions that do not fully capture the practical operational constraints and strategic requirements of our business. For example, our existing production has been predominantly concentrated on robotic vacuum spatial sensing products, which require specific production line configurations, testing protocols, and quality control processes. As we execute our strategic expansion into new market segments, such as pool-cleaning robots and yard robots, our manufacturing requirements have fundamentally evolved. These new product categories demand different production equipment, specialized calibration facilities, distinct testing environments, and varying quality assurance procedures that cannot simply utilize existing production capacity designed for robotic vacuum applications.

We believe our planned capacity expansion is supported by projected market demand. According to CIC, global robotic vacuum shipments are expected to reach approximately 60 million units by 2030. As each robotic vacuum is expected to integrate three to five spatial sensing components for navigation, obstacle avoidance and wall-following, the implied demand for spatial sensing products is expected to exceed 200 million units by 2030. On the basis of these projections, and assuming we maintain our current market share, our implied shipment demand for robotic vacuum applications alone would be significant. In addition, new application scenarios such as yard robots and pool-cleaning robots require dedicated production lines that cannot utilize our existing robotic vacuum production capacity, and are expected to contribute demand of tens of millions of units annually. Our industry operates on a pull production model under which production is scheduled against orders received, and monthly order volumes fluctuate while production capacity remains relatively stable. We therefore plan our capacity by reference to a target utilization rate of approximately 80%, and our target annual production capacity of approximately 130 million units by 2030 reflects the capacity required to support the implied shipment volume on that basis. We intend to implement this expansion in a phased manner in line with anticipated market demand, with the timing and scale of each phase determined by reference to order volume, design-win pipeline and utilization levels at our existing facilities. Should market demand fall short of expectations, we may defer the commissioning of new capacity or redeploy production lines to alternative product categories. Leveraging the specialized operational expertise and experience established at our existing manufacturing facilities for robotic vacuum products, we believe it is commercially advantageous to maintain their dedicated focus on this market to capitalize on its projected growth. Therefore, we believe we will need to build new manufacturing facilities for new application scenarios. In addition, our planned allocation of net proceeds from the Global Offering also take into account maintaining buffer capacity to accommodate demand fluctuations, urgent customer orders, and business growth.

- approximately HK$61.5 million (representing 10.0% of the net proceeds) will be used for our working capital and general corporate purposes.

If the Over-allotment Option is exercised in full, the net proceeds that we will receive will be approximately HK$714.1 million, based on the Offer Price of HK$58.85 per Share, in which case we intent to apply the additional net proceeds to the above purposes according to the stated proportions.

To the extent that the net proceeds from the Global Offering are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, they will be placed in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions). We will issue an appropriate announcement if there is any material change to the above proposed use of proceeds.

HONG KONG UNDERWRITERS

China International Capital Corporation Hong Kong Securities Limited

Guosen Securities (HK) Capital Company Limited

GF Securities (Hong Kong) Brokerage Limited

CCB International Capital Limited

First Shanghai Securities Limited

Futu Securities International (Hong Kong) Limited

Huafu International Securities Limited

Shenwan Hongyuan Securities (H.K.) Limited

SkyVast Securities Limited

Somerley Capital Limited

Tiger Brokers (HK) Global Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering 1,158,900 Hong Kong Offer Shares (subject to re-allocation described below) for subscription by the public in Hong Kong on, and subject to, the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to:

(a) the Listing Committee granting the listing of, and permission to deal in, our H Shares in issue and to be issued as mentioned in this prospectus and such listing and permission not subsequently being revoked; and

(b) certain other conditions set out in the Hong Kong Underwriting Agreement,

the Hong Kong Underwriters have agreed severally, and not jointly, to subscribe for, or procure subscribers for, the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering, on the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional upon and subject to the International Underwriting Agreement having been entered into and becoming unconditional and not having been terminated.

If there is any change to the offer size due to change in the number of Offer Shares initially offered in the Global Offering (other than pursuant to the exercise of the Over-allotment Option and/or reallocation mechanism as disclosed in this prospectus), or change to the Offer Price, or if our Company becomes aware that there has been a significant adverse change affecting any matter contained in this prospectus or a significant new matter has arisen, the inclusion of information in respect of which would have been required to be in this prospectus if it had arisen before this prospectus was issued, after the issue of this prospectus and before the commencement of dealings in our H Shares as prescribed under Rule 11.13 of the Listing Rules, we are required to cancel the Global Offering and relaunch the offer on FINI and issue a supplemental prospectus or a new prospectus.

Grounds for termination

The respective obligations of the Hong Kong Underwriters to subscribe for, or procure subscribers for, the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination. The Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) may, in their sole and absolute discretion terminate the Hong Kong Underwriting Agreement with immediate effect by notice in writing

to our Company from the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) at any time prior to 8:00 a.m. on the Listing Date (the "**Termination Time**") if any of the following events shall occur prior to the Termination Time:

(a) there develops, occurs, exists or comes into force:

(i) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any other competent administrative, governmental, legislative or regulatory commission, board, body, authority or agency, or any stock exchange, self-regulatory organization or other non-governmental regulatory authority, or any court, tribunal or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic, foreign or supranational, including, without limitation, the CSRC, the Stock Exchange and the SFC (each an "**Authority**" and collectively "**Authorities**")) in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Japan, Singapore or other jurisdictions relevant to our Group or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); or

(ii) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, taxation, equity securities or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or

(iii) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed) in or affecting any of the Relevant Jurisdictions; or

(iv) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (i) the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange or the NASDAQ Global Market or the London Stock Exchange; or (ii) the trading in any securities of our Company listed or quoted on a stock exchange or an over-the-counter market; or

(v) the imposition or declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(vi) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by our Company of a supplement or amendment to this prospectus or Offering Documents pursuant to the Companies (Winding up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or

(vii) the commencement by any Authority or other regulatory or political body or organization of any public action or investigation against a Group Company or a director or a senior management member of any Group Company or announcing an intention to take any such action; or

(viii) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any Group Company or any member of our Single Largest Group of Shareholders or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(ix) any valid demand by creditors for payment or repayment of indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or

(x) any non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) or any aspect of the Global Offering with the Listing Rules or any other applicable Laws; or

(xi) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of our Group or any member of our Single Largest Group of Shareholders or any Director or senior management members as named in this prospectus; or

(xii) any contravention by our Company, any Group Company or any Director of the Listing Rules or applicable Laws; or

(xiii) that the Chairman of the Board, any Director or any member of senior management of our Company named in this prospectus seeks to retire, or is removed from office or vacating his/her office; or

(xiv) any Director or any member of senior management of our Company named in this prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or;

(xv) any event, act or omission which gives rise or is likely to give rise to any liability of any of our Company and our Single Largest Group of Shareholders pursuant to the indemnities in the Hong Kong Underwriting Agreement; or

(xvi) any change or prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in this prospectus

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters): (1) has or will or may have a material

adverse effect or any development involving a prospective material adverse effect, on the profits, losses, results of operations, assets, liabilities, general affairs, business, general affairs, management, performance, prospects, shareholders' equity, position or condition (financial, trading or otherwise) of our Group, taken as a whole (collectively "**Material Adverse Effect**"); or (2) has or will or may have a Material Adverse Effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or (3) makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering, or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents (as defined in the Hong Kong Underwriting Agreement); or (4) has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(b) there has come to the notice of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:

(i) any statement contained in any of the Offering Documents, the CSRC Filings and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) (the "**Global Offering Document(s)**"), was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

(ii) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission from or material misstatement in any Global Offering Document; or

(iii) any breach of, or any event or circumstance rendering untrue, incomplete (where applicable) or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by our Company or our Single Largest Group of Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(iv) any breach of any of the obligations or undertakings imposed upon our Company or any member of our Single Largest Group of Shareholders or any cornerstone investor (as applicable) to Hong Kong Underwriting Agreement, the International Underwriting Agreement or the Cornerstone Investment Agreements; or

(v) there is any change or development involving a prospective change, constituting or having a Material Adverse Effect; or

(vi) our Company withdraws this prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or

(vii) that the approval by the Listing Committee of the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering (including pursuant to any exercise of the Over-allotment Option) is refused or not granted, other than subject to customary

conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(viii) any expert named in this prospectus (other than any of the Joint Sponsors) has withdrawn its consent to the issue of this prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(ix) any prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares (including pursuant to any exercise of the Over-Allotment Option) pursuant to the terms of the Global Offering; or

(x) an order or petition is presented for the winding-up or liquidation of any member of our Group, or any member of our Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of any member of our Group; or

(xi) (A) the notice of acceptance of the CSRC Filings issued by the CSRC and/or the results of the CSRC Filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by our Company of a supplement or amendment to the CSRC Filings pursuant to the CSRC Rules (as defined in the Hong Kong Underwriting Agreement) or upon any requirement or request of the CSRC; or (C) any non-compliance of the CSRC Filings with the CSRC Rules or any other applicable Laws; or

(xii) that (i) a material portion of the orders placed or confirmed in the bookbuilding process or (ii) any investment commitment made by any cornerstone investors under the Cornerstone Investment Agreements signed with such cornerstone investors, have been withdrawn, terminated or cancelled, or with respect to which the payment of the relevant orders and/or investment commitment has not been received or settled in the stipulated time and manner or otherwise.

Undertakings given to the Stock Exchange pursuant to the Listing Rules

By our Single Largest Group of Shareholders

Pursuant to Rule 10.07 of the Listing Rules, our Single Largest Group of Shareholders has irrevocably and unconditionally undertaken to us and to the Stock Exchange that except pursuant to the Global Offering, or the Over-allotment Option, they shall not and shall procure that the relevant registered Shareholder(s) controlled by them shall not, in the period commencing on the date by reference to which disclosure of its/his shareholdings in our Company is made in this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances (save as pursuant to a pledge or charge as security in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan) in respect of, any of our securities that they are shown to beneficially own in this prospectus.

The Single Largest Group of Shareholders has further irrevocably and unconditionally undertaken to us and the Stock Exchange that, within the period commencing on the date by reference to which disclosure of its/his shareholdings in our Company is made in this prospectus and ending on the date which is 12 months from the Listing Date, they will:

(a) when they pledges or charge any securities in our Company beneficially owned by them in favor of an authorized institution (as defined in the Banking Ordinance

(Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan pursuant to Note (2) to Rule 10.07(2) of the Listing Rules, immediately inform us in writing of such pledge or charge together with the number of our securities so pledged or charged; and

(b) when they receive indications, either verbal or written, from the pledgee or chargee that any of our pledged or charged securities beneficially owned by any of them will be disposed of, immediately inform us in writing of such indications.

We will also inform the Stock Exchange as soon as we have been informed of the matters mentioned in the paragraphs (a) and (b) above by our Single Largest Group of Shareholders and make a public disclosure in relation to such information by way of an announcement in accordance with the Listing Rules.

Undertakings given to the Hong Kong Underwriters

Undertakings by our Company

Our Company has undertaken to each of the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Hong Kong Underwriters and the Capital Market Intermediaries that except pursuant to the Global Offering (including pursuant to the Over-allotment Option), at any time after the date of the Hong Kong Underwriting Agreement and up to and including the date falling six months after the Listing Date (the "**First Six-Month Period**"), we will not, without the prior written consent of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise create any mortgage, charge, pledge, lien, option, restriction, right of first refusal, equitable right, power of sale, hypothecation, retention of title, right of pre-emption or other third party claim, claim, defect, right, interest or preference granted to any third party, or any other encumbrance or security interest of any kind ("**Encumbrance**") over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any legal or beneficial interest in the share capital or any other securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any share capital or other securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of H Shares or any other securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any H Shares or any shares or other securities of our Company); or

(c) enter into any transaction with the same economic effect as any transaction specified in (a) or (b) above; or

(d) offer to or agree to do any of the foregoing specified in (a), (b) or (c) above,

in each case, whether any of the transactions specified in (a), (b) or (c) above is to be settled by delivery of H Shares or such other securities of our Company, or in cash or otherwise (whether or not the issue of H Shares or such other securities will be completed within the First Six-Month Period).

In the event that, during the period of six months commencing on the date on which the First Six-Month Period expires (the "**Second Six-Month Period**"), our Company enters into any of

the transactions specified in (a), (b) or (c) above or offers to or agrees to or announces any intention to effect any such transaction, our Company shall take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of our Company. The Single Largest Group of Shareholders undertake to each of the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Hong Kong Underwriters and the Capital Market Intermediaries to procure our Company to comply with the undertakings in the Hong Kong Underwriting Agreement.

By our Single Largest Group of Shareholders

Our Single Largest Group of Shareholders has undertaken to each of our Company, the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Hong Kong Underwriters and the Capital Market Intermediaries that, except as pursuant to the Global Offering (including the issue of H Shares pursuant to the exercise of the Over-allotment Option) without the prior written consent of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters and the Capital Market Intermediaries) and unless in compliance with the requirements of the Listing Rules (including Rule 10.07(3) of the Listing Rules and Note (2) to Rule 10.07(2) of the Listing Rules), each of them will not, and will procure that the relevant registered holder(s) will not, at any time during the First Six Month Period,

(a) sell, offer to sell, accept subscription for, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create any Encumbrance over (other than any mortgage, pledge or charge in favor of an authorized institution (as defined in the Banking Ordinance (Cap. 155 of the Laws of Hong Kong)) not involving a change of legal ownership of such Shares other than on enforcement for a bona fide commercial loan in compliance with the Listing Rules), or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any H Shares or any other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any H Shares, or any such other securities or any interest in any of the foregoing, as applicable) (the "**Relevant H Shares**"), or deposit any H Shares or other securities of our Company with a depositary in connection with the issue of depositary receipts;

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the Relevant H Shares;

(c) enter into any transaction with the same economic effect as any transaction specified in (a) or (b) above; or

(d) offer to or agree to or announce any intention to effect any transaction specified in (a), (b) or (c) above, in each case, whether any of the transactions specified in (a), (b) or (c) above is to be settled by delivery of H Shares or such other securities of our Company, as applicable, or in cash or otherwise (whether or not the issue of H Shares or such other securities will be completed within the aforesaid period).

Our Single Largest Group of Shareholders has further undertaken to each of our Company, the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Hong Kong Underwriters and the Capital Market Intermediaries that, within the period commencing on the date of this prospectus and ending on the date which is 6 months after the Listing Date, they will immediately inform our Company and the Overall Coordinators of: (i) any pledges or charges of any H Shares or other securities (including any interests therein) of our Company beneficially owned by them, together with the number of H Shares or other securities (including any interests therein) of our Company so pledged or charged and the purpose for which such pledge or charge is to be created; and (ii) any indication received by them, either verbal or written, from the pledgee or

chargee of any H Shares or other securities (including any interests therein) of our Company pledged or charged that such H Shares or other securities (including any interests therein) of our Company so pledged or charged will be disposed of.

Underwriters' interest in our Group

Save for their respective obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement, as of the Latest Practicable Date, none of the Underwriters was interested directly or indirectly in any of our Shares or securities or any shares or securities of any other member of our Group or had any right or option (whether legally enforceable or not) to subscribe for, or to nominate persons to subscribe for, any of our Shares or securities or any shares or securities of any other member of our Group.

Following the completion of the Global Offering, the Underwriters and their affiliated companies may hold a certain portion of our H Shares as a result of fulfilling their respective obligations under the Hong Kong Underwriting Agreement and International Underwriting Agreement.

The Joint Sponsors' Independence

Each of the Joint Sponsors satisfies the independence criteria set out in Rule 3A.07 of the Listing Rules.

The International Offering

International Underwriting Agreement

In connection with the International Offering, we expect to enter into the International Underwriting Agreement on September 25, 2026 with, among others, the International Underwriters. Under the International Underwriting Agreement, the International Underwriters would, subject to certain conditions, severally and not jointly, agree to purchase the International Offer Shares or procure purchasers for the International Offer Shares initially being offered pursuant to the International Offering. For further details, see "Structure and Conditions of the Global Offering — The International Offering" in this prospectus.

Under the International Underwriting Agreement, we intend to grant to the International Underwriters and the Capital Market Intermediaries the Over-Allotment Option, exercisable in whole or in part at one or more times, at the sole and absolute discretion of the Overall Coordinators (for themselves and on behalf of the International Underwriters) from the Listing Date until 30 days from the last day for the lodging of applications under the Hong Kong Public Offering to require us to issue and allot up to an aggregate of 1,738,300 additional Offer Shares, representing 15.0% of the Offer Shares initially available under the Global Offering and at the Offer Price, to cover, among other things, any over-allocations in the International Offering, if any.

Total Commission and Expenses

The Underwriters and the Capital Market Intermediaries will receive an underwriting commission equal to 2.0% of the aggregate Offer Price of all the Offer Shares, including Offer Shares to be issued pursuant to the Over-allotment Option (the "**Fixed Fees**"). Our Company may, at our sole and absolute discretion, pay to all the Underwriters and the Capital Market Intermediaries an incentive fee not exceeding 1.5% of the Offer Price of all the Offer Shares (including Offer Shares to be issued pursuant to the Over-allotment Option) (collectively, the "**Discretionary Fees**").

The ratio of Fixed Fees and Discretionary Fees payable to all Underwriters and the Capital Market Intermediaries is therefore approximately 57%:43%. For unsubscribed Hong Kong Offer Shares reallocated to the International Offering, we will pay an underwriting commission at the rate applicable to the International Offering and such commission will be paid to the relevant International Underwriters (and not the Hong Kong Underwriters). No additional fee will be payable by our Company to the Underwriters and the Capital Market Intermediaries. The Joint Sponsors will, in addition, receive a fee acting as the sponsor to the Listing and will be reimbursed for their expenses.

Assuming the Over-allotment Option, if any, is not exercised and based on the Offer Price of HK$58.85, the aggregate commissions and estimated expenses, together with the Stock Exchange listing fee, SFC transaction levy, AFRC transaction levy, Stock Exchange trading fee, legal and other professional fees, printing and other fees and expenses, payable by our Company relating to the Global Offering, are estimated to amount in aggregate to HK$66.6 million in total and are payable by us.

Indemnity

We have undertaken to indemnify and keep indemnified on demand (on an after-tax basis) and hold harmless each of the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Hong Kong Underwriters and the Capital Market Intermediaries (for themselves and on trust for its directors, supervisors, officers, employees, agents, assignees and affiliates) from and against certain losses which they may suffer, including liabilities under the U.S. Securities Act, losses arising from their performance of their obligations under the Underwriting Agreements and any breach by us of the Underwriting Agreements, as the case may be.

Restrictions on the Offer Shares

No action has been taken to permit a public offering of the Offer Shares, other than in Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation.

Over-allotment and Stabilization

Details of the arrangements relating to the stabilization and Over-allotment Option, if any, are set forth in "Structure and Conditions of the Global Offering — Stabilization" and "Structure and Conditions of the Global Offering — Over-allotment Option" in this prospectus.

Activities by the Underwriters

The Hong Kong Underwriters and the International Underwriters (together, the "**Syndicate Members**") and their respective affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their respective affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members or their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of our Company and/or persons and entities in relation with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with our Group's loans and other debt.

In relation to the H Shares, the activities of the Syndicate Members or their respective affiliates could include acting as agent for buyers and sellers of the H Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the H Shares (the financing of which may be secured by the H Shares) in the Global Offering, proprietary trading in the H Shares, and entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the H Shares. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the H Shares, which may have a negative impact on the trading price of the H Shares. All such activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members or their affiliates holding long and/or short positions in the H Shares, in baskets of securities or indices including the H Shares, in units of funds that may purchase the H Shares, or in derivatives related to any of the foregoing.

In relation to issues by the Syndicate Members or their respective affiliates of any listed securities having the H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the stock exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the H Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period as described in the section headed "Structure and Conditions of the Global Offering" in this prospectus. Such activities may affect the market price or value of the H Shares, the liquidity or trading volume in the H Shares and the volatility of the price of the H Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Underwriters or their respective affiliates will be subject to certain restrictions, including the following:

(a) the Syndicate Members or their respective affiliates (other than the Stabilization Manager or any person acting for it) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and

(b) the Syndicate Members or their respective affiliates must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO which includes the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

The Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking, derivative and other services to us and our affiliates, for which the Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering. The Global Offering comprises:

- the Hong Kong Public Offering of initially 1,158,900 Offer Shares (subject to reallocation as mentioned below) in Hong Kong as described below in "— The Hong Kong Public Offering"; and
- the International Offering of initially 10,429,900 Offer Shares (subject to reallocation and the Over-allotment Option as described below) outside the United States (including to professional, institutional and corporate investors and other investors anticipated to have a sizeable demand for the Offer Shares in Hong Kong) in offshore transactions in reliance on Regulation S as described below in "— The International Offering."

Investors may apply for the Hong Kong Offer Shares under the Hong Kong Public Offering or indicate an interest, if qualified to do so, for the International Offer Shares under the International Offering, but may not do both.

The 11,588,800 Offer Shares in the Global Offering will represent approximately 12.0% of our enlarged share capital immediately after the completion of the Global Offering, without taking into account the exercise of the Over-allotment Option. If the Over-allotment Option is exercised in full, the Offer Shares will represent approximately 13.56% of our enlarged share capital immediately following the completion of the Global Offering.

References to applications, application monies or procedure for applications relate solely to the Hong Kong Public Offering.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares initially offered

We are initially offering for subscription by the public in Hong Kong 1,158,900 Offer Shares, representing approximately 10.0% of the total number of Offer Shares initially available under the Global Offering. Subject to the reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, the number of Offer Shares offered under the Hong Kong Public Offering will represent approximately 1.2% of our enlarged issued share capital immediately after completion of the Global Offering, assuming the Over-allotment Option is not exercised.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set forth below in "— Conditions of the Global Offering."

Allocation

Allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering will be based on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary depending on the number of Hong Kong Offer Shares validly applied for by applicants. We may, if necessary, allocate the Hong Kong Offer Shares on the basis of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Offer Shares available under the Hong Kong Public Offering is to be divided equally into two pools (with any odd board lots being allocated to pool A) (subject to the reallocation of the Offer Shares between the Hong Kong Public Offering and the International Offering referred to below):

- Pool A: The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to valid applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of HK$5 million or less (excluding brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee payable); and
- Pool B: The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to valid applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of more than HK$5 million and up to the total value of pool B (excluding brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee payable).

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Hong Kong Offer Shares in one (but not both) of the pools are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in the pool and be allocated accordingly. For the purpose of this subsection only, the "subscription price" for the Hong Kong Offer Shares means the price payable on application therefor. Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 579,400 Hong Kong Offer Shares will be rejected.

Reallocation

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Overall Coordinators. Subject to the allocation cap described in the subsequent paragraph, the Overall Coordinators may in their discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Overall Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as they deem appropriate.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between pool A and pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Overall Coordinators deem appropriate.

In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, in the circumstances where (a) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, or (b) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, then, up to 579,400 Offer Shares may be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of Offer Shares available for subscription under the Hong Kong Public Offering will be increased up to 1,738,300 Offer Shares, representing approximately 15.0% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), in accordance with Chapter 4.14 of the Guide for New Listing Applicants.

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows Mechanism B set out under paragraph 2 of Chapter 4.14 of the Guide for New Listing Applicants and the provision of Paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Details of any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the allotment results announcement of the Global Offering, which is expected to be published on Tuesday, September 29, 2026.

Where the International Offer Shares are undersubscribed, if the Hong Kong Offer Shares are also undersubscribed, the Global Offering will not proceed unless the Underwriters would subscribe or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this prospectus and the Underwriting Agreements.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offer Shares under the International Offering, and such applicant's application under the International Offering is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the Offer Price of HK$58.85 per Offer Share in addition to brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565% on each Offer Share, amounting to a total of HK$5,944.35 for one board lot of 100 H Shares. For further details, see "How to Apply for Hong Kong Offer Shares" in this prospectus.

THE INTERNATIONAL OFFERING

Number of Offer Shares Initially Offered

We will be initially offering for subscription under the International Offering 10,429,900 Offer Shares, representing approximately 90.0% of the Offer Shares under the Global Offering. Subject to the reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, the number of Offer Shares offered under the International Offering will represent approximately 10.8% of our enlarged issued share capital immediately after completion of the Global Offering, assuming the Over-allotment Option is not exercised.

Allocation

The International Offer Shares will conditionally be offered to selected professional, institutional and corporate investors and other investors anticipated to have a sizeable demand for our Offer Shares in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Prospective professional, institutional and other investors will be required to specify the number of the International Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building," is expected to continue up, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

Allocation of the International Offer Shares pursuant to the International Offering will be determined by the Overall Coordinators and will be based on a number of factors including the level and timing of demand, total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further, and/or hold or sell its H Shares, after the Listing. Such allocation is intended to result in a distribution of the International Offer Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and our Shareholders as a whole.

The Overall Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Overall Coordinators so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any applications of Offer Shares under the International Offering.

Reallocation

The total number of Offer Shares to be issued pursuant to the International Offering may change as a result of the reallocation arrangement as described above in "— The Hong Kong Public Offering — Reallocation" or the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, it is expected that we will grant the Over-allotment Option to the International Underwriters.

Pursuant to the Over-allotment Option, the International Underwriters will have the right, exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, to require our Company to issue up to 1,738,300 H Shares, representing approximately 15.0% of the Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering to, among other things (such as effecting the permitted stabilizing actions as set out in "— Stabilization" below), cover over-allocations in the International Offering, if any.

If the Over-allotment Option is exercised in full, the additional H Shares to be issued pursuant thereto will represent approximately 1.8% of our enlarged issued share capital immediately following the completion of the Global Offering. In the event that the Over-allotment Option is exercised, an announcement will be made.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market, during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilization Manager (or its affiliates or any person acting for it), on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of our H Shares at a level higher than that which might otherwise prevail in the open market for a limited period after the Listing Date. However, there is no obligation on the Stabilization Manager (or its affiliates or any person acting for it) to conduct any such stabilizing action. Such stabilizing action, if taken, (a) will be conducted at the absolute discretion of the Stabilization Manager (or its affiliates or any person acting for it) and in what the Stabilization Manager reasonably regards as the best interest of our Company, (b) may be discontinued at any time, and (c) is required to be brought to an end within 30 days of the last day for lodging applications under the Hong Kong Public Offering.

Stabilization action permitted in Hong Kong under the Securities and Futures (Price Stabilizing) Rules of the SFO includes (i) over-allocating for the purpose of preventing or minimizing any reduction in the market price of our H Shares, (ii) selling or agreeing to sell our H Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of our H Shares, (iii) purchasing, or agreeing to purchase, our H Shares pursuant to the Over-allotment Option in order to close out any position established under (i) or (ii) above, (iv) purchasing, or agreeing to purchase, any of our H Shares for the sole purpose of preventing or minimizing any reduction in the market price of our H Shares, (v) selling or agreeing to sell any H Shares in order to liquidate any position established as a result of those purchases, and (vi) offering or attempting to do anything as described in (ii), (iii), (iv) or (v) above.

Specifically, prospective applicants for and investors in H Shares should note that:

- the Stabilization Manager (or its affiliates or any person acting for it) may, in connection with the stabilizing action, maintain a long position in the H Shares;

- there is no certainty as to the extent to which and the time or period for which the Stabilization Manager (or its affiliates or any person acting for it) will maintain such a long position;
- liquidation of any such long position by the Stabilization Manager (or its affiliates or any person acting for it) and selling in the open market may have an adverse impact on the market price of the H Shares;
- no stabilizing action can be taken to support the price of the H Shares for longer than the stabilizing period, which will begin on the Listing Date and is expected to expire on the 30th day after the last day for lodging applications under the Hong Kong Public Offering. After this date, when no further action may be taken to support the price of the H Shares, demand for the H Shares, and therefore the price of the H Shares, could fall;
- the price of the H Shares cannot be assured to stay at or above the Offer Price by the taking of any stabilizing action; and
- stabilizing bids or transactions effected in the course of the stabilizing action may be made at any price at or below the Offer Price, which means that stabilizing bids or transactions effected may be made at a price below the price paid by applicants for, or investors in, the Offer Shares.

In order to effect stabilization actions, the Stabilization Manager will arrange cover of up to an aggregate of 1,738,300 H Shares, representing up to 15% of the initial Offer Shares, through delayed delivery arrangements with investors who have been allocated Offer Shares in the International Offering. The delayed delivery arrangements (if specifically agreed by an investor) relate only to the delay in the delivery of the Offer Shares to such investor and the consideration for the Offer Shares allocated to such investor will be settled before the Listing Date. Both the size of such cover and the extent to which the Over-allotment Option can be exercised will depend on whether arrangements can be made with investors such that a sufficient number of H Shares can be delivered on a delayed basis. If no investor in the International Offering agrees to the delayed delivery arrangements, no stabilizing actions will be undertaken by the Stabilization Manager and the Over-allotment Option will not be exercised.

Our Company will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules of the SFO will be made within seven days of the expiration of the stabilization period.

OVER-ALLOCATION

Following any over-allocation of H Shares in connection with the Global Offering, the Stabilization Manager (or any person acting for it) may cover such over-allocations by (among other methods) exercising the Over-allotment Option in full or in part, using H Shares purchased by the Stabilization Manager (or any person acting for it) in the secondary market at prices that do not exceed the Offer Price.

PRICING AND ALLOCATION

The Offer Price will be HK$58.85 per Offer Share, unless otherwise announced, as further explained below. If you apply for the Offer Shares under the Hong Kong Public Offering, you may be required to pay, on application (subject to application channels), the Offer Price plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%, amounting to a total of HK$5,944.35 for one board lot of 100 H Shares.

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building," is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

The Overall Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective professional, institutional and other investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares and/or the Offer Price stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering and publish an announcement or supplemental prospectus on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.camsense.cn** (the contents of the websites do not form a part of this prospectus). Upon issue of such an announcement, the revised number of Offer Shares and/or offer price will be final and conclusive and the Offer Price, if agreed upon by us, will be fixed at the revised Offer Price. Our Company will also, as soon as practicable following the decision to make such change, issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the Offer Price may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. Such notice will also confirm or revise, as appropriate, the working capital statement, the use of proceeds, the Global Offering statistics as currently set out in "Summary," and any other financial information which may change as a result of such reduction. In the absence of any such notice so published, the number of Offer Shares and the Offer Price will not be reduced.

If you have already submitted an application for the Hong Kong Offer Shares before the last day for lodging applications under the Hong Kong Public Offering, you will not be allowed to subsequently withdraw your application.

The results of applications in the Hong Kong Public Offering, the level of indication of interest in the International Offering, the basis of allotment of Offer Shares available under the Hong Kong Public Offering and the Hong Kong identification document numbers of successful applicants under the Hong Kong Public Offering are expected to be made available in a variety of channels in the manner described in "How to Apply for Hong Kong Offer Shares — B. Publication of Results."

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares is conditional on:

- the Listing Committee granting approval for the listing of, and permission to deal in our H Shares in issue and to be issued as described in this prospectus (including the Offer Shares which may be issued pursuant to the exercise of the Over-allotment Option);
- the execution and delivery of the International Underwriting Agreement on or about September 25, 2026; and
- the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement becoming unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement, as the case may be (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than 30 days after the date of this prospectus.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, each other offering becoming unconditional and not having been terminated in accordance with its respective terms. If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.camsense.cn** on the next day following such lapse. In such an event, all application monies will be returned, without interest, on the terms set out in "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" in this prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving bank or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

UNDERWRITING AGREEMENTS

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement.

We expect to enter into the International Underwriting Agreement relating to the International Offering on September 25, 2026.

Certain terms of the underwriting arrangements, the Hong Kong Underwriting Agreement and the International Underwriting Agreement, are summarized in "Underwriting" in this prospectus.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the listing of, and permission to deal in, the Offer Shares being offered under the Global Offering.

ADMISSION OF THE H SHARES INTO CCASS

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares and our Company complies with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Wednesday, September 30, 2026, it is expected that dealings in our H Shares on the Stock Exchange will commence at 9:00 a.m. on Wednesday, September 30, 2026.

The H Shares will be traded in board lots of 100 H Shares each.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES
FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

This prospectus is available at the website of the Stock Exchange at http://www.hkexnews.hk under the "HKEXnews > New Listings > New Listing Information" section, and our website at http://www.camsense.cn.

The contents of this prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older; and
- have a Hong Kong address *(for the **HK eIPO White Form** service only)*

Unless permitted by the Listing Rules, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or close associates; or
- are a Director, supervisor or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Tuesday, September 22, 2026 and end at 12:00 noon on Friday, September 25, 2026 (Hong Kong time).

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service . . .	www.hkeipo.hk	Investors who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Tuesday, September 22, 2026, to 11:30 a.m. on Friday, September 25, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Friday, September 25, 2026, Hong Kong time.

Application Channel	Platform	Target Investors	Application Time
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.	Investors who would not like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **HK eIPO White Form** service and the HKSCC EIPO channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the electronic application instructions are given, you shall be deemed to have declared that only one set of electronic application instructions has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of electronic application instructions for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different payment reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the HKSCC EIPO Channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this prospectus and any supplement to it.

For those applying through HKSCC EIPO channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual Applicants

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  - i. HKID card; or
  - ii. National identification document; or
  - iii. Passport; and
- Identity document number

For Corporate Applicants

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  - i. LEI registration document; or
  - ii. Certificate of incorporation; or
  - iii. Business registration certificate; or
  - iv. Other equivalent document; and
- Identity document number

1. If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.
2. The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for shares in a public offer. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.
3. If the applicant is a trustee, the client identification data ("**CID**") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.
4. The maximum number of joint account holders on FINI is capped at four[(Note)] in accordance with market practice.
5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.
6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

Note: Subject to change, if our Articles of Association and applicable company law prescribe a lower cap.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through HKSCC EIPO channel, and making an application under a power of attorney, we and the Overall Coordinators, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size	100 H Shares
Permitted number of Hong Kong Offer Shares for application and amount payable on application/successful allotment.	Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below. The Offer Price is HK$58.85 per H Share. If you are applying through the HKSCC EIPO channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for. By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the HKSCC EIPO channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated Bank for your broker or custodian. If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of H Shares you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer Shares.

No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
100	5,944.35	2,000	118,887.01	10,000	594,435.02	300,000	17,833,050.68
200	11,888.71	2,500	148,608.75	20,000	1,188,870.05	400,000	23,777,400.90
300	17,833.06	3,000	178,330.51	30,000	1,783,305.07	500,000	29,721,751.13
400	23,777.41	3,500	208,052.26	40,000	2,377,740.09	579,400[1]	34,441,565.21
500	29,721.74	4,000	237,774.01	50,000	2,972,175.11		
600	35,666.10	4,500	267,495.76	60,000	3,566,610.14		
700	41,610.45	5,000	297,217.51	70,000	4,161,045.16		
800	47,554.80	6,000	356,661.01	80,000	4,755,480.18		
900	53,499.15	7,000	416,104.52	90,000	5,349,915.20		
1,000	59,443.51	8,000	475,548.02	100,000	5,944,350.23		
1,500	89,165.25	9,000	534,991.52	200,000	11,888,700.46		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under "— A. Application for Hong Kong Offer Shares — 3. Information Required to Apply." If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) HKSCC EIPO channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or HKSCC EIPO channel, you or the person(s) for whose benefit you have made the application shall not apply further for any Offer Shares in the Global Offering.

The H Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications ("**Best Practice Note**") issued by the Federation of Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or HKSCC EIPO channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

(i) undertake to execute all relevant documents and instruct and authorise us and/or the Overall Coordinators, as our agent, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the HKSCC EIPO channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;

(ii) confirm that you have read and understand the terms and conditions and application procedures set out in this prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(iii) (if you are applying through the HKSCC EIPO channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) confirm that you are aware of the restrictions on offers and sales of shares set out in this prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;

(v) confirm that you have read this prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;

(vi) agree that our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters, any of our or their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering (collectively, the "**Relevant Persons**"), the H Share Registrar and HKSCC will not be liable for any information and representations not in this prospectus and any supplement to it;

(vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the H Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under "— G. Personal Data — 3. Purposes" and "— G. Personal Data — 4. Transfer of personal data";

(viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees' application) has been accepted) that you will not rescind it because of an innocent misrepresentation;

(ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the H Share Registrar by way of publication of the results at the time and in the manner as specified in "— B. Publication of Results";

(x) confirm that you are aware of the situations specified in "— C. Circumstances In Which You Will Not Be Allocated Hong Kong Offer Shares";

(xi) agree that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;

(xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus;

(xiii) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by the Company, any of the directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from the Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the H Shares registered in your name or otherwise held by you;

(xiv) warrant that the information you have provided is true and accurate;

(xv) confirm that you understand that we and the Overall Coordinators will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving electronic application instructions to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving electronic application instructions to HKSCC or the **HK eIPO White Form** Service Provider and (2) you have due authority to give electronic application instructions on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform		Date/Time
Applying through the **HK eIPO White Form** service or HKSCC EIPO channel:		
Website	The designated results of allocation at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function.	24 hours, from 11:00 p.m. on Tuesday, September 29, 2026 to 12:00 midnight on Monday, October 5, 2026 (Hong Kong time)
	The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and HKSCC EIPO channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**).	
	The Stock Exchange's website at **www.hkexnews.hk** and our website at **www.camsense.cn** which will provide links to the above mentioned websites of the H Share Registrar.	No later than 11:00 p.m. on Tuesday, September 29, 2026 (Hong Kong time)
Telephone . . .	+852 3691 8488 — the allocation results telephone enquiry line provided by the H Share Registrar	between 9:00 a.m. and 6:00 p.m., from Wednesday, September 30, 2026 to Tuesday, October 6, 2026 (Hong Kong time) on a business day

For those applying through HKSCC EIPO channel, you may also check with your broker or custodian from 6:00 p.m. on Monday, September 28, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Monday, September 28, 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the results of the level of indications of interest in the Global Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.camsense.cn** by no later than 11:00 p.m. on Tuesday, September 29, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Overall Coordinators, the H Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the H Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to "— A. Application for Hong Kong Offer Shares — 5. Multiple Applications Prohibited" on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, we or they would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted H Shares

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their Designated Bank before balloting. After balloting of Hong Kong Offer Shares, the Receiving Bank will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Offer Share allotment from their Designated Bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its Designated Bank), who is acting on your behalf in settling payment for your allotted shares, HKSCC will contact the defaulting HKSCC Participant and its Designated Bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the Global Offer. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant.

None of us, the Relevant Persons, the H Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. DESPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one H Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the HKSCC EIPO channel where the H Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the H Shares. No receipt will be issued for sums paid on application.

H Share certificates will only become valid evidence of title at 8:00 a.m. on Wednesday, September 30, 2026 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in "Underwriting" in this prospectus has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid do so entirely at their own risk.

The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	HK eIPO White Form service	**HKSCC EIPO channel**
For application of 500,000 Hong Kong Offer Shares or more . .	Collection in person at the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong **Time**: 9:00 a.m. to 1:00 p.m. on Wednesday, September 30, 2026 (Hong Kong time) If you are an individual, you must not authorise any other person to collect for you. If you are a corporate applicant, your authorised representative must bear a letter of authorization from your corporation. Both individuals and authorised representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar. *Note:* If you do not collect your H Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk.	H Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant's stock account No action by you is required
For application of less than 500,000 Hong Kong Offer Shares . . .	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk. **Date**: Tuesday, September 29, 2026	

	HK eIPO White Form service	HKSCC EIPO channel
Refund mechanism for surplus application monies paid by you		
Date	Wednesday, September 30, 2026	Subject to the arrangement between you and your broker or custodian
Responsible party	H Share Registrar	Your broker or custodian
Application monies paid through single bank account	**HK eIPO White Form** e-Auto Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

Note: Except in the event of a tropical cyclone warning signal number 8 or above, a black rainstorm warning and/or an "extreme conditions" announcement issued after a super typhoon in force in Hong Kong in the morning on Tuesday, September 29, 2026 rendering it impossible for the relevant H Share certificates to be dispatched to HKSCC in a timely manner, the Company shall procure the H Share Registrar to arrange for delivery of the supporting documents and H Share certificates in accordance with the contingency arrangements as agreed between them. You may refer to "— E. Severe Weather Arrangements."

E. SEVERE WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Friday, September 25, 2026 if, there is:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- Extreme Conditions, (collectively, "**Severe Weather Signals**"),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, September 25, 2026.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have Severe Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the listing date. Should there be any changes to the dates mentioned in "Expected Timetable" in this prospectus, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.camsense.cn** of the revised timetable.

If a Severe Weather Signal is hoisted on Tuesday, September 29, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to the CCASS Depository's service counter so that they would be available for trading on Wednesday, September 30, 2026.

If a Severe Weather Signal is hoisted on Tuesday, September 29, 2026, for application of less than 500,000 Hong Kong Offer Shares, the despatch of physical H Share certificate(s) will be made by ordinary post when the post office re-opens after the

Severe Weather Signal is lowered or cancelled (e.g. in the afternoon of Tuesday, September 29, 2026 or on Wednesday, September 30, 2026).

If a Severe Weather Signal is hoisted on Wednesday, September 30, 2026, for application of 500,000 Hong Kong Offer Shares or more, physical H Share certificate(s) will be available for collection in person at the H Share Registrar's office after the Severe Weather Signal is lowered or cancelled (e.g. in the afternoon of Wednesday, September 30, 2026 or on Friday, October 2, 2026).

Prospective investors should be aware that if they choose to receive physical H Share certificates issued in their own name, there may be a delay in receiving the H Share certificates.

F. ADMISSION OF THE H SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by the Company, the H Share Registrar, the receiving banks and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of the Company and the H Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to the Company or its agents and the H Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the H Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of the Company or the H Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of H Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform the Company and the H Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the H Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of the Company;
- verifying identities of applicants for and holders of the H Shares and identifying any duplicate applications for the H Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the H Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from the Company and its subsidiaries;
- compiling statistical information and profiles of the holder of the H Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable the Company and the H Share Registrar to discharge their obligations to applicants and holders of the H Shares and/or regulators and/or any other purposes to which applicants and holders of the H Shares may from time to time agree.

4. Transfer of personal data

Personal data held by the Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the H Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- the Company's appointed agents such as financial advisers, receiving banks and overseas principal share registrar;
- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the H Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);

- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to the Company or the H Share Registrar in connection with their respective business operation;
- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

The Company and the H Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfil the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether the Company or the H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the H Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to the Company and the H Share Registrar, at their registered address disclosed in "Corporate information" in this prospectus or as notified from time to time, for the attention of the company secretary, or the H Share Registrar for the attention of the privacy compliance officer.

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SHENZHEN CAMSENSE TECHNOLOGIES CO., LTD., CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED AND GUOSEN SECURITIES (HK) CAPITAL COMPANY LIMITED

Introduction

We report on the historical financial information of Shenzhen Camsense Technologies Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-3 to I-65, which comprises the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of the Group for each of the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2026 (the "Relevant Periods"), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023, 2024 and 2025 and as at 31 March 2026, and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-3 to I-65 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 22 September 2026 (the "Prospectus") in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2023, 2024 and 2025 and as at 31 March 2026 and of the financial performance and cash flows of the Group for each of the years/periods then ended in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Review of interim comparative financial information

We have reviewed the interim comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the three months ended 31 March 2025, and the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2025 and other explanatory information (the "Interim Comparative Financial Information").

The directors of the Company are responsible for the preparation of the Interim Comparative Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-3 have been made.

Dividends

We refer to note 12 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

Certified Public Accountants
Hong Kong
22 September 2026

I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the historical financial information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") (the "Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December			Three months ended 31 March	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
REVENUE	*5*	332,107	433,324	613,523	131,789	195,919
Cost of sales		(260,852)	(362,483)	(512,534)	(115,511)	(158,339)
Gross profit		71,255	70,841	100,989	16,278	37,580
Other income and gains	*6*	10,812	9,415	7,228	3,108	958
Selling and marketing expenses		(5,861)	(5,600)	(5,230)	(1,655)	(1,301)
Administrative expenses		(21,620)	(25,497)	(39,987)	(6,547)	(12,658)
Research and development costs		(54,619)	(76,695)	(59,367)	(17,347)	(14,813)
Reversal of impairment losses/(impairment losses) on financial assets, net		281	15	21	4	(1,613)
Other expenses		(198)	(2,926)	(761)	(321)	(165)
Finance costs	*7*	(933)	(913)	(692)	(189)	(231)
PROFIT/(LOSS) BEFORE TAX	*8*	(883)	(31,360)	2,201	(6,669)	7,757
Income tax expense	*11*	–	(15)	–	–	–
PROFIT/(LOSS) FOR THE YEAR/PERIOD		(883)	(31,375)	2,201	(6,669)	7,757
Attributable to:						
Owners of the parent		(883)	(31,375)	2,201	(6,669)	7,757
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic *(RMB)*	*13*	(0.01)	(0.38)	0.03	(0.08)	0.09
Diluted *(RMB)*	*13*	(0.01)	(0.38)	0.03	(0.08)	0.09
OTHER COMPREHENSIVE INCOME						
Other comprehensive income that will be reclassified to profit or loss in subsequent periods:						
Exchange differences on translation of foreign operations		–	(29)	(44)	(1)	(26)
OTHER COMPREHENSIVE INCOME FOR THE YEAR/PERIOD, NET OF TAX		–	(29)	(44)	(1)	(26)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		(883)	(31,404)	2,157	(6,670)	7,731
Attributable to:						
Owners of the parent		(883)	(31,404)	2,157	(6,670)	7,731

For the details of pre-IPO investments, please refer to note 28(c) to this report.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December 2023	2024	2025	As at 31 March 2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	*14*	19,217	48,165	53,618	52,899
Intangible assets	*15*	1,074	727	906	864
Right-of-use assets	*16*	12,472	15,312	15,145	13,425
Prepayments, other receivables and other assets	*17*	43,753	3,311	1,611	2,816
Total non-current assets		76,516	67,515	71,280	70,004
CURRENT ASSETS					
Inventories	*18*	27,208	52,852	59,138	86,238
Trade and bills receivables	*19*	74,413	137,923	185,726	248,279
Prepayments, other receivables and other assets	*17*	7,644	29,265	11,230	10,870
Financial assets at fair value through other comprehensive income	*20*	35,177	25,605	20,449	15,819
Financial assets at fair value through profit or loss	*21*	100,267	65,146	123,645	99,549
Cash and cash equivalents	*22*	15,109	29,608	12,123	26,314
Total current assets		259,818	340,399	412,311	487,069
CURRENT LIABILITIES					
Trade payables	*23*	44,886	85,779	102,257	161,617
Other payables and accruals	*24*	17,271	25,819	23,704	30,132
Contract liabilities	*25*	1,191	1,520	1,313	661
Interest-bearing bank borrowings	*26*	10,000	–	10,000	10,000
Lease liabilities	*16*	4,161	4,291	6,971	7,611
Total current liabilities		77,509	117,409	144,245	210,021
NET CURRENT ASSETS		182,309	222,990	268,066	277,048
TOTAL ASSETS LESS CURRENT LIABILITIES		258,825	290,505	339,346	347,052
NON-CURRENT LIABILITIES					
Lease liabilities	*16*	9,210	12,864	11,929	10,209
Deferred tax liabilities	*27*	–	15	15	15
Total non-current liabilities		9,210	12,879	11,944	10,224
Net assets		249,615	277,626	327,402	336,828
EQUITY					
Equity attributable to owners of the parent					
Share capital/Paid-in capital	*28*	81,000	83,106	84,985	84,985
Reserves	*29*	168,615	194,520	242,417	251,843
Total equity		249,615	277,626	327,402	336,828

For the details of pre-IPO investments, please refer to note 28(c) to this report.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to owners of the parent					
	Share capital	Paid-in capital	Capital reserve	Share-based payment reserve	Accumulated losses/ Retained earnings	Total equity
	RMB'000 (note 28)	*RMB'000 (note 28)*	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	–	1,787	321,698	–	(82,148)	241,337
Loss for the year	–	–	–	–	(883)	(883)
Total comprehensive income for the year	–	–	–	–	(883)	(883)
Share-based payments *(note 30)*	–	–	–	5,516	–	5,516
Capital contribution by shareholders**	–	11	3,634	–	–	3,645
Conversion into a joint stock company *(note 28)*	81,000	(1,798)	(171,607)	–	92,405	–
As at 31 December 2023	81,000	–	153,725*	5,516*	9,374*	249,615

Year ended 31 December 2024

	Attributable to owners of the parent					
	Share capital	Capital reserve	Exchange fluctuation reserve	Share-based payment reserve	Accumulated losses/ Retained earnings	Total equity
	RMB'000 (note 28)	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2024	81,000	153,725	–	5,516	9,374	249,615
Loss for the year	–	–	–	–	(31,375)	(31,375)
Exchange differences on translation of foreign operations	–	–	(29)	–	–	(29)
Total comprehensive income for the year	–	–	(29)	–	(31,375)	(31,404)
Share-based payments *(note 30)*	–	–	–	9,431	–	9,431
Capital contribution by shareholders**	2,106	47,878	–	–	–	49,984
As at 31 December 2024	83,106	201,603*	(29)*	14,947*	(22,001)*	277,626

Year ended 31 December 2025

	Attributable to owners of the parent					
	Share capital	Capital reserve	Exchange fluctuation reserve	Share-based payment reserve	Accumulated losses/ Retained earnings	Total equity
	RMB'000 (note 28)	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2025	83,106	201,603	(29)	14,947	(22,001)	277,626
Profit for the year	–	–	–	–	2,201	2,201
Exchange differences on translation of foreign operations	–	–	(44)	–	–	(44)
Total comprehensive income for the year	–	–	(44)	–	2,201	2,157
Share-based payments *(note 30)*	–	–	–	6,883	–	6,883
Capital contribution by shareholders**	1,879	38,857	–	–	–	40,736
As at 31 December 2025	84,985	240,460*	(73)*	21,830*	(19,800)*	327,402

Three months ended 31 March 2026

	Attributable to owners of the parent					
	Share capital	Capital reserve	Exchange fluctuation reserve	Share-based payment reserve	Accumulated losses/ Retained earnings	Total equity
	RMB'000 (note 28)	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2026	84,985	240,460	(73)	21,830	(19,800)	327,402
Profit for the period	–	–	–	–	7,757	7,757
Exchange differences on translation of foreign operations	–	–	(26)	–	–	(26)
Total comprehensive income for the period	–	–	(26)	–	7,757	7,731
Share-based payments *(note 30)*	–	–	–	1,695	–	1,695
As at 31 March 2026	84,985	240,460*	(99)*	23,525*	(12,043)*	336,828

Three months ended 31 March 2025

	Attributable to owners of the parent					
	Share capital	Capital reserve	Exchange fluctuation reserve	Share-based payment reserve	Accumulated losses	Total equity
	RMB'000 (note 28)	*RMB'000 (note 29)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
(unaudited)						
As at 1 January 2025	83,106	201,603	(29)	14,947	(22,001)	277,626
Loss for the period	–	–	–	–	(6,669)	(6,669)
Exchange differences on translation of foreign operations	–	–	(1)	–	–	(1)
Total comprehensive income for the period	–	–	(1)	–	(6,669)	(6,670)
Share-based payments *(note 30)*	–	–	–	2,313	–	2,313
As at 31 March 2025	83,106	201,603*	(30)*	17,260*	(28,670)*	273,269

* These reserve accounts comprise the consolidated reserves of RMB168,615,000, RMB194,520,000, RMB242,417,000, RMB190,163,000 and RMB251,843,000 in the consolidated statements of financial position as at 31 December 2023, 2024 and 2025 and 31 March 2025 and 2026, respectively.

** The capital contribution by shareholders relates to the investments disclosed in note 28(c).

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December			Three months ended 31 March	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit/(loss) before tax		(883)	(31,360)	2,201	(6,669)	7,757
Adjustments for:						
Finance costs	*7*	933	913	692	189	231
Bank interest income	*6*	(1,732)	(1,354)	(719)	(294)	(2)
Depreciation of property, plant and equipment	*8*	5,201	7,297	11,666	2,617	3,221
Depreciation of right-of-use assets	*8*	3,949	6,129	5,390	1,293	1,720
Amortisation of intangible assets	*8*	103	124	113	32	42
Write-down of inventories to net realisable value	*8*	332	636	845	211	186
(Reversal of impairment losses)/impairment losses on financial assets, net	*8*	(281)	(15)	(21)	(4)	1,613
Impairment loss recognised on property, plant and equipment	*8*	–	(1,013)	–	–	–
Loss on disposal of intangible assets	*8*	–	(223)	–	–	–
Loss on disposal of property, plant and equipment	*8*	(173)	(1,297)	(33)	–	(1)
Loss on termination of lease contracts, net	*16(c)*	–	(216)	(280)	(170)	–
Investment income from financial assets	*6*	973	1,001	550	199	159
Fair value gains on financial assets at fair value through profit or loss	*6*	1,163	1,249	454	95	204
Equity-settled share-based payment expense	*30*	5,516	9,431	6,883	2,313	1,695
Foreign exchange differences	*8*	6	(12)	147	–	29
Operating profit/(loss) before working capital changes		11,169	(7,688)	26,212	(436)	16,072
Increase in inventories		(6,208)	(26,280)	(7,131)	(11,074)	(27,286)
(Increase)/decrease in trade and bills receivables		(10,205)	(63,494)	(47,782)	2,220	(64,166)
(Increase)/decrease in financial assets at fair value through other comprehensive income		(35,177)	9,585	5,174	(5,239)	4,630
(Increase)/decrease in prepayments, other receivables and other assets		(4,276)	(724)	(51)	(7,225)	1,132
Increase in trade payables		8,249	40,893	16,478	14,074	59,360
Increase/(decrease) in other payables and accruals		3,418	7,363	(1,745)	(172)	5,589
(Decrease)/increase in contract liabilities		(658)	329	(207)	(89)	(652)
Decrease in deferred income		(1,200)	–	–	–	–
Cash used in operations		(34,888)	(40,016)	(9,052)	(7,941)	(5,321)

	Notes	Year ended 31 December			Three months ended 31 March	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Interest received		57	29	14	4	2
Net cash used in operating activities		(34,831)	(39,987)	(9,038)	(7,937)	(5,319)
Net cash used in operating activities		(34,831)	(39,987)	(9,038)	(7,937)	(5,319)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of items of property, plant and equipment		(9,545)	(38,947)	(16,511)	(7,225)	(3,312)
Additions to intangible assets		(873)	–	(292)	–	–
Withdrawal of time deposits		–	21,998	22,008	–	–
Proceeds from wealth management products and structured deposits		493,185	590,920	364,455	94,136	74,300
Purchases of wealth management products and structured deposits		(471,723)	(554,550)	(422,500)	(85,500)	(50,000)
Interest received		344	–	–	–	–
Investment income		973	1,001	550	199	159
Proceeds from disposal of property, plant and equipment		36	29	107	–	1
Net cash flows from/(used in) investing activities		12,397	20,451	(52,183)	1,610	21,148
CASH FLOWS FROM FINANCING ACTIVITIES						
New bank borrowings		10,000	–	10,000	–	–
Repayment of bank loans		(10,000)	(10,000)	–	–	–
Lease payments	*16(b)*	(4,079)	(5,783)	(4,024)	(905)	(1,253)
Interest paid		(333)	(136)	(129)	–	(58)
Capital contribution, net of issuance expense		3,645	49,984	40,736	–	–
Payments for listing expenses		–	–	(2,932)	–	(330)
Others		–	(13)	(18)	(12)	–
Net cash flows (used in)/from financing activities		(767)	34,052	43,633	(917)	(1,641)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(23,201)	14,516	(17,588)	(7,244)	14,188
Cash and cash equivalents at beginning of year/period		38,304	15,109	29,608	29,608	12,123
Effect of foreign exchange rate changes, net		6	(17)	103	(1)	3
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	*22*	15,109	29,608	12,123	22,363	26,314

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December 2023	2024	2025	As at 31 March 2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	*14*	9,066	7,723	10,121	10,393
Intangible assets		267	6	273	253
Right-of-use assets	*16*	4,110	4,055	2,059	1,735
Investments in subsidiaries	*1*	19,005	92,182	104,182	104,182
Prepayments, other receivables and other assets	*17*	32,241	1,379	914	556
Total non-current assets		64,689	105,345	117,549	117,119
CURRENT ASSETS					
Inventories	*18*	26,452	49,477	58,283	81,452
Trade and bills receivables	*19*	74,127	140,569	186,360	259,234
Prepayments, other receivables and other assets	*17*	50,836	64,627	35,655	36,086
Financial assets at fair value through other comprehensive income	*20*	35,177	25,504	20,449	15,819
Financial assets at fair value through profit or loss	*21*	61,556	2,627	67,163	43,799
Cash and cash equivalents	*22*	12,532	13,769	8,335	22,263
Total current assets		260,680	296,573	376,245	458,653
CURRENT LIABILITIES					
Trade payables	*23*	52,291	95,832	125,969	191,263
Other payables and accruals	*24*	9,991	15,564	18,781	25,665
Contract liabilities	*25*	134	129	1,312	660
Interest-bearing bank borrowings	*26*	10,000	–	10,000	10,000
Lease liabilities	*16*	1,135	1,972	1,524	1,559
Total current liabilities		73,551	113,497	157,586	229,147
NET CURRENT ASSETS		187,129	183,076	218,659	229,506
TOTAL ASSETS LESS CURRENT LIABILITIES		251,818	288,421	336,208	346,625
NON-CURRENT LIABILITIES					
Lease liabilities	*16*	3,456	2,674	1,003	591
Total non-current liabilities		3,456	2,674	1,003	591
Net assets		248,362	285,747	335,205	346,034
EQUITY					
Share capital/Paid-in capital	*28*	81,000	83,106	84,985	84,985
Reserves	*29*	167,362	202,641	250,220	261,049
Total equity		248,362	285,747	335,205	346,034

1. CORPORATE AND GROUP INFORMATION

Shenzhen Camsense Technologies Co., Ltd. (the "**Company**") was incorporated in People's Republic of China ("**PRC**") on 31 December 2013 as a limited liability company under the PRC laws and converted into a joint stock company with limited liability in November 2023. The registered office of the Company is located at 18/F, Block C, Minzhi Commercial Center, Beizhan Community, Minzhi Street, Longhua District, Shenzhen City, Guangdong Province.

The Company and its subsidiaries (collectively, the "**Group**") were mainly engaged in the design, development, manufacture and sale of visual sensors.

As at the date of this report, the Company had direct interests in its subsidiaries, all of which are private limited liability companies, particulars of the principal subsidiaries are set out below:

Name	Notes	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company	Principal activities
				Direct	
Shenzhen Camsense Intelligent Manufacturing Technology Co., Ltd.	(a), (b)	PRC/Chinese mainland 24 March 2021	RMB30,000,000	100%	Production and processing of sensor modules
Shenzhen Camsense Interactive Technology Co., Ltd.	(a)	PRC/Chinese mainland 24 October 2013	RMB2,000,000	100%	Development and sale of innovative sensor module products such as virtual reality ("**VR**") handles and visual radar
Huizhou Camsense Intelligent Manufacturing Technology Co., Ltd.	(a)	PRC/Chinese mainland 27 August 2024	RMB10,000,000	100%	Production and processing of sensor modules
Qingdao Camsense Intelligent Manufacturing Technology Co., Ltd.	(a)	PRC/Chinese mainland 5 March 2024	RMB52,000,000	100%	Production and processing of VR handles and other products
Hongkong Camsense Technologies Co., Limited		Hong Kong 30 August 2024	USD300,000	100%	Sale of sensor module products
Zhongshan Camsense Intelligent Manufacturing Technology Co., Ltd.	(a)	PRC/Chinese mainland 15 October 2025	RMB40,000,000	100%	Production and processing of sensor modules

Notes:

(a) The English names of these companies represent the best effort made by the directors of the Company to translate the Chinese names as these companies have not been registered with any official English names.

(b) The statutory financial statements of the entity for the years ended 31 December 2023, 2024 and 2025 prepared in accordance with PRC generally accepted accounting principles ("**PRC GAAP**") were audited by Pan-China Certified Public Accountants LLP, a certified public accounting firm registered in the PRC.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Investments in subsidiaries	19,005	92,182	104,182	104,182

2.1 BASIS OF PREPARATION

For ordinary shares issued to pre-IPO investors before 30 September 2025 (the "**Investors**"), pursuant to the supplemental agreements entered into between the Company and the Investors in relation to the termination of certain of special rights granted by the Company, including redemption rights, which are void ab initio as described in note 28(c) to this report, having taking into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the supplementary agreements, the directors considered that it is appropriate to present the pre-IPO investments as equity throughout the Relevant Periods. For details of financial impacts, see note 28(c) of this report.

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2026, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

The Historical Financial Information have been prepared under the historical cost convention except for certain financial instruments which have been measured at fair value at the end of each reporting period. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The Historical Financial Information includes the financial statements of the Group for the Relevant Periods. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standard, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and amended IFRS Accounting Standard, if applicable, when they become effective.

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[1]
IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19	*Subsidiaries without Public Accountability: Disclosures*[2]

[1] No mandatory effective date yet determined but available for adoption

[2] Effective for annual/reporting periods beginning on or after 1 January 2027

The Group is in the process of making an assessment of the impact of these new and revised IFRS Accounting Standards upon initial application. So far, the Group considers that these new and revised IFRS Accounting Standards, except for IFRS 18, are unlikely to have a significant impact on the Group's financial performance and financial position in the period of initial application. IFRS 18 replaces IAS1 Presentation of Financial Statements. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. In addition, there are minor consequential amendments to other IFRS Accounting Standards. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The application of IFRS 18 is not expected to have a material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and additional disclosures will be included in the Historical Financial Information.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

Fair value measurement

The Group measures its financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, financial assets and other non-current assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

  (i) has control or joint control over the Group;

  (ii) has significant influence over the Group; or

  (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

  (i) the entity and the Group are members of the same group;

  (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

  (iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

	Estimated useful life	Residual value (%)
Leasehold improvements	Shorter of lease term and estimated useful life	–
Machinery equipment	3 to 10 years	5
Transportation equipment	4 years	5
Office and other equipment	4 to 5 years	5

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts, and each part is depreciated separately. Residual values, useful lives and the depreciation methods are reviewed, and adjusted if appropriate, at least at the end of each reporting period.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Software

Purchased software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 10 years.

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets.

Buildings . . . . . 2 to 5 years

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of buildings (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that is considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For financial assets at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At the end of each reporting period, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECL, except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs.

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Classification as equity and financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

A financial liability is any liability that is (a) a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity's own equity instruments and is: (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings or payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other payables and interest-bearing bank borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. In the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

The Group provides for warranties in relation to the sale of certain products. The provision was immaterial during the Relevant Period.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period, taking into consideration interpretations and practices prevailing in the country in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs for which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(a) Sale of products

Revenue from the sale of products is recognised at the point in time when control of the product is transferred to the customer, generally on delivery or acceptance of the products as agreed in the sales contracts. Some contracts for the sale of products provide customers with rights of return, giving rise to variable consideration.

The Group provides warranties in relation to the sale of products. Provisions for these assurance-type warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns, discounted to their present values as appropriate. The warranty-related cost is revised annually.

(b) Development services

Revenue from the rendering of development services is recognised at the point in time when the development is completed and the development items, i,e., development sample products, development drawings, etc. are transferred to the customers, generally on acceptance of the development items as agreed in the services contracts.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.

(b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.

(c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

Share-based payments

The Group operates certain equity-settled share-based compensation plans. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("**equity-settled transactions**"). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a market method and a binomial model, further details of which are given in note 30 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an option unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries operating in Chinese mainland is required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or of sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Foreign currencies

The Historical Financial Information is presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currency of a certain overseas subsidiary is a currency other than the RMB. As at the end of each reporting period, the assets and liabilities of the entity are translated into RMB at the exchange rate prevailing at the end of the reporting period and its statement of profit or loss is translated RMB at the exchange rates that approximate to those prevailing at the dates of the transactions. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of an overseas subsidiary are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of the overseas subsidiary which arise throughout the year are translated into RMB at the weighted average exchange rate of the year.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Historical Financial Information:

Recognition of income taxes and deferred tax assets

Determining income tax provision involves judgement on the future tax treatment of certain transactions and when certain matters relating to the income taxes have not been confirmed by the local tax bureau. Management evaluates tax implications of transactions and the tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislation.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Research and development costs

Expenses incurred on each project to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred. Determining the timing and amounts of development costs to be capitalised requires the use of judgements and estimation. During the Relevant Periods, all research and development expenditure was charged in profit or loss.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of inventories

Net realisable value of an inventory item is the estimated selling price in the ordinary course of business, less estimated costs to be incurred to completion and disposal. Management estimates the net realisable value based on the current market condition and the historical experience of selling products of a similar nature which could change significantly as a result of changes in customer demand or competitor actions. The estimation is reassessed at the end of each reporting period. Where the actual outcome or expectation in future is different from the original estimate, such difference will impact on the carrying value of inventories and the write-down of inventories recognised in the periods in which such estimates have been changed.

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At the end of each reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 19 to the Historical Financial Information.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("**IBR**") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Share-based payments

The Group makes the best estimate of the number of exercisable equity instruments at the end of each reporting period during the vesting period based on the fair value on the grant date and the latest subsequent information obtained, and includes the services obtained in the current period in relevant costs or expenses. The fair value of the share awards to employees is determined by a binomial model at the date they are granted. Significant estimates on assumptions, including the expected volatility, risk-free interest rate and expected life of options, are made by the management of the Group. Further details are included in note 30 to the Historical Financial Information.

4. SEGMENT INFORMATION

For management purposes, the Group operates in one business unit based on their products and services and has one reportable operating segment.

Management monitors the Group's performance result and allocates the Group's resource based on the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

(a) Revenue from external customers

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Chinese mainland*	332,107	432,271	606,624	128,310	195,919
Other countries/regions	–	1,053	6,899	3,479	–
Total	332,107	433,324	613,523	131,789	195,919

* Chinese mainland means the People's Republic of China excluding Hong Kong, Macau and Taiwan.

The revenue information above is based on the locations of the customers.

(b) Non-current assets

Most of the Group's non-current assets are located in Chinese mainland. Thus, no geographic information is presented.

Information about major customers

Revenue from a major customer which accounted for 10% or more of the Group's revenue during the Relevant Periods and the three months ended 31 March 2025 are set out below:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Customer A	107,240	156,629	178,166	58,400	N/A*
Customer B	123,157	117,467	152,359	30,577	73,116
Customer C	66,814	N/A*	N/A*	N/A*	N/A*
Customer D	N/A*	65,024	104,356	17,071	40,125
Customer E	N/A*	N/A*	N/A*	N/A*	26,350

* Less than 10% of the Group's revenue

5. REVENUE

An analysis of revenue is as follows:

(a) Disaggregated revenue information

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Revenue from:					
Sale of products	330,270	433,273	611,004	131,789	195,825
Development services	1,837	51	2,519	–	94
Total	332,107	433,324	613,523	131,789	195,919
Goods transferred at a point in time	330,270	433,273	611,004	131,789	195,825
Services provided at a point in time	1,837	51	2,519	–	94
Total	332,107	433,324	613,523	131,789	195,919

The following table shows the amounts of revenue recognised in the Relevant Periods and the three months ended 31 March 2025 that were included in the contract liabilities at the beginning of each of the Relevant Periods and the three months ended 31 March 2025:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:					
Sale of products	953	1,191	261	–	1,271
Rendering of services	896	–	1,259	–	–
Total	1,849	1,191	1,520	–	1,271

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of products

The performance obligation is satisfied upon delivery and acceptance of products and payment is generally due within 3 months from delivery. Payment in advance is required for certain customers.

Development services

The performance obligation is satisfied upon completion of development and acceptance of development items and payment is generally due within 3 months from delivery and partial payment in advance is normally required once the contract is signed.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) at the end of each of the Relevant Periods were expected to be recognised as revenue within one year.

6. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Other income					
Government grants*	5,056	4,223	4,765	2,347	155
Bank interest income	1,732	1,354	719	294	2
Investment income from financial assets	973	1,001	550	199	159
Others	1,888	1,588	740	173	438
	9,649	8,166	6,774	3,013	754
Gains					
Fair value gains on financial assets at fair value through profit or loss	1,163	1,249	454	95	204
	1,163	1,249	454	95	204
Total other income and gains	10,812	9,415	7,228	3,108	958

* Certain government grants related to the Group's day-to-day activities have been received. Government grants included value added tax ("**VAT**") refund and compensation for expenses or losses already incurred. There are no unfulfilled conditions or contingencies relating to these grants.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Interest expenses on:					
Bank borrowings	333	136	129	–	58
Lease liabilities	600	764	545	177	173
Others	–	13	18	12	–
Total	933	913	692	189	231

For the details of pre-IPO investments, please refer to note 28(c) to this report.

8. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	Notes	Year ended 31 December			Three months ended 31 March	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Cost of services provided and inventories sold*		260,852	362,483	512,534	115,511	158,339
Depreciation of property, plant and equipment*	*14*	5,201	7,297	11,666	2,617	3,221
Amortisation of intangible assets*	*15*	103	124	113	32	42
Depreciation of right-of-use assets*	*16(a)*	3,949	6,129	5,390	1,293	1,720
Research and development costs		54,619	76,695	59,367	17,347	14,813
Provision/(reversal) of impairment losses on financial assets, net:						
Provision/(reversal) of trade receivables assets	*19*	(277)	(16)	(21)	(26)	1,613
Provision/(reversal) of other receivables and deposits		(4)	1	–	22	–
Total		(281)	(15)	(21)	(4)	1,613
Expenses for short-term leases	*16(c)*	401	1,170	2,517	423	656
Auditor's remuneration		865	221	214	214	29
Listing expense		–	–	15,153	–	5,963
Write-down of inventories to net realisable value**		332	636	845	211	186
Impairment of property, plant and equipment		–	(1,013)	–	–	–
Loss on disposal of items of intangible assets		–	(223)	–	–	–
Loss on disposal of items of property, plant and equipment		(173)	(1,297)	(33)	–	(1)
Gain/(loss) on exchange differences		6	(12)	147	–	29
Staff cost (excluding directors' and chief executive's remuneration *(note 9)*):						
Wages and salaries		70,748	82,539	74,619	19,023	17,129
Pension scheme contributions		4,474	6,498	10,305	1,642	1,549
Equity-settled share-based payment expenses		1,246	1,506	1,459	344	1,370
Total		**76,468**	**90,543**	**86,383**	**21,009**	**20,048**

* The depreciation of property, plant and equipment, amortisation of intangible assets and depreciation of right-of-use assets are included in "Cost of sales", "Selling and marketing expenses", "Administrative expenses" and "Research and development costs" in profit or loss.

** Write-down of inventories to net realisable value is included in "Cost of sales" in profit or loss.

For the details of pre-IPO investments, please refer to note 28(c) to this report.

9. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION

Directors', chief executive's and supervisors' remuneration for the Relevant Periods and three months ended 31 March 2025, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Fees	21	240	247	60	66
Other emoluments:					
Salaries, wages, bonuses and benefits in kind	6,360	6,556	6,540	1,571	1,364
Share-based payment expenses	4,270	7,925	5,424	1,969	325
Pension scheme contributions	123	123	115	28	20
Total	10,774	14,844	12,326	3,628	1,775

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the Relevant Periods and the three months ended 31 March 2025 were as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Mr. Liang Wenzhao	7	80	80	20	20
Mr. Dong Shengtang	7	80	80	20	20
Mr. Jiang Shilong	7	80	60	20	–
Mr. Zhen Weijie	–	–	27	–	26
Total	21	240	247	60	66

There were no other emoluments payable to the independent non-executive directors during the Relevant Periods and the three months ended 31 March 2025.

Mr. Liang Wenzhao, Mr. Dong Shengtang and Mr. Jiang Shilong were appointed in November 2023, and Mr. Jiang Shilong resigned in September 2025. Mr. Zhen Weijie was appointed in October 2025.

(b) Executive directors, non-executive directors, chief executives and supervisors

	Salaries, wages, bonuses and benefits in kind	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2023				
Executive directors and chief executives:				
Mr. Wang Jian *(note (i))*	980	–	14	994
Mr. Zhou Kun *(note (ii))*	1,192	–	31	1,223
Mr. Song Jiangping *(note (iii))*	906	713	10	1,629
Ms. Chen Pei *(note (iv))*	385	178	14	577
Mr. Chen Yue *(note (xiv))*	1,623	2,682	13	4,318
Mr. Huang Shuguang *(note (xv))*	638	697	14	1,349
Subtotal	5,724	4,270	96	10,090
Non-executive directors:				
Mr. Liu Yi *(note (v))*	–	–	–	–
Mr. Zeng Haoshen *(note (vi))*	–	–	–	–
Mr. Chen Yafei *(note (vii))*	–	–	–	–
Ms. Li Shangran *(note(viii))*	–	–	–	–
Mr. Liu Xinpeng *(note(ix))*	–	–	–	–
Mr. Liu Ling *(note (x))*	–	–	–	–
Mr. Liu Yaocheng *(note (xi))*	–	–	–	–
Subtotal	–	–	–	–
Supervisors:				
Mr. Jia Junxin *(note (xii))*	–	–	–	–
Mr. Yao Ritian *(note (xiii))*	–	–	–	–
Ms. Hu Yayun *(note (xix))*	374	–	14	388
Mr. Chen Yafei *(note (vii))*	–	–	–	–
Ms. Qiu Lin *(note (xvi))*	262	–	13	275
Subtotal	636	–	27	663
Total	6,360	4,270	123	10,753

	Salaries, wages, bonuses and benefits in kind	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2024				
Executive directors and chief executives:				
Mr. Wang Jian *(note (i))*	930	–	15	945
Mr. Zhou Kun *(note (ii))*	1,103	–	35	1,138
Mr. Chen Yue *(note (xiv))*	1,981	6,437	14	8,432
Mr. Huang Shuguang *(note (xv))*	723	1,326	15	2,064
Subtotal	4,737	7,763	79	12,579
Non-executive directors:				
Ms. Li Shangran *(note (viii))*	–	–	–	–
Mr. Liu Xinpeng *(note (ix))*	–	–	–	–
Subtotal	–	–	–	–
Supervisors:				
Ms. Hu Yayun *(note (xix))*	432	–	15	447
Mr. Chen Yafei *(note (vii))*	–	–	–	–
Ms. Qiu Lin *(note (xvi))*	306	–	14	320
Mr. Li Le *(note (xvii))*	1,081	162	15	1,258
Mr. Li Hao *(note (xviii))*	–	–	–	–
Subtotal	1,819	162	44	2,025
Total	6,556	7,925	123	14,604

	Salaries, wages, bonuses and benefits in kind (including contributions to pension plans)	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2025				
Executive directors and chief executives:				
Mr. Wang Jian *(note (i))*	1,320	–	18	1,338
Mr. Zhou Kun *(note (ii))*	1,684	–	18	1,702
Mr. Chen Yue *(note (xiv))*	1,672	4,632	17	6,321
Mr. Huang Shuguang *(note (xv))*	636	1,310	18	1,964
Ms. Qiu Lin *(note (xvi))*	82	–	5	87
Subtotal	5,394	5,942	76	11,412
Non-executive directors:				
Ms. Li Shangran *(note (viii))*	–	–	–	–
Mr. Liu Xinpeng *(note (ix))*	–	–	–	–
Subtotal	–	–	–	–
Supervisors:				
Ms. Hu Yayun *(note (xix))*	301	–	13	314
Mr. Chen Yafei *(note (vii))*	–	–	–	–
Ms. Qiu Lin *(note (xvi))*	240	–	13	253
Mr. Li Le *(note (xvii))*	605	(518)	13	100
Mr. Li Hao *(note (xviii))*	–	–	–	–
Subtotal	1,146	(518)	39	667
Total	6,540	5,424	115	12,079
Three months ended 31 March 2026				
Executive directors and chief executives:				
Mr. Wang Jian *(note (i))*	438	–	5	443
Mr. Zhou Kun *(note (ii))*	586	–	5	591
Mr. Huang Shuguang *(note (xv))*	209	325	5	539
Ms. Qiu Lin *(note (xvi))*	131	–	5	136
Subtotal	1,364	325	20	1,709
Non-executive directors:				
Ms. Li Shangran *(note (viii))*	–	–	–	–
Mr. Liu Xinpeng *(note (ix))*	–	–	–	–
Subtotal	–	–	–	–
Total	1,364	325	20	1,709

	Salaries, wages, bonuses and benefits in kind (including contributions to pension plans)	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
(unaudited)				
Three months ended 31 March 2025				
Executive directors and chief executives:				
Mr. Wang Jian *(note (i))*	300	–	4	304
Mr. Zhou Kun *(note (ii))*	420	–	4	424
Mr. Chen Yue *(note (xiv))*	362	1,609	4	1,975
Mr. Huang Shuguang *(note (xv))*	148	328	4	480
Subtotal	1,230	1,937	16	3,183
Non-executive directors:				
Ms. Li Shangran *(note (viii))*	–	–	–	–
Mr. Liu Xinpeng *(note (ix))*	–	–	–	–
Subtotal	–	–	–	–
Supervisors:				
Ms. Hu Yayun *(note (xix))*	95	–	4	99
Mr. Chen Yafei *(note (vii))*	–	–	–	–
Ms. Qiu Lin *(note (xvi))*	77	–	4	81
Mr. Li Le *(note (xvii))*	169	32	4	205
Mr. Li Hao *(note (xviii))*	–	–	–	–
Subtotal	341	32	12	385
Total	1,571	1,969	28	3,568

Notes:

(i) Mr. Wang Jian was appointed as the chairperson of the board in December 2013.

(ii) Mr. Zhou Kun was appointed as the president and executive director in December 2013.

(iii) Mr. Song Jiangping was an executive director between February 2021 and November 2023.

(iv) Ms. Chen Pei was an executive director between August 2021 and November 2023.

(v) Mr. Liu Yi was a non-executive director between August 2019 and November 2023.

(vi) Mr. Zeng Haosen was a non-executive director between August 2019 and November 2023.

(vii) Mr. Chen Yafei was a non-executive director between February 2021 and November 2023 and was appointed as a supervisor in November 2023.

(viii) Ms. Li Shangran was appointed as a non-executive director in February 2021.

(ix) Mr. Liu Xinpeng was appointed as a non-executive director in June 2021.

(x) Mr. Liu Ling was a non-executive director between August 2021 and November 2023.

(xi) Mr. Liu Yaocheng was a non-executive director between August 2021 and November 2023.

(xii) Mr. Jia Junxin was a supervisor between October 2018 and November 2023.

(xiii) Mr. Yao Ritian was a supervisor between June 2021 and November 2023.

(xiv) Mr. Chen Yue was appointed as the chief technology officer of the Company in April 2022, and was an executive director between November 2023 and September 2025.

(xv) Mr. Huang Shuguang was appointed as an executive director in November 2023.

(xvi) Ms. Qiu Lin was a supervisor between November 2023 and September 2025, and was appointed as an executive director in October 2025.

(xvii) Mr. Li Le was a supervisor between January 2024 and September 2025, and resigned in November 2025.

(xviii) Mr. Li Hao was appointed as a supervisor in January 2024.

(xix) Ms. Hu Yayun was a supervisor between November 2023 and September 2025, and resigned in January 2026.

Supervisors have been cancelled from September 2025.

During the Relevant Periods and the three months ended 31 March 2025, restricted shares and share options were granted to certain directors in respect to their services rendering to the Group, further details of which are set out in note 30 the Historical Financial Information.

There was no arrangement under which a director or a supervisor waived or agreed to waive any remuneration during the Relevant Periods and the three months ended 31 March 2025.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group included four, three, four, four, three director or supervisor of the Company during the years ended 31 December 2023, 2024 and 2025 and 31 March 2025 and 2026, respectively, details of whose remuneration are set out in note 9 above. Details of the remuneration of the remaining one, two, one, one and two highest paid employees who are not a director, a supervisor or a chief executive of the Company are as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Salaries, wages, bonuses and benefits in kind	915	1,733	754	188	884
Share-based payment expenses	357	1,182	858	214	1,019
Pension scheme contributions	13	25	17	4	9
Total	1,285	2,940	1,629	406	1,912

The numbers of non-director, non-supervisor and non-chief executive, highest paid employees whose remuneration fell within the following bands are as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
				(unaudited)	
HK$1,000,001 to HK$2,000,000	1	2	1	1	2

During the Relevant Periods and the three months ended 31 March 2025, no highest paid employees waived or agreed to waive any remuneration, and no remuneration was paid by the Group to any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

11. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Hong Kong

The subsidiary incorporated in Hong Kong was subject to Hong Kong profits tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the Relevant Periods, while the subsidiary which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 of assessable profits of the subsidiary was taxed at 8.25% and the remaining assessable profits are taxed at 16.5% during each of the Relevant Periods.

Chinese mainland

The provision for corporate income tax in Chinese mainland is based on the statutory rate of 25% of the assessable profits, in accordance with the PRC Income Tax Law and the respective regulations which were approved and became effective on 1 January 2008.

The Company was qualified as a high and new technology enterprise ("**HNTE**") and was subject to income tax at a preferential tax rate of 15% during the Relevant Periods. The qualification as a HNTE is subject to review by the relevant tax authority in the PRC every three years and the existing certificate will expire in November 2026.

A reconciliation of the tax expense applicable to profit/(loss) before tax at the statutory rate to the tax expense at the effective tax rate is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Deferred tax	–	15	–	–	–

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Profit/(loss) before tax	(883)	(31,360)	2,201	(6,669)	7,757
Tax at the statutory tax rate	(221)	(7,799)	597	(1,667)	1,963
Effect of preferential tax rate	(2,280)	(570)	(1,364)	(279)	(1,117)
Additional deductible allowance for research and development costs	(9,157)	(12,323)	(8,821)	(2,901)	(2,020)
Expenses not deductible for tax	202	314	559	168	29
Effect of deductible temporary difference not recognised	657	1,280	1,161	486	492
Tax losses utilised from previous periods	–	–	–	–	(48)
Tax losses not recognised	10,799	19,113	7,868	4,193	701
Tax at the Group's effective tax rate	–	15	–	–	–

According to the Law of the PRC on Enterprise Income Tax, the Company are entitled to additional deduction of qualified research and development costs from the taxable income. The additional deduction percentage was 100% during the Relevant Periods. The Company has claimed such additional deduction for the Relevant Periods.

12. DIVIDEND

No dividend has been paid or declared by the Company during the Relevant Periods and the three months ended 31 March 2025.

13. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amounts is based on the profits/(loss) for the year/period attributable to ordinary equity holders of the parent, and the weighted average numbers of ordinary shares outstanding during the Relevant Periods and the three months ended 31 March 2025. The weighted average numbers of ordinary shares outstanding for 2023 before the conversion of the Company into a joint stock company were determined by assuming that the paid-in capital had been fully converted into share capital at the same conversion ratio of 1:45 as upon the transformation of the Company into a joint stock company in November 2023.

The calculation of the diluted earnings/(loss) per share amounts is based on the profits/(loss) for the year/period attributable to ordinary equity holders of the parent.

The weighted average numbers of ordinary shares used in the calculation are the numbers of ordinary shares outstanding during the year/period, as used in the basic earnings/(loss) per share calculation, and the weighted average numbers of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings/(loss) per share are based on:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
				(unaudited)	
Earnings/(loss):					
Profits/(loss) for the year/period attributable to owners of the parent, used in the basic and diluted profits/(loss) per share calculation *(RMB'000)*	(883)	(31,375)	2,201	(6,669)	7,757
Number of shares:					
Weighted average number of ordinary shares outstanding during the year/period used in the basic profits/(loss) per share calculation (in thousand shares)	80,715	82,931	83,605	83,106	84,985
Effect of dilution – weighted average number of ordinary shares:					
Share-based payment	560	1,356	869	1,356	–
Total	81,275	84,287	84,474	84,462	84,985

Because the diluted profits/(loss) per share amount is decreased when taking share-based payment into account, it had an anti-dilutive effect on the basic earnings per share for the year of 2023, 2024 and the three months ended 31 March 2025 and were ignored in the calculation of diluted earnings per share.

For the details of pre-IPO investments, please refer to note 28(c) to this report.

14. PROPERTY, PLANT AND EQUIPMENT

The Group

31 December 2023	Leasehold improvements	Machinery equipment	Office and other equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023, net of accumulated depreciation and impairment	1,308	7,778	2,159	1,145	12,390
Additions	3,029	8,516	692	–	12,237
Disposals	–	(149)	(60)	–	(209)
Depreciation provided during the year	(1,774)	(2,800)	(627)	–	(5,201)
Internal transfer	1,145	–	–	(1,145)	–
At 31 December 2023, net of accumulated depreciation and impairment	3,708	13,345	2,164	–	19,217
At 31 December 2023:					
Cost	7,874	19,186	3,656	–	30,716
Accumulated depreciation	(4,166)	(5,841)	(1,492)	–	(11,499)
Net carrying amount	3,708	13,345	2,164	–	19,217

31 December 2024	Leasehold improvements	Machinery equipment	Transportation equipment	Office and other equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024, net of accumulated depreciation and impairment	3,708	13,345	–	2,164	19,217
Additions	12,878	24,742	433	531	38,584
Disposals	(875)	(381)	–	(70)	(1,326)
Depreciation provided during the year	(2,508)	(4,050)	(40)	(699)	(7,297)
Accumulated impairment	–	(1,013)	–	–	(1,013)
At 31 December 2024, net of accumulated depreciation and impairment	13,203	32,643	393	1,926	48,165
At 31 December 2024:					
Cost	19,877	42,731	433	3,941	66,982
Accumulated depreciation	(6,674)	(9,075)	(40)	(2,015)	(17,804)
Accumulated impairment	–	(1,013)	–	–	(1,013)
Net carrying amount	13,203	32,643	393	1,926	48,165

31 December 2025	Leasehold improvements	Machinery equipment	Transportation equipment	Office and other equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025, net of accumulated depreciation and impairment	13,203	32,643	393	1,926	48,165
Additions	251	16,857	–	113	17,221
Disposals	–	(70)	–	(32)	(102)
Depreciation provided during the year	(3,342)	(7,606)	(102)	(616)	(11,666)
At 31 December 2025, net of accumulated depreciation and impairment	10,112	41,824	291	1,391	53,618
At 31 December 2025:					
Cost	14,963	58,657	433	3,542	77,595
Accumulated depreciation	(4,851)	(15,820)	(142)	(2,151)	(22,964)
Accumulated impairment	–	(1,013)	–	–	(1,013)
Net carrying amount	10,112	41,824	291	1,391	53,618

31 March 2026	Leasehold improvements	Machinery equipment	Transportation equipment	Office and other equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2026, net of accumulated depreciation and impairment	10,112	41,824	291	1,391	53,618
Additions	–	2,207	273	24	2,504
Disposals	–	–	–	(2)	(2)
Depreciation provided during the period	(875)	(2,171)	(25)	(150)	(3,221)
At 31 March 2026, net of accumulated depreciation and impairment	9,237	41,860	539	1,263	52,899
At 31 March 2026:					
Cost	14,632	60,863	706	3,501	79,702
Accumulated depreciation	(5,395)	(17,990)	(167)	(2,238)	(25,790)
Accumulated impairment	–	(1,013)	–	–	(1,013)
Net carrying amount	9,237	41,860	539	1,263	52,899

The Company

31 December 2023	Leasehold improvements	Machinery equipment	Office and other equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023, net of accumulated depreciation and impairment	828	6,544	1,129	1,145	9,646
Additions	1,145	1,540	232	–	2,917
Disposals	(827)	(64)	(61)	–	(952)
Depreciation provided during the year	(333)	(1,857)	(355)	–	(2,545)
Internal transfer	1,145	–	–	(1,145)	–
At 31 December 2023, net of accumulated depreciation and impairment	1,958	6,163	945	–	9,066
At 31 December 2023:					
Cost	4,189	10,956	2,005	–	17,150
Accumulated depreciation	(2,231)	(4,793)	(1,060)	–	(8,084)
Net carrying amount	1,958	6,163	945	–	9,066

31 December 2024	Leasehold improvements	Machinery equipment	Transportation equipment	Office and other equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024, net of accumulated depreciation and impairment	1,958	6,163	–	945	9,066
Additions	–	2,682	433	339	3,454
Disposals	–	(391)	–	(69)	(460)
Depreciation provided during the year	(1,149)	(2,099)	(34)	(375)	(3,657)
Accumulated impairment	–	(680)	–	–	(680)
At 31 December 2024, net of accumulated depreciation and impairment	809	5,675	399	840	7,723
At 31 December 2024:					
Cost	4,189	12,444	433	2,098	19,164
Accumulated depreciation	(3,380)	(6,089)	(34)	(1,258)	(10,761)
Accumulated impairment	–	(680)	–	–	(680)
Net carrying amount	809	5,675	399	840	7,723

31 December 2025	Leasehold improvements	Machinery equipment	Transportation equipment	Office and other equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025, net of accumulated depreciation and impairment	809	5,675	399	840	7,723
Additions	–	4,946	–	455	5,401
Disposals	–	(14)	–	–	(14)
Depreciation provided during the year	(270)	(2,315)	(101)	(303)	(2,989)
At 31 December 2025, net of accumulated depreciation and impairment	539	8,292	298	992	10,121
At 31 December 2025:					
Cost	4,392	17,132	433	2,553	24,510
Accumulated depreciation	(3,853)	(8,160)	(135)	(1,561)	(13,709)
Accumulated impairment	–	(680)	–	–	(680)
Net carrying amount	539	8,292	298	992	10,121

31 March 2026	Leasehold improvements	Machinery equipment	Transportation equipment	Office and other equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2026, net of accumulated depreciation and impairment	539	8,292	298	992	10,121
Additions	–	879	273	24	1,176
Disposals	–	–	–	(1)	(1)
Depreciation provided during the period	(67)	(706)	(25)	(105)	(903)
At 31 March 2026, net of accumulated depreciation and impairment	472	8,465	546	910	10,393
At 31 March 2026:					
Cost	1,347	18,011	706	2,512	22,576
Accumulated depreciation	(875)	(8,866)	(160)	(1,602)	(11,503)
Accumulated impairment	–	(680)	–	–	(680)
Net carrying amount	472	8,465	546	910	10,393

At the end of each of the Relevant Periods, no property, plant and equipment of the Group was pledged.

Impairment test is performed whenever events or changes in circumstances indicate that the carrying amounts of property, plant and equipment may not be recoverable at the end of each reporting period. Based on the disappointing development of the virtual reality ("**VR**") business, the value in use of the relevant machinery and equipment was assessed to be nil as no future cash flows were expected to be generated from the relevant machinery and equipment. Given that the relevant machinery and equipment had no further alternative use and there was no available market for such equipment, the fair value less costs of disposal was assessed to be nil. Accordingly, the recoverable amount, being the higher of fair value less costs of disposal and value in use, was determined to be nil. As a result, the Group recognised a full impairment loss of RMB1,013,000 for the year ended 31 December 2024, and the Company recognised the corresponding impairment loss of RMB680,000 for the year ended 31 December 2024.

For other non-financial assets, the Company has analysed the indicators of impairment in combination with the paragraph 12 of IAS 36 Impairment of Assets and concluded that no indications of the impairment for other non-financial assets were identified during the Relevant Periods.

15. INTANGIBLE ASSETS

The Group

31 December 2023	**Software**
	RMB'000
At 1 January 2023, net of accumulated amortisation and impairment	304
Additions	873
Amortisation provided during the year	(103)
At 31 December 2023, net of accumulated amortisation and impairment	1,074
At 31 December 2023:	
Cost	1,250
Accumulated amortisation	(176)
Net carrying amount	1,074

31 December 2024	**Software**
	RMB'000
At 1 January 2024, net of accumulated amortisation and impairment	1,074
Disposals	(223)
Amortisation provided during the year	(124)
At 31 December 2024, net of accumulated amortisation and impairment	727
At 31 December 2024:	
Cost	879
Accumulated amortisation	(152)
Net carrying amount	727

31 December 2025	Software
	RMB'000
At 1 January 2025, net of accumulated amortisation and impairment	727
Additions	292
Amortisation provided during the year	(113)
At 31 December 2025, net of accumulated amortisation and impairment	906
At 31 December 2025:	
Cost	1,172
Accumulated amortisation	(266)
Net carrying amount	906

31 March 2026	Software
	RMB'000
At 1 January 2026, net of accumulated amortisation and impairment	906
Additions	–
Amortisation provided during the period	(42)
At 31 March 2026, net of accumulated amortisation and impairment	864
At 31 March 2026:	
Cost	1,172
Accumulated amortisation	(308)
Net carrying amount	864

16. LEASES

The Group as a lessee

During the Relevant Periods, the Group entered into certain lease contracts for buildings which generally have lease terms between two and five years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the right-of-use assets (buildings) and the movements during the Relevant Periods are as follows:

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period	6,800	12,472	15,312	15,145
Additions	9,621	11,102	6,524	–
Termination of lease contracts	–	(2,133)	(1,301)	–
Depreciation provided during the year/period	(3,949)	(6,129)	(5,390)	(1,720)
At end of year/period	12,472	15,312	15,145	13,425

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period	5,180	4,110	4,055	2,059
Additions	105	1,815	373	–
Termination of lease contracts	–	(278)	(1,060)	–
Depreciation provided during the year/period	(1,175)	(1,592)	(1,309)	(324)
At end of year/period	4,110	4,055	2,059	1,735

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount at beginning of year/period	7,229	13,371	17,155	18,900
New leases	9,621	11,102	6,524	–
Accretion of interest recognised during the year/period	600	764	545	173
Termination of lease contracts	–	(2,299)	(1,300)	–
Payments	(4,079)	(5,783)	(4,024)	(1,253)
Carrying amount at end of year/period	13,371	17,155	18,900	17,820
Analysed into:				
Current portion	4,161	4,291	6,971	7,611
Non-current portion	9,210	12,864	11,929	10,209

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount at beginning of year/period	5,451	4,591	4,646	2,527
New leases	105	1,815	373	–
Accretion of interest recognised during the year/period	229	212	58	34
Termination of lease contracts	–	(286)	(1,032)	–
Payments	(1,194)	(1,686)	(1,518)	(411)
Carrying amount at end of year/period	4,591	4,646	2,527	2,150
Analysed into:				
Current portion	1,135	1,972	1,524	1,559
Non-current portion	3,456	2,674	1,003	591

(c) The amounts recognised in profit or loss in relation to leases are as follows:

The Group

	Year ended 31 December			Three months ended 31 March	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Interest on lease liabilities *(note 7)*	600	764	545	177	173
Depreciation of right-of-use assets	3,949	6,129	5,390	1,293	1,720
Loss on termination of lease contracts	–	(216)	(280)	(170)	–
Expenses for short-term leases	401	1,170	2,517	423	656
Total amount recognised in profit or loss	4,950	8,279	8,732	2,063	2,549

The Company

	Year ended 31 December			Three months ended 31 March	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Interest on lease liabilities	229	212	58	53	34
Depreciation of right-of-use assets	1,175	1,592	1,309	354	324
(Loss)/gain on termination of lease contracts	–	8	(170)	(170)	–
Expenses for short-term leases	25	645	15	–	6
Total amount recognised in profit or loss	1,429	2,441	1,552	577	364

(d) The total cash outflows for leases and future cash outflows relating to leases that have not yet commenced are disclosed in notes 31(c) and 36 to the Historical Financial Information.

17. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current:				
Prepayments for property, plant and equipment	1,777	3,311	1,611	2,816
Time deposits *(note (a))*	41,976	–	–	–
	43,753	3,311	1,611	2,816
Current:				
Time deposits *(note (a))*	–	21,303	–	–
Prepayments	4,554	3,229	1,695	1,776
Value-added tax recoverable	1,786	2,559	3,724	2,201
Other receivables	1,304	2,175	2,316	1,836
Capitalized listing expense	–	–	3,496	5,058
Provision for impairment	–	(1)	(1)	(1)
	7,644	29,265	11,230	10,870
Total	51,397	32,576	12,841	13,686

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current:				
Prepayments for property, plant and equipment	952	1,379	914	556
Time deposits *(note (a))*	31,289	–	–	–
	32,241	1,379	914	556
Current:				
Time deposits *(note (a))*	–	21,303	–	–
Prepayments	4,371	2,858	1,471	1,383
Value-added tax recoverable	82	175	1,316	864
Other receivables	71,700	93,480	92,667	92,730
Capitalized listing expense	–	–	3,496	4,522
Provision for impairment *(note (b))*	(25,317)	(53,189)	(63,295)	(63,413)
	50,836	64,627	35,655	36,086
Total	83,077	66,006	36,569	36,642

Notes:

(a) Time deposits are deposit products issued by banks in Chinese mainland and they are classified and measured at amortised cost as they are held within the business model with the objective to collect contractual cashflows. Time deposits due within 3 months are presented as cash and cash equivalents, where those with maturity after one year are presented as non-current assets.

(b) The Company recognised impairment of RMB25,317,000, RMB53,189,000, RMB63,295,000 and RMB63,413,000 for the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2026, respectively, for other receivables which was due from Shenzhen Camsense Interactive Technology Co., Ltd., a wholly-owned subsidiary of the Company, due to its accumulated losses.

The other receivables are interest-free and unsecured.

As at 31 December 2023, 2024 and 2025 and 31 March 2026, impairment of other receivable was measured based on 12-month expected credit losses if they were not past due and there was no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, they were measured based on lifetime expected credit losses.

18. INVENTORIES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	16,610	24,847	33,927	54,170
Work in progress	836	12,697	4,468	16,460
Finished goods	10,096	14,916	22,315	17,366
Contract cost	–	1,119	–	–
	27,542	53,579	60,710	87,996
Less: Provision for impairment loss	(334)	(727)	(1,572)	(1,758)
Total	27,208	52,852	59,138	86,238

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	16,024	22,854	33,382	54,510
Work in progress	836	12,697	4,468	11,992
Finished goods	9,926	14,653	22,005	16,667
	26,786	50,204	59,855	83,169
Less: Provision for impairment loss	(334)	(727)	(1,572)	(1,717)
Total	26,452	49,477	58,283	81,452

19. TRADE AND BILLS RECEIVABLES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	75,139	131,910	183,570	245,198
Bills receivable	–	6,058	2,180	4,718
Impairment	(726)	(45)	(24)	(1,637)
Total	74,413	137,923	185,726	248,279

The Group's trading terms with its customers are mainly on credit. The credit period is normally 30 to 90 days after the date of invoices. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. The balances of trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of each of the Relevant Periods, based on the invoice date and net of allowance for expected credit losses, is as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 3 months	74,318	131,709	181,831	239,187
3 to 6 months	95	154	1,715	4,374
6 to 12 months	–	2	–	–
Total	74,413	131,865	183,546	243,561

The movements in the loss allowance for impairment of trade receivables are as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period	1,003	726	45	24
Provision/(reversal) of impairment losses, net	(277)	(16)	(21)	1,613
Amount written off as uncollectible	–	(665)	–	–
At end of year/period	726	45	24	1,637

An impairment analysis is performed at each reporting date using a provision matrix or individually to measure expected credit losses. The provision rates are based on days from the billing date for customers with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Generally, trade receivables are written off when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings.

As at 31 December 2023, the amount of individually assessed provision was RMB665,000. Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

	As at 31 December 2023		
	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 3 months	74,348	0.04%	30
3 to 6 months	117	18.80%	22
6 to 12 months	–	0.00%	–
Over 12 months	9	100.00%	9
Total	74,474	0.08%	61

	As at 31 December 2024		
	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 3 months	131,748	0.03%	39
3 to 6 months	157	1.91%	3
6 to 12 months	3	33.33%	1
Over 12 months	2	100.00%	2
Total	131,910	0.03%	45

	As at 31 December 2025		
	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 3 months	181,850	0.01%	19
3 to 6 months	1,716	0.06%	1
6 to 12 months	2	100.00%	2
Over 12 months	2	100.00%	2
Total	183,570	0.01%	24

	As at 31 March 2026		
	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 3 months	239,496	0.13%	309
3 to 6 months	4,978	12.13%	604
6 to 12 months	722	100.00%	722
Over 12 months	2	100.00%	2
Total	245,198	0.67%	1,637

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	75,188	134,894	186,271	258,048
Bills receivable	–	6,058	2,180	4,718
Impairment	(1,061)	(383)	(2,091)	(3,532)
Net carrying amount	74,127	140,569	186,360	259,234

An ageing analysis of the trade receivables as at the end of each of the Relevant Periods, based on the invoice date and net of allowance for expected credit losses, is as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 3 months	74,011	134,339	182,438	250,142
3 to 6 months	96	154	1,715	4,374
6 to 12 months	20	3	–	–
Over 12 months	–	15	27	–
Total	74,127	134,511	184,180	254,516

The movements in the loss allowance for impairment of trade receivables are as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period	1,003	1,061	383	2,091
Provision/(reversal) of impairment losses, net	58	(13)	1,708	1,441
Amount written off as uncollectible	–	(665)	–	–
At end of year/period	1,061	383	2,091	3,532

20. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bills receivable	35,177	25,605	20,449	15,819

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bills receivable	35,177	25,504	20,449	15,819

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Wealth management products	60,267	25,146	73,645	59,549
Structured deposits	40,000	40,000	50,000	40,000
Total	100,267	65,146	123,645	99,549

The Company

	As at 31 December			As at 31 March
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Wealth management products	41,556	2,627	57,163	33,799
Structured deposits	20,000	–	10,000	10,000
Total	61,556	2,627	67,163	43,799

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the financial assets at fair value through profit or loss represented floating return wealth management products and structured deposits issued by certain banks in Chinese mainland, with expected return rates ranging from 0.6% to 2.16% per annum. They were classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

22. CASH AND CASH EQUIVALENTS

The Group

	As at 31 December			As at 31 March
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	57,085	50,911	12,123	26,314
Less: Time deposits with original maturity of more than three months	(41,976)	(21,303)	–	–
Cash and cash equivalents	15,109	29,608	12,123	26,314

The Company

	As at 31 December			As at 31 March
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	43,821	35,072	8,335	22,263
Less: Time deposits with original maturity of more than three months	(31,289)	(21,303)	–	–
Cash and cash equivalents	12,532	13,769	8,335	22,263

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the cash and bank balances of the Group denominated in United States dollars ("**US$**") amounted to RMB57,000, RMB1,851,000, RMB1,022,000 and RMB1,022,000, respectively. As at 31 December 2024, 2025 and 31 March 2026, the cash and bank balances of the Group denominated in Hong Kong dollars ("**HK$**") amounted to RMB541,000, RMB560,000 and RMB300,000, respectively. The RMB is not freely convertible into other currencies, however, under Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange US$ and HK$ for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximated their fair values.

23. TRADE PAYABLES

The Group

An ageing analysis of the trade payables as at the end of each of the Relevant Periods is as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 3 months	43,601	84,270	98,595	155,477
3 to 6 months	1,276	751	2,250	4,472
6 to 12 months	–	690	1,262	1,481
Over 12 months	9	68	150	187
Total	44,886	85,779	102,257	161,617

The trade payables are non-interest-bearing and are normally settled in 1 to 3 months.

The Company

An ageing analysis of the trade payables as at the end of each of the Relevant Periods is as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 3 months	51,073	94,539	123,063	186,021
3 to 6 months	1,209	561	1,539	3,646
6 to 12 months	–	683	1,252	1,456
Over 12 months	9	49	115	140
Total	52,291	95,832	125,969	191,263

24. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payroll payables	10,560	12,927	7,260	8,230
Other tax payables	4,955	8,643	9,077	9,594
Accrued expense	598	762	930	773
Other payables	1,158	3,487	1,854	1,880
Listing expense	–	–	4,583	9,655
Total	17,271	25,819	23,704	30,132

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payroll payables	5,297	5,719	4,601	5,491
Other tax payables	3,502	6,690	6,843	7,548
Accrued expense	208	198	171	108
Other payables	984	2,957	2,583	2,863
Listing expense	–	–	4,583	9,655
Total	9,991	15,564	18,781	25,665

Other payables are unsecured and repayable on demand or within one year.

25. CONTRACT LIABILITIES

The Group recognised the following revenue-related contract liabilities:

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Sale of products	1,191	261	1,313	661
Rendering of services	–	1,259	–	–
Total	1,191	1,520	1,313	661

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Sale of products	134	129	1,312	660
Total	134	129	1,312	660

26. INTEREST-BEARING BANK BORROWINGS

The Group and the Company

	As at 31 December								As at 31 March		
	2023			2024			2025			2026		
	Effective interest rate (%)	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*
Current												
Bank loans – unsecured	3.2%	2024/6/3	10,000	–	–	–	2.6%	2026/6/6-2026/7/23	10,000	2.6%	2026/6/6-2026/7/23	10,000
Total			10,000			–			10,000			10,000

The bank loans are all denominated in RMB and bear interest at rates of LPR minus 0.25%, LPR minus 0.40%, and LPR minus 0.40% for the years 2023, 2025, and the three months ended March 31, 2026, respectively.

27. DEFERRED TAX

The movements in deferred tax assets/liabilities of the Group during the Relevant Periods are as follows:

	Right-of-use assets	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	(859)	859	–
Deferred tax charged/(credited) to profit or loss during the year	(170)	170	–
At 31 December 2023	(1,029)	1,029	–
At 1 January 2024	(1,029)	1,029	–
Deferred tax charged/(credited) to profit or loss during the year	(1,696)	1,681	(15)
At 31 December 2024	(2,725)	2,710	(15)
At 1 January 2025	(2,725)	2,710	(15)
Deferred tax charged/(credited) to profit or loss during the year	1,451	(1,451)	–
At 31 December 2025	(1,274)	1,259	(15)
At 1 January 2026	(1,274)	1,259	(15)
Deferred tax charged/(credited) to profit or loss during the period	192	(192)	–
At 31 March 2026	(1,082)	1,067	(15)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statements of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net deferred tax liabilities recognised in the consolidated statements of financial position	–	15	15	15

As at 31 December 2023, 2024 and 2025 and 31 March 2026, deferred tax assets have not been recognised in respect of tax losses of RMB206,800,000, RMB296,853,000, RMB327,414,000 and RMB324,521,000 respectively, which would expire in one to ten years for offsetting against future taxable profits.

Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

28. SHARE CAPITAL/PAID-IN CAPITAL

(a) Paid-in capital

A summary of movements in the Company's share capital is as follows:

	RMB'000
As at 1 January 2022	1,711
Capital contribution by shareholders*	76
As at 31 December 2022	1,787
Capital contribution by shareholders*	11
Conversion into a joint stock company**	(1,798)
As at 31 December 2023, 2024 and 2025 and 31 March 2026	–

(b) Share capital

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	**Share capital**
	(in thousand)	*RMB'000*
As at 1 January 2023	–	–
Issue of ordinary shares of RMB1 each upon conversion into a joint stock company**	81,000	81,000
As at 31 December 2023	81,000	81,000
Capital contribution by shareholders*	2,106	2,106
As at 31 December 2024	83,106	83,106
Capital contribution by shareholders*	1,879	1,879
As at 31 December 2025 and 31 March 2026	84,985	84,985

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* During the year ended 31 December 2023, the Company received capital contributions of RMB3,645,000 from three investors. Accordingly, the capital contribution increased the paid-in capital and capital reserve by RMB11,000 and RMB3,634,000, respectively.

During the year ended 31 December 2024, the Company received capital contributions of RMB52,000,000 from two investors with issuance expense of RMB2,016,000. Accordingly, the capital contribution increased the share capital and capital reserve by RMB2,106,000 and RMB47,878,000, respectively.

During the year ended 31 December 2025, the Company received capital contributions of RMB40,000,000 from two investors with issuance expense of RMB1,554,000. Accordingly, the capital contribution increased the share capital and capital reserve by RMB1,108,000 and RMB37,338,000, respectively.

To recognise the contributions of the key research and development personnel, pursuant to a Shareholders' resolution dated 25 September 2025, the Company issued 770,759 shares to Shenzhen Xinle Management Consulting Partnership ("**Xinle Management**"), an employee shareholding platform, at a consideration of RMB2,290,000. The consideration was fully settled on 25 September 2025.

** In November 2023, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company amounting to RMB235,754,000, as of the conversion date, were converted into 81,000,000 ordinary shares of RMB1.00 each with paid-in capital decreasing of RMB1,798,000, capital reserve decreasing of RMB171,607,000 and retained earnings increasing of RMB92,405,000, respectively. The excess of the net assets converted over the nominal value of the ordinary shares was credited to the Company's capital reserve of RMB153,725,000 and share-based payment reserve of RMB1,029,000.

(c) Pursuant to the shareholders agreement entered into between the Company and the Investors on/before 25 September 2025 (collectively, the "**Agreements**"), the Company issued 55,767,553 ordinary shares, considering the impact of the conversion into a joint stock company mentioned above, to the Investors for a total net cash proceeds of approximately RMB409,768,000 (collectively the "**Investments**"). Pursuant to the Agreements, the Company granted the Investors special rights, including redemption rights and the Investors may request redemption upon the occurrence of specified trigger events, including the Company's failure to complete a qualified listing or a qualified merger and acquisition by 31 December 2026.

There was no exercise of redemption rights granted by the Company throughout the Relevant Periods.

On 25 September 2025, the Company and the Investors subsequently entered into supplemental agreements, agreeing that the redemption rights granted by the Company to the Investors, have been irrecoverably terminated and shall be *void ab initio*. Taking into account the legal and regulatory framework of the Company's jurisdiction and the governing law of the supplemental agreements, the directors considered that it is appropriate to present the Investments as equity throughout the Relevant Periods.

Had the redemption rights granted by the Company to the Investors been accounted for as financial liabilities measured at fair value prior to entering into the supplemental agreements, (i) the redemption financial liabilities, total non-current liabilities and net assets/(liabilities) would have been:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Redemption financial liabilities	637,296	794,226	–	–
Total non-current liabilities *(Note)*	646,506	807,105	11,944	10,224
Net assets/(liabilities)	(387,681)	(516,600)	327,402	336,828

Note: The redemption financial liabilities would have been classified as non-current liabilities as the Investors would not demand the Company to redeem the shares subscribed within 12 months after each of 31 December 2023 and 2024. No redemption financial liabilities would have been recognised as at 31 December 2025 and 31 March 2026 as the redemption rights were irrevocably terminated and deemed void ab initio pursuant to the supplemental agreements dated 25 September 2025.

And (ii) the fair value changes associated with the redemption financial liabilities, the net loss for the year and basic and dilutive loss per share would have been:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Fair value changes associated with the redemption financial liabilities	146,694	106,946	726,829	357,727	–
Total net (loss)/profit	(147,577)	(138,321)	(724,628)	(364,396)	7,757
Basic (loss)/earnings per share	(1.83)	(1.67)	(8.67)	(4.38)	0.09
Dilutive (loss)/earnings per share	(1.83)	(1.67)	(8.67)	(4.38)	0.09

29. RESERVES

The amounts of the Group's reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity.

(a) Capital reserve

The capital reserve represents the difference between the par value of the shares issued and the consideration received.

(b) Share-based payment reserve

The share-based payment reserve represents the equity-settled share options and restricted shares as set out in note 30 to the Historical Financial Information.

The Company

The amounts of the Company's reserves and the movements therein for the Relevant Periods and the three months ended 31 March 2025 are presented as follows:

	Capital reserve	Share-based payment reserve	(Accumulated losses)/ retained earnings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	321,698	–	(73,032)	248,666
Loss for the year	–	–	(11,252)	(11,252)
Total comprehensive income for the year	–	–	(11,252)	(11,252)
Share-based payments	–	5,516	–	5,516
Capital contribution by shareholders	3,634	–	–	3,634
Conversion into a joint stock company	(171,607)	–	92,405	(79,202)
At 31 December 2023	153,725	5,516	8,121	167,362

	Capital reserve	Share-based payment reserve	(Accumulated losses)/ retained earnings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024	153,725	5,516	8,121	167,362
Loss for the year	–	–	(22,030)	(22,030)
Total comprehensive income for the year	–	–	(22,030)	(22,030)
Share-based payments	–	9,431	–	9,431
Capital contribution by shareholders	47,878	–	–	47,878
At 31 December 2024	201,603	14,947	(13,909)	202,641

	Capital reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	201,603	14,947	(13,909)	202,641
Profit for the year	–	–	1,839	1,839
Total comprehensive income for the year	–	–	1,839	1,839
Share-based payments	–	6,883	–	6,883
Capital contribution by shareholders	38,857	–	–	38,857
At 31 December 2025	240,460	21,830	(12,070)	250,220

	Capital reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2026	240,460	21,830	(12,070)	250,220
Profit for the period	–	–	9,134	9,134
Total comprehensive income for the period	–	–	9,134	9,134
Share-based payments	–	1,695	–	1,695
At 31 March 2026	240,460	23,525	(2,936)	261,049

	Capital reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	201,603	14,947	(13,909)	202,641
Loss for the period	–	–	(2,290)	(2,290)
Total comprehensive income for the period	–	–	(2,290)	(2,290)
Share-based payments	–	2,313	–	2,313
At 31 March 2025 (Unaudited)	201,603	17,260	(16,199)	202,664

30. SHARE-BASED PAYMENTS

The Group adopted the several schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations.

(a) 2020 Scheme

On 24 December 2020, the Company passed a resolution to grant 24,538 share options to nine key management and technical personnel (the "**2020 Scheme**"). The exercise price per share option was RMB60.56. The awards include the occurrence of a qualified event as performance conditions. Employees are required to provide continued services through the occurrence of a qualified event in order to retain the award.

By the end of July 2023, the option was not exercised and six of the nine employees granted remain employed. On 26 July 2023, the company approved the revision of the scheme (the "**2020 Revised Scheme**") to replace the 2020 Scheme. The 2020 Revised Scheme granted 13,495 restricted shares to the remaining six key management and technical personnel. There was no change in the number of share awards allocated per employee. The 2020 Revised Scheme is subject to a service condition of six years and the revisions are detrimental to employees. The fair value of the share options was used for measurement. If the applicable service condition is not satisfied, the relevant interests shall be repurchased by the original transferor(s), being the partner(s) of the relevant employee shareholding platform who transferred such interests to the grantee, or the shares should be transferred to other participant(s) designated by the original transferor(s). The Company does not bear any repurchase obligation.

In November 2023, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The number of restricted shares was converted at the ratio of 1:45.

In November 2025, one employee resigned. The restricted shares to this employee were regranted to two employees. 110,560 restricted shares were granted at a price of RMB1.34 per share. The fair value of restricted shares granted is RMB36.10 per share at the grant date.

(b) 2023 Schemes

On 26 July 2023, the Company passed a resolution to grant 12,030 restricted shares of the Company to 2 key management personnel (the "**2023 Scheme-RSU**"). The Subscription price per share was RMB133.85. The 2023 Scheme-RSU is subject to a service condition of four years. If the applicable service condition is not satisfied, the relevant interests shall be repurchased by the original transferor(s), being the partner(s) of the relevant employee shareholding platform who transferred such interests to the grantee, or the shares should be transferred to other participant(s) designated by the original transferor(s). The Company does not bear any repurchase obligation.

The Company operates a share option scheme (the "**2023 Scheme-Option**") to grant 34,213 share options to 1 key management personnel. The exercise price per share option was RMB133.85. The exercise period of the shares granted is a graded vesting period of four years starting from commencement. The vesting of share options is subject to the Company's performance appraisal and individual performance appraisal. Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

In November 2023, the Company was converted into a joint stock company. The share options were converted to 1,541,517 at an exercise price of RMB2.97.

On 25 September 2025, the Company and the key management personnel had a supplemental agreement to the 2023 Scheme-Option. Based on the 2023 Scheme-Option incentive plan and its personal performance, 50% of share options were agreed to be exercised, and the remaining share options were forfeited. The exercised options was still subject to a service condition of four years from the grant date. Thus, the key management personnel has subscribed for shares of Xinle management, an employee shareholding platform, therefore indirectly becoming entitled to 770,759 shares of the Company.

The following restricted shares were outstanding as at each of the Relevant Periods:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
Outstanding as at beginning of the year/period	–	1,150,066	1,150,066	1,150,066
Revised	13,495	–	–	–
Forfeited	–	–	(110,560)	–
Granted	12,030	–	110,560	–
Effect of conversion into a joint stock company*	1,124,541	–	–	–
Outstanding as at end of year/period	1,150,066	1,150,066	1,150,066	1,150,066

* In November 2023, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The number of restricted shares was converted at the ratio of 1:45.

The fair value of the restricted shares granted during the Relevant Periods was estimated on the grant date using the recent transaction prices.

The following share options were outstanding as at each of the Relevant Periods:

	As at 31 December 2023	
	Weighted exercise price per share	Number of options
Outstanding as at beginning of the year	60.56	18,403
Granted	133.85	34,213
Forfeited	60.56	(4,908)
Revised	60.56	(13,495)
Effect of conversion into a joint stock company	–	1,507,304
Outstanding as at end of year	2.97	1,541,517

	As at 31 December 2024	
	Weighted exercise price per share	Number of options
Outstanding as at beginning and end of year	2.97	1,541,517

	As at 31 December 2025	
	Weighted exercise price per share	Number of options
Outstanding as at beginning of the year	2.97	1,541,517
Forfeited	2.97	(770,758)
Exercised*	2.97	(770,759)
Outstanding as at end of year		–

* The exercised options were still subject to a service condition of four years from the grant date. If the applicable service condition is not satisfied, the relevant interests shall be repurchased by the executive partner of Xinle Management or its designated entity pursuant to the supplemental agreement dated 25 September 2025. The Company does not bear any repurchase obligation.

The fair value of the option shares granted during the Relevant Periods was estimated on the grant date using the binomial model with the following assumptions used:

	2020 Scheme	2023 Scheme-Option
Expected volatility	51.34%	54.87%
Risk-free interest rate	3.18%	2.61%
Expected life of options(year)	10	10
Share price at grant date per share* (RMB per share)	7	18

* Considering the effect of conversion into a joint stock company, the share price at grant date per share was converted at the ratio of 1:45.

Basis for determining the number of exercisable equity instruments: On each balance sheet date during the waiting period, the best estimate is made based on the latest changes in the number of exercisable employees, expected performance completion, and other follow-up information, and the estimated number of exercisable equity instruments is revised. On the vesting date, the final estimated number of exercisable equity instruments is consistent with the actual number of exercisable equity instruments.

The Group recognised a share-based payment expense of RMB5,516,000, RMB9,431,000, RMB6,883,000, RMB2,313,000 and RMB1,695,000, respectively, during the years ended 31 December 2023, 2024 , 2025 and the three months ended 31 March 2025 and 2026.

31. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023, 2024 and 2025, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB9,621,000, RMB11,102,000 and RMB6,524,000, respectively, and during the three months ended 31 March 2026, there were no non-cash additions to right-of-use assets and lease liabilities, in respect of lease arrangements for properties.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank borrowings	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	10,000	7,229	17,229
Changes from financing cash flows	(333)	(4,079)	(4,412)
New leases	–	9,621	9,621
Interest expense	333	600	933
At 31 December 2023	10,000	13,371	23,371
At 1 January 2024	10,000	13,371	23,371
Changes from financing cash flows	(10,136)	(5,783)	(15,919)
New leases	–	11,102	11,102
Termination of lease contracts	–	(2,299)	(2,299)
Interest expense	136	764	900
At 31 December 2024	–	17,155	17,155
At 1 January 2025	–	17,155	17,155
Changes from financing cash flows	9,871	(4,024)	5,847
New leases	–	6,524	6,524
Termination of lease contracts	–	(1,300)	(1,300)
Interest expense	129	545	674
At 31 December 2025	10,000	18,900	28,900
At 1 January 2026	10,000	18,900	28,900
Changes from financing cash flows	(58)	(1,253)	(1,311)
Interest expense	58	173	231
At 31 March 2026	10,000	17,820	27,820

(c) Total cash outflows for leases

The total cash outflows for leases included in the consolidated statements of cash flows are as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Within operating activities	401	1,170	2,517	423	656
Within financing activities	4,079	5,783	4,024	905	1,253
Total	4,480	6,953	6,541	1,328	1,909

32. COMMITMENTS

The Group had the following contractual commitments at the end of each of the Relevant Periods:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Purchases of long-term assets	2,511	7,770	1,925	5,148
Research and development cooperation	300	1,900	1,800	1,800
Total	2,811	9,670	3,725	6,948

33. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Group:

	As at 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Other emoluments:					
Salaries, allowances and benefits in kind	5,659	6,040	7,378	1,720	2,550
Pension scheme contributions	94	104	119	30	32
Share-based payment expenses	4,627	9,026	7,124	2,232	1,414
Total	10,380	15,170	14,621	3,982	3,996

Further details of directors' and supervisors' remuneration are set out in note 9 to the Historical Financial Information.

34. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments at the end of each of the Relevant Periods were as follows:

The Group

Financial assets	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	100,267	65,146	123,645	99,549
Financial assets at fair value through other comprehensive income	35,177	25,605	20,449	15,819
Financial assets at amortised cost:				
Trade and bills receivables	74,413	137,923	185,726	248,279
Financial assets included in prepayments, other receivables and other assets	43,280	23,477	2,315	1,835
Cash and cash equivalents	15,109	29,608	12,123	26,314
Total	268,246	281,759	344,258	391,796

Financial liabilities	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities at amortised cost:				
Trade payables	44,886	85,779	102,257	161,617
Financial liabilities included in other payables and accruals	1,158	3,487	6,437	11,535
Interest-bearing bank borrowings	10,000	–	10,000	10,000
Total	56,044	89,266	118,694	183,152

The Company

Financial assets	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	61,556	2,627	67,163	43,799
Financial assets at fair value through other comprehensive income	35,177	25,504	20,449	15,819
Financial assets at amortised cost:				
Trade and bills receivables	74,127	140,569	186,360	259,234
Financial assets included in other receivables and other assets	77,672	61,594	29,372	29,317
Cash and cash equivalents	12,532	13,769	8,335	22,263
Total	261,064	244,063	311,679	370,432

Financial liabilities	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities at amortised cost:				
Trade payables	52,291	95,832	125,969	191,263
Interest-bearing bank borrowings	10,000	–	10,000	10,000
Financial liabilities included in other payables and accruals	984	2,957	7,166	12,518
Total	63,275	98,789	143,135	213,781

For the details of pre-IPO investments, please refer to note 28(c) to this report.

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, trade receivables, financial assets included in prepayment, other receivables and other assets, interest-bearing bank borrowings, trade payables and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance team headed by the chief finance controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the board of directors. At each reporting date, the finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief finance controller.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Group has estimated the fair value of these unlisted investments, such as structured deposits and wealth management products (financial assets at fair value through profit or loss) and bills receivable (financial assets at fair value through other comprehensive income) using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments.

Assets measured at fair value

As at 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	–	100,267	–	100,267
Financial assets at fair value through other comprehensive income	–	35,177	–	35,177
Total	–	135,444	–	135,444

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	–	65,146	–	65,146
Financial assets at fair value through other comprehensive income	–	25,605	–	25,605
Total	–	90,751	–	90,751

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	–	123,645	–	123,645
Financial assets at fair value through other comprehensive income	–	20,449	–	20,449
Total	–	144,094	–	144,094

As at 31 March 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	–	99,549	–	99,549
Financial assets at fair value through other comprehensive income	–	15,819	–	15,819
Total	–	115,368	–	115,368

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, comprise interest-bearing bank borrowings, financial assets at fair value through profit or loss, financial assets through other comprehensive income, time deposit in prepayments, other receivables and other assets and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank borrowings with a floating interest rate. The interest rate risk is not significant for the Group, in the opinion of the board of directors, considering the Group's bank borrowings are all short term ones.

Foreign currency risk

The Group has transactional foreign currency exposures. Such exposures arise from sales or purchases in currencies other than the units' functional currencies.

The following table demonstrates the sensitivity at the end of each of the Relevant Periods to a reasonably possible change in the foreign exchange rates, with all other variables held constant, of the Group's profit/loss after tax and equity.

	Increase in foreign currency rate	Increase/ (decrease) in profit/loss after tax	Increase/ (decrease) in shareholder's equity
	%	*RMB'000*	*RMB'000*
As at 31 December 2023			
If the RMB strengthens against the US$	5	(3)	(3)
If the RMB weakens against the US$	5	3	3
As at 31 December 2024			
If the RMB strengthens against the US$	5	(83)	(167)
If the RMB weakens against the US$	5	83	167
If the RMB strengthens against the HK$	5	(27)	(27)
If the RMB weakens against the HK$	5	27	27
As at 31 December 2025			
If the RMB strengthens against the US$	5	(51)	(103)
If the RMB weakens against the US$	5	51	103
If the RMB strengthens against the HK$	5	(28)	(28)
If the RMB weakens against the HK$	5	28	28
As at 31 March 2026			
If the RMB strengthens against the US$	5	(50)	(90)
If the RMB weakens against the US$	5	50	90
If the RMB strengthens against the HK$	5	(15)	(15)
If the RMB weakens against the HK$	5	15	15

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on ageing information unless other information is available without undue cost or effort, and year-end staging classification as at the end of each of the Relevant Periods. The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	75,139	75,139
Financial assets included in prepayments, other receivables and other assets	43,280	–	–	–	43,280
Financial assets at fair value through other comprehensive income	35,177	–	–	–	35,177
Cash and cash equivalents	15,109	–	–	–	15,109
Total	93,566	–	–	75,139	168,705

As at 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	131,910	131,910
Bills receivable	6,058	–	–	–	6,058
Financial assets included in prepayments, other receivables and other assets	23,478	–	–	–	23,478
Financial assets at fair value through other comprehensive income	25,605	–	–	–	25,605
Cash and cash equivalents	29,608	–	–	–	29,608
Total	84,749	–	–	131,910	216,659

As at 31 December 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	183,570	183,570
Bills receivables	2,180	–	–	–	2,180
Financial assets included in prepayments, other receivables and other assets	2,316	–	–	–	2,316
Financial assets at fair value through other comprehensive income	20,449	–	–	–	20,449
Cash and cash equivalents	12,123	–	–	–	12,123
Total	37,068	–	–	183,570	220,638

As at 31 March 2026

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	–	–	–	245,198	245,198
Bills receivables	4,718	–	–	–	4,718
Financial assets included in prepayments, other receivables and other assets	1,836	–	–	–	1,836
Financial assets at fair value through other comprehensive income	15,819	–	–	–	15,819
Cash and cash equivalents	26,314	–	–	–	26,314
Total	48,687	–	–	245,198	293,885

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the Group had certain concentrations of credit risk as 55%, 34%, 28% and 45% of the Group's trade receivables were due from the largest customer, respectively, and 94%, 87%, 79% and 87% of the Group's trade receivables were due from the five largest customers, respectively.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of internally generated cash flows from operations. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

The maturity profile of the Group's financial liabilities at the end of each of the Relevant Periods, based on the contractual undiscounted payments, is as follows:

As at 31 December 2023

	Less than 12 month or on demand	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Interest-bearing bank borrowings	10,148	–	10,148
Lease liabilities	4,640	9,488	14,128
Trade payables	44,886	–	44,886
Financial liabilities included in other payables and accruals	1,158	–	1,158
Total	60,832	9,488	70,320

As at 31 December 2024

	Less than 12 month or on demand	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Lease liabilities	4,597	13,885	18,482
Trade payables	85,779	–	85,779
Financial liabilities included in other payables and accruals	3,487	–	3,487
Total	93,863	13,885	107,748

As at 31 December 2025

	Less than 12 month or on demand	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Interest-bearing bank and other borrowings	10,130	–	10,130
Lease liabilities	7,501	12,336	19,837
Trade payables	102,257	–	102,257
Financial liabilities included in other payables and accruals	6,437	–	6,437
Total	126,325	12,336	138,661

As at 31 March 2026

	Less than 12 month or on demand	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Interest-bearing bank and other borrowings	10,069	–	10,069
Lease liabilities	8,075	10,516	18,591
Trade payables	161,617	–	161,617
Financial liabilities included in other payables and accruals	11,535	–	11,535
Total	191,296	10,516	201,812

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The Group monitors capital using a assets-liabilities ratio, which is total assets divided by total liabilities. The assets-liabilities ratio as at the end of the Relevant Periods were as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total assets	336,334	407,914	483,591	557,073
Total liabilities	86,719	130,288	156,189	220,245
Assets-liabilities ratio	26%	32%	32%	40%

37. EVENTS AFTER THE RELEVANT PERIODS

There were no significant events after the end of the Relevant Periods that require additional disclosure or adjustments.

38. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 31 March 2026.

The following information does not form part of the Accountants' Report from Ernst & Young, Certified Public Accountants, Hong Kong, the Company's reporting accountants, as set out in Appendix I to this Prospectus, and is included herein for information purpose only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this Prospectus and the Accountants' Report set out in Appendix I to this Prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants for illustration purposes only, and is set out here to illustrate the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to owners of the Company as of 31 March 2026 as if the Global Offering had taken place on 31 March 2026.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared for illustrative purpose only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company had the Global Offering been completed as at 31 March 2026 or any future dates.

	Consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2026	Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2026	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 March 2026	
	RMB'000 (Note 1)	*RMB'000 (Note 2)*	*RMB'000*	*RMB (Note 3)*	*HK$ (Note 4)*
Based on an Offer Price of HK$58.85 per Share	335,964	552,697	888,661	9.20	10.65

Notes:

(1) The consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2026 is based on the consolidated net assets attributable to owners of the Company as at 31 March 2026 of RMB336,828,000 after deducting intangible assets of RMB864,000 set out in the Accountants' Report in Appendix I to this prospectus.

(2) The estimated net proceeds from the Global Offering are based on 11,588,800 Offer Shares at the Offer Price of HK$58.85 per Share, after deduction of the underwriting commissions and fees and other listing related expenses payable by the Company (excluding listing expenses of which have been recognised profit or loss during the Track Record Period). It does not take into account of any Shares which may be issued upon the exercise of the Over-allotment Option.

(3) The unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share are arrived at after adjustment referred to in the preceding paragraphs and on the basis that 96,573,639 shares are in issue, assuming that Global Offering had been completed on 31 March 2026, without taking into account any shares which may be allotted and issued upon the exercise of the Over-allotment Option.

(4) For the purpose of this unaudited pro forma adjusted consolidated net tangible assets, balance stated in RMB is converted into HK$ at the rate of RMB1 to HK$1.1576. No representation is made that the Renminbi amounts have been, could have been or may be converted to Hong Kong dollar, or vice versa, at that rate or any other rates or at all.

(5) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to 31 March 2026.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Shenzhen Camsense Technologies Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Shenzhen Camsense Technologies Co., Ltd. (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets as at 31 March 2026, and related notes as set out on pages II-1 of the prospectus dated 22 September 2026 (the "Prospectus") issued by the Company (the "Unaudited Pro Forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Part A of Appendix II to the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group's financial position as at 31 March 2026 as if the transaction had taken place at 31 March 2026. As part of this process, information about the Group's financial position, has been extracted by the Directors from the Group's financial statements for the period ended 31 March 2026 on which an accountants' report has been published.

Directors' responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline ("AG") 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Our independence and quality management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Certified Public Accountants
Hong Kong

22 September 2026

THE PRC TAXATION

Taxation on Dividends

Individual Investor

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》) (the "**Individual Income Tax Law**"), which was latest amended on August 31, 2018, and the Regulations on the Implementation of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法實施條例》), which was latest amended on December 18, 2018, dividends distributed by PRC enterprises are subject to the PRC withholding tax levied at a flat rate of 20%. For a foreign individual who is not a resident of the PRC, the receipt of dividends from an enterprise in the PRC is generally subject to a withholding tax of 20%, unless specifically exempted by the tax authority of the State Council or reduced by relevant tax treaty. In addition, pursuant to the Notice on Issues Concerning Differentiated Individual Income Tax Policies for Dividends and Bonuses of Listed Companies (《關於上市公司股息紅利差別化個人所得税政策有關問題的通知》) issued on September 7, 2015, where an individual acquires stocks of a listed company from public offering or on-market transfer and holds the stocks for more than one year, the dividend income shall be exempt from individual income tax for the time being; if the individual holds the stocks for one month or less, the dividend income shall be fully taxable; if the individual holds the stocks for one month to one year (one year inclusive), 50% of the dividend income shall be taxable; the aforesaid income is subject to an individual income tax at a flat rate of 20%.

According to the Notice of the State Taxation Administration (the "**STA**") on Issues Concerning Taxation and Administration of Individual Income Tax After the Repeal of the Document (Guo Shui Fa [1993] No. 045) (《國家税務總局關於國税發[1993]045號文件廢止後有關個人所得税徵管問題的通知》) issued by the STA on June 28, 2011, domestic non-foreign-invested enterprises issuing shares in Hong Kong may withhold individual income tax at the rate of 10% when distributing dividends. For the individual holders of H Shares receiving dividends who are residents of countries that have entered into tax treaties with the PRC with tax rates lower than 10%, the non-foreign-invested enterprises whose shares are listed in Hong Kong may apply on behalf of such holders for the rights to enjoy lower preferential tax treatments. Upon approval by the tax authorities, any excess withholding tax collected will be refunded. For the individual holders of H Shares receiving dividends who are residents of countries that have entered into tax treaties with the PRC with tax rates higher than 10% but lower than 20%, the non-foreign-invested enterprises shall withhold the tax at the agreed rate under the treaties, and no application shall be required. For the individual holders of H Shares receiving dividends who are residents of countries without tax treaties with the PRC or are under other circumstances, the non-foreign-invested enterprises shall withhold the tax at a rate of 20%.

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 (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) signed on August 21, 2006, the PRC government may impose tax on dividends paid by a PRC company to residents of the Hong Kong Special Administrative Region (including natural persons and legal entities), provided that such tax shall not exceed 10% of the total amount of dividends payable. If a resident of the Hong Kong Special Administrative Region directly holds 25% or more of the equity interests in a PRC company, such tax shall not exceed 5% of the total amount of dividends payable by the PRC company. The Fifth Protocol 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 of the STA (《國家税務總局關於〈內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排〉第五議定書》), which came into effect on December 6, 2019, stipulates that arrangements or transactions made primarily for the purpose of obtaining such tax benefits shall not be subject to the provisions mentioned above.

Corporate Investor

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "**Enterprise Income Tax Law**"), which was promulgated by the SCNPC on March 16, 2007 and latest amended on December 29, 2018, and the Implementation Regulations of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》), which was promulgated by the State Council on December 6, 2007, came into effect on January 1, 2008 and amended on April 23, 2019, the enterprise income tax rate shall be 25%. A non-resident enterprise is generally subject to a 10% enterprise income tax on PRC-sourced income (including dividends received from PRC resident enterprises), if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. The aforesaid income tax payable by non-resident enterprises is deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise.

The Notice of the STA on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by PRC Resident Enterprises to H-share Holders Which Are Overseas Non-resident Enterprises (《國家税務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》), which was issued by the STA and implemented on November 6, 2008, further clarified that a PRC resident enterprise must withhold enterprise income tax at a rate of 10% on the dividends of 2008 and onwards that it distributes to overseas non-resident enterprise shareholders of H Shares. In addition, the Reply of the STA Concerning the Imposition of Enterprise Income Tax on B-share and Other Dividends of Non-resident Enterprises (Guo Shui Han [2009] No.394) ("《國家税務總局關於非居民企業取得B股等股票股息徵收企業所得税問題的批覆》(國税函[2009]394號)") issued by the STA on July 24, 2009 and came into effect on the same date, further provides that any PRC resident enterprise listed on overseas stock exchange must withhold enterprise income tax at a rate of 10% on dividends of 2008 and onwards distributed to non-resident enterprise. Such tax rates may be further changed pursuant to the tax treaty or agreement (where applicable) that the PRC has concluded with a relevant jurisdiction.

The Notice of the STA on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by PRC Resident Enterprises to H-share Holders Which Are Overseas Non-resident Enterprises, which was issued by the STA on November 6, 2008, further clarified that a PRC resident enterprise must withhold enterprise income tax at a rate of 10% on the dividends of 2008 and onwards that it pays to overseas non-resident enterprise shareholders of H Shares. In addition, the Reply of the STA Concerning the Imposition of Enterprise Income Tax on B-share and Other Dividends of Non-resident Enterprises issued by the STA on July 24, 2009, further provides that any PRC resident enterprise listed on overseas stock exchange must withhold enterprise income tax at a rate of 10% on dividends of 2008 and onwards distributed to non-resident enterprise. Such tax rates may be further revised pursuant to the tax treaty or agreement (where applicable) that the PRC has concluded with a relevant jurisdiction.

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 signed on August 21, 2006, the PRC government may impose tax on dividends paid by a PRC company to Hong Kong residents (including natural persons and legal entities), provided that such tax shall not exceed 10% of the total amount of dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of the equity interests in a PRC company, such tax shall not exceed 5% of the total amount of dividends payable by the PRC company. Pursuant to the provisions of the Fifth Protocol 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 of the STA, which came into effect on December 6, 2019, such provisions shall not apply to arrangements or transactions whose primary purposes include obtaining such tax benefits. The application of the dividend provisions under tax treaties shall comply with the tax laws and regulations of the PRC, such as the Notice of the STA on Issues Concerning the Implementation of Dividend Provisions in Tax Treaties (《國家税務總局關於執行税收協定股息條款有關問題的通知》).

Any arrangement made primarily for the purpose of obtaining the aforementioned tax benefits shall not be subject to the above provisions. The implementation of the dividend provisions in tax treaties shall comply with the provisions of the tax laws and regulations of the PRC such as the Notice of the STA on Issues Concerning the Implementation of Dividend Provisions in Tax Treaties (Guo Shui Han [2009] No. 81).

Tax Treaties

Non-resident investors residing in jurisdictions which have entered into treaties or adjustments for the avoidance of double taxation with the PRC may be entitled to a reduction treatment for the PRC enterprise income tax imposed on the dividends received from PRC resident companies. The PRC currently has entered into Treaties or Arrangements for Avoidance of Double Taxation with a number of countries and regions including Hong Kong, Macau Special Administrative Region, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant taxation treaties or arrangements are required to apply to the relevant PRC tax authorities for a refund of the enterprise income tax in excess of the agreed tax rate, and the refund application is subject to approval by the relevant PRC tax authorities.

Taxation on Share Transfer

Value-Added Tax and Local Surtax

Pursuant to the Circular regarding the Comprehensive Implementation of the Pilot Programs for Replacing Business Taxes with Value-added Taxes (《關於全面推開營業税改徵增值税試點的通知》) ("**Circular 36**"), which was implemented on May 1, 2016, entities and individuals engaging in the sale of services within the PRC are subject to value-added tax, and "engaging in the sale of services within the PRC" means that the seller or buyer of taxable services is located in the PRC. Circular 36 also provides that, for a general or foreign value-added tax payer, transfers of financial products (including transfers of the ownership of marketable securities) are subject to value-added tax at 6% on the taxable income (i.e., the balance of the sale price less the purchase price). However, the transfer of financial products by individuals is exempted from value-added tax, which is also provided in the Notice of the MOF and the STA on Several Tax Exemption Policies for Business Tax on Sale and Purchase of Financial Commodities by Individuals (《財政部、國家税務總局關於個人金融商品買賣等營業税若干免税政策的通知》), which came into effect on January 1, 2009, and the Provisions on Transitional Policies of the Pilot Program for the Change from Business Tax to Value-added Tax (《營業税改徵增值税試點過渡政策的規定》) promulgated by the MOF and the STA and came into effect on May 1, 2016. Pursuant to these provisions, the sale or disposal of H Shares is exempt from PRC value-added tax if the holder is a non-resident individual.

Meanwhile, value-added tax payers are also subject to urban maintenance and construction tax, education surtax and local education surtax (collectively the "**local surtax**"), which is usually 12% of the actual value-added tax, business tax and consumption tax (if any) payable in urban areas in the PRC.

Income Tax

Individual Investor

According to the Individual Income Tax Law, gains from the transfer of equity interests in the PRC resident enterprises are subject to individual income tax at a rate of 20%. Pursuant to the Circular on Continuing the Temporary Exemption of Individual Income Tax on Income from Share Transfers by Individuals (《關於個人轉讓股票所得繼續暫免徵收個人所得税的通知》) issued by the MOF and the STA on March 30, 1998, income of individuals from the transfer of the shares of listed companies continues to be temporarily exempted from individual income tax from January 1, 1997.

On December 31, 2009, the MOF, the STA and the CSRC jointly issued the Circular on Relevant Issues on Levying Individual Income Tax over the Income of Individuals from the Transfer of Listed Shares Subject to Sales Restriction (《關於個人轉讓上市公司限售股所得徵收個人所得税有關問題的通知》), which came into effect on the same date, which provides that

individuals shall continue to be exempted from the individual income tax on the income from the transfer of listed shares acquired from the public offering of listed companies and the on-market transfer on the Shanghai Stock Exchange and the Shenzhen Stock Exchange, except for the relevant shares which are subject to sales restriction as defined in the above circular and the Supplementary Circular on Relevant Issues on Levying Individual Income Tax over the Income of Individuals from the Transfer of Listed Shares Subject to Sales Restriction (《關於個人轉讓上市公司限售股所得徵收個人所得税有關問題的補充通知》) jointly promulgated and implemented by the MOF, the STA and the CSRC on November 10, 2010. As of the Latest Practicable Date, no aforesaid provisions have expressly provided that individual income tax shall be levied from non-PRC resident individuals on the transfer of shares of PRC resident enterprises listed on overseas stock exchanges.

Corporate Investor

According to the Enterprise Income Tax Law, a non-resident enterprise is generally subject to enterprise income tax at the rate of a 10% on PRC-sourced income (including gains from the disposal of equity interests in a PRC resident enterprise) if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. The aforesaid income tax payable by non-resident enterprises is deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise. Such tax may be reduced or exempted pursuant to relevant tax treaties or agreements on avoidance of double taxation.

Stamp Duty

Pursuant to the Stamp Tax Law of the People's Republic of China (《中華人民共和國印花税法》) which came into effect on July 1, 2022, PRC stamp duty only applies to specific proof executed or received within the PRC and is legally binding in the PRC, thus the provisions on the stamp duty levied on the transfer of shares of PRC listed companies do not apply to the acquisition and disposal of H shares by non-PRC investors outside of the PRC.

MAJOR TAXATION OF OUR COMPANY IN THE PRC

Enterprise Income Tax

According to the Enterprise Income Tax Law and its implementation rules, enterprise income taxpayers shall include resident enterprises and non-resident enterprises. A resident enterprise refers to an enterprise established in the PRC, or is established under the laws of a foreign country (region) but whose actual management body is within the PRC. A non-resident enterprise refers to an enterprise established under the laws of a foreign country (region) and whose actual management body is not within the PRC, but has established an institution or premise within the PRC; or an enterprise that has not established an institution or premise within the PRC, but has income sourced from the PRC. The enterprise income tax rate is 25%. Qualified small and low-profit enterprises are entitled to enjoy the preferential enterprise income tax rate of 20%.

Enterprises identified as high-tech enterprises under the Administrative Measures for the Recognition of High-Tech Enterprises (《高新技術企業認定管理辦法》) are entitled to enjoy the preferential enterprise income tax rate of 15%. The qualification of high-tech enterprises is valid for three years from the date of issuance of the high-tech enterprises certificate. The enterprise can re-apply for recognition as a high-tech enterprise.

Value-Added Tax

According to the Interim Value-Added Tax Regulations of the People's Republic of China (《中華人民共和國增值税暫行條例》) promulgated by the State Council on December 13, 1993 and latest amended on November 19, 2017, entities and individuals selling goods, providing labor services of processing, repairing or maintenance, selling services, intangible assets and immovable property within and importing goods to the PRC, shall be identified as taxpayers of value-added tax. Entities and individuals engaging in the sale of goods, provision of processing, repairing or maintenance services and the importation of goods within the PRC are required to pay value-added tax (the "**VAT**"). The tax payable is calculated as "output tax" minus "input tax." The VAT rate is usually 17%, and in certain limited circumstances is 11% or 6% (as the case may be).

Pursuant to the Circular regarding the Comprehensive Implementation of the Pilot Programmes for Replacing Business Taxes with Value-added Taxes of MOF and STA (財政部、國家税務總局關於全面推開營業税改徵增值税試點的通知) issued by the MOF and the STA on March 23, 2016, the pilot programme for replacing business tax with VAT nationwide should be comprehensively implemented. All business taxpayers in industries such as construction, real estate, finance and life service are included in the pilot programme, shifting from paying business tax to paying VAT.

Pursuant to the Circular of the MOF and the STA on Policies for Simplifying and Consolidating Value-Added Tax Rates (財政部、國家税務總局關於簡並增值税税率有關政策的通知) issued by the MOF and the STA on April 28, 2017, the VAT rate structure shall be simplified from July 1, 2017, and the 13% VAT rate shall be canceled. The scope of goods with 11% VAT rate and the provisions for deducting input tax are specified.

Pursuant to the Circular of the MOF and the STA on Adjusting Value-Added Tax Rates (財政部、國家税務總局關於調整增值税税率的通知) issued by the MOF and the STA on April 4, 2018, from May 1, 2018, for taxpayers engaging in VAT taxable sales activities or importing goods, the previously applicable 17% and 11% tax rates shall be adjusted to 16% and 10%, respectively.

Pursuant to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform (關於深化增值税改革有關政策的公告) issued by the MOF, the STA and the General Administration of Customs on March 20, 2019, with respect to VAT taxable sales or imported goods of a VAT general taxpayer, the originally applicable tax rate of 16% shall be adjusted to 13%, and the originally applicable tax rate of 10% shall be adjusted to 9%.

FOREIGN EXCHANGE CONTROL IN THE PRC

The lawful currency of the PRC is Renminbi, which is currently subject to foreign exchange control and cannot be freely converted into foreign currencies. The SAFE, with the authorization of the PBOC, is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange control regulations.

The Regulations on the Foreign Exchange Control of the PRC (《中華人民共和國外匯管理條例》) (the "**Foreign Exchange Control Regulations**"), which was issued by the State Council on January 29, 1996, implemented on April 1, 1996 and latest amended on August 5, 2008, classifies all international payments and transfers into current account items and capital account items. Current account items are subject to the reasonable examination of the truthfulness of transaction documents and the matchability of the transaction documents and the foreign exchange receipts and payments by financial institutions engaging in settlement and sale of foreign currencies, and supervision and inspection by the foreign exchange administrative authorities. For capital account items, overseas organizations and overseas individuals making direct investment in the PRC shall, upon approval by the relevant competent authorities, process registration formalities with the foreign exchange administrative authorities. Foreign exchange income received overseas can be repatriated or deposited overseas, and foreign exchange and foreign exchange settlement funds under the capital account are required to be used only for purposes as approved by the competent authorities and foreign exchange administrative authorities. In the event that a material imbalance in international receipts and payments occur or may occur, or the national economy encounters or may encounter a severe crisis, the State may adopt necessary safeguard and control measures on international receipts and payments.

The Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》), which was promulgated by the PBOC on June 20, 1996 and implemented on July 1, 1996, removes other restrictions on the conversion of foreign exchange under current account items, while imposing existing restrictions on foreign exchange transactions under capital account items. According to these regulations and other relevant PRC rules and regulations in relation to currency exchange, Renminbi is generally freely convertible for payments under current account items (such as foreign exchange transactions related to trade and services), but are not freely convertible for capital account items (such as direct investments, loans, or securities investments outside the PRC) without prior approval from the SAFE or its local branches.

Pursuant to the Announcement on Improving the Reform of the Renminbi Exchange Rate Formation Mechanism (《關於完善人民幣匯率形成機制改革的公告》), which was issued by the PBOC and implemented on July 21, 2005, the PRC has implemented a managed floating exchange rate system in which the exchange rate would be determined based on market supply and demand and adjusted with reference to a basket of currencies since July 21, 2005. Therefore, the Renminbi exchange rate was no longer pegged to the U.S. dollar. The PBOC would publish the closing price of the exchange rate of the Renminbi against trading currencies such as the U.S. dollar in the interbank foreign exchange market after the closing of the market on each working day, as the central parity of the currency against Renminbi transactions on the following working day.

Pursuant to the relevant laws and regulations in the PRC, PRC enterprises (including foreign-invested enterprises) which need foreign exchange for current account item transactions may, without the approval of the foreign exchange administrative authorities, effect payment through foreign exchange accounts opened at the designated foreign exchange bank with valid transaction receipts and proof. Foreign-invested enterprises which need foreign exchange for the distribution of profits to their shareholders and PRC enterprises which, in accordance with regulations, are required to pay dividends to their shareholders in foreign exchange (such as our Company) may, with the resolutions of the board of directors or the shareholders' meeting on the distribution of profits, effect payment from foreign exchange accounts at the designated foreign exchange bank, or effect exchange and payment at the designated foreign exchange bank.

Pursuant to the Decisions on Matters including Canceling and Adjusting a Batch of Administrative Approval Items (《國務院關於取消和調整一批行政審批項目等事項的決定》) issued by the State Council on October 23, 2014, it decided to cancel the requirements on the SAFE and its branches for reviewing and approving the remittance and settlement of proceeds raised from overseas listing of foreign shares of domestic companies into RMB domestic accounts.

Pursuant to the Notice of the SAFE on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) issued by the SAFE and implemented on December 26, 2014, a domestic company shall, within 15 business days from the date of the end of its overseas listing issuance, register the overseas listing with the local branch office of the SAFE at the place of its establishment. The proceeds from an overseas listing of a domestic company may be repatriated to the domestic account or deposited in an overseas account, provided that the use of the proceeds shall be consistent with the content of this document and other disclosure documents.

Pursuant to the Administrative Provisions on Foreign Exchange in Domestic Direct Investment by Foreign Investors (《外國投資者境內直接投資外匯管理規定》) promulgated on May 10, 2013, came into effect on May 13, 2013, amended on October 10, 2018, and partially repealed on December 30, 2019, the administration shall be carried out by SAFE or its local branches over the direct investment of foreign investors in the PRC by means of registration, and banks must handle foreign exchange business for direct investment in the PRC based on the registration information provided by the SAFE and its branches.

Pursuant to the Notice of the SAFE on Further Simplifying and Improving Foreign Exchange Administration Policy on Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) issued by the SAFE on February 13, 2015, came into effect on June 1, 2015 and partially repealed on December 30, 2019, the confirmation of foreign exchange registration under domestic direct investment and the confirmation of foreign exchange registration under overseas direct investment shall be directly examined and handled by banks. The SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

Pursuant to the Notice of the SAFE on Reforming the Administration of Foreign Exchange Settlement of Capital of Foreign-invested Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) issued on March 30, 2015, came into effect on June 1, 2015 and partially repealed on December 30, 2019, foreign-invested enterprises may settle their foreign exchange capital on a discretionary basis according to the actual needs of their business operations. Foreign-invested enterprises are prohibited to use the foreign

exchange capital settled in RMB (a) for any expenditures beyond the business scope of the foreign-invested enterprises or forbidden by laws and regulations; (b) for direct or indirect securities investment; (c) to provide entrusted loans (unless permitted in the business scope), repay loans between enterprises (including advances by third parties) or repay RMB bank loans that have been on-lent to a third party; and (d) to purchase real estate property not for self-use purposes (save for real estate enterprises).

Pursuant to the Notice of the SAFE on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) promulgated by the SAFE and implemented on June 9, 2016, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the repatriated funds raised through overseas listing) may effect foreign exchange settlement in banks according to the actual needs of business operations of domestic institutions. The tentative percentage of foreign exchange settlement for foreign currency earnings in capital account of domestic institutions is 100%, subject to adjustment of the SAFE in due course in view of the situation of international receipts and payments.

1. PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the PRC (《中華人民共和國憲法》) (the "**Constitution**") and is composed of statutes, administrative regulations, local regulations, separate regulations, autonomous regulations, departmental rules and regulations, local government rules and regulations, international treaties of which the PRC government is a signatory, and other regulatory documents. Court verdicts do not constitute binding precedents but may be used as judicial reference and guidance.

Pursuant to the Constitution and the Legislation Law of the PRC (2023 revision) (《中華人民共和國立法法(2023修正)》) (the "**Legislation Law**"), the NPC and the SCNPC are empowered to exercise the legislative power of the State. The NPC has the power to formulate and amend basic laws governing civil and criminal matters, state organs and other matters. The SCNPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in contrary to the basic principles of such laws.

The State Council is the highest organ of the PRC administration and has the power to formulate administrative regulations based on the Constitution and laws.

The people's congresses of provinces, autonomous regions and municipalities and their respective standing committees may enact local regulations based on the specific circumstances and actual requirements of their own respective administrative areas, provided that such local regulations are not in contrary to any provision of the Constitution, laws or administrative regulations.

The ministries and commissions of the State Council, the PBOC, the National Audit Office as well as other organs endowed with administrative functions directly under the State Council may, in accordance with the laws as well as the administrative regulations, decisions and orders of the State Council and within the limits of their power, enact rules.

The people's congresses and their respective standing committees of cities with subordinate districts may, in the areas of urban and rural development and management, ecological civilization construction and the preservation of history and culture, enact local regulations based on the specific circumstances and actual requirements, which shall become enforceable after being reported to and approved by the standing committees of the people's congresses of the relevant provinces or autonomous regions, but such local regulations shall conform with the Constitution, laws, administrative regulations, and the relevant local regulations of the relevant provinces or autonomous regions. The people's congresses of national autonomous regions have the power to enact autonomous regulations and separate regulations in light of the political, economic and cultural characteristics of the nationality (nationalities) in the regions concerned.

The people's governments of the provinces, autonomous regions, municipalities and cities with subordinate districts may enact rules in accordance with laws, administrative regulations and the local regulations of their respective provinces, autonomous regions or municipalities.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of local regulations is greater than that of the rules of the local governments at or below the corresponding level. The authority of the rules enacted by the people's governments of the provinces or autonomous regions is greater than that of the rules enacted by the people's governments of the cities with subordinate districts or autonomous prefectures within the administrative areas of the provinces and the autonomous regions.

The NPC has the power to alter or annul any inappropriate laws enacted by its standing committee, and to annul any autonomous regulations or separate regulations which have been approved by its standing committee but contravene the Constitution or the Legislation Law.

The SCNPC has the power to annul any administrative regulations that contravene the Constitution and laws, to annul any local regulations that contravene the Constitution, laws or administrative regulations, and to annul any autonomous regulations or local regulations which have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities, but which contravene the Constitution and the Legislation Law. The State Council has the power to alter or annul any inappropriate departmental rules and rules of local governments. The people's congresses of provinces, autonomous regions or municipalities have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees. The people's governments of provinces and autonomous regions have the power to alter or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the SCNPC. According to the Decision of the SCNPC Regarding the Strengthening of Interpretation of Laws (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) adopted on June 10, 1981, the Supreme People's Court of the PRC (the "**Supreme People's Court**") has the power to give general interpretation on questions involving the specific application of laws and decrees in court trials. The State Council and its ministries and commissions are also vested with the power to give interpretation of the administrative regulations and department rules which they have promulgated. At the regional level, the power to give interpretations of the local regulations and administrative rules is vested in the regional legislative and administrative organs which promulgate such regulations and rules.

2. PRC JUDICIAL SYSTEM

Under the Constitution and the Organic Law of the People's Courts of the PRC (2018 revision) (《中華人民共和國人民法院組織法(2018年修訂)》), the PRC judicial system is made up of the Supreme People's Court, the local people's courts, and other special people's courts.

The local people's courts are comprised of the primary people's courts, the intermediate people's courts and the higher people's courts. The higher people's courts supervise the primary and intermediate people's courts. The people's procuratorates also have the right to exercise legal supervision over the civil proceedings of people's courts of the same level and lower levels. The Supreme People's Court is the highest judicial body in the PRC. It supervises the adjudication work of the people's courts at all levels.

The Civil Procedure Law of the PRC (2023 Revision) (《中華人民共和國民事訴訟法(2023年修訂)》) (the "**Civil Procedure Law**"), which was adopted in 1991, amended in 2007, 2012, 2017, 2021 and 2023, sets forth the criteria for instituting a civil action, the jurisdiction of the people's courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the PRC must comply with the Civil Procedure Law. In general, a civil case is initially heard by a local court of the municipality or province in which the defendant resides. The parties to a contract may, by express agreement, select a judicial court where civil actions may be brought, provided that the judicial court is either located at the plaintiff's or the defendant's place of domicile, the place of execution or implementation of the contract or the place of the subject of the action, provided that the provisions regarding the level of jurisdiction and exclusive jurisdiction shall not be violated.

A foreign national or enterprise generally has the same litigation rights and obligations as a citizen or legal person of the PRC. If a foreign country's judicial system limits the litigation rights of PRC citizens and enterprises, the PRC courts may apply the same limitations to the citizens and enterprises of that foreign country within the PRC.

If any party to a civil action refuses to comply with a judgment or ruling made by a people's court or an award made by an arbitration panel in the PRC, the other party may apply to the people's court for the enforcement of the same. There are time limits of two years imposed on the right to apply for such enforcement. If a person fails to satisfy a judgment made by the court within the prescribed time, the court will, upon application by either party, enforce the judgment in accordance with the law.

A party seeking to enforce a judgment or ruling of a people's court against a party who is not personally or whose property is not within the PRC may apply to a foreign court with jurisdiction over the case for recognition and enforcement of the judgment or ruling. A foreign judgment or ruling may also be recognized and enforced by the people's court according to PRC enforcement procedures if the PRC has entered into or acceded to an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity. However, if the people's court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the PRC, its sovereignty or security or against social and public interest, or if other circumstances stipulated in Article 300 of the Civil Procedure Law occur, the people's court shall, upon examination, not to recognize or enforce such judgment or ruling.

3. THE PRC COMPANY LAW, OVERSEAS LISTING TRIAL MEASURES AND GUIDELINES FOR ARTICLES OF ASSOCIATION

A joint stock limited company which is incorporated in the PRC and seeking a listing on the Hong Kong Stock Exchange is mainly subject to the Company Law of the PRC (2023 Revision) (《中華人民共和國公司法(2023修正)》) (the "**PRC Company Law**"), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "**Overseas Listing Trial Measures**") and with reference to the Guidelines on the Articles of Association of Listed Companies (《上市公司章程指引》) (the "**Articles of Association Guidelines**"), the specific details of which are as follows:

The PRC Company Law, which was promulgated by the SCNPC on December 29, 1993, came into effect on July 1, 1994, amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023, respectively and the latest amendment of which was implemented on July 1, 2024.

The Overseas Listing Trial Measures and five related guidelines, which were promulgated by the CSRC on February 17, 2023 under the Securities Law of the PRC, came into effect on March 31, 2023, and are applicable to domestic enterprises that issue or list, directly or indirectly, their securities offshore or trade their securities offshore.

The Articles of Association Guidelines were last amended on March 28, 2025 by the CSRC. Domestic enterprises directly issuing and listing overseas shall formulate their articles of association with reference to the Articles of Association Guidelines and other relevant regulations on corporate governance issued by the CSRC to standardize corporate governance. The relevant Articles of Association Guidelines are included in the Company's Articles of Association, a summary of which is set out in the section headed "Appendix V — Summary of Articles of Association" to this document.

Set out below is a summary of the major provisions of the PRC Company Law, the Overseas Listing Trial Measures and Articles of Association Guidelines applicable to the Company.

(1) General

A joint stock limited company refers to an enterprise legal person incorporated under the PRC Company Law. The capital of the company shall be divided into shares. All shares of the company shall be either with or without par value in accordance with the company's articles of association. Where shares with par value are adopted, each share shall have equal par value.

The company may, pursuant to the articles of association, convert all the issued shares with par value into those without par value, or vice versa.

Where shares without par value are adopted, more than half of the proceeds from the issuance of the shares shall be included in the registered capital.

The liability of shareholders of a joint stock limited company is limited to the extent of the shares they subscribe for and the company is liable for its debts with all its property.

A joint stock limited company shall conduct its business in accordance with laws and administrative regulations. It may invest in other limited liability companies and joint stock limited companies and its liabilities with respect to such invested companies are limited to the amount invested. Unless otherwise provided by law, the joint stock limited company may not, as a contributor, undertake joint and several liabilities for the debts of the invested companies.

(2) Incorporation

A joint stock limited company may be incorporated by promotion or public subscription.

A joint stock limited company may be incorporated by a minimum of one but not more than 200 promoters, and at least half of the promoters must have residence within the PRC.

For joint stock limited companies incorporated by promotion, the promoters shall subscribe for the full amount of shares to be issued upon the incorporation of the company as provided for in the company's articles of association.

Where joint stock limited companies are incorporated by subscription, shares subscribed for by the promoters shall not be less than 35% of the total number of shares to be issued upon the incorporation of the company as provided for in the company's articles of association. However, where the laws, administrative regulations otherwise provides, such provisions shall prevail.

The promoters shall pay the subscription monies in full for the shares they subscribe for before the company is incorporated.

The promoters of joint stock limited companies incorporated by subscription must convene an inaugural meeting within 30 days after the issued shares are fully paid up, and must give notice to all subscribers or make an announcement of the date of the inaugural meeting 15 days before the meeting. The inaugural meeting may be held only with the presence of promoters or subscribers representing at least half of the shares in the company. The convening and voting procedures of the inaugural meeting of a joint stock limited company incorporated by promotion shall be stipulated in the company's articles of association or the agreement between the promoters.

The inaugural meeting of a company shall exercise the following functions and powers:

(i) to review the promoters' report on the preparations for the incorporation of the company;

(ii) to adopt the company's articles of association;

(iii) to elect directors and supervisors;

(iv) to review the preliminary expenses of the company;

(v) to review the valuations of the non-monetary property contributed by the promoters;

(vi) to adopt a resolution against the incorporation of the company in the event that a force majeure occurs or a major change takes place in the operational conditions, which directly affects the incorporation of the company.

Resolutions of the inaugural meeting on the matters specified in the preceding paragraph shall be approved by subscribers representing more than half of the voting rights present at the meeting.

Where a company makes public offering of shares, it shall complete the registration with the securities regulatory authority of the State Council and publish a prospectus.

If a promoter fails to pay for the shares they subscribe for, or if the actual value of non-monetary property contributed as capital is significantly less than the value of the subscribed shares, the other promoters and such promoter shall bear joint and several liabilities for the deficiency.

(3) Share Capital

The promoters of a company may make capital contributions in cash or in kind denominated in money and transferable under the law (e.g., intellectual property or land use rights, etc.) at their valuation.

If capital contribution is made other than in cash, the property injected must be valued and verified and converted into shares.

The Overseas Listing Trial Measures stipulates that the domestic enterprises offering and listing overseas may raise funds and pay dividends in foreign currencies or in RMB.

The use and purposes of investment of the proceeds from overseas issuance of securities by a domestic enterprise shall comply with the laws, administrative regulations and relevant provisions of the State.

The foreign exchange and cross-border flow of capitals relating to the overseas issuance and listing of a domestic enterprise shall comply with the regulations on cross-border investment and financing, foreign exchange control, and cross-border RMB control of the State.

Pursuant to the Overseas Listing Trial Measures, for a domestic enterprises directly offering and listing overseas, shareholders of its domestic unlisted shares applying to convert such shares into shares listed and traded on an overseas stock exchanges shall conform to relevant regulations promulgated by the CSRC, and authorize the domestic company to file with the CSRC on their behalf. The domestic unlisted shares as mentioned in the preceding paragraph refer to shares issued by domestic enterprises but not listed or traded on domestic stock exchanges. Domestic unlisted shares shall be registered and deposited with domestic securities registration and clearing institutions in a centralized manner. The registration and settlement arrangements for overseas listed shares shall be governed by the rules of the overseas places where shares are listed.

(4) Allocation and Issuance of Shares

All issue of shares of a joint stock limited company shall be based on the principles of equality and fairness. The same class of shares must carry equal rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price. The same price shall be paid for each share subscribed for by a subscriber. A company may issue shares at par value or at a premium, but it may not issue shares below the par value.

The domestic enterprises that engage in the overseas issuance and listing of securities shall, in accordance with the Overseas Listing Trial Measures, submit to the CSRC a filing report, legal opinions and other relevant materials that give true, accurate and complete description about shareholder information and other circumstances for the record. In case of the direct overseas issuance and listing by domestic enterprises, the issuer shall file with the CSRC.

(5) Registered Shares

Pursuant to the PRC Company Law, shareholders may make capital contributions in cash, or in kind, intellectual property rights, land use rights and other non-monetary property that can be valued in money and can be transferred in accordance with the laws. If capital contribution is made other than in cash, the property injected must be valued and verified and converted into shares. A company shall issue shares in registered form.

In accordance with the Overseas Listing Trial Measures, the domestic enterprises that engage in the overseas issuance and listing of securities may raise funds and pay dividends in foreign currencies or in RMB.

Under the PRC Company Law, when a company issues shares in registered form, it shall maintain a register of members, stating the following matters: (i) the name and domicile of each shareholder; (ii) the class and numbers of shares held by each shareholder; (iii) the serial numbers of printed share certificates; and (iv) the date on which each shareholder acquired the shares.

(6) Increase in Share Capital

Pursuant to the PRC Company Law, when a joint stock company issues new shares, a resolution on the following matters shall be adopted by the shareholders' meeting:

(i) the class and number of the new shares;

(ii) the issue price of the new shares;

(iii) the commencement and ending dates for the issuance of the new shares;

(iv) the class and number of the new shares to be issued to the existing shareholders;

(v) if any share without par value is issued, the proceeds from the issuance of the new shares to be included in the amount of registered capital.

When a company applies for the approval of public issuance of new shares from the securities regulatory authorities of the State Council, it shall publish the required documents and financial and accounting reports, and prepare a share subscription form. After the newly-issued shares have been paid up, the change shall be registered with the company registration authorities and an announcement shall be made.

(7) Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures as prescribed in the PRC Company Law:

(i) the company shall prepare a balance sheet and a property list;

(ii) the reduction of registered capital shall be approved by the shareholders' meeting;

(iii) the company shall inform its creditors of the capital reduction within 10 days and publish an announcement of the reduction on the newspaper or the National Enterprise Credit Information Publicity System within 30 days after the resolution to approve the reduction has been passed at the shareholders' meeting;

(iv) creditors shall within 30 days after receiving the notice, or within 45 days of the public announcement if no notice has been received, require the company to pay its debts or provide corresponding guarantees;

(v) the company shall apply to the relevant registration and administration authority for the registration of the reduction in registered capital.

Resolutions adopted at a shareholders' meeting regarding amendment to the company's articles of association, the increase or reduction of the registered capital, or on the merger, division, dissolution or change in the form of the company shall be passed by the shareholders representing two-thirds or more of the voting rights.

When the company reduces its registered capital, it shall reduce the amount of capital contribution or shares in proportion to the shareholders' capital contribution or shareholding, unless otherwise provided by laws or the articles of association.

(8) Repurchase of Shares

Pursuant to the PRC Company Law, a joint stock company may not purchase its own shares except in any of the following circumstances: (i) to reduce its registered capital; (ii) to merge with another company that holds its shares; (iii) to grant its shares for the implementation of an employee stock ownership plan or equity incentive scheme; (iv) to purchase shares from shareholders who object to a resolution passed by the shareholders' meeting regarding a merger or division of the company and make such request; (v) to use shares for conversion of convertible corporate bonds issued by a company; and (vi) to repurchase shares necessary for a listed company to maintain its company value and protect its shareholders' interests.

Repurchase of shares on the grounds set out in (i) and (ii) above shall be subject to a resolution passed at the shareholders' meeting. Repurchase of shares on the grounds set out in (iii), (v) or (vi) above shall be subject to a resolution of the meeting of the board of directors passed by more than a two-thirds majority of directors attending the meeting in accordance with the provisions of the company's articles of association or as authorized by the shareholders' meeting.

Following the repurchase of shares under (i) above, such shares shall be cancelled within 10 days from the date of repurchase. The shares shall be transferred or cancelled within six months if the repurchase of shares is made under either (ii) or (iv) above. The total shares held by a company after the repurchase of shares under (iii), (v) or (vi) above shall not exceed 10% of the total issued shares of the company, and shall be transferred or cancelled within three years.

A listed company shall perform its obligation of information disclosure according to the provisions of the Securities Law when repurchasing its shares. In the event the repurchase of shares is made in accordance with (iii), (v) or (vi) above, it shall be made through centralized public trading.

A company shall not accept its own shares as the subject of a pledge.

(9) Transfer of Shares

Shares held by shareholders may be transferred in accordance with the relevant laws and regulations.

Pursuant to the PRC Company law, the shares which have been issued prior to the offering shall not be transferred within one year from the date of the listing of the joint stock limited company's shares on a stock exchange. Directors, supervisors and the senior management of the joint stock limited company shall declare to the company their shareholdings in the company and any changes of such shareholdings. Shares transferred by the persons mentioned above each year during their term of office determined at the time they assume office shall not exceed 25% of the total number of shares they hold in the company, and such shares held in the company cannot be transferred within one year from the date of listing and trading. Transfers of shares may not be recorded in the register of members 20 days before convening shareholders' meeting or five days prior to the record date determined for the purpose of payment of dividends.

Under PRC laws, domestic unlisted shares, which are denominated and subscribed for in Renminbi, may only be subscribed for and traded by the government or the authorized departments of the government, PRC legal persons, natural persons, qualified foreign institutional investors, or eligible foreign strategic investors. Overseas listed shares, which are denominated in Renminbi and subscribed for in a foreign currency other than Renminbi, may only be subscribed for and traded by investors from Hong Kong, Macau or Taiwan Region of the People's Republic of China or outside the PRC, or qualified domestic institutional investors. However, qualified institutional investors and individual investors may trade shares for Southbound Trading under Hong Kong Connect and Northbound Trading under Shanghai Connect (or the Northbound Trading under Shenzhen Connect) through participating in Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

When the application for "full circulation" is approved by the CSRC, the domestic unlisted shares of the H share listed company can be listed and traded on the Hong Kong Stock Exchange.

(10) Shareholders

In accordance with the PRC Company Law and the Articles of Association Guidelines, the rights of ordinary shareholders of a joint stock limited company shall include:

(i) the right to require, convene, preside over, participate in or appoint proxies of shareholders to attend shareholders' meeting and to exercise the corresponding voting rights according to the law;

(ii) the right to transfer their shares in accordance with laws, administrative regulations and provisions of the articles of association;

(iii) the right to inspect the company's articles of association, register of shares, counterfoil of company debentures, minutes of shareholders' meeting, resolutions of meetings of the board of directors, resolutions of meetings of the board of supervisors and financial and accounting reports, and to put forward suggestions or raise inquiries on the company's operations;

(iv) the right to file a petition with the people's court to rescind resolutions passed by shareholders' meeting and board meeting where the articles of association is violated;

(v) the right to request the company to purchase shares from shareholders who vote against the resolution on the merger or division of the company at a shareholders' meeting;

(vi) the right to receive dividends and other kinds of benefits distributed in proportion to the number of shares held by them;

(vii) in the event of the termination or liquidation of the company, the right to participate in the distribution of residual properties of the company in proportion to the number of shares held by them; and

(viii) other rights as prescribed in laws, administrative regulations, other regulatory documents and the company's articles of association.

The obligations of a shareholder include the obligation to abide by the company's articles of association, to pay the subscription moneys in respect of the shares they subscribed for and in accordance with the form of making capital contributions, to be liable for the company's debts and liabilities to the extent of the amount of shares he/she subscribed for and other shareholders' obligations as specified in the company's articles of association.

(11) Shareholders' Meeting

The shareholders' meeting is the organ of authority of the company, which exercises its functions and powers in accordance with the PRC Company Law. Under the PRC Company Law, the shareholders' meeting exercises the following principal functions and powers:

(i) to elect or remove the directors and supervisors (other than the employee directors) and to decide on matters relating to the remuneration of directors and supervisors;

(ii) to consider and approve reports of the board of directors;

(iii) to consider and approve reports of the board of supervisors;

(iv) to consider and approve annual financial budget and final plans of the company;

(v) to consider and approve the profit distribution plans and loss recovery plan of the company;

(vi) to resolve on any increase or reduction of the company's registered capital;

(vii) to resolve on the issuance of bonds by the company;

(viii) to resolve on the merger, division, dissolution, liquidation and change in the form of the company;

(ix) to amend the company's articles of association; and

(x) other powers as prescribed in the articles of association.

Annual shareholders' meeting shall be held once every year. Under the PRC Company Law, an extraordinary shareholders' meeting shall be held within two months after the occurrence of any of the following:

(i) the number of directors is less than the number stipulated by the law or less than two-thirds of the number specified in the articles of association;

(ii) the aggregate uncovered losses of the company reach one-third of the company's total paid-up share capital;

(iii) when shareholders alone or in aggregate holding 10% or more of the company's shares request the convening of an extraordinary shareholders' meeting;

(iv) whenever the board of directors deems necessary;

(v) when the board of supervisors so requests; or

(vi) other circumstances as provided for in the articles of associations.

Under the PRC Company Law, shareholders' meeting shall be convened by the board of directors, and presided over by the chairman of the board of directors. In the event that the chairman is incapable of performing or not performing his duties, the meeting shall be presided over by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his duties, a director nominated by more than half of directors shall preside over the meeting.

Where the board of directors is incapable of performing or not performing its duties of convening the shareholders' meeting, the board of supervisors shall convene and preside over such meeting in a timely manner. If the board of supervisors fails to convene and preside over such meeting, shareholders alone or in aggregate holding more than 10% of the company's shares for 90 days consecutively may unilaterally convene and preside over such meeting.

In the event that shareholders who individually or jointly hold more than ten percent of the shares in the company request the convening of an extraordinary shareholders' meeting, the board of directors or the board of supervisors shall make a decision on whether or not to convene an extraordinary shareholders' meeting within ten days after receiving the request, and shall reply to the shareholders in writing.

Under the PRC Company Law, the notice of shareholders' meeting shall state the time and venue and matters to be considered at the meeting and shall be given to all shareholders 20 days prior to the meeting. The notice of extraordinary shareholders' meetings shall be given to all shareholders 15 days prior to the meeting. Under the Articles of Association Guidelines, after the notice of shareholders' meeting is issued, the shareholders' meeting shall not be postponed or cancelled without proper reasons, and the proposals set out in the notice of shareholders' meeting shall not be cancelled. In the event of postponement or cancelation, the convener shall make an announcement and explain the reasons at least two working days before the original meeting date.

There is no specific provision in the PRC Company Law regarding the number of shareholders constituting a quorum in a shareholders' meeting. Pursuant to the Articles of Association Guidelines, the board of directors and the secretary of the board of directors shall cooperate with the shareholders' meeting convened by the board of supervisors or shareholders. The board of directors shall provide the register of

members on the record date for determining the shareholding. Moreover, when the shareholders' meeting is held, all directors, supervisors and the secretary of the board of directors of the company shall participate in the meeting, and managers and other senior management shall attend the meeting.

Pursuant to the Articles of Association Guidelines, shareholders who individually or jointly hold more than 3% of the company's shares may put forward interim proposals and submit them to the convener in writing 10 days before the shareholders' meeting. The convener shall issue a supplementary notice of the shareholders' meeting within two days after receiving the proposal and announce the contents of the interim proposal.

Shareholders who individually or jointly hold 1% or more of the company's shares may submit interim proposals to the board of directors in writing at least ten days before the shareholders' meeting. Interim proposals must include clear topics and specific resolutions. The board of directors shall notify other shareholders within two days of receiving the proposals and submit the interim proposals to the shareholders' meeting for deliberation, unless the interim proposals violate laws, administrative regulations, the articles of association, or fall outside the authority of the shareholders' meeting. The company shall not increase the shareholding percentage requirements for shareholders to submit interim proposals.

According to the PRC Company Law, shareholders present at shareholders' meeting have one vote for each share they hold, save that shares held by the company are not entitled to any voting rights.

Pursuant to the provisions of the articles of association or a resolution of the shareholders' meeting, the cumulative voting system may be adopted for the election of directors and supervisors at the shareholders' meeting. Under the cumulative voting system, each share shall be entitled to vote equivalent to the number of directors or supervisors to be elected at the shareholders' meeting and shareholders may consolidate their voting rights when casting a vote.

Pursuant to the PRC Company Law and the Articles of Association Guidelines, resolutions of the shareholders' meeting shall be passed by more than half of the voting rights held by the shareholders present at the meeting. However, resolutions of the shareholders' meeting regarding the following matters shall be passed by more than two-thirds of the voting rights held by the shareholders present at the meeting: (i) amendments to the articles of association; (ii) the increase or decrease of registered capital; (iii) equity incentive scheme; (iv) major assets purchased or sold by the company or the amount of guarantee within one year exceeds 30% of the latest audited total assets of the company; (v) the merger, division, dissolution, liquidation or change in the form of the company; (vi) other matters as stipulated in laws, administrative regulations or the articles of association, as well as other matters deemed by the shareholders' meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the company and required to be passed by a special resolution.

According to the PRC Company Law, meeting minutes shall be prepared in respect of decisions on matters discussed at the shareholders' meeting. The chairman of the meeting and directors attending the meeting shall sign such minutes. Meeting minutes shall be kept together with the shareholders' attendance register and the proxy forms.

(12) Board of Directors

According to the PRC Company Law, a joint stock company shall have a board of directors, which shall consist of more than three members. Members of the board of directors may include the employee representatives of the company, who shall be democratically elected by the company's employees at the employees' representative assembly, employees' general meeting or otherwise. The term of a director shall be stipulated in the articles of association, but no term of office shall last for more than three years. A director may serve consecutive terms if re-elected upon the expiry of

his/her term of office. A director shall continue to perform his/her duties in accordance with the laws, administrative regulations and articles of association until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office, or if the resignation of director results in the number of directors being less than the quorum.

Pursuant to the PRC Company Law, the board of directors mainly exercises the following functions and powers:

(i) to convene the shareholders' meetings and report on its work to the shareholders' meetings;

(ii) to implement the resolutions passed at the shareholders' meetings;

(iii) to decide on the company's business plans and investment proposals;

(iv) to formulate the company's profit distribution plans and loss recovery plans;

(v) to formulate proposals for the increase or reduction of the company's registered capital and the issuance of corporate bonds;

(vi) to formulate plans for the merger, division, dissolution and change in the form of the company;

(vii) to decide on the establishment of the internal management body of the company;

(viii) to decide on the appointment or dismissal of the manager of the company and the matters concerning his/her remuneration, and decide on the appointment or dismissal of the deputy manager(s) and persons in charge of the financial affairs of the company, and on the matters concerning their remuneration based on recommendation from the manager;

(ix) to formulate the company's basic management system; and

(x) other functions and powers as prescribed in the articles of association or as authorized by the shareholders' meeting.

Restrictions on the functions and powers of the board of directors in a company's articles of association shall not be enforceable against a bona fide third party.

(13) Board Meetings

Under the PRC Company Law, meetings of the board of directors of a joint stock limited company shall be convened at least twice a year. Notice of meeting shall be given to all directors and supervisors 10 days prior to the meeting. Shareholders representing more than 10% of voting rights, more than one-third of directors or the board of supervisors may propose to convene an interim board meeting. The chairman shall convene and preside over such meeting within 10 days after receiving such proposal. Board meetings shall be held only if a majority of the directors are present. Resolutions of the board of directors shall be passed by a majority of all directors. On a vote on a board resolution, every director shall have one vote. Directors shall attend board meetings in person. If a director is unable to attend a board meeting, he/she may appoint another director by a written power of attorney specifying the scope of the authorization to attend the meeting on his/her behalf.

If a resolution of the board of directors violates the laws, administrative regulations, the articles of association or a resolution of the general meeting, and as a result of which the company sustains significant losses, the directors involved in the resolution are liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be released from that liability.

(14) Chairman of the Board

Under the PRC Company Law, the board of directors shall appoint a chairman and may appoint a vice chairman. The chairman and the vice chairman are elected with approval of a majority of all the directors. The chairman shall convene and preside over board meetings and examine the implementation of board resolutions. The vice chairman shall assist the work of the chairman. In the event that the chairman is incapable of performing or not performing his duties, the duties shall be performed by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his/her duties, a director nominated by a majority of the directors shall perform his/her duties.

(15) Qualification of Directors

The PRC Company Law provides that the following persons may not serve as a director:

(i) a person who has no civil capacity or has limited civil capacity;

(ii) a person who has been convicted of an offense of corruption, bribery, embezzlement, misappropriation of property, or the destruction of socialist market economy order, or who has been deprived of political rights due to his/her crimes, in each case where less than five years have elapsed since the date of completion of the sentence; or in the case of a suspended sentence, no more than two years have elapsed since the date of expiration of the probationary period;

(iii) a person who has been a former director, factory manager or manager of an insolvent and liquidated company or enterprise and who was personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of the completion of the bankruptcy and liquidation of the company or enterprise;

(iv) a person who has been a legal representative of a company or an enterprise that has had its business license revoked due to violations of the law and has been ordered to close down and was personally responsible, where less than three years have elapsed since the date of such revocation of the business license or the order to close down;

(v) a person listed as a dishonest person subject to enforcement by the people's court for failure to pay a large amount of debts that are overdue.

Where the election or appointment of any director is in violation of the preceding paragraph, it shall be invalidated.

If a director, supervisor or senior management member fall into the situations stipulated in (i) during his/her term of office, he/she would be dismissed by the company.

(16) Board of Supervisors

A joint stock limited company shall have a board of supervisors composed of more than three members. The board of supervisors shall consist of representatives of the shareholders and an appropriate proportion of representatives of the employees of the company, of which the proportion of the employee representative supervisors shall not be less than one-third, and the actual proportion shall be stipulated in the articles of association. Representatives of the employees of the company in the board of supervisors shall be democratically elected by the employees at the employees' representative assembly, employees' general meeting or otherwise. The directors and senior management may not act concurrently as supervisors.

A joint stock company may, in accordance with the provisions of its articles of association, establish an audit committee composed of directors within the board of directors to perform the functions of board of supervisors stipulated by the PRC Company Law, eliminating the need to set up board of supervisors or appoint supervisors.

The audit committee shall consist of more than 3 directors. More than half of its members shall not hold any position in the company other than that of director and shall not have any relationship with the company that may affect their independent and objective judgment. The employee representatives among the members of the board of directors of the company may become members of the audit committee.

A resolution of the audit committee shall be passed by more than half of its members.

Resolutions of the audit committee shall be voted on a one-member-one-vote basis.

The discussion methods and voting procedures of the audit committee shall be prescribed in the company's articles of association, unless otherwise provided in this law.

The board of supervisors shall appoint a chairman and may appoint a vice chairman. The chairman and the vice chairman of the board of supervisors are elected with approval of a majority of all supervisors. The chairman of the board of supervisors shall convene and preside over the meetings of the board of supervisors. In the event that the chairman of the board of supervisors is incapable of performing or not performing his/her duties, the vice chairman of the board of supervisors shall convene and preside over the meetings of the board of supervisors. In the event that the vice chairman of the board of supervisors is incapable of performing or not performing his duties, a supervisor nominated by a majority of the supervisors shall convene and preside over the meetings of the board of supervisors.

Each term of office of a supervisor is three years and he/she may serve consecutive terms if re-elected upon expiry of his/her term of office. A supervisor shall continue to perform his/her duties as a supervisor in accordance with laws, administrative regulations and the articles of association until a re-elected supervisor takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office, or if the resignation of supervisors during his/her term of office results in the number of members of the board of supervisors being less than the quorum.

The board of supervisors of a company shall hold at least one meeting every six months. Under the PRC Company Law, a resolution of the board of supervisors shall be passed by a majority of all supervisors.

The board of supervisors exercises the following powers:

(i) to review the company's financial position;

(ii) to supervise the directors and senior management in their performance of their duties and to propose the removal of directors and senior management who have violated laws, regulations, the articles of association or the resolutions of shareholders' meetings;

(iii) to require the director and senior management to make corrections if his/her act is detrimental to the interests of the company;

(iv) to propose the convening of extraordinary shareholders' meetings and to convene and preside over general meetings when the board of directors fails to perform the duty of convening and presiding over shareholders' meetings under the law;

(v) to initiate proposals for resolutions to shareholders' meetings;

(vi) to initiate proceedings against directors and senior management; and

(vii) other powers specified in the articles of association.

Supervisors may attend board meetings and make enquiries or proposals in respect of board resolutions. The board of supervisors may initiate investigations into any irregularities identified in the operation of the company and, where necessary, may engage an accounting firm to assist their work at the company's expense.

(17) Manager and Senior Management

Under the PRC Company Law, a company shall have a manager who shall be appointed or removed by the board of directors. The manager shall be responsible to the board of directors, and perform functions in accordance with the company's articles of association or under the authority of the board of directors. The manager shall attend board meetings.

Under the PRC Company Law, senior management shall mean the manager, deputy manager(s), person-in-charge of finance, board secretary (in case of a listed company) of a company and other personnel as stipulated in the articles of association.

(18) Duties of Directors, Supervisors and Senior Management

Under the PRC Company Law, directors, supervisors and senior management of the company are required to comply with the relevant laws, regulations and the articles of association and to assume duty of loyalty and diligence to the company. Directors, supervisors and senior management shall be prohibited from:

(i) embezzlement of company properties and misappropriating company funds;

(ii) depositing company funds into accounts under their own names or the names of other individuals;

(iii) utilising power to accept bribe or accept other illegal income;

(iv) accepting for their own benefit commissions from others for transactions conducted with the company;

(v) unauthorized divulgence of confidential information of the company;

(vi) other acts in violation of their duty of loyalty to the company.

A director, supervisor or senior management who contravenes law, administrative regulation or the company's articles of association in the performance of his/her duties resulting in any loss to the company shall be liable to the company for compensation.

(19) Derivative Action by Minority Shareholders

The PRC Company Law grants shareholders of a joint stock company the right to act if a director or senior management violates laws, regulations, or the company's articles of association while performing his/her duties and cause damage to the company. Shareholders who individually or jointly hold more than 1% of shares in the Company for over 180 consecutive days may request the board of supervisors in writing to initiate proceedings before a people's court. In the event a supervisor violates laws, regulations, or the company's articles of association while performing his/her duties and causes damage to the company, the aforementioned shareholders may request the board of directors in writing to initiate proceedings before a people's court. Upon receipt of the aforesaid written request from the shareholders, if the board of supervisors or the board of directors refuses to initiate such proceedings, or has not initiated proceedings within 30 days from the date of receipt of the request, or if under urgent situations, fails to initiate immediate proceeding would cause irrecoverable damages to the interests of the company, the above shareholders shall, for the benefit of the company, have the right to initiate proceedings directly before the people's court in their own name.

(20) Financial Affairs and Accounting

Under the PRC Company Law, a company shall establish its financial and accounting system in accordance with the provisions of laws, administrative regulations and the rules of the finance department under the State Council. At the end of each fiscal year, a company shall prepare its financial and accounting reports, which shall be audited by an accounting firm according to law. The company's financial and accounting reports shall be prepared in accordance with the provisions of laws, administrative regulations and the rules of the finance department under the State Council.

Pursuant to the PRC Company Law, the company shall send its financial and accounting report to all shareholders within the time limit stipulated in the articles of association and make its financial and accounting report available at the company for inspection by the shareholders at least 20 days before convening annual general meeting. The joint stock limited company that has publicly issues its shares shall also publish its financial and accounting report.

Where a company distributes the annual after-tax profits, it shall set aside 10% of its after-tax profits into a statutory common reserve fund (except when the fund has reached 50% of its registered capital).

If its statutory common reserve fund is not sufficient to make up losses of the previous years, profits of the current year shall be applied to make up losses before allocation is made to the statutory common reserve fund pursuant to the above provisions.

After allocating after-tax profits for the statutory common reserve fund, a company may, upon resolution adopted by the shareholder's meeting, allocate after-tax profits for its discretionary reserve.

The remaining after-tax profits after making up losses and allocation of common reserve fund shall be distributed in proportion to the number of shares held by the shareholders, unless otherwise stipulated in the articles of association. Shares held by the company shall not be entitled to any distribution of profit.

The premium income derived from the shares issued above par value and other income which, according to the rules set by the finance department under the State Council, is enlisted into the capital reserve funds shall be put into the capital reserve funds of the company.

The reserve funds of a company shall be used to make up for the company's losses or to expand production and operation of the company, or shall be converted into registered capital. Where the reserve of a company is used for making up losses, the discretionary reserve and statutory reserve shall be firstly used. If losses still cannot be covered, the capital reserve funds can be used according to the provisions. Where the statutory common reserve funds are converted into registered capital, the remaining amount of such reserve funds shall not be less than 25% of the registered capital prior to such conversion.

A company shall not have any other accounting books in addition to the statutory accounting books. No accounts shall be opened in the name of any individual for deposit of the assets of a company.

(21) Appointment and Retirement of Accounting Firms

Pursuant to the PRC Company Law, the appointment or dismissal of an accounting firm that undertakes the audit work of a company shall be subject to decision by the shareholders' meeting, the board of directors or the board of supervisors in accordance with the provisions of the company's articles of association. Where the shareholders' meeting, the board of directors or the board of supervisors votes on the dismissal of an accounting firm, it shall allow the accounting firm to state its opinions. A company shall provide true and complete accounting vouchers,

accounting books, financial and accounting reports and other accounting materials to the accounting firm it appoints, and shall not refuse to do so, conceal the facts or make false reports about them.

The Articles of Association Guidance provides that the company shall guarantee to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the appointed accounting firm, and shall not refuse to do so, conceal the facts or make false reports about them. The audit fee of the accounting firm shall be determined by the shareholders' meeting.

(22) Distribution of Profits

Pursuant to the PRC Company Law, after making up its losses and making allocations for its reserve funds, the company shall distribute the profits to shareholders in proportion to the shares held by them, save as otherwise stipulated in the articles of association.

No profits shall be distributed to a company for its own shares.

(23) Amendments to Articles of Association

Any amendments to the company's articles of association must be made in accordance with the procedures set out therein. In relation to matters involving the company's registration, its registration with the authority must also be changed.

(24) Dissolution and Liquidation

Pursuant to the PRC Company Law, a company shall be dissolved for one of the following reasons:

(i) where the term of business operation as stipulated in the company's articles of association expires or other causes for dissolution as stipulated in the articles of association occur;

(ii) where a resolution on dissolution is adopted by the shareholders' meeting;

(iii) where the company dissolution is a result of merger or division;

(iv) where the business license is revoked, or the company is ordered to close down or dissolved, according to law;

(v) where a company is confronted with serious difficulties in operation and management, its continued existence may cause grievous losses to the interests of its shareholders and the difficulties cannot be surmounted through other channels, the shareholders holding more than 10% of the voting rights held by all shareholders of the company may request a people's court to dissolve the company, and the people's court order such dissolution.

The company shall, within 10 days of the occurrence of the dissolution event stipulated in the preceding paragraph, publish an announcement in relation to the dissolution event through the National Enterprise Credit Information Publicity System.

If the item (i) and (ii) above occurs and the property has not yet been distributed to the shareholders, a company may continue to exist by amending the articles of association or resolution of the shareholders' meeting. Amendments to the articles of association or resolution of the shareholders' meeting pursuant to the preceding paragraph shall be subject to the approval of shareholders representing two-thirds or above of the voting rights present at the shareholder's meetings.

Where a company is dissolved in the circumstances described in sub-paragraphs (i), (ii), (iv), or (v) above, it shall, within 15 days from the occurrence of dissolution event, it shall set up a liquidation team to proceed liquidation. The directors of the company are liquidation obligors.

The liquidation team of a company shall comprise its directors or the personnel appointed by the shareholders' meeting. If a liquidating team is not formed within the stipulated time or is formed but does not proceed liquidation, interested parties may apply to a people's court for designating relevant persons to form a liquidation team for liquidation. The people's court shall accept the application and shall organize a liquidation team to conduct liquidation in a timely manner.

During the period of liquidation, the liquidation team shall exercise the following functions and powers:

(i) to check up on the property of the company and draw up a balance sheet and an inventory of assets;

(ii) to inform the creditors by notice or announcement;

(iii) to dispose of and liquidate the company's unfinished business;

(iv) to pay off the tax-in-arrear and the taxes generated in the process of liquidation;

(v) to claim credits and pay off debts;

(vi) to allocate the company's remaining assets after its debts have been paid off; and

(vii) to participate in civil lawsuits on behalf of the company.

The liquidation team shall notify the company's creditors within 10 days after its establishment and issue public an announcement in newspapers or the National Enterprise Credit Information Publicity System within 60 days. The creditors shall declare their claims to the liquidation team within 30 days from the date they receive the written notice or within 45 days from the date the announcement is made (in case where such notice is not received). When declaring his claims, a creditor shall specify all matters in respect of each claim, and provide supporting materials. The liquidation team shall register the claims. During the period when creditors declare their claims, the liquidation team shall not pay off the debts to them.

After the liquidation team has checked up on the property of the company and drawn up the balance sheet and the inventory of assets, it shall formulate a liquidation plan and submit the plan to the shareholders' meeting or a people's court for confirmation.

After a company pays off the liquidation expenses, the wages, the social insurance premiums and the statutory compensations, pays off its tax-in-arrear and settle its debts, the remaining assets of the company shall be distributed to the shareholders in proportion to the shares held by them. During the liquidation process, the company shall continue to exist, but may only engage in the operational activities related to liquidation. The property of the company shall not be distributed to its shareholders before it has made the payments as stipulated in the preceding paragraph.

If, after checking up on the property of a company and drawing up the balance sheet and the inventory of assets, the liquidation team discovers that the assets of the company is insufficient to pay off its debts, it shall, in accordance with law, apply to a people's court for declaration of bankruptcy of the company.

After the people's court has ruled to declare the company bankrupt, the liquidation team shall hand over the liquidation affairs to the bankruptcy administrator appointed by the people's court.

Upon the completion of the company's liquidation, the liquidation team shall submit a liquidation report to the shareholders' meeting or the people's court for confirmation, after which the report shall be submitted to the company registration authority to apply for deregistration of the company and shall publish an announcement in relation to the termination of the company. Members of the liquidation team shall perform the duty of liquidation and have fiduciary duty and duty of diligence. Members of the liquidation team shall not take advantage of their

functions and powers to accept bribes or other illegal income, or to take illegal possession of the property of the company. A member of the liquidation team shall be liable for compensation for losses caused to the company, if any, by his/her negligence in performing the duty of liquidation; or to creditors, if any, with intent or by gross negligence.

(25) Overseas Listing

Pursuant to the Overseas Listing Trial Measures, if an issuer makes an initial public offering or listing overseas, it shall file with the CSRC within three working days after submitting the application documents for overseas issuance and listing. If an issuer issues securities in the same overseas market after its overseas issuance and listing, it shall file with the CSRC within three working days after the completion of the issuance. If an issuer issues and lists its securities in other overseas markets after its overseas issuance and listing, it shall file a record in accordance with the provisions of the first paragraph of this Article. Furthermore, if the filing materials are complete and meet the requirements, the CSRC shall complete the filing within 20 working days from the date of receiving the filing materials and publicise the filing information on its website. Otherwise, the CSRC shall notify the issuer to supplement the materials within five working days from the date of receiving the filing materials. The issuer shall supplement the materials within 30 working days. If the overseas offering or listing has not been completed within one year after the completion of filing with the CSRC, the filing documents shall be updated if such overseas offering or listing is to proceed further.

(26) Loss of Share Certificates

If a registered share certificate is lost, stolen, or destroyed, the relevant shareholder may apply to a people's court for a declaration that the share certificate is void in accordance with the relevant provisions of the Civil Procedure Law. After the people's court has declared the share certificate void, such shareholder may apply to the company for re-issuance of the share certificate.

(27) Dividends

The company has the authority, in certain circumstances, to withhold and pay to the relevant tax authorities any taxes payable under the PRC laws from any dividends or other distributions payable to shareholders. Under Hong Kong laws, the limitation period for recovering a debt (including the recovery of declared dividends) is six years, while under PRC laws, the relevant limitation period is three years. The company shall not exercise its power to forfeit any unclaimed dividends in respect of the shares before the expiration of the applicable limitation period.

(28) Termination of Listing

The PRC Securities Law stipulates that the trading of shares of a company on a stock exchange may be terminated if so decided by the stock exchange.

If a stock exchange decides to delist a security, it shall make a timely announcement and file with the securities regulatory authority under the State Council.

The Trial Measures stipulates that if an issuer delists its securities from an overseas market on a voluntary or compulsory basis after its offering and listing, the issuer shall submit a report to the CSRC within three working days after the occurrence and announcement of the relevant event.

(29) Merger and Division

A company may merge by absorption or through the establishment of a newly merged entity. If a company merges by way of absorption, the absorbed company shall be dissolved; if a company merges by forming a new corporation, both companies shall be dissolved.

4. SECURITIES LAWS AND REGULATIONS OF THE PRC

CSRC, a ministerial-level public institution directly under the State Council, performs unified regulatory functions, according to the relevant laws and regulations, and with the authority by the State Council, over the securities and futures market of the PRC, maintains an orderly securities and futures market order, and ensure a legal operation of the capital market.

The PRC Securities Law came into effect on July 1, 1999, and was amended on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014 and December 28, 2019. It is the first national securities law in the PRC, which is divided into 14 chapters and 226 sections, regulating (among other things) the issuance and trading of securities, the acquisition of listed companies, stock exchanges, securities companies, and the obligations and responsibilities of the securities regulatory authority under the State Council. The PRC Securities Law comprehensively regulates activities in the PRC securities market. Section 224 of the PRC Securities Law stipulates that, to list their shares outside the PRC, domestic enterprises must comply with the relevant provisions of the State Council. Currently, the issuance and trading of overseas listed shares are primarily regulated by the rules and regulations promulgated by the State Council and the CSRC.

5. ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

On August 31, 1994, the SCNPC adopted the Arbitration Law of the People's Republic of China (《中華人民共和國仲裁法》) (the "**Arbitration Law**"), which came into effect on September 1, 1995, and was amended on August 27, 2009 , September 1, 2017 and September 12, 2025. The version currently in force was revised in September 2017 and shall be replaced on March 1, 2026 by the September 2025 revision. Pursuant to the Arbitration Law, the arbitration commission may formulate provisional arbitration rules in accordance with the Arbitration Law and the Civil Procedure Law before the China Arbitration Association (中國仲裁委員會) issues arbitration rules. If the parties agree to use arbitration as the method for dispute resolution, the people's court shall reject the relevant case, unless the arbitration agreement is ruled to be invalid.

Pursuant to the Arbitration Law and the Civil Procedure Law, the arbitral award shall be final and binding on both parties to the arbitration. If a party fails to comply with the arbitral award, the other party may apply to a people's court for enforcement of the award. If the arbitration procedure or the composition of the arbitral tribunal violates the statutory procedure, or if the award is beyond the scope of the arbitration agreement or the jurisdiction of the arbitration commission, the people's court may reject the enforcement of the arbitral award made by the arbitration commission.

A party seeking to enforce an arbitral award made by a PRC arbitral tribunal against the other party who is not located in the PRC or does not have assets in the PRC may apply to a foreign court with jurisdiction over the case for enforcement. Similarly, arbitral awards made by foreign arbitration institutions may be recognised and enforced by the PRC courts in accordance with the principle of reciprocity or any international treaty concluded or acceded to by the PRC. The PRC recognised the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the "**New York Convention**"), adopted on June 10, 1958, pursuant to a resolution of the SCNPC passed on December 2, 1986. The New York Convention stipulates that all arbitral awards made in member states of the New York Convention must be recognised and enforced by all other member states, provided that, under certain circumstances, a member state has the right to refuse enforcement, including where the enforcement of the arbitral award would be in contrary to the public policy of the country in which enforcement is sought. It was declared by the SCNPC simultaneously with the accession of the PRC that (i) the PRC would only recognise and enforce foreign arbitral awards on the basis of reciprocity, and (ii) the PRC would only apply the New York Convention in disputes considered under PRC laws that arise from contractual and non-contractual mercantile legal relations.

An arrangement has been made between Hong Kong and the Supreme People's Court regarding the reciprocal enforcement of arbitral awards. On June 18, 1999, the Supreme People's Court adopted the Arrangement Concerning Mutual Enforcement of Arbitral Awards between the Mainland and the HKSAR (《關於內地與香港特別行政區相互執行仲裁裁決的安排》), which came into effect on February 1, 2000. According to the arrangement, awards made by arbitration institutions in the mainland China under the Arbitration Law may be enforced in Hong Kong, and Hong Kong arbitral awards may also be enforced in the mainland China.

6. JUDICIAL JUDGMENT AND ITS ENFORCEMENT

Pursuant to the Arrangement of the Supreme People's Court on the Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements Between Parties Concerned (《最高人民法院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) (the "**Arrangement**"), which was promulgated by the Supreme People's Court on July 3, 2008 and effective from August 1, 2008, a party with a final and enforceable judgment that requires the payment of money rendered by courts of the PRC or of Hong Kong in civil and commercial cases with a written choice of court agreement may apply to a people's court in mainland China or a Hong Kong court under the Arrangement for recognition and enforcement of the judgment; a "written choice of court agreement" means an agreement in writing that clearly designates a mainland China People's Court or a Hong Kong court as having exclusive jurisdiction to resolve disputes which have arisen or may arise in connection with a particular legal relationship. Accordingly, final judgments in mainland China or Hong Kong that satisfy certain conditions under the aforementioned regulations may be recognised and enforced by a mainland China court or a Hong Kong court upon application by the parties.

On January 18, 2019, the Supreme People's Court of China and the Hong Kong Government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of Mainland China and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) (the "**New Arrangement**"). The New Arrangement aims to establish a clearer and more certain mechanism for the recognition and enforcement of a broader range of judgments in civil and commercial matters between Hong Kong and the mainland China. The New Arrangement terminates the requirement for concluding a jurisdiction agreement for the reciprocal recognition and enforcement of judgments. The New Arrangement came into effect on January 29, 2024, following the promulgation of a judicial interpretation by the Supreme People's Court and the completion of the relevant legislative procedures in Hong Kong. The New Arrangement has superseded the Arrangement upon its effectiveness.

MEMORANDUM OF ASSOCIATION

Overview

This appendix contains a summary of the principal provisions of the Articles of Association. This appendix is primarily intended to provide prospective investors with a summary of the Company's Articles of Association and may not contain all information that is material to prospective investors. The full Chinese text of the Articles of Association is available for inspection as described under the section headed Appendix VII — Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display to this document.

SHARES

Share issuance

The Company's shares are issued in the form of share certificates, which are registered.

The issuance of shares of the Company shall be conducted based on principles of openness, fairness, and impartiality. Each share of the same class shall carry equal rights.

Shares of the same class issued in the same offering shall have identical terms and prices per share; subscribers shall pay the same amount per share for the shares they subscribe for.

The shares issued by the Company shall have a par value of RMB1 per share.

SHARE INCREASES, DECREASES, AND REPURCHASES

Increase in registered capital

The Company may increase its capital through the following methods according to the requirements of its operations and development, subject to the provisions of laws and administrative regulations, and upon separate resolutions adopted by the shareholders' meeting:

(1) issuing shares to unspecified parties;

(2) issuing shares to specified parties;

(3) distributing bonus shares to existing shareholders;

(4) increasing share capital through capitalization of reserves;

(5) other methods prescribed or approved by laws, administrative regulations, the CSRC, and the securities regulatory authorities where the Company's shares are listed.

Reduction of registered capital

The Company may reduce its registered capital. When reducing registered capital, the Company shall follow the procedures stipulated in the Company Law, other relevant regulations, and Articles of Association.

Share redemption

The Company shall not purchase its own shares except in any of the following circumstances:

(1) to reduce the Company's registered capital;

(2) to merge with another company that holds the Company's shares;

(3) to use the shares for employee stock ownership plans or equity incentive scheme;

(4) to purchase shares from shareholders who object to a resolution passed by the shareholders' meeting regarding a merger or division of the Company and make such request;

(5) to use shares for conversion of convertible corporate bonds issued by the Company;

(6) it is necessary for the Company to maintain its value and protect shareholders' interests;

(7) other circumstances permitted by provisions including laws, administrative regulations, or regulatory rules of the place where the Company's shares are listed.

The Company may purchase its own shares through centralized public trading or other methods approved by laws, administrative regulations, and the securities regulatory authority where the Company's shares are listed.

Where the Company purchases its own shares under the circumstances set out in (3), (5), and (6) above, such purchase shall be made through centralized public trading.

Where the Company purchases its own shares under the circumstances set out in (1) and (2) above, such purchase shall be subject to a resolution of the shareholders' meeting; where the Company purchases its own shares under the circumstances set out in (3), (5) and (6) above, such purchase may be approved by a resolution of the meeting of the board of directors passed by a two-thirds majority of directors attending the meeting in accordance with the provisions of the Company's articles of association or as authorized by the shareholders' meeting.

Where the Company purchases its own shares pursuant to the foregoing provisions, and provided that it complies with the applicable securities regulatory rules of the place where the Company's shares are listed, in the case of shares purchased under circumstance (1) shall be canceled within 10 days from the date of purchase; in the case of shares purchased under circumstances (2) or (4) shall be transferred or canceled within 6 months from the date of purchase; in the case of shares purchased under circumstances (3), (5) or (6), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled within 3 years from the date of purchase.

Share transfer

The shares of the Company shall be transferred in accordance with the laws. All transfers of H shares shall be made in the form of written instrument of transfer in the general or ordinary format or any other format accepted by the board of directors (including the standard transfer format or transfer form prescribed by the Hong Kong Stock Exchange from time to time); and the instrument of transfer may only be signed by hand or affixed with the valid seal of a company (if the transferor or transferee is a company). If the transferor or transferee is an approved clearing house or its agent as defined in the relevant regulations in force from time to time under the laws of Hong Kong, the instrument of transfer may be signed by hand or machine printing. All instrument of transfer shall be kept at the Company's legal address or the address designated by the board of directors from time to time.

The Company shall not accept its own shares as the subject matter of the pledge rights.

Shares issued by the Company prior to its public offering of shares shall not be transferred within one year from the date of listing and trading of the Company's shares on the stock exchange.

Where shares are pledged within the restricted transfer period prescribed by laws and administrative regulations, the pledgee shall not exercise the pledge rights within the restricted transfer period.

Where the relevant regulations of the securities regulatory authority of the place where the Company's shares are listed have other provisions on the restrictions on the transfer of the Company's shares, such provisions shall prevail.

The directors and senior management of the Company shall report to the Company the shares they hold in the Company and any changes thereto. During the term of office determined at the time of taking office, the shares they transfer each year shall not exceed 25% of the total number of shares of the same class held by them in the Company; the shares held in the Company shall not be transferred within one year from the date of listing and trading of the Company's shares. The above-mentioned personnel shall not transfer the shares they hold in the Company within half a year after their resignation.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Shareholders

Register of members

The Company shall, based on the certificates provided by the securities registration and settlement authority, keep a register of members, which shall be sufficient evidence of shareholdings in the Company. The original H Share (which is listed in Hong Kong) register, shall be kept in Hong Kong for inspection by shareholders, but the Company may close the register of members in accordance with the applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed. Shareholders shall enjoy the rights and assume the obligations according to the class of shares they hold. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

Holders of H shares who have lost their share certificates may apply for replacement in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original H share register is kept.

For joint holders of any share, only the joint holder whose name stands first in the register of members shall be entitled to receive from the Company a share certificate in respect of the share or to receive notices from the Company, while any notice served on the aforesaid person shall be deemed to have been served on all joint shareholders of the relevant share. Any joint shareholder may sign a form of proxy, except that, when more than one of such joint shareholders are present in person or by proxy, the vote of the joint shareholder having a higher priority, made whether in person or by proxy, shall be accepted as the sole vote of the remaining joint shareholders. For this purpose, the priority of shareholders shall be determined by the order in which the names of the joint shareholders stand in the register of members of the Company in respect of the relevant shares.

When the Company convenes a shareholders' meeting, distributes dividends, undergoes liquidation or has other tasks involving the confirmation of shareholder's identity, the board of directors or the convener of the shareholders' meeting shall fix the date as a record date for determining the shareholdings and the shareholders of the Company shall be those registered on the register after close of market on the record date. If laws, administrative regulations, departmental rules, regulatory documents or the relevant stock exchange or regulatory authority of the place where the Company's shares are listed provide in relation to the closure of the register of members, such provisions shall prevail.

Shareholders' rights and obligations

Shareholders of the Company shall enjoy the following rights:

(1) to receive dividends and other forms of interest distribution in proportion to the shares they hold;

(2) to request the holding of, convene, preside over, attend or to appoint proxy to attend shareholders' meetings in accordance with the laws and exercise the corresponding voting rights (unless individual shareholders are required to abstain from voting on individual matters under the provisions of laws, administrative regulations, the CSRC and the securities regulatory authorities of the place where the Company's shares are listed, and of the Articles of Association);

(3) to supervise the business operations of the Company and put forward suggestions or raise inquiries;

(4) to transfer, assign or pledge the shares they hold in accordance with the provisions of laws, administrative regulations, the securities regulatory authorities and the stock exchange of the place where the Company's shares are listed, and of the Articles of Association;

(5) to inspect and duplicate the Articles of Association, register of members, stubs of corporate bonds, minutes of the shareholders' meetings, resolutions of the meetings of the board of directors, and financial and accounting reports; shareholders who meet the requirements may inspect the Company's accounting books and accounting vouchers;

(6) to participate in the distribution of the remaining properties of the Company in proportion to the shares they hold in the event of termination or liquidation;

(7) to request the Company to purchase the shares they hold when they object to the merger or division resolution at the shareholders' meeting, provided that the procedures for share repurchase under the Articles of Association and the relevant laws and regulations are followed;

(8) other rights prescribed by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Where shareholders request inspection and duplication of the relevant materials of the Company, they shall do so in accordance with the provisions of the Company Law, the Securities Law of the PRC (hereinafter referred to as the "Securities Law") and other laws and administrative regulations.

If the contents of the resolutions made at the shareholders' meeting or the meeting of the board of directors of the Company violates laws or administrative regulations, shareholders shall have the right to request a people's court to hold it invalid.

If the convening procedure or voting method of a shareholders' meeting or meeting of the board of directors violates laws, administrative regulations or the Articles of Association, or the contents of a resolution violates the Articles of Association, Shareholders shall have the right to request the people's court to revoke the relevant resolution within 60 days from the date of the resolution, except where the convening procedure or voting method of the shareholders' meeting or the meeting of the board of directors are only slightly defective and have no material effect on the resolution.

Any shareholder who is not notified to attend the shareholders' meeting may, within 60 days from the date when they know or should have known that the resolution of the shareholders' meeting had been made, file a petition with a people's court to revoke it, in which case, the right of revocation shall be extinguished if it is not exercised within one year from the date when the resolution was made.

If a director or senior management other than the members of the audit committee violates provisions of laws, administrative regulations or the Articles of Association in performing duties and incurs losses to the Company, shareholders who individually or jointly hold more than 1% of shares in the Company for over 180 consecutive days shall have the right to request the audit committee in writing to institute proceedings before a people's court; if a member of the audit committee violates any provisions of laws, administrative regulations or the Articles of Association in performing duties and incurs losses to the Company, the aforementioned shareholders may request the board of directors in writing to institute proceedings before a people's court. Upon receipt of the aforesaid written request from the shareholders, if the audit committee or the board of directors refuses to institute such proceedings, or has not initiated proceedings within 30 days from the date of receipt of the request, or if under urgent situations, fails to initiate immediate proceeding would cause irrecoverable damages to the interests of the Company, the shareholder specified in the preceding paragraph shall, for the benefit of the Company, have the right to initiate proceedings directly before the people's court in their own name.

If a director, supervisor, or senior management member of a wholly-owned subsidiary of the Company violates the provisions of laws, administrative regulations or the Articles of Association in performing duties and incurs losses to the Company, or if any other person infringes upon the lawful rights and interests of the wholly-owned subsidiary and incurs losses to the Company, shareholders who individually or jointly hold more than 1% of shares in the Company for over 180 consecutive days may, in accordance with the preceding three

paragraphs of this Article, request the board of supervisors and the board of directors of the wholly-owned subsidiary in writing to institute proceedings before a people's court or institute proceedings directly under their own name. If a wholly-owned subsidiary of the Company does not have a board of supervisors or any supervisors, but an audit committee, the provisions of paragraphs 1 and 2 of this Article shall apply.

If a director or senior management member violates the provisions of laws, administrative regulations or the Articles of Association to the detriment of the interests of shareholders, shareholders may institute proceedings before a people's court.

Shareholders of the Company shall assume the following obligations:

(1) to abide by laws, administrative regulations and the Articles of Association;

(2) to pay capital contribution according to the number of shares subscribed for and the prescribed subscription method;

(3) not to divest unless otherwise stipulated by laws and administrative regulations;

(4) not to abuse shareholders' rights to impair the interests of the Company or other shareholders; not to abuse the independent status of the Company as a legal person and shareholders' limited liabilities to prejudice the interests of the Company's creditors;

(5) other obligations imposed by the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where shareholders of a company abuse their shareholders' rights and thereby causing losses to the Company or other shareholders, such shareholders shall be liable for compensation in accordance with the laws. Where shareholders of a company abuse the independent status of the Company as a legal person and shareholders' limited liabilities to avoid debts, thereby seriously harming the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

Restrictions on rights of the controlling shareholders

The controlling shareholders and actual controller of a company shall not abuse their control or take advantage of their connected relationships to impair the legitimate interests of the Company or other shareholders, otherwise they shall be liable for compensation for any losses so incurred to the Company.

The controlling shareholders or actual controllers of a company who are not directors but actually execute the affairs of the Company shall comply with the provisions of the Articles of Association relating to the obligations of loyalty and diligence of a director. Controlling shareholders, as capital contributors, shall exercise their rights in strict accordance with the laws. Controlling shareholders shall not, by way of such as unfair connected transactions, profit distribution, asset restructuring, external investment, impair the legitimate rights and interests of the Company and those of the public shareholders, and shall not impair the interests of the Company and the public shareholders by taking advantage of their controlling position.

Where the controlling shareholders or actual controllers pledge the shares of the Company they hold or at their actual disposal, they shall maintain the control of the Company and the stability of its production and operation.

Shareholders' meetings

The shareholders' meeting shall comprise all shareholders. The shareholders' meeting shall be an empowered authority of the Company and perform the following functions and powers in accordance with the laws:

(1) to elect and replace directors and to decide on the remunerations of relevant directors;

(2) to consider and approve report of the board of directors;

(3) to consider and approve the profit distribution plan and the loss recovery plan of the Company;

(4) to resolve on any increase or reduction of the Company's registered capital;

(5) to resolve on the issuance of corporate bonds;

(6) to resolve on the merger, division, dissolution, liquidation or changes in the form of the Company;

(7) to amend the Articles of Association;

(8) to resolve on the appointment and dismissal of the accounting firm that undertakes the audit work of the Company;

(9) to consider and approve the guarantees specified under Article 47 of the Articles of Association;

(10) to consider any major assets purchased or sold within one year with an amount exceeding 30% of the latest audited total assets of the Company;

(11) to consider and approve transactions between the Company and its related parties (as defined in the Hong Kong Listing Rules) that are required to be considered and approved at the shareholders' meetings in accordance with the provisions of laws, administrative regulations, and the requirements of the securities regulatory authorities of the place where the Company's shares are listed;

(12) to consider and approve the changes in use of proceeds;

(13) to consider any equity incentive scheme and employee stock ownership plan;

(14) to consider other matters that shall be resolved at the shareholders' meeting as required by the provisions of laws, administrative regulations, departmental rules or the Articles of Association;

(15) other matters as required by the listing rules of the stock exchange of the place where the Company's shares are listed.

The shareholders' meeting may authorize the board of directors to resolve on the issuance of corporate bonds.

Unless otherwise provided by laws, administrative regulations, the requirements of the CSRC and the rules of the stock exchanges, the aforesaid functions and powers of the shareholders' meeting shall not be exercised by the board of directors or other institutions and individuals by means of authorization.

Shareholders' meeting shall be classified as annual shareholders' meeting and extraordinary shareholders' meeting. Annual shareholders' meetings shall be held once a year within 6 months of the end of the previous fiscal year.

The Company shall convene an extraordinary shareholders' meeting within 2 months after the date on which any of the following events occur:

(1) the number of directors is less than the number prescribed in the Company Law or less than two-thirds of the number specified in the Articles of Association;

(2) the losses of the Company that have not been made up reach one-third of its total paid in share capital;

(3) if so requested by Shareholders who individually or jointly hold more than 10% of the shares in the Company;

(4) the board of directors considers it necessary;

(5) the audit committee proposes the holding of such meeting;

(6) other circumstances as provided by the laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Convening of shareholders' meetings

The board of directors shall convene the shareholders' meeting on time within the time limit prescribed. The independent non-executive directors are entitled to propose to the board of directors to convene an extraordinary shareholders' meeting with the consent of more than half of all independent non-executive directors. The board of directors shall, in accordance with the provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, give a written reply on whether it agrees or not to convene the extraordinary shareholders' meeting within 10 days after receiving the proposal from the independent non-executive directors.

If the board of directors agrees to convene the extraordinary shareholders' meeting, a notice of such meeting shall be issued within five days after the resolution of the board of directors is passed. If the board of directors does not agree to convene the extraordinary shareholders' meeting, it shall explain and make an announcement.

If the board of directors does not agree to convene the extraordinary shareholders' meeting or fails to give a reply within 10 days after receiving the proposal, it shall be deemed to be unable or fail to perform the duty of convening the shareholders' meeting, and the audit committee may summon and preside over the meeting on its own.

Shareholders who individually or jointly hold more than 10% of the shares in the Company shall have the right to request the board of directors in writing to convene an extraordinary shareholders' meeting. The board of directors shall, in accordance with the provisions of laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association, give a written reply on whether it agrees or not to convene the extraordinary shareholders' meeting within 10 days after receiving the request.

If the board of directors agrees to convene the extraordinary shareholders' meeting, a notice of such meeting shall be issued within five days after the resolution of the board is passed. Any change to the original request made in the notice shall be subject to the consent of the relevant shareholders.

If the board of directors does not agree to convene an extraordinary shareholders' meeting or does not give a reply within 10 days after receiving the proposal, shareholders who individually or jointly hold more than 10% of the shares in the Company shall have the right to propose to the audit committee to convene an extraordinary shareholders' meeting, and such request shall be made in writing.

If the audit committee agrees to convene the extraordinary shareholders' meeting, it shall issue a notice of shareholders' meeting within five days after receiving the request. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

If the audit committee fails to issue the notice of the shareholders' meeting within the prescribed period, it shall be deemed that the audit committee will not convene and preside over the shareholders' meeting, and shareholders who individually or jointly hold more than 10% of the Company's shares for over 90 consecutive days may summon and preside over the meeting by themselves.

Proposals at Shareholders' meetings

The content of the proposal shall fall within the scope of authority of the shareholders' meeting and have clear agenda items and specific resolution matters in accordance with the provisions of laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Shareholders who individually or jointly hold more than 1% of the shares in the Company may submit interim proposals in writing to the convener 10 days before a shareholders' meeting is convened. The convener shall issue a supplementary notice of the shareholders' meeting within two days after receiving the proposal to announce the contents of the interim proposal and submit it to the shareholders' meeting for consideration except for any proposal that violates provisions of laws, administrative regulations, the securities

regulatory rules of the place where the Company's shares are listed or the Articles of Association, or any proposal that falls outside the scope of authority of the shareholders' meeting. Where the laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed otherwise provide, such provisions shall prevail. If the shareholders' meeting is postponed due to the issuance of supplementary notice of the shareholders' meeting pursuant to the securities regulatory rules of the place where the Company's shares are listed, the convening of the shareholders' meeting shall be postponed pursuant to the securities regulatory rules of the place where the shares of the Company are listed.

Except as provided in the preceding paragraph, the convener shall not amend the proposals set out in the notice of the shareholders' meeting or add any new proposals after issuing the notice of the shareholders' meeting.

No vote shall be taken and no resolution shall be made at the shareholders' meeting on any proposal which is not set forth in the notice of the shareholders' meeting or which does not comply with the Articles of Association.

Notice of shareholders' meetings

The convener shall notify all shareholders 21 days prior to the annual shareholders' meeting, and shall notify all shareholders 15 days prior to the extraordinary shareholders' meeting. When calculating the advance notice period, the Company shall not include the day the meeting notice is issued and the day the meeting is held. Where the laws, administrative regulations, listing rules of the place where the shares of the Company are listed and the securities regulatory authorities otherwise provides, such provisions shall prevail.

Notice of the shareholders' meeting shall include the following:

(1) the time, venue and duration of the meeting;

(2) matters and proposals submitted for consideration at the meeting;

(3) stating in clear text: all shareholders are entitled to attend the shareholders' meeting and may appoint their proxies in writing to attend and vote at the meeting. Such proxies need not be shareholders of the Company;

(4) the record date for determining shareholding of the shareholders who are entitled to attend the shareholders' meeting;

(5) name(s) and telephone number(s) of the standing contact person(s) for the affairs of meetings;

(6) time and procedures for online or other means of voting;

(7) other requirements prescribed by the laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The notice of shareholders' meeting and the supplementary notice shall contain the contents required by the Hong Kong Listing Rules and the Articles of Association, and shall fully and completely disclose the full details of all proposals.

Convening of shareholders' meetings

All shareholders or their proxies recorded in the register on the record date for determining shareholding shall have the right to attend shareholders' meetings, and they are entitled to vote at the meetings in accordance with the relevant laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and the Articles of Association. Shareholders are entitled to speak at the shareholders' meetings.

Shareholders may attend shareholders' meetings in person or by proxies to attend and vote on their behalf.

Where the shareholders' meeting requires directors and senior management to attend the meeting, the directors and senior management shall attend the meeting and answer shareholder inquiries.

The shareholders' meeting shall be presided over by the chairman of the board of directors. If the chairman is unable or fails to perform his/her duties, the meeting shall be presided over by a director jointly elected by more than half of the directors.

The shareholders' meeting convened by the audit committee shall be presided over by the convenor of the audit committee. Where the convenor of the audit committee is unable or fails to perform his/her duties, the meeting shall be presided over by a member of the audit committee elected by more than half of the members of the audit committee.

The shareholders' meeting convened by shareholders themselves shall be presided over by the convenor or a representative elected by him/her.

If the chairman of the meeting is, at a shareholders' meeting, in violation of the Articles of Association or Rules of Procedures of shareholders' meeting causing the shareholders' meeting unable to continue, the shareholders' meeting may, with the consent of a majority of the shareholders present at the shareholders' meeting with voting rights, select a person to act as the presiding officer and continue with the meeting.

Voting and resolution at the shareholders' meeting

Resolutions at shareholders' meetings are divided into ordinary resolutions and special resolutions.

An ordinary resolution at the shareholders' meeting shall be passed by majority votes cast by the shareholders present at the shareholders' meeting (including proxies).

A special resolution at the shareholders' meeting shall be passed by at least two-thirds of the votes cast by the shareholders present at the shareholders' meeting (including proxies).

The following matters shall be adopted by an ordinary resolution of the shareholders' meeting:

(1) working reports of the board of directors;

(2) the profit distribution plan and loss recovery plan prepared by the board of directors;

(3) the appointment and removal of members of the board of directors and their remuneration and payment method thereof;

(4) matters other than those prescribed by provisions of laws, administrative regulations, the listing rules of the place where the Company's shares are listed or the Articles of Association that shall be adopted by special resolution.

The following matters shall be adopted by special resolution of the shareholders' meeting:

(1) increase or reduction of the registered capital of the Company;

(2) division, merger, dissolution and liquidation (including voluntary winding up) of the Company and change of corporate form of the Company;

(3) amendments to the Articles of Association;

(4) major assets purchased or sold by the Company or the amount of guarantee within one year exceeds 30% of the latest audited total assets of the Company;

(5) the equity incentive schemes and employee stock ownership plans;

(6) other matters required by the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed or the Articles of Association to be approved by special resolutions, and which have been determined by ordinary resolutions at the shareholders' meeting to have significant impact on the Company.

A shareholder shall exercise voting rights in proportion to the number of shares carrying voting rights represented by him/her, with each share having one vote (except for classified shareholders). The Company shall have no voting rights for the shares that it holds, and such shares shall not be counted towards the total number of voting shares present at the shareholders' meeting.

Resolutions of the shareholders' meeting shall be announced in a timely manner. The announcement shall set out the details required by the Hong Kong Listing Rules.

BOARD OF DIRECTORS

The Company shall establish a board of directors, which shall be accountable to the shareholders' meetings. The board of Directors consists of 9 directors, including 1 chairman, 3 independent non-executive directors and 1 employee representative director.

The board of directors shall exercise the following functions and powers:

(1) to convene the shareholders' meetings and report its work to the shareholders' meetings;

(2) to implement the resolutions passed at the shareholders' meetings;

(3) to decide on the Company's business plans and investment proposal;

(4) to formulate the Company's profit distribution plans and loss recovery plans;

(5) to formulate proposals for the increase or reduction of the Company's registered capital, the issuance of bonds or other securities and listing plan;

(6) to formulate proposals for major acquisitions of the Company, acquisition of the Company's shares or mergers, division, dissolutions and changes in the form of the Company;

(7) to decide on matters of the Company such as external investment, acquisition and disposal of assets, asset-based mortgages, external guarantee, entrusted wealth management, connected transactions and donations to others within the scope of authority of the shareholders' meeting;

(8) to decide on the establishment of the internal management body of the Company;

(9) to appoint or dismiss the manager, co-manager, the secretary to the board of directors and other senior management of the Company; to appoint or dismiss senior management (such as deputy general manager and chief financial officer) as nominated by manager and co-manager, and to determine their remuneration, incentives and penalties;

(10) to formulate and amend the Company's basic management system;

(11) to formulate the proposals for any amendment to the Articles of Association;

(12) to manage information disclosure of the Company;

(13) to propose to the shareholders' meeting on appointment or change of the accounting firm that provides audit services to the Company;

(14) to listen to work reports of the manager and co-manager of the Company and inspect their work;

(15) any other functions and powers as conferred by laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, the Articles of Association or the shareholders' meeting.

Matters beyond the scope of authority of the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

Board meetings shall be held at least four times a year, generally once a quarter, and shall be convened by the chairman. Written notices of a regular board meeting shall be given to all directors at least 14 days in advance. An extraordinary board meeting may be held by request of shareholders representing more than one-tenth of the voting rights or by request of more than one-third directors or the audit committee. The chairman shall convene and preside over a board meeting within 10 days after receiving the proposal.

To the extent that meetings of the board of directors are held onsite and directors' rights to express opinions are fully protected, with the consent of the convener (chairman of the meeting) and proposer, the meetings may also be held and votes on resolutions may be cast

by means of video, telephone, written transmission of signatures, email, etc., and shall be signed by the directors participating in the meeting.

The quorum of a meetings of the board of directors shall consist of more than half of the directors. A resolution of the board must be passed by more than half of all directors. Votes on any resolution of the board of directors shall be cast on a one-person-one-vote basis by filling out ballot papers or by show of hands.

Special Committees of the board of directors

The board of directors of the Company shall establish the audit committee, the nomination committee, the remuneration and appraisal committee and other special committees, which shall perform their duties in accordance with the Articles of Association and the authorization of the board of directors. The proposals of the special committees shall be submitted to the board of directors for consideration and decision. The working procedures of the special committees shall be formulated by the board of directors. In particular, the audit committee shall consist of 3 members, who shall be directors that do not hold senior management positions in the Company, the majority of whom shall be independent non-executive directors, with an independent director who has appropriate professional qualifications serves as the head member (convener).

Managers and Other Senior Management

The Company shall have 1 manager and 1 co-manager who shall be appointed or dismissed by the board of directors. The manager and co-manager shall be appointed for a term of 3 years and shall be eligible for reappointment upon expiry of the term.

The manager and co-manager shall be accountable to the board of directors and exercise the following duties and powers:

(1) The manager is responsible for the management of R&D activities of innovative technologies;

(2) The co-manager is responsible for the marketing, sales, production, procurement, finance, administration, personnel, non-innovative technology R&D, and comprehensive budget management of the Company and its subsidiaries, including:

1. to be in charge of the production, operation and management of the Company, organise the implementation of the resolutions of the board of directors and report to the board of directors;
2. to organise the implementation of the Company's annual business plan and investment proposal;
3. to formulate the proposal for the establishment of the Company's internal management body;
4. to formulate the Company's basic management system;
5. to formulate the details of the rules and regulations of the Company;
6. to propose to the board of directors to appoint or dismiss the deputy general manager, chief financial officer and other senior management personnel of the Company;
7. to decide to appoint or dismiss management personnel other than those required to be appointed or dismissed by the board of directors.

(3) Other functions and power conferred by Articles of Association or the board of directors.

The manager and co-manager shall attend meetings of the board of directors.

FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial and Accounting System

The Company shall establish a financial and accounting system in accordance with the provisions of laws, administrative regulations, requirements of relevant departments of the State, and regulatory rules of the place where the Company's shares are listed.

Profit Distribution

In distributing the after-tax profit for the year, the Company shall allocate 10% of the profit to its statutory reserve fund. When the aggregate amount of the statutory reserve fund of the Company is more than 50% of its registered capital, further appropriations are not required.

Where the statutory reserve fund of the Company is insufficient to make up the losses of the previous year, the profit for the year shall be used to make up such losses before making allocation to its statutory reserve fund in accordance with the preceding paragraph.

After withdrawing statutory reserve fund from after-tax profit, the Company may, subject to resolution of the shareholders general meeting, withdraw discretionary reserve fund from after-tax profit.

After making up the losses and making allocations to the reserve funds, any remaining after-tax profit shall be distributed by the Company to the shareholders in proportion to their respective shareholdings, unless otherwise specified in the Articles of Association.

If the profit distribution to the shareholders by the shareholders' meeting is in violation of the Company Law, shareholders shall return the profits so distributed to the Company. In case of losses caused to the Company, shareholders along with responsible directors and senior management shall be liable for compensation.

The shares of the Company held by the Company itself shall not be subject to profit distribution.

The Company's reserve fund shall be used to make up for the Company's losses, expand the Company's production and operation or converted to increase the registered capital of the Company. Where the reserve fund is used to make up for the Company's losses, the discretionary reserve and statutory reserve shall be firstly used. If losses still cannot be covered, the capital reserve funds can be used according to the relevant provisions. Where the statutory common reserve funds are converted into registered capital, the remaining amount of such reserve funds shall not be less than 25% of the Company's registered capital prior to such conversion.

Audit

The Company shall implement internal audit system, which clearly defines the leadership system, responsibilities and authorities, personnel allocation, funding support, application of audit results and accountability for internal audit.

NOTICE AND ANNOUNCEMENT

A notice of the Company shall be served by:

(1) by hand;

(2) by post;

(3) by way of announcement (including on the designated website and the Company's website in the manner prescribed by the stock exchange of the place where the Company's shares are listed);

(4) by means of facsimile, e-mail, text messages, electronic data exchange and other forms of data message that can represent the contents contained therein;

(5) other means agreed by the Company and the recipient of the notice in advance or recognized by the recipient of the notice after receiving such notice;

(6) by other means as prescribed by laws, administrative regulations, rules, the regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Where the announcements referred to in the Articles of Association are addressed to shareholders or are required to be published in Hong Kong pursuant to the relevant requirements and the Articles of Association, such announcements must, unless the context otherwise requires, be published on the Company's website, the HKEXnews website (www.hkexnews.hk) and such other websites as may be prescribed from time to time under the Hong Kong Listing Rules, in accordance with the requirements of the relevant Hong Kong Listing Rules.

If the notice of the Company is served by hand, the recipient shall sign (or affix with seal) the acknowledge of receipt and the signing date shall be the date of service. If the notice of the Company is served by post, the fifth day after handover to the post office shall be the date of service. If the notice of the Company is served by fax, electronic data exchange, email, text message and other forms that can show the described content visibly, the sending date shall be the date of service, but a reasonable manner should be taken to confirm whether the recipient has received the notice. If the notice of the Company is served by announcement, notice shall be deemed served on relevant personnel once the announcement is published.

The announcements required to be issued by the Articles of Association to the holders of H shares shall be published according to the methods prescribed by the Hong Kong Listing Rules. The information disclosed by the Company in other public media shall not precede the disclosure in the designated newspapers and websites, and the announcement of the Company shall not be replaced by press release, press conference or other forms. The board of directors may change the designated media for the disclosure of information about the Company, but shall ensure that such designated media satisfy the qualifications and conditions as required by the relevant laws and regulations of mainland China and Hong Kong, administrative regulations, securities regulatory authorities under the State Council, overseas regulatory authorities and the stock exchange of the place where the Company's shares are listed.

Subject to the provisions set out in rule 2.07A(4) of the Hong Kong Listing Rules, the listed issuer must, to the extent permitted under all applicable laws and regulations, (i) send or otherwise make available the corporate communication to the relevant holders of its securities using electronic means or (ii) make the corporate communication available on its website and the Hong Kong Stock Exchange's website. The issuer must set out on its website the manner in which (i) and/or (ii) above is adopted for the dissemination of its corporate communications.

The corporate communications referred to in the preceding paragraph means any document issued or to be issued by the Company for the information or action of any holders of H Shares or other persons required by the Hong Kong Listing Rules.

When any notice, in the exercise of any powers/rights set forth herein, is served by announcement, it shall be published in such manner as required by the Hong Kong Listing Rules.

In the event that the listing rules of the stock exchange of the place where the Company's shares are listed provide that the Company shall send, post, distribute, issue, announce or otherwise provide relevant documents of the Company in English and Chinese, and if the Company has made appropriate arrangement to confirm whether the shareholders intend to receive either the English or the Chinese version, the Company may (as per the intent stated by the shareholders) only send the English version or the Chinese version to the shareholders concerned to the extent permitted by the applicable laws and regulations.

MERGER, DIVISION, DISSOLUTION AND LIQUIDATION

Merger and Division

The Company may merge by absorption or through the establishment of a new company. If it merges by absorption, the Company which is absorbed shall be dissolved. If it merges by establishment of a new company from two or more companies, all original companies shall be dissolved.

Dissolution and Liquidation

The Company shall be dissolved due to the followings:

(1) the term of operation expires as stipulated in the Articles of Association or other events for dissolution as stipulated in the Articles of Association occur;

(2) the shareholders' meeting resolves on dissolution;

(3) dissolution is required for the purpose of merger or division of the Company;

(4) the Company is revoked off its business license, ordered to close or canceled in accordance with the laws;

(5) the Company runs into difficulties in operation and management, its continuous existence would cause significant losses to the shareholders' interests, and such difficulties cannot be dealt with in other ways, shareholders holding shares that represent more than 10% of the voting rights of the Company may file a petition with a people's court to dissolve the Company.

If any event leading to the dissolution of the Company as stipulated in the preceding paragraph occurs, such dissolution event shall be published on the National Enterprise Credit Information Publicity System within 10 days upon its occurrence.

Where the Company is under the circumstance set forth in (1) and (2) above and has not yet distributed its property to its shareholders, the Company may continue its operation by means of amending the Articles or by resolution of the shareholders' meeting. Any amendment to the Articles according to the preceding paragraph and resolution of the shareholders' meeting shall be approved by more than two thirds of the votes cast by the shareholders present at the shareholders meeting.

Where the Company is dissolved in the circumstances described in sub-paragraphs (1), (2), (4), and (5) above, it should be liquidated. The directors shall act as the liquidation obligors of the Company, and a liquidation team shall, within 15 days from the occurrence of dissolution event, be set up to proceed liquidation. The liquidation team shall comprise its directors, unless the Articles of Association other requires or another personnel is appointed by resolution of the shareholders' meeting. If a liquidating team is not formed within the stipulated time or is formed but does not conduct liquidation, interested parties may apply to a people's court for designating relevant persons to form a liquidation team for liquidation.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Amendments shall be made to the Articles of Association by the Company in any of the following circumstances:

(1) Where, after any amendment to the Company Law or any other relevant laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed, the provisions of the Articles of Association are in contrary to the amended laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed;

(2) Where the Company's circumstances change to such an extent that they are inconsistent with those set forth in the Articles of Association;

(3) Where the Shareholders' meeting decides to amend the Articles of Association.

Amendments to the Articles of Association adopted by a resolution of the shareholders' meeting which are subject to approvals from relevant competent authority shall be submitted to the competent authority for approval; if there is any change relating to the registered particulars of the Company, application shall be made for change in registration in accordance with laws.

The board of directors shall amend the Articles of Association pursuant to the resolution of shareholders' meeting regarding amendment of the Articles and the vetting opinions from relevant competent authorities.

FURTHER INFORMATION ABOUT OUR GROUP

Incorporation of Our Company

Our Company was established as a limited liability company in the PRC on December 31, 2013, and converted into a joint stock limited company on November 30, 2023.

As of the date of this prospectus, our registered office and our head office is located at Room 1801, Block C, Minzhi Share Commercial Center, Beizhan Community, Minzhi Street, Longhua District, Shenzhen, Guangdong Province, the PRC. Accordingly, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. The relevant PRC laws and regulatory provisions and a summary of the Articles of Association are set out respectively in "Appendix V — Summary of Articles of Association" and "Appendix IV — Summary of Principal Laws and Regulations."

Our Company has established a principal place of business in Hong Kong at Room 1920, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong. We were registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on September 22, 2025. Ms. Pau So Yi (鮑素怡) has been appointed as our authorized representative for the acceptance of service of process and notices on behalf of our Company in Hong Kong. The address for the service of process is the same as our principal place of business in Hong Kong.

Changes in the Share Capital of Our Company

Save as disclosed in "History, Development and Corporate Structure," there has been no alteration in our share capital within two years immediately preceding the date of this prospectus.

Changes in the Share Capital of Our Subsidiaries

Details of our subsidiaries are set out in Note 1 to the Accountants' Report in Appendix I. There has been no alteration in the share capital of our subsidiaries within two years immediately preceding the date of this prospectus.

Shareholders' Resolutions

At the general meeting of our Company held on September 27, 2025, the following resolutions, among others, were passed by the Shareholders:

(i) the issuance by our Company of H Shares of the nominal value of RMB1.00 each and such H Shares be listed on the Stock Exchange;

(ii) the number of H Shares to be issued pursuant to the Global Offering shall be no more than 21,246,200 H Shares, and the grant of the Over-allotment Option in respect of no more than 15% of the number of H Shares issued pursuant to the Global Offering;

(iii) as approved by the CSRC, upon completion of the Global Offering, 84,984,839 Unlisted Shares in aggregate held by our Shareholders will be converted into H Shares on a one-for-one basis;

(iv) subject to the completion of the Global Offering, the granting of a general mandate to the Board to allot and issue H Shares at any time within a period up to the date of the conclusion of the next annual general meeting of the Shareholders or the date on which the Shareholders pass a special resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes and to such persons as the Board in their absolute discretion deem fit, and to make necessary amendments to the Articles of Association, provided that, the number of H Shares to be issued shall not exceed 20% of the number of Shares in issue as of the Listing Date;

(v) subject to the completion of the Global Offering, the conditional adoption of the Articles of Association, which shall become effective on the Listing Date, and the Board has been authorized to amend the Articles of Association in accordance with any comments from the Stock Exchange and other relevant regulatory authorities; and

(vi) authorization of the Board and its authorized persons to handle all matters relating to, among other things, the Global Offering, the issue and listing of the H Shares.

Reorganization

We did not go through any corporate reorganization for the purpose of the Global Offering.

FURTHER INFORMATION ABOUT OUR BUSINESS

Summary of Material Contracts

The following contracts (not being contract entered into in the ordinary course of business) have been entered into by members of our Group within the two years preceding the date of this prospectus and are or may be material:

(i) the Hong Kong Underwriting Agreement; and

(ii) a cornerstone investment agreement dated September 15, 2026 entered into among the Company, GOLDEN LINK WORLDWIDE LIMITED, China International Capital Corporation Hong Kong Securities Limited, Guosen Securities (HK) Capital Company Limited and GF Securities (Hong Kong) Brokerage Limited, pursuant to which GOLDEN LINK WORLDWIDE LIMITED agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of HK$100,000,000 in accordance with the terms of the cornerstone investment agreement; and

(iii) a cornerstone investment agreement dated September 15, 2026 entered into among the Company, Taiwan ZMAX Optech Co., Ltd. (台灣中潤光電股份有限公司), China International Capital Corporation Hong Kong Securities Limited, Guosen Securities (HK) Capital Company Limited and GF Securities (Hong Kong) Brokerage Limited, pursuant to which Taiwan ZMAX Optech Co., Ltd. (台灣中潤光電股份有限公司) agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of HK$10,000,000 in accordance with the terms of the cornerstone investment agreement.

Intellectual Property Rights

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
1	CAMSENSE	PRC	Our Company	42	20920115	September 27, 2027
2	超级相	PRC	Our Company	9	17642981	September 27, 2036
3	Camverse	PRC	Camsense Interactive	9	67809479	July 27, 2033
4	Camverse	PRC	Camsense Interactive	35	67801793	July 20, 2033
5	CAMSENSE	Hong Kong	Our Company	9, 42	306989726	August 6, 2035

Patents

Registered Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be or may be material to our business:

No.	Patent	Type of Patent	Place of Registration	Patent Number	Owner	Application Date
1	Distance measuring equipment and robots (測距設備及機器人)	Utility Model Patent	PRC	CN202222492001.5	Our Company	September 20, 2022
2	Method for determining material recognition model, method for returning to base station, and electronic equipment (確定材質識別模型的方法、回到基站的方法及電子設備)	Invention Patent	PRC	CN202311029416.1	Our Company	August 16, 2023
3	Ranging methods and LiDAR (測距方法及激光雷達)	Invention Patent	PRC	CN202310133469.1	Our Company	February 20, 2023
4	Stray light filtering method, device and LiDAR (一種雜光過濾方法、裝置及激光雷達)	Invention Patent	PRC	CN202211057733.X	Our Company	August 31, 2022
5	Obstacle avoidance sensor and mobile robot (一種避障傳感器及移動機器人)	Utility Model Patent	PRC	CN202321360450.2	Our Company	May 31, 2023
6	Target texture recognition method, device, recognition equipment and storage medium (一種目標紋理識別方法、裝置、識別設備和存儲介質)	Invention Patent	PRC	CN202110620074.5	Our Company	June 3, 2021
7	Radar modules and robots (雷達模組及機器人)	Utility Model Patent	PRC	CN202222384567.6	Our Company	September 7, 2022
8	A transmitter, electric energy conversion device and LiDAR (一種發射器、電能轉換裝置及激光雷達)	Utility Model Patent	PRC	CN202022980985.2	Our Company	December 8, 2020
9	Recharging method, robot and storage medium (回充方法、機器人及存儲介質)	Invention Patent	PRC	CN202310786458.3	Our Company	June 30, 2023
10	A method, device and robot for distorting LiDAR point cloud data (一種激光雷達點雲數據去畸變的方法、裝置及機器人)	Invention Patent	PRC	CN202211014082.6	Our Company	August 23, 2022
11	Distance measuring device (距離測量裝置)	Utility Model Patent	PRC	CN201922395373.4	Our Company	December 26, 2019
12	Rotating seat, distance measuring device and mobile robot (旋轉座、測距裝置及移動機器人)	Invention Patent	PRC	CN202211146069.6	Our Company	September 20, 2022
13	Radar component and robot (一種雷達組件及機器人)	Utility Model Patent	PRC	CN202320989859.4	Our Company	April 19, 2023
14	A LiDAR heading angle test fixture and device (一種激光雷達航向角度測試治具及裝置)	Utility Model Patent	PRC	CN202320580064.8	Our Company	March 15, 2023
15	Optical distance measurement method and device (一種光學測距的方法及裝置)	Invention Patent	PRC	CN201710976980.2	Our Company	October 19, 2017

No.	Patent	Type of Patent	Place of Registration	Patent Number	Owner	Application Date
16	Optical distance measuring device (一種光學裝置)	Utility Model Patent	PRC	CN201721353888.2	Our Company	October 19, 2017
17	A distance error model calibration method, distance measurement method and related device (一種距離誤差模型的標定方法、測距方法及相關裝置)	Invention Patent	PRC	CN202411060062.1	Our Company	August 5, 2024
18	Ranging method, LiDAR, ranging system, robot and storage medium (測距方法、激光雷達、測距系統、機器人及存儲介質)	Invention Patent	PRC	CN202410370269.2	Our Company	March 29, 2024
19	LiDAR calibration method, device, system, LiDAR and robot (激光雷達的標定方法、裝置、系統、激光雷達及機器人)	Invention Patent	PRC	CN202210270535.5	Our Company	March 18, 2022
20	LiDAR ranging method, device, LiDAR and robot (激光雷達的測距方法、裝置、激光雷達及機器人)	Invention Patent	PRC	CN202210274320.0	Our Company	March 21, 2022
21	Voltage regulating circuit, distance measuring device and sweeping robot (一種電壓調節電路、測距裝置及掃地機器人)	Utility Model Patent	PRC	CN202420127542.4	Our Company	January 17, 2024
22	Distance measuring device and mobile robot (測距裝置以及移動機器人)	Utility Model Patent	PRC	CN202323472513.6	Our Company	December 18, 2023
23	Distance measuring device and sweeping robot	Invention Patent	the United States	US17194340	Our Company	March 8, 2021
24	ABSTANDSMESSVORRICHTUNG UND KEHRROBOTER	Invention Patent	Europe	EP19943862.3	Our Company	December 30, 2019
25	Method and device for optical distance measurement	Invention Patent	the United States	US16827662	Our Company	March 23, 2020
26	距離測定装置、レーザレーダ及び移動ロボット	Invention Patent	Japan	JP2022026236	Our Company	February 22, 2022
27	距離測定装置及び床掃除ロボット	Invention Patent	Japan	JP2021524421	Our Company	December 30, 2019
28	거리 측정 장치 및 로봇 청소기	Invention Patent	South Korea	KR1020217014141	Our Company	December 30, 2019
29	A distance measurement method, device and electronic equipment (一種測距方法、裝置以及電子設備)	Invention Patent	PRC	CN202310744894.4	Our Company	June 21, 2023
30	A laser ranging method, device, LiDAR and storage medium (一種激光測距方法、裝置、激光雷達及存儲介質)	Invention Patent	PRC	CN202211024202.0	Our Company	August 24, 2022
31	A LiDAR distorted point cloud angle recognition method, device and robot (一種激光雷達畸變點雲角度識別方法、裝置及機器人)	Invention Patent	PRC	CN202211111861.8	Our Company	September 13, 2022
32	Point cloud processing method and device for LiDAR and LiDAR (應用於激光雷達的點雲處理方法、裝置及激光雷達)	Invention Patent	PRC	CN202211020686.1	Our Company	August 24, 2022
33	回転座、測距装置及び移動ロボット	Invention Patent	Japan	JP2024557880	Our Company	June 7, 2023

Patent under Application

As of the Latest Practicable Date, we had applied for the registration of the following patents which we consider to be or may be material to our business:

No.	Patent	Type of patent	Place of Registration	Application Number	Applicant	Application Date
1	Method for filtering glass noise, LiDAR and robot (過濾玻璃噪點的方法、激光雷達及機器人)	Invention Patent	PRC	CN202311120813.X	Our Company	August 31, 2023
2	LiDAR data acquisition method, receiving device, LiDAR and robot (激光雷達的數據採集方法、接收裝置、激光雷達及機器人)	Invention Patent	PRC	CN202410996903.3	Our Company	July 24, 2024
3	Distance measurement method, distance measurement device and mobile robot (測距方法、測距裝置和移動機器人)	Invention Patent	PRC	CN202510028277.3	Our Company	January 8, 2025
4	Distance correction method, LiDAR and robot (距離矯正方法、激光雷達及機器人)	Invention Patent	PRC	CN202410513922.6	Our Company	April 26, 2024
5	Distance measuring device and robot (測距裝置及機器人)	Invention Patent	PRC	CN202380042861.3	Our Company	December 6, 2023
6	A distance measuring device and robot (一種測距裝置及機器人)	Invention Patent	PRC	CN202310550531.7	Our Company	May 15, 2023
7	BASE ROTATIVE, APPAREIL DE MESURE DE DISTANCE ET ROBOT MOBILE	Invention Patent	Europe	EP23866988.1	Our Company	June 7, 2023
8	DISTANCE MEASURING DEVICE AND SWEEPING ROBOT	Invention Patent	the United States	US18777678	Our Company	July 19, 2024
9	ROTARY BASE, RANGING DEVICE, AND MOBILE ROBOT	Invention Patent	the United States	US18929962	Our Company	October 29, 2024
10	ENTFERNUNGSMESSVORRICHTUNG UND ROBOTER	Invention Patent	Europe	EP23937297.2	Camsense Interactive	December 6, 2023
11	RANGING DEVICE AND ROBOT	Invention Patent	the United States	US19026932	Camsense Interactive	January 17, 2025
12	회전 받침대, 거리 측정 장치 및 이동 로봇	Invention Patent	South Korea	KR1020247037489	Our Company	June 7, 2023

Copyrights

As of the Latest Practicable Date, we had registered the following copyrights which we consider to be or may be material to our business:

No.	Name of Copyright	Place of Registration	Registered Owner	Registration Number	Date of Initial Announcement
1	Single-line Laser Distance Measurement and Control Software V1.0 (單線激光測距及控制軟件V1.0)	PRC	Our Company	2024SR0553798	/
2	High-Precision Laser Distance Measurement Algorithm and Control Software V1.0 (高精度激光測距算法及控制軟件V1.0)	PRC	Our Company	2022SR0740599	January 1, 2021
3	Sweeping Robot LiDAR Direct Current Motor Control System (掃地機雷達直流電機控制系統)	PRC	Our Company	2020SR0337226	January 3, 2020
4	High-Precision 6DoF Analysis Software (高精度6DoF分析軟件)	PRC	Camsense Interactive	2023SR0305606	April 1, 2022

Domain Name

As of the Latest Practicable Date, we owned the following domain name, which we consider to be or may be material to our business:

No.	Domain Name	Registration Owner	Registration date	Expiry Date
1	camsense.cn	Our Company	December 2, 2015	December 2, 2028

Save as aforesaid and disclosed in the section headed "Business — Intellectual Property Rights", as of the Latest Practicable Date, there were no other trade or service marks, patents, intellectual or industrial property rights that were material in relation to our business.

FURTHER INFORMATION ABOUT OUR DIRECTORS, CHIEF EXECUTIVE AND SUBSTANTIAL SHAREHOLDERS

Disclosure of Interest of Directors and Chief Executive

Disclosure of Interests

To the best knowledge of our Directors, save as disclosed below, immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised), none of our Directors or chief executive has any interests or short positions in the Shares, underlying Shares and debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

		Shares interested in as of the date of this prospectus			Shares interested in immediately following the completion of the Global Offering and the Conversion of Unlisted Shares into H Shares (assuming the Over-allotment Option is not exercised)			
Name of Shareholder	Nature of Interest[1]	Description of Shares	Number	% of the total share capital of our Company	Description of Shares	Number	% of shareholding in the relevant class of Shares[2]	% of the total share capital of our Company[2]
Mr. Wang Jian (王健)[3] [4]	Beneficial interest	Unlisted Shares	10,641,212	12.52%	H Shares	10,641,212	11.02%	11.02%
	Interest in the parties acting in concert	Unlisted Shares	10,344,875	12.17%	H Shares	10,344,875	10.71%	10.71%
	Interest in controlled corporations	Unlisted Shares	5,526,379	6.50%	H Shares	5,526,379	5.72%	5.72%
Mr. Zhou Kun (周琨)[3] [5]	Beneficial interest	Unlisted Shares	8,763,889	10.31%	H Shares	8,763,889	9.07%	9.07%
	Interest in the parties acting in concert	Unlisted Shares	12,222,198	14.38%	H Shares	12,222,198	12.66%	12.66%
	Interest in controlled corporations	Unlisted Shares	5,526,379	6.50%	H Shares	5,526,379	5.72%	5.72%

Notes:

(1) All interests stated are long positions.

(2) The calculation is based on the total number of 96,573,639 H Shares in issue immediately upon the completion of the Global Offering and the Conversion of Unlisted Shares into H Shares (assuming the Over-allotment Option is not exercised).

(3) On June 6, 2023, Mr. Wang, Mr. Zhou, and Mr. Liu Yi (劉屹) (**"Mr. Liu"**) (collectively, the **"Concert Parties"**) entered into the Concert Party Agreement, pursuant to which they acknowledged and confirmed their historical relationship of acting in concert since our Company's inception. They further agreed to act in concert, including exercising the voting rights of the Shares held or controlled by them, with respect to the operation and material decisions of our Company for a period extending until 36 months after our Company's initial public offering, subject to renewal. Unless otherwise agreed by all parties, such acting-in-concert arrangements shall automatically renew for a period of three years upon expiration. Please refer to "History, Development and Corporate Structure — Concert Party Agreement" for further details. Therefore, by virtue of SFO, each of Mr. Wang, Mr. Zhou and Mr. Liu is deemed to be interested in the Shares the other is interested in.

(4) As of the Latest Practicable Date, Mr. Wang was the executive and general partner of Camsense Investment and Xinle Management, and a co-general partner of Camsense Era. As such, under the SFO, Mr. Wang is deemed to be interested in the Shares held by Camsense Investment, Xinle Management and Camsense Era.

(5) As of the Latest Practicable Date, Mr. Zhou was the executive and general partner of Camsense Era and a co-general partner of Camsense Investment and Xinle Management. As such, under the SFO, Mr. Zhou is deemed to be interested in the Shares held by Camsense Investment, Xinle Management and Camsense Era.

Particulars of Service Contracts

Our Company has entered into a service agreement with each of the Directors which contains provisions in relation to, among other things, compliance of relevant laws and regulations, observations of Articles of Association and provisions on arbitration.

The principal particulars of these service agreements are: (a) each of the agreements is for a term of three years following his/her respective effective date of his/her appointment; (b) each of the agreements is subject to termination in accordance with their respective terms.

Save as disclosed above, our Company has not entered, and does not propose to enter, into any service contracts with any of the Directors in their respective capacities as Directors (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

Directors' Remuneration

For details of the Directors' remuneration, see "Directors and Senior Management — Remuneration of Directors and Five Highest Paid Individuals." and Note 9 to the Accountants' Report as set out in Appendix I.

Disclosure of Interest of Substantial Shareholders

Interests in the Shares of our Company

Save as disclosed in the section headed "Substantial Shareholders" in this prospectus, as of the Latest Practicable Date, our Directors were not aware of any persons who would, immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised), having or be deemed or taken to the beneficial interests or short position in our Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of 2 and 3 of Part XV of the SFO, or directly or indirectly be interested in 10% or more of the issued voting shares of our Company.

Interests in our Company's subsidiaries

Immediately following the completion of the Global Offering, all member companies of our Group (other than our Company) are wholly owned by our Company. As such, no person (other than our Company) will be interested, directly or indirectly, in 10% or more of share capital with the right to, in any event, vote at the general meeting of any other member (other than our Company) of our Group.

Disclaimers

None of our Directors or any of the parties listed in "— Other Information — Consents of Experts" in this appendix:

(i) is interested in our promotion, or in any assets which, within the two years immediately preceding the date of this prospectus, have been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to our Company; or

(ii) is materially interested in any contract or arrangement subsisting at the date of this prospectus that is significant in relation to our business.

SHARE INCENTIVE SCHEMES

In recognition of the contributions of, the employees of our Group, and to incentivize them to further promote our development, we adopted the pre-IPO share incentive schemes (the "**Share Incentive Schemes**"). Under the Share Incentive Schemes, eligible participants were granted partnership interest in the Employee Shareholding Platforms (the "**Incentive Awards**"). As of the date of this prospectus, our Employee Shareholding Platforms, in aggregate, hold 3,898,489 Shares, representing approximately 4.59% of our total issued Shares. For details of our Employee Shareholding Platforms, see "History, Development and Corporate Structure — Employee Shareholding Platforms."

The Share Incentive Schemes do not involve any grant of share options or awards after the Listing and therefore is not subject to the provisions of Chapter 17 of the Listing Rules. Given the underlying Shares under the Share Incentive Schemes have already been issued, there will not be any further dilution effect to the issued Shares arising from the Share Incentive Schemes.

Below is a summary of the principal terms and provisions of Share Incentive Schemes.

(i) Purpose

The Share Incentive Schemes aim to attract and retain top-tier talent for key positions of significant responsibility, provide additional incentives to selected employees, and support the growth and success of our business. By granting the Incentive Awards, these plans offer eligible participants the opportunity to acquire or increase their proprietary interest in our Company, thereby aligning their interests with the long-term success of our Company.

(ii) Eligible Participants

Persons eligible to participant in the Share Incentive Schemes include senior management and key technical personnel of our Company.

(iii) Maximum number of Shares

The maximum number of Shares underlying the Incentive Awards that may be granted under the Share Incentive Schemes is 1,920,850. As of the date of this prospectus, all Incentive Awards have been granted and vested to nine grantees, including one Director, four senior management members (excluding one executive Director who is also a senior management member) and four other employees of our Group, and are subject to certain transfer and disposal restrictions pursuant to the partnership agreement. No further grants will be made under the Share Incentive Schemes following the Listing.

(iv) Administration

The Share Incentive Schemes are administered by the Board pursuant to the authority granted under the resolutions passed by the Shareholders, and its implementation is carried out by the relevant functional departments of our Company. The selection of grantees, the number of Incentive Awards allocated to each grantee, and the specific terms and conditions governing each grant shall be determined in accordance with the resolutions approved by the Shareholders of our Company. The grantees under the Share Incentive Schemes are not able to exercise any voting rights attaching to the underlying Shares. The voting rights attaching to the Shares held by the Employee Shareholding Platforms are exercised by their executive partner, Mr. Wang Jian.

Each of the grantees is registered as a partner of the Employee Shareholding Platforms upon the grant of the Incentive Awards and is able to indirectly receive economic interest in the *pro rata* portion of the underlying Shares held by such Incentive Platform.

(v) Vesting Conditions

The vesting of the Incentive Awards is conditional upon the grantee meeting the prescribed service period and performance assessment criteria. Should the grantee fail to satisfy the service period or the performance assessment requirements, the Incentive Awards corresponding to the period during which such conditions are not fulfilled shall not vest.

OTHER INFORMATION

Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

Litigation

As of the Latest Practicable Date, we were not engaged in any litigation, arbitration or claim of material importance and no litigation arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to our Directors to be pending or threatened by or against us, that would have a material adverse effect on our financial condition or results of operations.

Joint Sponsors

As of the date of this document, approximately 1.81% of the total number of issued Shares was held by Guosen Capital Co., Ltd (國信資本有限責任公司), a wholly-owned subsidiary of Guosen Securities Co., Ltd. (國信證券股份有限公司), which is a company listed on the Shenzhen Stock Exchange (stock code: 002736). Guosen Securities (HK) Capital Company Limited, one of the Joint Sponsors, is an indirect wholly-owned subsidiary of Guosen Securities Co., Ltd. Guosen Capital Co., Ltd is thus a member of a sponsor group as defined under the Listing Rules. Notwithstanding the aforesaid, (i) none of the Joint Sponsors, their directors or their directors' close associates collectively holds and will, immediately following the completion of the Listing, hold, directly or indirectly, more than 5% of the number of issued Shares of our Company; and (ii) the Joint Sponsors, having conducted its own assessment taking into consideration the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules, considers themselves to be independent under Rule 3A.07 of the Listing Rules. Our Company has entered into engagement agreements with the Joint Sponsors, pursuant to which our Company agreed to pay an aggregate of USD700,000 to the Joint Sponsors to act as the sponsors to our Company in connection with the Listing.

The Joint Sponsors has made an application on our behalf to the Stock Exchange for the Listing of, and permission to deal in, our H Shares.

Preliminary Expenses

We did not incurred any material preliminary expenses in relation to the incorporation of our Company.

Taxation of Holder of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are effected on the H Share register of members of our Company, including in circumstances where such transaction is effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred. For further information in relation to taxation, see "Appendix III — Taxation and Foreign Exchange."

Potential investors in the Global Offering are urged to consult their professional tax advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in our H Shares (or exercising rights attached to them). None of our Company, our Directors, the Joint Sponsors, the Sponsor-OCs, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, or any other person or party involved in the Global Offering accept responsibility for any tax effects on, or liabilities of, any person, resulting from the subscription, purchase, holding or disposal of, dealing in or the exercise of any rights in relation to our H Shares.

Consents of Experts

The following experts have each given and have not withdrawn their respective written consents to the issue of this prospectus with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation under the SFO for type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities as defined under the SFO
Guosen Securities (HK) Capital Company Limited	A licensed corporation under the SFO for type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under the SFO
AllBright Law Offices (Shenzhen)	PRC legal advisers, PRC legal advisers as to data compliance and legal advisers as to PRC intellectual property laws to our Company
Ashurst Perkins Coie Tokyo (Ashurst Perkins Coie Horitsu Jimusho Gaikokuho Kyodo Jigyo)	International Sanctions Legal Advisor to our Company
China Insights Industry Consultancy Limited	Independent industry consultant
Ernst & Young	Certified Public Accountants

As of the Latest Practicable Date, save as disclosed in "— Other Information — Joint Sponsors," none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Promoters

The promoters of our Company are as follows:

No.	Name of promoters of our Company
1 . . .	Mr. Wang Jian (王健)
2 . . .	Mr. Zhou Kun (周琨)
3 . . .	Fuhai Shenwan (Shenzhen) Mobile Innovation Private Equity Venture Capital Fund Partnership Enterprise (Limited Partnership) (富海深灣(深圳)移動創新私募創業投資基金合夥企業(有限合夥))
4 . . .	Shenzhen Nanshan Dongfang Fuhai Small and Medium-sized Enterprise Venture Capital Fund Partnership (Limited Partnership) (深圳南山東方富海中小微創業投資基金合夥企業(有限合夥))
5 . . .	Smart Internet Telecom Ark (Shenzhen) Venture Capital Fund Partnership Enterprise (Limited Partnership) (智慧互聯電信方舟(深圳)創業投資基金合夥企業(有限合夥))

No.	Name of promoters of our Company
6 . . .	Shenzhen Lingrui Keystone Equity Investment Fund Partnership (L.P.) (深圳市領瑞基石股權投資基金合夥企業(有限合夥))
7 . . .	Shenzhen Pingshan Kaisheng Integrated Circuit Venture Capital Partnership Enterprise (Limited Partnership) (深圳坪山凱晟集成電路創業投資合夥企業(有限合夥))
8 . . .	Hangzhou Puhua Yuchen Equity Investment Partnership (L.P.) (杭州普華昱辰股權投資合夥企業(有限合夥))
9 . . .	Ms. Peng Peng (彭鵬)
10 . . .	Qingdao Qingdao Resonance Venture Capital Fund I L.P. (青島同歌一期創業投資基金合夥企業(有限合夥))
11 . . .	Shenzhen Camsense Investment Partnership (Limited Partnership) (深圳市歡創投資合夥企業(有限合夥))
12 . . .	Changzhou Xiyang Chengxin Venture Capital Center (Limited Partnership) (常州希揚成芯創業投資中心(有限合夥))
13 . . .	Shenzhen New Fuguo Equity Investment Enterprises (L.P.) (深圳市新富國股權投資企業(有限合夥))
14 . . .	Shanghai Puruan Chenhui Investment Center (L.P.) (上海浦軟晨匯創業投資中心(有限合夥))
15 . . .	Shenzhen Camsense Era Investment Partnership (General Partnership) (深圳市歡創時代投資合夥企業(普通合夥))
16 . . .	Mr. Liu Yi (劉屹)
17 . . .	Beijing Roborock Innovation Technology Co., Ltd. (北京石頭創新科技有限公司)
18 . . .	Guosen Capital Co., Ltd (國信資本有限責任公司)
19 . . .	Wuxi Yicun Juncheng Investment Partnership Enterprise (Limited Partnership) (無錫一村雋澄投資合夥企業(有限合夥))
20 . . .	Fuhai Jiuqian (Wuhu) Venture Capital Fund (L.P.) (富海玖仟(蕪湖)創業投資基金(有限合夥))
21 . . .	Shanghai Xuanjian Investment Center (Limited Partnership) (上海軒鑒投資中心(有限合夥))
22 . . .	Changzhou Xiyang Puxin Venture Capital Partnership (L.P.) (常州希揚璞信創業投資合夥企業(有限合夥))
23 . . .	Shanghai Pu Yang Venture Capital Center (L.P.) (上海普揚創業投資中心(有限合夥))
24 . . .	Shenzhen Tianle Investment Consulting Partnership (Limited Partnership) (深圳添樂投資顧問合夥企業(有限合夥))
25 . . .	Shenzhen Nanshan Shanghua Hongtu Double Innovation Equity Investment Fund Partnership Enterprise (Limited Partnership) (深圳南山上華紅土雙創股權投資基金合夥企業(有限合夥))
26 . . .	Qianhai Equity Investment Fund (LP) (前海股權投資基金(有限合夥))

No.	Name of promoters of our Company
27 . . .	Dongguan Xiyang Venture Capital Partnership (Limited Partnership) (東莞希揚創業投資合夥企業(有限合夥))
28 . . .	Gongqing City Zhonghang Kaisheng No. 5 Venture Capital Partnership Enterprise (Limited Partnership) (共青城中航凱晟伍號創業投資合夥企業(有限合夥))
29 . . .	Jiaxing Zhongdian Aijia Investment Partnership Enterprise (Limited Partnership) (嘉興中電艾伽投資合夥企業(有限合夥))
30 . . .	Shenzhen Nanling Huiye Strategic Emerging Industry Equity Investment Fund Partnership (L.P.) (深圳南嶺慧業戰略新興產業股權投資基金合夥企業(有限合夥))
31 . . .	Shanghai Baichen Entrepreneurship Investment Center (Limited Partnership) (上海百晨創業投資中心(有限合夥))
32 . . .	Changsha Xiyang Liangxin Venture Capital Partnership (Limited Partnership) (長沙希揚量芯創業投資合夥企業(有限合夥))
33 . . .	Zhongyuan Qianhai Equity Investment Fund (L.P.) (中原前海股權投資基金(有限合夥))
34 . . .	Shenzhen Zhicheng Shuzhi No. 10 Venture Capital Partnership (Limited Partnership) (深圳市智城數智十號創業投資合夥企業(有限合夥))
35 . . .	Shenzhen Xinle Management Consulting Partnership (Limited Partnership) (深圳市欣樂管理諮詢合夥企業(有限合夥))
36 . . .	Mr. Yang Xi (楊希)
37 . . .	Shenzhen Haojun Bank Syndicate Equity Investment Enterprise (Limited Partnership) (深圳市昊駿銀團股權投資企業(有限合夥))

Save as disclosed in the section headed "History, Development and Corporate Structure," within the two years immediately preceding the date of this prospectus, no cash, securities, amount or benefit has been paid, allotted or given, or has been proposed to be paid, allotted or given, to any of the promoters named above in connection with the Global Offering or the related transactions described in this prospectus.

Bilingual Document

The English language and Chinese language versions of this prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

Binding Effect

This prospectus shall have the effect, if an application is made in pursuance of this prospectus, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in so far as applicable.

No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our financial, trading position or prospects since March 31, 2026, being the date of our combined financial statements as set out in "Appendix I — Accountants' Report," up to the date of this prospectus.

Miscellaneous

In connection with the Global Offering.

(i) within the two years immediately preceding the date of this prospectus:

  (a) no Share or loan capital of our Company or any of its subsidiaries has been issued nor agreed to be issued fully or partly paid either for cash or for a consideration other than cash; and

  (b) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any Share or loan capital of our Company or any of our subsidiaries;

(ii) no Share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option;

(iii) there are no arrangements under which future dividends are waived or agreed to be waived;

(iv) there are no procedures for the exercise of any right of pre-emption or transferability of subscription rights;

(v) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months;

(vi) no part of the equity or debt securities of our Company or any member of our Group, if any, is currently listed on or dealt in on any stock exchange or trading system, and no such listing or permission to list on any stock exchange other than the Hong Kong Stock Exchange is currently being or agreed to be sought; and

(vii) our Company has no outstanding convertible debt securities or debentures.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus and delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

(a) the written consents referred to in "Appendix VI — Statutory and General Information — Other Information — Consents of Experts;" and

(b) a copy of the material contracts referred to in "Appendix VI — Statutory and General Information — Further Information about Our Business — Summary of Material Contracts."

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the Stock Exchange's website at **www.hkexnews.hk** and our Company's website at **www.camsense.cn** during a period of 14 days from the date of this prospectus:

(a) the Articles of Association;

(b) the Accountants' Report from Ernst & Young, the text of which is set out in Appendix I to this prospectus;

(c) the audited financial statements of our Group for the three years ended December 31, 2025 and the three months ended March 31, 2026;

(d) the report on unaudited pro forma financial information of our Group from Ernst & Young, the text of which is set out in Appendix II to this prospectus;

(e) the legal opinions issued by AllBright Law Offices (Shenzhen), our PRC Legal Advisors in respect of certain matters of our Group in the PRC;

(f) the legal memoranda issued by Ashurst Perkins Coie Tokyo (Ashurst Perkins Coie Horitsu Jimusho Gaikokuho Kyodo Jigyo), our International Sanctions Legal Advisor;

(g) the industry report prepared by CIC, the summary of which is set forth in "Industry Overview;"

(h) a copy of each of the PRC Company Law, the PRC Securities Law, the Guidelines on the Articles of Association of Listed Companies issued by the CSRC together with their unofficial English translations;

(i) the material contracts referred to in "Appendix VI — Statutory and General Information — Further Information about Our Business — Summary of Material Contracts;"

(j) the written consents referred to in "Appendix VI — Statutory and General Information — Other Information — Consents of Experts;" and

(k) the service contracts referred to in "Appendix VI — Statutory and General Information — Further Information about Our Directors, Chief Executive and Substantial Shareholders — Disclosure of Interest of Directors and Chief Executive — Particulars of Service Contracts."

Shenzhen Camsense Technologies Co., Ltd.

深圳市歡創科技股份有限公司